Cultivator Application – Filing Packet Notarized Cover Sheet

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

<table>
<thead>
<tr>
<th>Acknowledgement and Notarized Signature</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ 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.</td>
</tr>
<tr>
<td>☐ 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.</td>
</tr>
<tr>
<td>☐ 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.</td>
</tr>
</tbody>
</table>

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>
<th>Fire Rock Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Name</td>
<td>M.I.</td>
</tr>
<tr>
<td>Peter</td>
<td></td>
</tr>
<tr>
<td>Signature</td>
<td></td>
</tr>
<tr>
<td>Application Assistance Information</td>
<td></td>
</tr>
<tr>
<td>Name of Company Providing Application Assistance (If individuals, please provide information below)</td>
<td>Pistil and Stigma Inc.</td>
</tr>
<tr>
<td>First Name</td>
<td>M.I.</td>
</tr>
<tr>
<td>Rebecca</td>
<td></td>
</tr>
<tr>
<td>Address</td>
<td></td>
</tr>
<tr>
<td>250 Bell Street</td>
<td></td>
</tr>
<tr>
<td>Reno NV 89503</td>
<td></td>
</tr>
<tr>
<td>Type of Compensation for Services (e.g., future interest, equity stake, reoccurring payment, etc.)</td>
<td>Payment for Application Assistance. No Financial Interest in Cultivator.</td>
</tr>
<tr>
<td>Signature of Responsible Party</td>
<td></td>
</tr>
</tbody>
</table>

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

(SEAL)

DALE BOCHENSKI
Notary Public - State of Nevada
Appointment Recorded in Washoe County
No: 07-4000-2 - Expires September 30, 2019

DALE BOCHENSKI
Notary Public

MMCP-C-1001A (v1.1), Ohio Cultivator Application – Filing/Identifiers
Page 2 of 24
<table>
<thead>
<tr>
<th>Business Represented:</th>
<th>Fire Rock Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Name</td>
<td>Matthew</td>
</tr>
<tr>
<td>M.I.</td>
<td>P</td>
</tr>
<tr>
<td>Last Name</td>
<td>Noyes</td>
</tr>
<tr>
<td>Signature</td>
<td></td>
</tr>
<tr>
<td>Application Assistance Information</td>
<td></td>
</tr>
<tr>
<td>Name of Company Providing Application Assistance (If individuals, please provide information below)</td>
<td>The Phillips Organization</td>
</tr>
<tr>
<td>First Name</td>
<td>Carolyn</td>
</tr>
<tr>
<td>M.I.</td>
<td></td>
</tr>
<tr>
<td>Last Name</td>
<td>Correll</td>
</tr>
<tr>
<td>Address</td>
<td>3924 Cleveland Ave NW</td>
</tr>
<tr>
<td></td>
<td>Canton, OH 44709</td>
</tr>
<tr>
<td>Type of Compensation for Services (e.g., future interest, equity stake, reoccurring payment, etc.)</td>
<td>Fee for accounting work performed. No financial interest in cultivator.</td>
</tr>
<tr>
<td>Signature of Responsible Party</td>
<td></td>
</tr>
</tbody>
</table>

Subscribed and sworn to before me this __________ day of ____________, 20 ___.

(SEAL)

NOTARY PUBLIC
Business Represented: Fire Rock Ltd.

First Name: Matthew  M.I.P  Last Name: Noyes

Signature: [Signature]

Application Assistance Information
Name of Company Providing Application Assistance (If individuals, please provide information below)
Securitas Electronic Security Inc.

First Name: Christopher  M.I.: B  Last Name: Wilson

Address:
3800 Tans Drive
Uniontown Ohio 44685

Type of Compensation for Services (e.g., future interest, equity stake, reoccurring payment, etc.)
Fee for work performed. No financial interest in cultivator

Signature of Responsible Party: [Signature]

Subscribed and sworn to before me this _______ day of ____________, 20___.

(SEAL)

NOTARY PUBLIC
**Business Represented:** Fire Rock Ltd.

<table>
<thead>
<tr>
<th>First Name</th>
<th>M.I.</th>
<th>Last Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matthew</td>
<td></td>
<td>Noyes</td>
</tr>
</tbody>
</table>

**Signature**

**Application Assistance Information**

Name of Company Providing Application Assistance (If individuals, please provide information below)

Ohio Security & Protection Solutions, LLC

<table>
<thead>
<tr>
<th>First Name</th>
<th>M.I.</th>
<th>Last Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dean</td>
<td></td>
<td>Boerger</td>
</tr>
</tbody>
</table>

**Address**

1580 King Avenue, Suite 103
Columbus Ohio 43212

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

Fee for work performed. No financial interest in cultivator

**Signature of Responsible Party**

Subscribed and sworn to before me this ______ day of ____________, 20__.  

(SEAL)  

NOTARY PUBLIC
<table>
<thead>
<tr>
<th><strong>Business Represented:</strong></th>
<th>Fire Rock Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>First Name</strong></td>
<td>Matthew</td>
</tr>
<tr>
<td><strong>M.I.</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Last Name</strong></td>
<td>Noyes</td>
</tr>
<tr>
<td><strong>Signature</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Application Assistance Information</strong></td>
<td></td>
</tr>
<tr>
<td>Name of Company Providing Application Assistance (If individuals, please provide information below)</td>
<td>Green Coast Hydroponics</td>
</tr>
<tr>
<td><strong>First Name</strong></td>
<td>Dylan</td>
</tr>
<tr>
<td><strong>M.I.</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Last Name</strong></td>
<td>Brannon</td>
</tr>
<tr>
<td><strong>Address</strong></td>
<td>2405 Mira Mar Ave</td>
</tr>
<tr>
<td></td>
<td>Long Beach, CA 90815</td>
</tr>
<tr>
<td><strong>Type of Compensation for Services (e.g., future interest, equity stake, reoccurring payment, etc.)</strong></td>
<td>Fee for work performed. No financial interest in Cultivator.</td>
</tr>
<tr>
<td><strong>Signature of Responsible Party</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Subscribed and sworn to before me this _______ day of ____________, 20___.

(SEAL)

NOTARY PUBLIC
<table>
<thead>
<tr>
<th>Business Represented:</th>
<th>Fire Rock Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Name</td>
<td>Matthew</td>
</tr>
<tr>
<td>M.I.</td>
<td>P</td>
</tr>
<tr>
<td>Last Name</td>
<td>Noyes</td>
</tr>
<tr>
<td>Signature</td>
<td></td>
</tr>
<tr>
<td>Application Assistance Information</td>
<td>CannaSure Insurance Services LLC</td>
</tr>
<tr>
<td>First Name</td>
<td>Francesca</td>
</tr>
<tr>
<td>M.I.</td>
<td></td>
</tr>
<tr>
<td>Last Name</td>
<td>Piccirillo</td>
</tr>
<tr>
<td>Address</td>
<td>1991 Crocker Rd, Suite 320</td>
</tr>
<tr>
<td></td>
<td>Cleveland Ohio 44145</td>
</tr>
<tr>
<td>Type of Compensation</td>
<td>Fee for work performed. No financial interest in cultivator.</td>
</tr>
<tr>
<td>Signature of Responsible Party</td>
<td></td>
</tr>
</tbody>
</table>

Subscribed and sworn to before me this _______ day of ____________, 20__.

(SEAL)

NOTARY PUBLIC
## Medical Marijuana Control Program (MMCP)

**Business Represented:** Fire Rock Ltd.

<table>
<thead>
<tr>
<th>First Name</th>
<th>M.I.</th>
<th>Last Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matthew</td>
<td></td>
<td>Noyes</td>
</tr>
</tbody>
</table>

**Signature**

**Application Assistance Information**

Name of Company Providing Application Assistance (If individuals, please provide information below)

Mika Design Group, Inc.

<table>
<thead>
<tr>
<th>First Name</th>
<th>M.I.</th>
<th>Last Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mikaela</td>
<td></td>
<td>Nagler</td>
</tr>
</tbody>
</table>

**Address**

12133 Viewcrest Road
Studio City, CA 91604

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

Fee for work performed. No financial interest in cultivator.

**Signature of Responsible Party**

**Subscribed and sworn to before me this ______ day of ____________, 20___.

(SEAL)

NOTARY PUBLIC
<table>
<thead>
<tr>
<th>Business Represented:</th>
<th>Fire Rock Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Name</td>
<td>Matthew</td>
</tr>
<tr>
<td>M.I.</td>
<td>P</td>
</tr>
<tr>
<td>Last Name</td>
<td>Noyes</td>
</tr>
<tr>
<td>Signature</td>
<td></td>
</tr>
<tr>
<td>Application Assistance Information</td>
<td></td>
</tr>
<tr>
<td>Name of Company Providing Application Assistance (If individuals, please provide information below)</td>
<td>Ogden Page Accountancy Corporation</td>
</tr>
<tr>
<td>First Name</td>
<td>Ogden</td>
</tr>
<tr>
<td>M.I.</td>
<td>C</td>
</tr>
<tr>
<td>Last Name</td>
<td>Page</td>
</tr>
</tbody>
</table>
| Address              | 1427 North Wilcox Avenue  
Hollywood CA 90028 |
| Type of Compensation for Services (e.g., future interest, equity stake, reoccurring payment, etc.) | Fee for work performed. No financial interest in cultivator. |
| Signature of Responsible Party |               |

Subscribed and sworn to before me this.

(Seal)

Ogden Page Accountancy Corporation
A Professional Corporation

OGDEN C. PAGE, MBA, PhD
EA, CPA, CGMA, PFS, CFP, CDFIA, CCFC, CVA, CWPP, CAPP
Notary Public
Tel: (323) 962-2550  1427 North Wilcox Avenue
Fax: (323) 962-2010 Hollywood, CA 90028-8123
ogdenpage@msn.com
www.ogdenpage.com
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).

**IA Business Entity and Contact Information Form**

<table>
<thead>
<tr>
<th>Business Entity Information</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Legal Name of Applicant (3796:2-1-02(B)(2)(a)):</td>
<td>Fire Rock Ltd.</td>
</tr>
<tr>
<td>2. Trade Name of Applicant:</td>
<td>Fire Rock Ltd.</td>
</tr>
<tr>
<td>3. Type of Organization/ Applicant Business Type (3796:2-1-02(B)(2)(b)):</td>
<td></td>
</tr>
<tr>
<td>Individual/Sole Proprietorship</td>
<td>Corporation</td>
</tr>
<tr>
<td>4. Ohio Secretary of State Business Identification Number (3796:2-1-02(B)(2)(c)):</td>
<td>4019045</td>
</tr>
<tr>
<td>5. Business Address:</td>
<td>5222 Glen Elm Circle</td>
</tr>
<tr>
<td>6. City:</td>
<td>Massillon</td>
</tr>
<tr>
<td>7. State:</td>
<td>OH</td>
</tr>
<tr>
<td>8. Zip Code:</td>
<td>44646</td>
</tr>
<tr>
<td>9. Proposed Facility Physical Address (if different than above) (3796:2-1-02(B)(2)(d)):</td>
<td>1076 Home Ave</td>
</tr>
<tr>
<td>10. City (if different than above):</td>
<td>Akron</td>
</tr>
<tr>
<td>11. State:</td>
<td>Ohio</td>
</tr>
<tr>
<td>12. Zip Code:</td>
<td>44310</td>
</tr>
<tr>
<td>13. Business Phone Number:</td>
<td>614-638-6099</td>
</tr>
<tr>
<td>14. Email Address:</td>
<td><a href="mailto:firerockltd@gmail.com">firerockltd@gmail.com</a></td>
</tr>
</tbody>
</table>

**Primary Contact or Registered Agent Information**

<table>
<thead>
<tr>
<th>15. First Name</th>
<th>16. M.I.</th>
<th>17. Last Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matthew</td>
<td>P</td>
<td>Noyes</td>
</tr>
</tbody>
</table>

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

**CEO/Owner**

| 19. Mailing Address (if different than Business Address): |  |
| 20. City: |  |
|----------|--------------|-----------------|
|          |              |                 |

24. Email Address (if different than Business Email):

(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>Peter</td>
<td>I</td>
<td>Pantelides</td>
</tr>
</tbody>
</table>

28. Title (i.e., Owner, President, etc.)

**COO/Owner**

<table>
<thead>
<tr>
<th>29. Mailing Address (if different than Business Address):</th>
<th>30. City:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</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>

34. Email Address (if different than Business Email):

Identifying Tax Information

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

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

39. Other Accounts at the Department of Taxation
I, Jon Husted, do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign business entities; that said records show FIRE ROCK LTD., an Ohio For Profit Limited Liability Company, Registration Number 4019045, was organized within the State of Ohio on April 18, 2017, is currently in FULL FORCE AND EFFECT upon the records of this office.

Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 6th day of June, A.D. 2017.

Ohio Secretary of State

Validation Number: 201715701902
**Ohio Department of Commerce**

**Medical Marijuana Control Program (MMCP)**

**1B Liquid Assets Form**

3796:2-1-03(A)(1), 3796:2-1-03(B)(5)(c)

<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><strong>Fire Rock Ltd. (Matthew Noyes MD, CEO)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>To be Completed by Applicant or CPA</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ 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.</td>
</tr>
<tr>
<td>-OR-</td>
</tr>
<tr>
<td>☐ 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.</td>
</tr>
</tbody>
</table>

Date of Certification (must be within 30 days of Application submission) (3796:2-1-03(B)(5)(c)(ii).):

**5/22/2017**

<table>
<thead>
<tr>
<th>Printed Name of CPA or Applicant</th>
<th>CPA Company Name (if applicable)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Carolyn Correll</strong></td>
<td><strong>The Phillips Organization</strong></td>
</tr>
</tbody>
</table>

Phone Number: 330-493-3928  
Signature: Carolyn Correll

Subscribed and sworn to before me this 22nd day of May, 2017.

(SIGNATURE)

**Debra S. Fink**  
NOTARY PUBLIC FOR THE STATE OF OHIO  
My Commission Expires January 5, 2022
To be Completed by Applicant

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

Fire Rock Ltd.

☐ 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.

-OR-

☐ 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.

Date: 6/5/17
Signature: [Signature]

Subscribed and sworn to before me this 5th day of June, 2017.

(SEAL)

ERIK R. BUTT
Notary Public, State of Ohio
My Comm. Expires April 14, 2019
Recorded in Stark County

NOTARY PUBLIC
2017 – 2018
Commercial Package Policy
Insurance Proposal

Prepared for:
Fire Rock Ltd
5222 Glen Elm Cir NW
Massillon, OH 44646

Prepared by:
CANNASURE INSURANCE SERVICES 1991
Crocker Road, Suite 320 Cleveland, Ohio
44145
P 800.420.5757 F 800.420.1975
CA License # 0H30190

Jun 06, 2017
**QUOTE INFORMATION**

**Named Insured:** Fire Rock Ltd

**Insurance Carrier:** Conifer Insurance Company; A.M. Best Rating: B++ (Good) VI

**Admitted:** No

**Coverage:** General Liability, Property, Product Liability

**Policy Period:** 12 Months

**Premium:** $28,156.00

**Fees:**
- Carrier Policy Fee $250.00
- Administrative Fee $350.00

**Taxes:** $1,420.30

**Total:** $30,176.30 Excluding Terrorism*

* Terrorism coverage is excluded, but coverage can be added for an additional premium. See TRIA Form.

---

**25% Minimum Earned Premium**

**PLEASE MAKE YOUR CHECK PAYABLE TO:** CIS INSURANCE SERVICES, LLC

**PLEASE MAIL PAYMENT TO:** 1991 Crocker Road, Suite 320
Cleveland, OH 44145
SUBJECTIVITIES — ALL SUBJECTIVITIES REQUIRED PRIOR TO BINDING:

- Confirm all construction/renovations are complete and insured is operational
- Marijuana Risk Warranty Form 1 signed and dated by the insured
- Marijuana Risk Warranty Form 2 signed and dated by the insured
- Notice of Surplus Lines Placement To Insured signed and dated
- Completed and signed TRIA Acceptance or Rejection form required
- Completed, signed & dated Bind Request Form
- Signed and dated Surplus Lines Placement and Fee Agreement- Cannasure
- Favorable Loss Control Inspection (within 30 days of the effective date)
- Insured must initial next to Premium Finance cancellation notice acknowledging they have read and understood (bind order request page)
- Confirmation deposit or full term premium—scanned copy of check required prior to binding

Consult the policy for all specific terms and conditions and complete policy exclusions

PLEASE NOTE THAT WE WILL NOT PRESENT A BIND REQUEST TO THE CARRIER UNTIL ALL UNDERWRITING CONDITIONS ARE MET AND PAYMENT IS RECEIVED. THE CARRIER DOES NOT CONSIDER COVERAGE BOUND UNTIL CONFIRMED IN WRITING.
COMMERCIAL LINES QUOTE
Quote is valid for 30 days (until 7/6/2017)

Named Insured and Mailing Address:
Fire Rock Ltd.

<table>
<thead>
<tr>
<th>INSURED TYPE:</th>
<th>Other</th>
</tr>
</thead>
</table>


This Quote consists of the following Coverage Parts for which a premium is indicated. This premium may be subject to adjustment.

<table>
<thead>
<tr>
<th>Coverage Parts</th>
<th>Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Property Coverage Part</td>
<td>$18,159.00</td>
</tr>
<tr>
<td>Commercial General Liability Coverage Part</td>
<td>$4,997.00</td>
</tr>
<tr>
<td>Commercial Liquor Liability Coverage Part</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Commercial Medical Malpractice Coverage Part</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Commercial Auto Coverage Part</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Commercial Inland Marine Coverage Part</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Director and Officers Liability Coverage Part</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Commercial Product Liability Coverage Part</td>
<td>$5,000.00</td>
</tr>
<tr>
<td>Glass</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Taxes and Fees</td>
<td>$2,020.30</td>
</tr>
</tbody>
</table>

**Total Quote Premium** $30,176.30

Responsible Agent of Record:
Cannasure Insurance Services, LLC. (000619)
1991 Crocker Road
Suite 320
Westlake, OH 44145
(800) 420-5757
**Forms and Endorsements:**

- CICS0S (06-14) Service of Suit
- CICPRIV01 (10-15) Privacy Policy
- IL0003 (07-02) Calculation of Premium
- IL0017 (11-98) Common Policy Conditions
- IL0244 (09-07) Ohio Changes - Cancellation and NonRenewal
- Marijuana Risk Warranty

*Limits and/or coverages provided on this quote may differ from those requested on the application.*
NOTICE OF SURPLUS LINES PLACEMENT TO INSURED
CONIFER INSURANCE COMPANY
PLEASE READ IT CAREFULLY

Notice to Insured:
I hereby affirm that, prior to the placement of the insurance coverage with Conifer Insurance Company, a surplus lines insurer, I have been advised that:

(i) The insurer with which the surplus lines broker places the insurance is not licensed by my state and may not be subject to its supervision; and

(ii) In the event of insolvency of the surplus lines insurer, losses will not be paid by my state insurance guaranty association.

NOTICE OF POLICY FEE
Furthermore, I hereby affirm that, I have been advised that the non-refundable policy fee referenced below has been charged by the Agent and is part of the insurance contract. I also affirm that said fee is reasonable.

Amount of Policy Fee: $250

__________________________________________  ________________________________
Signature of Named Insured                    Date
**COMMERCIAL PROPERTY QUOTE**

Cannasure Insurance Services, LLC.
1991 Crocker Road
Suite 320
Westlake, OH 44145
(800) 420-5757

**Named Insured:** Fire Rock Ltd.

**DBA:**

**Mailing Address:**

5/25/2017 to 5/25/2018 at 12:01 A.M. Standard Time at your mailing address above.

**Policy Period:**

### DESCRIPTION OF PREMISES

<table>
<thead>
<tr>
<th>Prem. No.</th>
<th>Bldg. No.</th>
<th>Location</th>
<th>Construction</th>
<th>Occupancy</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>1076 Home Ave</td>
<td>Masonry</td>
<td>0567 - Mercantile</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Akron, OH 44310</td>
<td></td>
<td>Sole Occupancy Only</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>– Not Otherwise Classified</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>– Moderate Susceptibility</td>
</tr>
</tbody>
</table>

### COVERSAGES PROVIDED

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>Building</td>
<td>$350,000</td>
<td>Special Form</td>
<td>80%</td>
<td>$0</td>
<td>$2,500</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Personal Property</td>
<td>$150,000</td>
<td>Special Form</td>
<td>80%</td>
<td>$0</td>
<td>$2,500</td>
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<tr>
<td></td>
<td></td>
<td>Business Income</td>
<td>$1,200,000</td>
<td>Special Form</td>
<td>70%</td>
<td>Included</td>
<td>$2,500</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Finished Stock</td>
<td>$200,000</td>
<td>Special Form</td>
<td></td>
<td>$3,000</td>
<td>$2,500</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Crop Coverage</td>
<td>$500,000</td>
<td>Special Form</td>
<td></td>
<td>$10,000</td>
<td>$2,500</td>
</tr>
</tbody>
</table>

Finished Stock means mature marijuana plant material no longer in the growing medium which has been completely processed and is ready for sale.

Crop:

Living Plant Material means marijuana seeds, immature marijuana seedlings, marijuana plants in the vegetative growth stage and mature flowering marijuana plants rooted in growing medium.

Harvested Plant Material means mature marijuana plant material no longer in the growing medium which are in the process of being dried for medicinal purposes.

*If Extra Expense Coverage, Limits On Loss Payment*
### OPTIONAL COVERAGES

Applicable Only When Entries Are Made In The Schedule Below

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>05/25/2018</td>
<td>Finished Stock</td>
<td>$200,000.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>1</td>
<td>05/25/2018</td>
<td>Crop Coverage</td>
<td>$500,000.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Inflation Guard (%)</th>
<th><strong>Monthly Limit Of</strong></th>
<th>Maximum Period</th>
<th>**Extended Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bldg.</td>
<td>Pers. Prop.</td>
<td>Indemnity (Fraction)</td>
<td>Of Indemnity (X)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

**Applies to Business Income Only**

### MORTGAGEHOLDERS

<table>
<thead>
<tr>
<th>Prem. No.</th>
<th>Bldg. No.</th>
<th>Mortgageholder Name And Mailing Address</th>
</tr>
</thead>
</table>
**FORMS APPLICABLE**

Forms and Endorsements made part of this policy at time of issue:

<table>
<thead>
<tr>
<th>Description</th>
<th>Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>CP0010 (06-07) Building and Personal Property Coverage Form</td>
<td></td>
</tr>
<tr>
<td>CP0090 (07-88) Commercial Property Conditions</td>
<td></td>
</tr>
<tr>
<td>CP0140 (07-06) Exclusion of Loss due to Virus or Bacteria</td>
<td></td>
</tr>
<tr>
<td>CP1032 (08-08) Water Exclusion Endorsement</td>
<td></td>
</tr>
<tr>
<td>IL0031 (01-06) Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism</td>
<td></td>
</tr>
<tr>
<td>IL0935 (07-02) Exclusion of Certain Computer Related Losses</td>
<td></td>
</tr>
<tr>
<td>IL0953 (01-15) Exclusion of Certified Acts of Terrorism</td>
<td></td>
</tr>
<tr>
<td>CICP02 (03-16) Evergreen Property Extension Plus</td>
<td>$125</td>
</tr>
<tr>
<td>CICP07 (05-16) Non-Structural Hail Loss Limitation Endorsement</td>
<td></td>
</tr>
<tr>
<td>CICPOH07 (05-16) Non-Structural Hail Loss Limitation Endorsement</td>
<td></td>
</tr>
<tr>
<td>CIHC03 (08-15) Crop Coverage Form</td>
<td></td>
</tr>
<tr>
<td>CIHC04 (08-15) Finished Stock Coverage Form</td>
<td></td>
</tr>
<tr>
<td>CP0123 (04-08) Ohio Changes</td>
<td></td>
</tr>
<tr>
<td>CIEB01 (05-11) Equipment Breakdown Coverage</td>
<td></td>
</tr>
<tr>
<td>CIEB02 (05-11) Equipment Breakdown Coverage Schedule</td>
<td>$564</td>
</tr>
<tr>
<td>CP0030 (06-07) Business Income Including Extra Expense Coverage Form</td>
<td></td>
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<tr>
<td>CP1030 (06-07) Causes of Loss - Special Form</td>
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<tr>
<td>CP1211 (10-00) Burglary and Robbery Protective Systems</td>
<td></td>
</tr>
<tr>
<td>IL0415 (04-98) Protective Safeguards Endorsement</td>
<td></td>
</tr>
</tbody>
</table>

**Limits and/or coverages provided on this quote may differ from those requested on the application.**
COMMERCIAL GENERAL LIABILITY

COMMERCIAL GENERAL LIABILITY QUOTE

Cannasure Insurance Services, LLC.
1991 Crocker Road
Suite 320
Westlake, OH 44145
(800) 420-5757

Named Insured: Fire Rock Ltd.

DBA: 

Mailing Address: 


LIMITS OF INSURANCE

<table>
<thead>
<tr>
<th>Occurrence Form</th>
<th>Each Occurrence Limit</th>
<th>$1,000,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Aggregate Limit</td>
<td>$2,000,000</td>
<td></td>
</tr>
<tr>
<td>Personal &amp; Advertising Injury Limit</td>
<td>$1,000,000</td>
<td></td>
</tr>
<tr>
<td>Any one person or organization</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Damage to Premises</td>
<td>$100,000</td>
<td></td>
</tr>
<tr>
<td>Any one premises</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Products/Completed Operations Aggregate Limit</td>
<td>Excluded</td>
<td></td>
</tr>
<tr>
<td>Medical Expense Limit</td>
<td>$5,000</td>
<td></td>
</tr>
<tr>
<td>Any one person</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

DESCRIPTION OF BUSINESS

FORM OF BUSINESS:
- [ ] Individual
- [ ] Partnership
- [ ] Corporation
- [ ] LLC
- [ ] Joint Venture
- [x] Other

ALL PREMISES YOU OWN, RENT OR OCCUPY

<table>
<thead>
<tr>
<th>Loc #</th>
<th>DBA</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>1076 Home Ave</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Akron, OH 44310</td>
</tr>
</tbody>
</table>

CLASSIFICATION AND PREMIUM

<table>
<thead>
<tr>
<th>Loc #</th>
<th>Item #</th>
<th>Class Code</th>
<th>Premium</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>97047 - Landscape Gardening</td>
<td>Included</td>
</tr>
</tbody>
</table>
Forms and Endorsements made part of this policy at time of issue:

<table>
<thead>
<tr>
<th>Description</th>
<th>Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>CG0001 (12-07) Commercial General Liability Form</td>
<td></td>
</tr>
<tr>
<td>CG0068 (05-09) Recording and Distribution of Material or Information In Violation of Law Exclusion</td>
<td></td>
</tr>
<tr>
<td>CG2101 (11-85) Exclusion - Athletics or Sports Participants</td>
<td></td>
</tr>
<tr>
<td>CG2106 (05-14) Exclusion - Access or Disclosure of Confidential or Personal Information and Data - Related Liability - with Limited Bodily Injury Exception</td>
<td></td>
</tr>
<tr>
<td>CG2109 (06-15) Exclusion - Unmanned Aircraft</td>
<td></td>
</tr>
<tr>
<td>CG2146 (07-98) Abuse or Molestation Exclusion</td>
<td></td>
</tr>
<tr>
<td>CG2147 (12-07) Employment-Related Practices Exclusion</td>
<td></td>
</tr>
<tr>
<td>CG2149 (09-99) Total Pollution Exclusion</td>
<td></td>
</tr>
<tr>
<td>CG2166 (06-15) Exclusion - Volunteer Workers</td>
<td></td>
</tr>
<tr>
<td>CG2167 (12-04) Fungi and Bacteria Exclusion</td>
<td></td>
</tr>
<tr>
<td>CG2173 (01-15) Exclusion of Certified Acts of Terrorism</td>
<td></td>
</tr>
<tr>
<td>CG2175 (01-15) Exclusion of Certified Acts of Terrorism and Exclusion Of Other Acts of Terrorism Committed Outside The United States</td>
<td></td>
</tr>
<tr>
<td>CG2176 (01-15) Exclusion of Punitive Damages as a Result of Certified Acts of Terrorism</td>
<td></td>
</tr>
<tr>
<td>CG2186 (12-04) Exclusion - Exterior Insulation and Finish Systems</td>
<td></td>
</tr>
<tr>
<td>CG2196 (03-05) Silica or Silica-Related Dust Exclusion</td>
<td></td>
</tr>
<tr>
<td>CIGL01 (04-10) Exclusion - Lead Paint</td>
<td></td>
</tr>
<tr>
<td>CIGL02 (04-10) Exclusion - Asbestos</td>
<td></td>
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<tr>
<td>CIGL05 (04-11) Animals Exclusion</td>
<td></td>
</tr>
<tr>
<td>CIGL32 (01-14) Minimum Earned Premium Endorsement</td>
<td></td>
</tr>
<tr>
<td>CIGL34 (08-14) Firearms Exclusion</td>
<td></td>
</tr>
<tr>
<td>CIHC01 (10-15) Biological or Chemical Materials Exclusion</td>
<td></td>
</tr>
<tr>
<td>CIHC02 (08-15) Seepage And/Or Pollution And/Or Contamination Exclusion</td>
<td></td>
</tr>
<tr>
<td>IL0021 (09-08) Nuclear Energy Liability Exclusion Endorsement</td>
<td></td>
</tr>
<tr>
<td>CG2104 (11-85) Products/Completed Operations Hazard Exclusion</td>
<td></td>
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<tr>
<td>CG2116 (07-98) Exclusion-Designated Professional Services</td>
<td></td>
</tr>
<tr>
<td>CG2144 (07-98) Limitation of Coverage to Designated Premises</td>
<td></td>
</tr>
<tr>
<td>CIGL03 (09-10) Exclusion - Assault &amp; Battery</td>
<td></td>
</tr>
</tbody>
</table>

Limits and/or coverages provided on this quote may differ from those requested on the application.
IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE STATED IN THIS POLICY.

<table>
<thead>
<tr>
<th>LIMITS OF INSURANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Each Occurrence Limit</td>
</tr>
<tr>
<td>General Aggregate Limit</td>
</tr>
</tbody>
</table>

DESCRIPTION OF BUSINESS

FORM OF BUSINESS:
- [ ] Individual
- [ ] Partnership
- [ ] Corporation
- [ ] LLC
- [ ] Joint Venture
- [x] Other

ALL PREMISES YOU OWN, RENT OR OCCUPY

<table>
<thead>
<tr>
<th>Loc #</th>
<th>DBA</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>1076 Home Ave Akron, OH 44310</td>
</tr>
</tbody>
</table>
### COMMERCIAL PRODUCT LIABILITY QUOTE

#### ENDORSEMENTS

Forms and Endorsements made part of this policy at time of issue:

<table>
<thead>
<tr>
<th>Description</th>
<th>Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIHC05 (10-15) Ohio Cannabis Operations Products-Completed Operations Liability Policy</td>
<td>$5,000</td>
</tr>
</tbody>
</table>

Limits and/or coverages provided on this quote may differ from those requested on the application.
DISCLOSURE TO OUR POLICYHOLDERS
ABOUT TERRORISM INSURANCE COVERAGE

Under the Federal Terrorism Risk Insurance Act of 2002, effective November 26, 2002, we are now offering you the right to purchase insurance coverage for losses arising out of acts of terrorism, as defined in Section 102 (1) of the Act.

“The term “act of terrorism” means any act that is certified by the Secretary of the Treasury in concurrence with the Secretary of State, and the Attorney General of the United States to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission and to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.”

Coverage provided by your policy for losses caused by one of these certified Acts of Terrorism is partially reimbursed by the United States under a formula established by Federal law. Under this formula, the United States pays 85% of covered Terrorism losses exceeding the statutorily established deductible paid by Conifer Insurance Company. The premium charged for this coverage is provided below and does not include any charges for the portion of loss covered by the Federal Government under the Act.

Selection or Rejection of Terrorism Coverage

This is our offer to you of coverage for Acts of Terrorism. If you choose to pay the quoted premium below on the renewal of your policy, you will be covered for Acts of Terrorism. If you do not choose to pay this quoted premium, we will exclude Terrorism coverage from your policy.

CHECK ONE

__________ I WILL purchase the offered terrorism coverage for a premium of $__________

TBD

__________ I WILL NOT purchase the offered terrorism coverage and will have no coverage for terrorism losses.

IF YOU DO NOT RETURN THIS FORM TO US, YOU WILL BE CHARGED THE APPROPRIATE PREMIUM FOR TERRORISM COVERAGE.

Policyholder/ Applicant’s Signature

Policyholder Name

Policy Number

Agent Name & Number

Date

COMPANY COPY – PLEASE RETURN
NOTICE OF SURPLUS LINES PLACEMENT TO INSURED
CANNASURE INSURANCE SERVICES, LLC
PLEASE READ IT CAREFULLY

Notice to Insured:
I hereby affirm that, prior to the placement of the insurance coverage with Cannasure Insurance Services, LLC, a surplus lines Broker, I have been advised that:

(i) The insurer with which the surplus lines broker places the insurance is not licensed by my state and may not be subject to its supervision; and

(ii) In the event of insolvency of the surplus lines insurer, losses will not be paid by my state insurance guaranty association.

NOTICE OF COMPANY FEE
Furthermore, I hereby affirm that, I have been advised that the non-refundable policy fee referenced below has been charged by the Agent and is part of the insurance contract. I also affirm that said fee is reasonable.

Amount of Company Fee: $350

___________________________________________
Signature of Named Insured

___________________________________________
Date

CIS 1/17 ISLA
BIND REQUEST FORM

Named Insured: Fire Rock Ltd

Type of Coverage: Commercial Package Policy

Insurance Carrier: Conifer Insurance Company

Effective Date: 

Premium: $28,156.00

Taxes/Fees: 

Total: $30,176.30

Please check one of the following:

☐ I elect to pay the full premium amount within 30 days of binding coverage

☐ I elect to finance the premium and pay in monthly installments through CIS Insurance Services, LLC

☐ I elect to finance the premium and pay in monthly installments through retail agent (agreement to be provided upon binding)

***Be advised that if policy cancels for Non-Payment to the Premium Finance Company coverage may be eligible for Reinstatement however a Lapse in Coverage may apply***

_________________________________________ Insured's Initials

Signature of Authorized Representative: _____________________________________________

Name of Authorized Representative: _______________________________________________

Date: __________________________

***PLEASE MAKE ALL CHECKS PAYABLE TO CIS INSURANCE SERVICES, LLC***
Marijuana Risk Warranty 1

In consideration of the premium charged, it is hereby agreed and understood that the following warranties apply to this policy.

1) No coverage will be afforded by this policy for theft unless the following items are strictly adhered to:

   a. Store all **finished stock** in a secure, locked safe or vault and in such a manner as to prevent diversion, theft and loss;

   b. During non-business hours, all **finished stock** must be kept in a locked, 1 / 2 ton or greater safe which is bolted to the floor or in a locked TL-15 rated or greater safe which is bolted to the floor or in a locked one ton or greater safe. This includes perishable items such as kif, butane hash, cookies and any other preparation of medical marijuana.

   c. An operating and functional central station burglar alarm must be installed at the premises which have contacts on all windows and doors that open to the outside. The alarm must have contacts on all windows and doors adjacent to common stairways and/or hallways. Furthermore, the alarm must have motion detectors which cover the room in which the safe is kept. This burglar alarm must be turned on and fully operational during non-business hours.

2) No coverage will be afforded by this policy for fire and/or smoke damage or any other peril which arises out of a loss by fire unless:

   a. The premises have been inspected by a licensed electrician who has determined that he electrical architecture, power supply and number of circuits is adequate for the nature of your operations.

Signed by the First Named Insured __________________________ Date __________________________
Marijuana Risk Warranty 2

I warrant the following to be true and I understand no coverage will be afforded by this policy for theft unless the following items are strictly adhered to:

1. During non-business hours, all “finished stock” on the premises must be kept in one of the following:
   A. A locked 700 pound or greater safe which is bolted to the floor.
   B. A locked Underwriter’s Laboratory rated TI-15 safe or greater.
   C. A locked one ton or greater safe.

2. An operating and functional central station burglar alarm system must be installed at the premises which have contacts on all windows and doors that open to the outside. The alarm must have contacts on all windows and doors adjacent to common stairways and/or hallways. Furthermore, the alarm must have functioning motion detectors which cover all rooms at the premises. This burglar alarm must be turned on and fully operational during non-business hours.

3. During business hours, all stock not on display for sale will be kept in a locked safe with the requirements as during non-business hours.

4. The insured must keep written records of all purchases of stock, including receipts when available, which includes the date of purchase, type(s) of stock purchased and purchase price. In the event of a stock claim, adjustment will be based on documented records. A copy of this record is to be kept at an offsite location.

All Cultivation operations are required to warrant one of the following:

_____ I have used or will use a licensed, insured contractor for all electrical work at my grow facility

_____ I have had or will have within 30 days of my insurance effective date, all the wiring inspected by a licensed, insured contractor at my grow facility.

I warrant the above to be true and I understand the insurance contract will be considered based on my warranty:

__________________________
Signed by the First Named Insured

__________________________
Date
Conifer Holdings Inc. is a Michigan-based insurance holding company founded in 2009 and listed on the Nasdaq Global Market (Nasdaq: CNFR) in 2015. Through its insurance carrier subsidiaries, Conifer provides specialty property/casualty insurance on both an admitted and non-admitted basis in all 50 states. Conifer is an innovative company targeting niche markets with tailored products to meet the specialized needs of insureds.

**FINANCIAL HIGHLIGHTS:**

<table>
<thead>
<tr>
<th>Total Assets</th>
<th>Total Shareholders' Equity</th>
<th>Gross Written Premiums</th>
<th>Net Written Premiums</th>
</tr>
</thead>
<tbody>
<tr>
<td>$177.9 million</td>
<td>$77.3 million</td>
<td>$93.8 million</td>
<td>$79.7 million</td>
</tr>
</tbody>
</table>

Conifer’s ownership team started providing insurance coverage to companies and individuals in 1987.

Conifer was created to provide customized insurance products for regional commercial and personal lines insureds, which may be underserved by large national and international insurance companies.

Sound underwriting and investment practices have earned Conifer Insurance Company a “B+” financial rating from insurance ratings agency, AM Best. Conifer is also supported by reinsurers with “A-” or better ratings.

Each of Conifer Holdings’s three insurance carrier subsidiaries hold an “A”, Exceptional Financial Stability Rating® from Demotech, Inc.

**KEY FACTS**

- Founded in 2009
- Nasdaq: CNFR
- Employees: Approximately 130
- Headquarters: Birmingham, MI
- 8 offices within the U.S.

---

**2015 GWP**

1. Commercial Multi-Peril
2. Commercial Auto
3. Other Commercial
4. Homeowners & Dwelling

**2015 GWP**

1. Personal Auto (in Run-off)
2. Other Liability (including Liquor)
3. 68% Admitted Business
4. 32% Excess & Surplus Lines

---

Conifer Holdings Inc.  
www.coniferinsurance.com

White Pine Insurance Company  
www.whitepineins.com

American Colonial Insurance  
www.american-colonial.com

Sycamore Insurance  
www.sycamore-insurance.com

CNFR  
www.cnfrh.com  Nasdaq Listed
1D Financial Responsibility Form – Escrow / Surety
3796:2-1-02(B)(6)(d), 3796:2-1-05(B)

To be Completed by Applicant or CPA
Name of Individual or Entity Applying for a Medical Marijuana Cultivator Certificate of Operations:

Fire Rock Ltd. (Matthew Noyes MD, CEO)

Type of Security:

☑ Escrow Account  (3796:2-1-05(B)(2))
☐ Surety Bond  (3796:2-1-05(B)(3))

☐ 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.

Surety Insurance Company Name (if applicable) (3796:2-1-05(C)):

N/A

Printed Name: Carolyn Correll
CPA Company Name (if applicable): The Phillips Organization

Phone Number: 330-493-3928
Signature: Carolyn Correll

Subscribed and sworn to before me this 22nd day of May, 2017.

(SEAL)

DEBRA S. FINK
NOTARY PUBLIC
FOR THE
STATE OF OHIO
My Commission Expires
Page 8 of 22

Ohio Department of Commerce
Medical Marijuana Control Program (MMCP)
1E Property Owner Approval for Use Form
3796:2-1-02(B)(2)(h)

To be Completed by the Applicant
Name of Individual or Entity Applying for a Medical Marijuana Cultivator Certificate of Operations:
Fire Rock Ltd.

Physical Address and Name of Proposed Medical Marijuana Cultivator Facility:
1076 Home Ave
City: Akron
County: Summit
State: Ohio Zip Code: 44310

Phone Number: 614-638-6099

Legal Description of the Property:
TR 9 LOT 1 W OF HOME AVE LESS ST .9441A, Parcel 6761785

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:
JAYSAND PROPERTIES LLC

Length of Lease/Expiration:
5 month leasehold with purchase option / Exp - 10/11/2017

☐ 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

DATE SIGNED

5/22/17

Subscribed and sworn to before me this 22nd day of May, 2017.

(SEAL)

Edward D. Jesson, Notary Public
Residence - Summit County
State Wide Jurisdiction, Ohio
My Commission Expires September 16, 2017

NOTARY PUBLIC

MMCP-C-1001A (v1.0), Ohio Cultivator Application – Filing/Identifiers Page 9 of 22
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.
Fire Rock Ltd. Proposed Level 2 Site: 1076 Home Ave., Akron, OH 44310

Proposed Site: Building/Parcel

Nearest Prohibited Facility/Parcel: Forest Hill Elementary School

500 Foot Buffer Zone

Path to Nearest Prohibited Facility/Parcel: Approximately 1,067 Feet

May 26, 2017

Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community
IG Notice of Proper Zoning Form  
3796.2-1-02(B)(2)(k)

To be Completed by Applicant

Name of Individual or Entity Applying for a Medical Marijuana Cultivator Certificate of Operations:
**Fire Rock Ltd.**

Physical Address and Name of Proposed Medical Marijuana Cultivator Facility:
**1076 Home Ave**

<table>
<thead>
<tr>
<th>City: Akron</th>
<th>County: Summit</th>
</tr>
</thead>
<tbody>
<tr>
<td>State: Ohio</td>
<td>Zip Code: 44310</td>
</tr>
<tr>
<td>Phone Number: 614-638-6099</td>
<td></td>
</tr>
</tbody>
</table>

To be Completed by Zoning Authority or Local Government

Jurisdiction of Zoning Office or Local Government
- **City of Akron**

- 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 **City of Akron** 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: **Michael R. Antenucci**

Title: **Zoning Manager**

Signature: 

Subscribed and sworn to before me this 5th day of June, 2017.

(SEAL)

**KAREN E. PATEOS, Notary Public**

Residence - Summit County  
State Wide Jurisdiction, Ohio  
My Commission Expires 8-15-2017

**NOTARY PUBLIC**
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.
To be Completed by Applicant

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

Fire Rock Ltd.

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>The CEO</td>
<td>Matthew P. Noyes</td>
<td>Owner</td>
<td>50%</td>
</tr>
<tr>
<td>The COO</td>
<td>Peter Pantelides</td>
<td>Owner</td>
<td>50%</td>
</tr>
<tr>
<td>Advisor A</td>
<td>Julio Torres</td>
<td>Advisor</td>
<td>0%</td>
</tr>
<tr>
<td>Advisor B</td>
<td>David John Sheltar</td>
<td>Advisor</td>
<td>0%</td>
</tr>
<tr>
<td>Advisor C</td>
<td>Steve Armatas</td>
<td>Advisor</td>
<td>0%</td>
</tr>
<tr>
<td>Advisor D</td>
<td>Luis Alberto Canas Castro</td>
<td>Advisor</td>
<td>0%</td>
</tr>
</tbody>
</table>
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 1I.

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.
FIRE ROCK LTD. ORGANIZATIONAL STRUCTURE

**ADVISORY BOARD:**
Luis Alberto Cañas Castro, Ph.D.
David John Shetlar, Ph.D.
Steve D. Armatas, R.Ph.
Julio Torres

**EXECUTIVE TEAM:**
CEO
Matthew Noyes, MD

COO
Peter Pantelides, MBA

- Lead Grower
- Maintenance Lead (0.5 Full Time Employee)
- Sales/Delivery Director
- Security Staff (managed by Ohio Security and Protection Solutions, LLC)

- Cultivation Agents (2)
- Harvest Agents (8)
# 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 P. Noyes, MD</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 Executive Officer</td>
<td>Owner/CEO</td>
</tr>
</tbody>
</table>

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

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

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

<table>
<thead>
<tr>
<th>Signature:</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>UT (MI)</td>
<td>6/3/17</td>
</tr>
</tbody>
</table>

Subscribed and sworn to before me this 3rd day of June, 2017.

(S Seal)

Karla Dibacco, 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

Name of Individual
Peter Pantelides

Date of birth: [Redacted]

Title (if applicable)
COO

Role (Owner, Officer, etc.)
Owner

Mailing Address
[Redacted]

City: [Redacted]

State: [Redacted]

Zip Code: [Redacted]

Phone Number: [Redacted]

Email Address: [Redacted]

☐ 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.

<table>
<thead>
<tr>
<th>Signature:</th>
<th>Date</th>
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<tbody>
<tr>
<td></td>
<td>6/3/2017</td>
</tr>
</tbody>
</table>

Subscribed and sworn to before me this ___ day of JUNE, 2017.

(SEAL)

(Notary Public)

MATTHEW CHAMBERS
9/28/2026
1K Individual Background Information Form

To be Completed by each Individual Owner or Officer as listed on Attachment 11

<table>
<thead>
<tr>
<th>Name of Individual</th>
<th>Date of birth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Julio Torres</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>Mailing Address</td>
<td>Advisor</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Signature:</th>
<th>Date</th>
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<td></td>
<td>6/3/2017</td>
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</tbody>
</table>

Subscribed and sworn to before me this 3 day of JUNE, 2017.

(SEAL)

NOTARY PUBLIC

MATTHEW CHAMBERS

9/28/2020
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 11

<table>
<thead>
<tr>
<th>Name of Individual</th>
<th>Date of birth</th>
</tr>
</thead>
<tbody>
<tr>
<td>David J. Shetlar</td>
<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Mailing Address</th>
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<tr>
<th>City:</th>
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<tr>
<th>Phone Number:</th>
<th>Email Address:</th>
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</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-
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 2, 2017

Subscribed and sworn to before me this 2nd day of June, 2017.

(SEAL)

Kimberly A. Kish
Notary Public, State of Ohio
My Commission Expires 01/03/2021

NOTARY PUBLIC
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)).

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☐ 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-said information in confidence.
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: 6/3/2017

Subscribed and sworn to before me this 3 day of JUNE, 2017.

(SEAL)

NOTARY PUBLIC

MATTTHW CHABERS
9/08/2021
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>Luis A. Canas</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>Associate Professor</td>
<td>Advisor</td>
</tr>
</tbody>
</table>

| Mailing Address       |                             |
|                       |                             |

<table>
<thead>
<tr>
<th>City:</th>
<th>State:</th>
<th>Zip Code:</th>
</tr>
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<table>
<thead>
<tr>
<th>Phone Number:</th>
<th>Email Address:</th>
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</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: May 31, 2017

Subscribed and sworn to before me this 31\textsuperscript{st} day of May, 2017.

(SEAL)

NOTARY PUBLIC

Susan P. Dimit
NOTARY PUBLIC STATE OF OHIO
My Commission Expires May 26, 2018
To be Completed by Applicant

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

**Fire Rock Ltd.**

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>
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<tbody>
<tr>
<td>CA</td>
<td>City Business License</td>
<td>2/28/2015 - 2/28/2018</td>
<td>BL-27748</td>
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<td>CA</td>
<td>State Seller's Permit</td>
<td>1/1/2015 -</td>
<td>SR AS 102 - 687618</td>
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<td>CA</td>
<td>Articles of Incorporation</td>
<td>12/9/2014 -</td>
<td>3732459</td>
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<td>CA</td>
<td>Articles of Incorporation</td>
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</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)(i)(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)(i)(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 from other jurisdictions, would be considered a “public record” as defined in R.C. 149.43(A)(1).**
Subscribed and sworn to before me this 9 day of June, 2017.

(SEAL)

DALE BOCHENSKI
Notary Public - State of Nevada
Appointment Recorded In Washoe County
No: 07-4900-2 - Expires September 30, 2019

NOTARY PUBLIC
Dale Bochenski
1M Copies of Licenses from Business in Other Jurisdictions Cover Page
3796:2-1-02(B)(2)(j)(i)

- 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.
In 1996 California voters permanently changed the state constitution by approving ballot initiative 215 to allow Californians with a serious illness to obtain, cultivate, possess and use cannabis for medical purposes. Prop 215, also known as the Compassionate Use Act or CUA, can be found in section 11362.5 et seq. of the California Health and Safety Code (CA HSC) and provides qualified patients and their primary caregivers with a physician’s recommendation protection from prosecution. Because of the simplicity of Prop 215, hundreds of interpretations in court have since upheld qualified patients’ and primary caregivers’ right to use, cultivate, possess, and transport medical cannabis. Senate Bill 420, passed by the California legislature and signed into law in 2003, clarifies the scope and intent of Prop 215. Codified in CA HSC 11362.7 et seq., SB420 represents a compromise between patient advocates and law enforcement. SB 420 provides protection from criminal liability in California for non-profit collectives and cooperatives composed of qualified patients and primary caregivers to cultivate, transport, process, administer, deliver and give away medical cannabis, as long as all medical cannabis is sourced from and distributed to members of the collective or cooperative, and always on a non-profit basis.

In 2013, the California Supreme Court upheld municipalities’ right to regulate permissible land use in order to permit or prohibit dispensaries distributing medical marijuana cultivated under the provisions of SB420. Los Angeles County allows dispensaries under voter-passed ballot initiative Proposition D, but does not expressly issue permits for medical marijuana cultivation. Authorized patient cultivators are instead granted pass-through rights by licensed dispensaries. Fire Rock Ltd. COO Peter Pantelides is an owner and operator of United Spectrum Corporation, a non-profit mutual benefit corporation located in Los Angeles County that operates in full compliance with the provisions of SB420 and Prop 215. United Spectrum Corporation is authorized to cultivate medical marijuana on behalf of multiple medical marijuana collectives in California. United Spectrum Corporation also provides cultivation consultation services to other cultivators operating in compliance with state law.

The following documents are attached to exhibit United Spectrum Corporation’s compliance with state and local law for medical marijuana cultivators:

1) Articles of Incorporation as a non-profit Mutual Benefit Corporation;
2) State and federal tax records for the past three years;
3) Seller’s Permit issued by the California State Board of Equalization
4) Business License issued by the City of Manhattan Beach
5) Authorization to Cultivate Medical Marijuana on behalf of Green Dot Association, a medical marijuana collective;
6) Authorization to Transport Medical Marijuana on behalf of Green Dot Association, a medical marijuana collective;
7) Consulting Agreement between United Spectrum Corporation and Beach Enlightenment and Commpassionate Healing Center, Inc., a medical marijuana collective; and
8) Peter Pantelides’s written medical marijuana recommendation letter issued by a licensed physician in the state of California.
ARTICLES OF INCORPORATION

I

The name of the corporation is **UNITED SPECTRUM CORPORATION**

II

A. This corporation is a nonprofit **Mutual Benefit Corporation** organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law.

B. The specific purpose of this corporation is to engage in social assistance pursuant to California Law.

III

The name and address in the State of California of this corporation's initial agent for service of process is:

Name __________________________  

JOHN P. PANTELIDES

Street Address _______ 1126½ 2nd STREET ________

City _______ MANHATTAN BEACH _______ State _______ CA _______ Zip _______ 90266 _______

IV

Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purposes of this corporation.

V

The business and mailing address of the corporation is 1126½ 2nd Street, Manhattan Beach, CA 90266.

John P. Pantelides, Incorporator
CALIFORNIA STATE BOARD OF EQUALIZATION

SELLER'S PERMIT

ACCOUNT NUMBER
01/01/2015 SR AS 102-687618

UNITED SPECTRUM CORPORATION
1126 1/2 2ND ST
MANHATTAN BEACH, CA 90266-6835

IS HEREBY AUTHORIZED PURSUANT TO SALES AND USE TAX LAW TO ENGAGE IN THE BUSINESS OF SELLING TANGIBLE PERSONAL PROPERTY AT THE ABOVE LOCATION. THIS PERMIT IS VALID ONLY AT THE ABOVE ADDRESS.
THIS PERMIT IS VALID UNTIL REVOKED OR CANCELED AND IS NOT TRANSFERABLE. IF YOU SELL YOUR BUSINESS OR DROP OUT OF A PARTNERSHIP, NOTIFY US OR YOU COULD BE RESPONSIBLE FOR SALES AND USE TAXES OWED BY THE NEW OPERATOR OF THE BUSINESS.

NOTICE TO PERMITTEE: YOU ARE REQUIRED TO OBEY ALL FEDERAL AND STATE LAWS THAT REGULATE OR CONTROL YOUR BUSINESS. THIS PERMIT DOES NOT ALLOW YOU TO DO OTHERWISE.

For general tax questions, please call our Customer Service Center at 1-800-400-7115 (TTY:711). For information on your rights, contact the Taxpayers' Rights Advocate office at 1-888-324-2798 or 1-916-324-2798.

BOE-442-R REV. 16 (11-14)

A MESSAGE TO OUR NEW PERMIT HOLDER

As a seller, you have rights and responsibilities under the Sales and Use Tax Law. In order to assist you in your endeavor and to better understand the law, we offer the following sources of help:

- Visiting our website at www.boe.ca.gov
- Visiting a field office
- Attending a Basic Sales and Use Tax Law class offered at one of our field offices
- Sending your questions in writing to any one of our offices
- Calling our toll-free Customer Service Center at 1-800-400-7115 (TTY:711)

As a seller, you have the right to issue resale certificates for merchandise that you intend to resell. You also have the responsibility of not misusing resale certificates. While the sales tax is imposed upon the retailer,

- You have the right to seek reimbursement of the tax from your customer
- You are responsible for filing and paying your sales and use tax returns timely
- You have the right to be treated in a fair and equitable manner by the employees of the California State Board of Equalization (BOE)
- You are responsible for following the regulations set forth by the BOE

As a seller, you are expected to maintain the normal books and records of a prudent businessperson. You are required to maintain these books and records for no less than four years, and make them available for inspection by a BOE representative when requested. You are also expected to notify us if you are buying, selling, adding a location, or discontinuing your business, adding or dropping a partner, officer, or member, or when you are moving any or all of your business locations. If it becomes necessary to surrender this permit, you should only do so by mailing it to a BOE office, or giving it to a BOE representative.

If you would like to know more about your rights as a taxpayer, or if you are unable to resolve an issue with the BOE, please contact the Taxpayers' Rights Advocate office for help by calling toll-free, 1-888-324-2798 or 1-916-324-2798. Their fax number is 1-916-323-3319.

Please post this permit at the address for which it was issued and at a location visible to your customers.

CALIFORNIA STATE BOARD OF EQUALIZATION
Sales and Use Tax Department
BUSINESS NAME: UNITED SPECTRUM CORPORATION
BUSINESS LOCATION:
1126 1/2 2ND ST
MANHATTAN BEACH, CA 90266
BUSINESS OWNER:
JOHN P PANTELIDES, CEO

BUSINESS LICENSE NUMBER: BL-27748
BUSINESS CATEGORY: HOME OCCUPATION (HOCC)
EXPIRATION DATE: 02/28/2018

MAILTO: UNITED SPECTRUM CORPORATION
        1427 N WILCOX AVE
        HOLLYWOOD, CA 90028

PLEASE SEE REVERSE SIDE FOR ADDITIONAL INFORMATION
AUTHORIZATION TO CULTIVATE MEDICAL MARIJUANA pursuant to California Proposition 215, Senate Bill 420 & guidelines set forth by the Attorney General of California

Pursuant to the Guidelines set forth by the Attorney General of California in August 2008, and in compliance therewith, the Member of this Collective whose name is identified below, is authorized to cultivate medical marijuana on behalf of this Collective.

NAME of Collective: Green Dot Association
ADDRESS of Collective: 4821 LANKERSHIM BLVD SUITE F NORTH HOLLY
PHONE # of Collective: 818-515-7600

Name of Collective Member Authorized to Cultivate:

PETER PANTELIDES

Signature of Collective Manager Authorizing Cultivate:

[Signature]

8-20-15
DATE:

The member-holder of this Authorization to Cultivate is approved to cultivate medical marijuana for the other members of this collective, as well as other collectives with whom this collective is associated. This Authorization to Cultivate is supported by the a) member-patient’s physician’s recommendations; b) the membership agreements of the collective, and c) this authorization, and other supporting records.

This Authorization to Cultivate complies with guidelines for the security and non-diversion of marijuana grown for medical use issued by the Attorney General of California in August 2008.
AUTHORIZATION TO TRANSPORT MEDICAL MARIJUANA pursuant to California Proposition 215, Senate Bill 420 & guidelines set forth by the Attorney General of California

Pursuant to the Guidelines set forth by the Attorney General of California in August 2008, and in compliance therewith, the Member of this Collective whose name is identified below, is authorized to transport medical marijuana on behalf of this Collective.

NAME of Collective _______________________________________________________
ADDRESS of Collective _______________________________________________________
PHONE # of Collective _______________________________________________________

Name of Collective Member Authorized to Transport
PETER PANTELIDES

Signature of Collective Manager Authorizing Transportation

8-20-15

DATE: _______________________

The member-holder of this Authorization to Transport is approved to transport medical marijuana for the other members of this collective, as well as other collectives with whom this collective is associated. This Authorization to Transport is supported by the a) member-patient’s physician’s recommendations; b) the membership agreements of the collective, and c) this authorization, and other supporting records.

This Authorization to Transport complies with guidelines for the security and non-diversion of marijuana grown for medical use issued by the Attorney General of California in August 2008.
CULTIVATOR CONSULTING AGREEMENT

This Agreement is made effective as of July 01, 2016, by and between Beach Enlightenment and Compassionate Healing Center, Inc., of 1115 W. 190th st., Gardena, California 90248, and United Spectrum Corporation, Inc., of 1126 1/2 2nd St, Manhattan Beach, California 90266.

In this Agreement, the party who is contracting to receive services shall be referred to as "B.E.A.C.H. Center", and the party who will be providing the services shall be referred to as "USC".

USC has a background in Cultivation and is willing to provide services to B.E.A.C.H. Center based on this background.

B.E.A.C.H. Center desires to have services provided by USC.

Therefore, the parties agree as follows:

1. DESCRIPTION OF SERVICES. Beginning on July 01, 2016, USC will provide the following services (collectively, the "Services"):

   General cannabis cultivation consulting, pesticide selection, fungicide selection, equipment recommendations, water treatment and other horticultural consulting

2. PERFORMANCE OF SERVICES. The manner in which the Services are to be performed and the specific hours to be worked by USC shall be determined by USC. B.E.A.C.H. Center will rely on USC to work as many hours as may be reasonably necessary to fulfill USC's obligations under this Agreement.

3. PAYMENT. B.E.A.C.H. Center will pay a fee to USC for the Services in the amount of $24,000.00. This fee shall be payable in a lump sum Monthly payments of $2000.

4. EXPENSE REIMBURSEMENT. USC shall pay all "out-of-pocket" expenses, and shall not be entitled to reimbursement from B.E.A.C.H. Center.

5. NEW PROJECT APPROVAL. USC and B.E.A.C.H. Center recognize that USC's Services will include working on various projects for B.E.A.C.H. Center. USC shall obtain the approval of B.E.A.C.H. Center prior to the commencement of a new project.

6. TERM/TERMINATION. This Agreement shall be effective for a period of 12 months.

7. RELATIONSHIP OF PARTIES. It is understood by the parties that USC is an independent contractor with respect to B.E.A.C.H. Center, and not an employee of B.E.A.C.H. Center.
B.E.A.C.H. Center will not provide fringe benefits, including health insurance benefits, paid vacation, or any other employee benefit, for the benefit of USC.

8. DISCLOSURE. USC is required to disclose any outside activities or interests, including ownership or participation in the development of prior inventions, that conflict or may conflict with the best interests of B.E.A.C.H. Center. Prompt disclosure is required under this paragraph if the activity or interest is related, directly or indirectly, to:

- a product or product line of B.E.A.C.H. Center
- a manufacturing process of B.E.A.C.H. Center
- any activity that USC may be involved with on behalf of B.E.A.C.H. Center

9. EMPLOYEES. USC's employees, if any, who perform services for B.E.A.C.H. Center under this Agreement shall also be bound by the provisions of this Agreement. At the request of B.E.A.C.H. Center, USC shall provide adequate evidence that such persons are USC's employees.

10. INJURIES AND INSURANCE. USC acknowledges USC's obligation to obtain appropriate insurance coverage for the benefit of USC (and USC's employees, if any). USC waives any rights to recovery from B.E.A.C.H. Center for any injuries that USC (and/or USC's employees) may sustain while performing services under this Agreement and that are a result of the negligence of USC or USC's employees.

11. INDEMNIFICATION. USC agrees to indemnify and hold harmless B.E.A.C.H. Center from all claims, losses, expenses, fees including attorney fees, costs, and judgments that may be asserted against B.E.A.C.H. Center that result from the acts or omissions of USC, USC's employees, if any, and USC's agents.

12. INTELLECTUAL PROPERTY. The following provisions shall apply with respect to copyrightable works, ideas, discoveries, inventions, applications for patents, and patents (collectively, "Intellectual Property"):

Consultant's Intellectual Property. USC does not personally hold any interest in any Intellectual Property.

Development of Intellectual Property. Any improvements to Intellectual Property items listed on Exhibit A, further inventions or improvements, and any new items of Intellectual Property discovered or developed by USC (or USC's employees, if any) during the term of this Agreement shall be the property of B.E.A.C.H. Center. USC shall sign all documents necessary to perfect the rights of B.E.A.C.H. Center in such Intellectual Property, including the filing and/or prosecution of any applications for copyrights or patents. Upon request, USC shall sign all documents necessary to assign the rights to such Intellectual Property to B.E.A.C.H. Center. USC agrees to assign to B.E.A.C.H. Center, without further consideration, its entire right, title, and interest (throughout the United States and in all foreign countries), free and clear of all liens and encumbrances, in and to each Invention Idea,
developed within the scope of this agreement, for B.E.A.C.H. Center, whether or not patentable. In the event any Intellectual Property shall be deemed by B.E.A.C.H. Center to be patentable or otherwise registrable, USC shall assist B.E.A.C.H. Center (at B.E.A.C.H. Center's expense) in obtaining letters patent or other applicable registrations thereon and shall execute all documents and do all other things (including testifying at B.E.A.C.H. Center's expense) necessary or proper to obtain letters patent or other applicable registrations thereon and to vest B.E.A.C.H. Center, or any Affiliated Company specified by the Board, with full title thereto.

13. CONFIDENTIALITY. B.E.A.C.H. Center recognizes that USC has and will have the following information:

- products
- prices
- costs
- future plans
- business affairs
- process information
- trade secrets
- customer lists
- copyrights

and other proprietary information (collectively, "Information") which are valuable, special and unique assets of Beach Enlightenment and Compassionate Healing Center, Inc. and need to be protected from improper disclosure. In consideration for the disclosure of the Information, USC agrees that USC will not at any time or in any manner, either directly or indirectly, use any Information for USC's own benefit, or divulge, disclose, or communicate in any manner any Information to any third party without the prior written consent of B.E.A.C.H. Center. USC will protect the Information and treat it as strictly confidential. A violation of this paragraph shall be a material violation of this Agreement.

14. UNAUTHORIZED DISCLOSURE OF INFORMATION. If it appears that USC has disclosed (or has threatened to disclose) Information in violation of this Agreement, B.E.A.C.H. Center shall be entitled to an injunction to restrain USC from disclosing, in whole or in part, such Information, or from providing any services to any party to whom such Information has been disclosed or may be disclosed. B.E.A.C.H. Center shall not be prohibited by this provision from pursuing other remedies, including a claim for losses and damages.

15. CONFIDENTIALITY AFTER TERMINATION. The confidentiality provisions of this Agreement shall remain in full force and effect after the termination of this Agreement.

16. RETURN OF RECORDS. Upon termination of this Agreement, USC shall deliver all records, notes, data, memoranda, models, and equipment of any nature that are in USC's possession or under USC's control and that are B.E.A.C.H. Center's property or relate to

17. NOTICES. All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered in person or deposited in the United States mail, postage prepaid, addressed as follows:

IF for B.E.A.C.H. Center:

Beach Enlightenment and Compassionate Healing Center, Inc.
Ryan Stewart
CEO
1115 W. 190th st.
Gardena, California 90248

IF for USC:

United Spectrum Corporation, Inc.
Peter Pantelides
Member
1126 1/2 2nd St
Manhattan Beach, California 90266

Such address may be changed from time to time by either party by providing written notice to the other in the manner set forth above.

18. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written. This Agreement supersedes any prior written or oral agreements between the parties.

19. AMENDMENT. This Agreement may be modified or amended if the amendment is made in writing and is signed by both parties.

20. SEVERABILITY. If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

21. WAIVER OF CONTRACTUAL RIGHT. The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

22. APPLICABLE LAW. This Agreement shall be governed by the laws of the State of California.
23. INTERRUPTION OF SERVICE. Either party shall be excused from any delay or failure in performance required hereunder if caused by reason of any occurrence or contingency beyond its reasonable control, including, but not limited to, acts of God, acts of war, fire, insurrection, laws proclamations, edits, ordinances or regulations, strikes, lock-outs or other serious labor disputes, riots, earthquakes, floods, explosions or other acts of nature. The obligations and rights of the party so excused shall be extended on a day-to-day basis for the time period equal to the period of such excusable interruption. When such events have abated, the parties' respective obligations hereunder shall resume. In the event the interruption of the excused party's obligations continues for a period in excess of thirty (30) days, either party shall have the right to terminate this Agreement upon ten (10) days' prior written notice to the other party.

24. ASSIGNMENT. USC agrees that it will not assign, sell, transfer, delegate or otherwise dispose of any rights or obligations under this Agreement without the prior written consent of B.E.A.C.H. Center. Any purported assignment, transfer, or delegation shall be null and void. Nothing in this Agreement shall prevent the consolidation of B.E.A.C.H. Center with, or its merger into, any other corporation, or the sale by B.E.A.C.H. Center of all or substantially all of its properties or assets, or the assignment by B.E.A.C.H. Center of this Agreement and the performance of its obligations hereunder to any successor in interest or any Affiliated Company. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the parties and their respective heirs, legal representatives, successors, and permitted assigns, and shall not benefit any person or entity other than those enumerated above.

25. SIGNATORIES. This Agreement shall be signed on behalf of B.E.A.C.H. Center by Ryan Stewart, CEO and on behalf of USC by Peter Pantelides, Member and effective as of the date first above written.

Party receiving services:
Beach Enlightenment and Compassionate Healing Center, Inc.

By: [Signature]
Ryan Stewart
CEO

7-1-16

Party providing services:
United Spectrum Corporation, Inc.

By: [Signature]
Peter Pantelides
Member

7-1-16
Because Strand Candy is located in an unincorporated area of Los Angeles County and the business activities are not listed in the Business Activities that Require a County Business License per Los Angeles County Code, Title 7, it is not required that Strand Candy obtain a business license to operate. The following documents are included to demonstrate tax compliance and licensing for Strand Candy:

1) Articles of Incorporation as filed with the Secretary of the State of California; and
2) State and federal tax records for the past three years.
ARTICLES OF INCORPORATION

I

The name of this corporation is STRAND CANDY COMPANY

II

The purpose of the corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

The name and address in the State of California of this corporation's initial agent for service of process is:

Name: JOHN P. PANTELIDES

Street Address: 1126½ 2nd STREET

City: MANHATTAN BEACH State: CA Zip: 90266

IV

This corporation is authorized to issue only one class of shares of stock; and the total number of shares which this corporation is authorized to issue is

***1,000,000***

V

The business and mailing address of the corporation is 1126½ 2nd Street, Manhattan Beach, CA 90266.

(Signature of Incorporator)

JOHN P. PANTELIDES

(Typed Name of Incorporator)
1N Tax Payment Records Cover Page
3796:2-1-02(B)(6)(e), 3796:2-1-03(A)(6), 3796:2-1-03(B)(5)(e)

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.
To be Completed by Applicant

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

Fire Rock Ltd.

<table>
<thead>
<tr>
<th>Indicate which (if any) of the following additional criteria apply:</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ I certify that the principal place of business and headquarters of this organization is Ohio. (3796:2-1-03(C)(1)(a))</td>
</tr>
<tr>
<td>☐ 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))</td>
</tr>
<tr>
<td>☐ 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))</td>
</tr>
</tbody>
</table>

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,

<table>
<thead>
<tr>
<th>Signature:</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>[Signature]</td>
<td>6/6/2017</td>
</tr>
</tbody>
</table>

* The members of the economically disadvantaged groups must be identified in Form II 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>The Company</td>
<td>Fire Rock Ltd.</td>
</tr>
<tr>
<td>Entity A</td>
<td>United Spectrum Corporation</td>
</tr>
<tr>
<td>State A</td>
<td>California</td>
</tr>
<tr>
<td>Security Company A</td>
<td>Ohio Security and Protection Solutions, LLC</td>
</tr>
<tr>
<td>Security Company B</td>
<td>ADT</td>
</tr>
<tr>
<td>Proprietary Strain A</td>
<td>El Perro</td>
</tr>
<tr>
<td>High CBD 1</td>
<td>Harlequin</td>
</tr>
<tr>
<td>High CBD 2</td>
<td>ACDC</td>
</tr>
<tr>
<td>High THC 1</td>
<td>Scout's Honor</td>
</tr>
<tr>
<td>High THC 2</td>
<td>True OG</td>
</tr>
<tr>
<td>High THC 3</td>
<td>Blueberry Cheesecake</td>
</tr>
</tbody>
</table>
1Q Trade Secret and Infrastructure Record Notification Form

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.

Signature of Person or Authorized Representative

Date
6/6/2017

Printed Name of Applicant
Fire Rock Ltd.
Form 1Q: Trade Secret and Infrastructure Record Notification

The following are clearly marked TRADE SECRET:

All tax document pages found in Section 1, Form 1M – Copies of Licenses from Business in Other Jurisdictions: Satisfy the burden established by Ohio R.C. 1333.61(D)(1). If important tax information including financial information, addresses, federal employee identification numbers, or telephone numbers were ascertained, it could lead to business identity theft.

All tax document pages found in Section 1, Form 1N – Business and Personal Tax Documents: Satisfy the burden established by Ohio R.C. 1333.61(D)(1). If important tax information including financial information, addresses, social security numbers, employee identification numbers, or telephone numbers were ascertained, it could lead to personal or business identity theft.
Cultivator Application – Financial Interest Tax Processing Form

Fire Rock Ltd.

Applicant Name: ____________________________

Applicant Number (if applicable): ____________________________

Taxpayer Name: Matthew Noyes

Taxpayer Address: ____________________________

Taxpayer FEIN/SSN: ____________________________

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).**

If Taxpayer has a financial interest or had a financial interest within the last three years in a medical marijuana entity operating outside the State of Ohio, please list the applicable information below.

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<th>Legal Business Name</th>
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[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.

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* 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: Matthew Noyes, CEO of Fire Rock Ltd.
Signature: ______________________   Date: 06/11/17
Taxpayer Telephone Number: ____________

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: Fire Rock Ltd.

Applicant Number (if applicable): 

Taxpayer Name: Peter Pantelides

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.

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).**

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<th>Legal Business Name</th>
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<td>United Spectrum Corporation</td>
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[SEE OTHER SIDE TO COMPLETE FORM]
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<th>Legal Business Name</th>
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<td>Strand Candy Company</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: Peter Pantelides, COO of Fire Rock Ltd.

Signature: ___________________________ Date: 06/11/17

Taxpayer Telephone Number: _______ _______ _______ _______ _______

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>
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<th>To be Completed by Applicant</th>
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<tr>
<td>☐ I hereby acknowledge and understand that if I include identifiable information in this section (Section 2) of the application, the identifiable information will be redacted and two points will be deducted from the applicant’s total raw score for every instance that identifiable information is used and redacted in this section, not to exceed five instances that require redaction. I also acknowledge and understand that if more than five pieces of identifiable information need redacted from Section 2 of the application, the application will be denied.</td>
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<td>Section 2: Non-Identifiable Information Section</td>
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<td>Operations Plan</td>
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<td>Experience in Agriculture / Cultivation</td>
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<td>Cultivation Methods and Proposed Strains</td>
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<td>Product Time and Production Schedule</td>
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<td>Marijuana Cultivation Area Layout and Environment</td>
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<td>Operating Expense Breakdown</td>
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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))
PART I: BUSINESS EXPERIENCE

Executive Summary
The Company’s mission in Ohio replicates their model in State A. There, they sustainably and securely cultivate phenotypically and phytochemically diverse medical marijuana strains into high quality, small batch product offerings to serve qualifying patient needs.

The combined experience of The Company’s Executive Team and Advisory Board brings together diverse and complementary talent from the medical and scientific communities including accomplished cultivators. The team’s collective experience includes medical marijuana cultivation, consulting, distribution, regulatory compliance for marijuana and pharmaceuticals, plant entomology, academic research in Integrated Pest Management practices, allopathic medicine, rehabilitative therapy, and pharmacology. The Company is led by its Chief Executive Officer (CEO), a board certified orthopedic surgeon, who has seen patients’ lives ruined by opiate abuse and addiction, and is committed to providing patients the choice of medical marijuana as a response to a systemic lack of health care solutions.

The Company’s approach draws on the directly applicable and demonstrable expertise of its investor-owners and Advisory Board Members. Demonstrating The Company’s commitment to living its values of Transparency, Reliability, and Community Engagement, the CEO has led the development of The Company’s comprehensive written operating policies, plans, and procedures that have been informed by Good Agricultural Practices (GAP), Good Handling Practices, and Quality Assurance/Quality Control standards based on Good Manufacturing Practices (GMP), as well as recommendations developed by the American Herbal Products Association. Full written copies of these plans, which are fully annotated with Ohio statutory and regulatory requirements, will be furnished to the Department upon request.

The design of the facility has been led by The Company’s Chief Operating Officer (COO). The Company’s philosophy for indoor medical marijuana cultivation is based on the collective team’s knowledge and experience with plant pathology and pest management. For nearly three years, the COO has owned and operated Entity A, a medical marijuana cultivation facility and consultancy specializing in difficult-to-grow and in-demand strains. Entity A’s acclaimed cultivation team, comprised of nearly 90% women, is among the most reputable in State A, consistently earning dozens of awards for its medical marijuana, including a first-place award for Proprietary Strain A. Since becoming operational, Entity’s A’s 3,800 square foot facility has continually provided batch-tested medical marijuana controlled for quality, potency, consistency, cleanliness, and safety to some of the largest, oldest, and most reputable medical marijuana dispensaries in its area.

Entity A’s revenues have remained stable, and the facility remains at full output, serving up to 4,000 patients per month with pesticide-free medical marijuana. The Company achieves this by applying its holistic approach to plant health and pest management that runs contrary to the current trend towards ultimate sterility in indoor environments incorrectly promoted by some cultivators in the medical marijuana industry. As doctors of entomology, Advisor B and Advisor D have spent many years researching plants’ susceptibility and resistance to pests and pathogens. Based on their professional experience and academic research, The Company’s approach is not to create an overly sterile cultivation environment but instead use equipment, products, and procedures that promote plant vigor and resistance, thereby avoiding sterile conditions that are ultimately detrimental to plant health when pests or pathogens do inevitably enter the facility. Beginning at the micro level by inoculating the roots early in the cultivation cycle with beneficial microbes and extending to the macro level with environmental
control equipment and biological predators, The Company has become well known for successfully controlling or inhibiting pest problems before they start.

In order to create a truly successful, patient-focused medical marijuana cultivation facility in Ohio, the experience of The Company’s Advisory Board is buoyed by Advisor A, a medical marijuana industry expert who has consulted on and educated about medical marijuana regulations and compliance in both the public and private spheres. Additionally, Advisor C was the Director of Pharmacy for a Level 2 trauma center where he was responsible for chain of custody, pharmaceutical tracking, and directly interacting with patients who struggled to manage medications. This experience will enable The Company to remain focused on compliance and security of the product with patients always at the forefront of The Company’s driving purpose.

From a functional standpoint, The Company will initially be most focused on becoming operational to quickly serve the needs of Ohio patients. Based on the COO’s experience retrofitting four additional cultivation facilities over six years in State A that are all similar in size to the proposed cultivation facility in Ohio, The Company selected the proposed building, preferring to enhance the community’s existing infrastructure rather than build a custom facility. The Company is dedicated to building the local economy and infrastructure by creating an environmentally friendly business while providing employment opportunities to the local community, with emphasis towards recruiting veterans for employment to reach the goal of a veteran staff level of 20%.

The proposed facility will operate with maximum efficiency while limiting costs and accelerating The Company’s speed to market. Upon award of a provisional license, The Company will invest approximately $430,000 to repurpose the existing industrial real estate, making use of an under-utilized structure and installing state-of-the-art security measures. Following the Department’s approval to become operational, The Company will spend approximately an additional $115,000 before bringing product to market. Over the course of nine months, The Company projects spending $550,000 until it reaches initial cash flow. These expenses do not include any of the $119,000 in pre-application costs already invested in the success of The Company.

The Company intends to exceed the requirements of O.A.C. § 3796:2-1-06(C): the proposed building and pre-operations timeline below will allow the cultivation facility to not only be prepared for final inspections but also to bring product to market within nine months of receiving a provisional license. This estimated timeline may be accelerated with the Department’s approval as the Company intends to be among the first cultivators to provide finished products to processors and dispensaries. In its initial phase, The Company will serve approximately 1,536 patients. Should the Department approve future expansions of The Company, it will be able to serve 3,000-4,500 patients per month.

The following graphic shows The Company’s anticipated start-up timeline:
The Company Start-Up Timeline

- Building retrofit: 10/2017 – 12/2017
- HVAC and electrical install: 12/2017-1/2018
- Recruitment: 1/2018-3/2018
- Staff training: 1/2018-2/2018
- Equipment installation: 1/2018-2/2018
- Propagation and Vegetation: 3/2018
- Flowering stage: 4/2018 – 5/2018
- Harvest, dry, trim, cure, QA approval: 6/2018

Milestones

- 7/1/17 – Two Step Review Process Begins, No Disclosed Deadline
- 4/21/17 – Applications Made Available To Public
- 6/5-6/16: Level II Applications Due
- 9/2017 – Anticipated provisional license award
- 10/2017 – Begin building upgrade
- 1/2018 – Begin staff recruitment
- 2/2018 – Anticipated certificate of operation
- 3/2018 – Begin cultivation
- 6/9/18 – Anticipated deadline for certificate of operations
- 6/2018 – First Harvest

2017
April   May   June   July   August   September   October   November   December

2018
The Team
The Company’s most valued asset is its team. Team members from diverse academic, racial, and professional backgrounds provide The Company with a wide range of experience upon which to build its boutique medical marijuana cultivation facility. Operating as a unified team with a commitment to research at the ground-floor, The Company intends to move the state’s new market into the forefront of this developing industry, while employee recruitment efforts are designed to create social and economic change at the local level.

Chief Executive Officer (CEO)
The CEO is a board certified orthopedic surgeon and a licensed physical therapist with over 17 years of experience in the medical field. In addition, the CEO is a widely published researcher with multiple papers, book chapters, and abstracts in the field of orthopedic surgery. The CEO brings unparalleled medical knowledge and clinical experience to The Company. The CEO’s experience operating on and rehabilitating patients suffering from musculoskeletal injuries and debilitating conditions will provide a patient-focused direction to The Company’s vision, placing an emphasis on patient-access to quality medical marijuana products. The CEO’s history as a medical researcher will not only help guide The Company’s directive of adding to available research in the medical marijuana industry, but can help build the state’s burgeoning reputation as an efficient and effective program capable of providing safe, high-quality medical marijuana to patients.

Chief Operating Officer (COO)
The COO has over 10 years’ experience in operations management and business development, holding both a Bachelor of Science in Business Administration as well as a Master of Business Administration. Prior to entering the medical marijuana industry six years ago, he was the Operations Manager at a real estate investment company where he managed a portfolio of 42 mixed multi- and single-family residential units with an asset value of $3.7 million. When he relocated to State A to enter a master’s program, he found an opportunity to apply his business acumen in the quickly evolving medical marijuana industry, establishing an efficient crop scheduling system at Entity A to ensure stable and consistent production.

As an owner and the Lead Grower for Entity A, the COO manages daily operations of the facility, organizes workflow for efficient gardening execution, navigates onboarding and training of employees, and handles corporate finances. The COO has experimented extensively with gardening techniques and nutrient formulations, regularly consulting with cultivators operating in compliance with State A’s laws. As a result of the COO’s dedication to quality and innovation, Entity A has received multiple prestigious cultivation awards in State A. The COO will ensure that The Company’s proposed facility runs with the precision of a top-tier hydroponics farm but still provides the highest quality, small batch and rare product offerings one expects from a craft artisan.

Advisory Board

Advisor A
Advisor A has a Bachelor of Science in Finance and Accounting from an accredited university and has dedicated his entire professional career to the medical marijuana industry. Leaving behind an academic focus in botany, Advisor A entered the industry over 15 years ago as a cultivator for State A’s legal medical marijuana program. Advisor A went on to work in many segments of the legal medical marijuana industry in both the public and private sectors, including dispensary management, manufacturing, cultivation consulting, operations management, safety oversight, government consultation, and education at both the local and state level. This experience in nearly every category of
the industry has earned Advisor A a nationally distinguished reputation as an industry expert. Advisor A’s many years developing written standard operating procedures for all types of medical marijuana businesses and advising government agencies on medical marijuana regulations will create a distinct focus on accountability, assuring that all procedures and product offerings are optimized for the proposed facility and are in complete compliance with all state and local regulations.

In addition to private sector consulting experience, Advisor A has been contracted in the public sector, advising a government municipality in State A to develop regulatory policy and to provide guidance through an unclear and loosely defined application process. Advising and working in both the public and private sectors in the legal medical marijuana industry has allowed Advisor A to understand the intricacies and unanticipated difficulties in the emerging industry and how to integrate solutions into a constantly evolving regulatory environment.

Advisor B
Advisor B holds a Bachelor of Science and a Master of Science in Zoology and a Ph.D. in Entomology from various accredited universities. Advisor B also has seven years of experience working as a scientist in the private sector developing research on plant pesticides and as director-owner of a pest evaluation company aiding clients in determining best practices for pest management and eradication.

With a total of 50 years’ experience, Advisor B has contributed extensive research and instruction on pest identification and management, with countless publications in the field of entomology. Building on Advisor B’s expertise and advice, The Company will cultivate medical marijuana utilizing the most current available research in pest and pesticide-free horticulture. Advisor B’s strategic organizational and foundational advice will provide a measure of transparency, accountability, and quantitative research techniques to ensure the integrity of The Company’s product.

Advisor C
Advisor C is a registered pharmacist and has been a Director of Pharmacy at three separate medical facilities, including a Level 2 trauma center, with responsibilities including drug formulary management, accountability and control of controlled substances, development and implementation of pharmacy operations, and compliant medication management. Advisor C has completed multiple training certificates related to pharmacy education and management development, and has regularly attended semiannual/annual clinical pharmacy conferences for the past 16 years.

Advisor C has decades of experience in pharmacy management, including experience in budget development, staff education and training, and chain of custody tracking. Having served on multiple committees and task forces dedicated to increasing quality and efficiency in the medical community, Advisor C’s visible participation will lend legitimacy not only to The Company but to the state’s Medical Marijuana Program. Advisor C is well versed in regulatory compliance for controlled substances and has a thorough understanding of business aptitudes in pharmacy operations, drug pedigree, recruitment and training, and staff development. Advisor C will bring transparency and efficiency in the management and compliance components of The Company’s operations and product offerings.

Advisor D
Advisor D holds a Bachelor of Science in Crop Protection and a Master of Science and Ph.D. in Entomology from various accredited universities. With over 26 years’ experience in the field of pest control and agricultural techniques, including the application of ecological principles in the development
of pest control management practices, Advisor D brings an expert level of agriculture-related research to The Company’s team.

Having published multiple articles in the field, Advisor D is currently examining the enhancement of the sustainable use of natural biological control agents in greenhouses. Advisor D has taught courses in Integrated Pest Management and biological control and developed an international internship program that has attracted participants from 11 different countries. Advisor D routinely participates in community outreach by providing instruction and recommendations on Integrated Pest Management techniques to local food producers.

As a member of the Advisory Board, Advisor D will provide The Company with ongoing expert guidance on Integrated Pest Management, bolstering The Company’s commitment to the use of natural biological controls in order to offer patients with a pest and pesticide-free product.

**PART II: BUSINESS MODEL**

**Part II(A): Proposed Business Model**

The success of The Company’s brand depends on the quality of its product based on adherence to written standard operating procedures advised by the operators’ collective experience in horticulture as well as Good Agricultural Practices (GAP), Good Handling Practices (GHP), and Good Manufacturing Practices (GMP). The Company’s overall success depends on implementing a job development program that employs local citizens, veterans, women, and people of color, as well as contributing financially and socially to the local economy. The Company’s core values of transparency, reliability, and community engagement will be considered at all levels of operations.

**Company Values**

*Transparency*  
The Company will act with integrity and accountability, providing clear, ongoing correspondence with state and local government, law enforcement, the local community and the patient population. All product labeling will be concise and descriptive with testing analyses openly published online for public review, pending Department approval.

*Reliability*  
In recognition of the lack of concrete scientific data for medical marijuana products, The Company will strive to offer consistent products with precise dosage levels so that patients can trust they will always get the same therapeutic benefits.

*Community Engagement*  
The Company has a civic duty to partner with the local community in order to demonstrate the value of this growing industry. Community outreach efforts will include educational events, partnerships with local non-profits, and ongoing communication with neighbors and stakeholders. The Company is committed to donating 1% of annual gross revenue to the charitable organization St. Baldrick’s Foundation, which funds promising research in pediatric oncology. Additionally, with approval from the municipal government, The Company will donate staff time and financial resources to clean up a local park, including litter removal and repair of dangerous or broken equipment.

**Management and Company Organization**  
The proposed facility will be operated by the following staff positions:
Executive Team

Chief Executive Officer (CEO)
The CEO’s overall role is to cultivate and lead The Company’s culture, vision, and strategy by building the executive and management teams, forming external partnerships, allocating capital, and delegating internal roles. Specific responsibilities include:
- Overseeing hiring decisions for executive and management teams;
- Creating and communicating The Company’s vision internally and externally;
- Managing and analyzing team self-assessments to track effectiveness;
- Working closely with the COO to devise financial strategy; and
- Working closely with the COO to ensure internal implementation of The Company’s vision via the management team.

Chief Operating Officer (COO)
Along with the CEO, the COO defines the overall vision, but goes one step further in applying that vision to The Company’s operations, supporting managers and employees as they work through the “how.” The COO also ensures both external compliance with applicable state, local, and federal laws and regulations, including reporting requirements, as well as internal compliance with The Company policies. As the person who links operations with strategy, the COO possesses outstanding communication skills. Responsibilities include:
- Overseeing company operations and managers (cultivation, quality assurance, security, transportation, human resources, etc.);
- Day-to-day management of financial activities, including planning, implementing, managing, and controlling accounts;
- Setting goals for internal performance;
- Analyzing and negotiating deals for both private and institutional financing;
- Creating and implementing policies that promote The Company’s culture and vision;
- Generating regular reports on The Company’s operations;
- Evaluating and measuring the state of compliance across the organization by conducting regular risk assessments; and
- Providing solutions to operational issues to remove barriers to success.

Managers

Lead Grower
Required education: Bachelor’s degree or further education in botanical horticulture or a related field, or in another field with extensive experience in horticulture.

Required experience: A minimum of five years’ general agriculture, horticulture or related experience, with at least three of those years growing commercially on a large scale. Cannabis cultivation experience is not a requirement for the position as it would be better served by an individual with a strong, broad agricultural skill set.

Number of Positions to be filled: One

This individual will oversee all aspects of plant cultivation, from propagation through harvest and distribution. The Lead Grower directs all grow labor, manages daily plant care and troubleshoots
biological issues before they become a problem. The Lead Grower is responsible for perpetuating advanced grow strategies and methodologies, maintaining plant health, yield optimization planning, waste prevention, and finding new ways to vertically integrate the facility’s energy use by developing new processes and procedures. The Lead Grower will make sure all the plants in the facility are receiving the appropriate level of attention through all stages of growth.

To accomplish this, the Lead Grower will work hand-in-hand with the COO to ensure standard operating procedures are followed by training and monitoring agents in specific tasks and methodical activities. This includes procedures for plant feeding/watering, pest maintenance, plant manipulation, propagation, canopy maintenance, defoliating, pruning, and workflow. The Lead Grower must be able to develop and execute a management plan for different aspects of growing, which will include determining how many agents will be needed to perform all the required daily tasks.

**Grow Staff**

*Cultivation Agents*
Required education: High School Diploma or GED

Required experience: There are no minimum requirements for cultivation agents. Because marijuana cultivation has taken place under the shroud of secrecy for so long, many marijuana cultivators, regulated and black-market alike, use substandard practices. The Company prefers cultivation agents who have no previous marijuana experience so that they will receive training with an open mind and a blank slate.

Number of positions to be filled: Two

Job description: Execute daily pruning, watering, and maintenance of grow area. The Lead Grower and Maintenance Lead will assign daily tasks to the cultivation agents necessary to care for plants’ health throughout propagation, vegetation, and flower stages of growth, including the daily tasks necessary to fulfill the requirements of The Company’s Integrated Pest Management program, such as daily monitoring, preventative treatments, and interventions. Cultivation agents may also assist in the delivery of medical marijuana products.

*Harvest Agents*
Required education: High School diploma or GED

Required experience: none

Number of positions to be filled: Two for initial operations, increasing up to eight at full output

Job description: These individuals will perform the daily tasks necessary to harvest, dry, cure, trim, and package medical marijuana and will report to the Lead Grower.

**Security Staff**

*Contracted Security Firm and Security Officers*
Required Education: Have completed an Ohio Peace Training Commission Academy in either Law Enforcement or Security
Required Experience: Minimum of five years’ experience in private security, military, or law enforcement

Number of Positions to be filled: One, nighttime-only, as determined by Security Company A

Job Description: The facility will be manned by an unarmed security officer during hours when no employees are present. Security Company A will be responsible for hiring, scheduling, supervision, and employment of the assigned officer. Security Company A is a Class “A” Private Investigation & Security Guard Provider since 1998.

**Sales and Delivery Staff**

*Sales/Delivery Director*

Required Education: Bachelor’s degree in marketing, human resources, or a related field

Required Experience: Three or more years in marketing, sales, or a related field

Number of positions to be filled: One

Job Description: The Sales/Delivery Director will be responsible for sales, order fulfillment, shipments and deliveries, and marketing with dispensaries in compliance with the Department’s advertising guidelines.

**Maintenance**

*Maintenance Lead*

Required education: Associate’s or technical degree or further education in facility management, industrial maintenance, or a related field

Required Experience: 5+ years in mechanical maintenance, 3+ years in horticultural machine maintenance

Number of positions to be filled: 0.5 Full Time Equivalent position

The Maintenance Lead oversees and implements all utility systems including water flow, lighting, natural gas usage and Heating, Ventilation, and Air Conditioning (HVAC), working hand in hand with the Lead Grower to develop and maintain grow efficiency. The Maintenance Lead will be responsible for ensuring the smooth operation of all equipment installed in the cultivation facility, including regular monitoring of equipment throughout the facility, servicing equipment, and arranging for maintenance contractors when necessary.

This person will look at each operating system every day, check water and air filters, maintain the environmental control system, replace lights and sensors, and make sure that lighting schedules are maintained. The Maintenance Lead will troubleshoot and mitigate electrical and mechanical issues as they develop. They will also monitor conditions, design sanitation and cleaning schedules, assign daily tasks to agents, and perform cleaning and sanitation as necessary.
**Marketing & Sales Strategy**

**Market Analysis**
Ohio’s current medical marijuana market is too nascent to yet be clearly defined. Based on experience in State A, The Company anticipates two broad marketing segments for medical marijuana plant material:

1. Price/Volume focused: Medical marijuana operators and buyers who are interested primarily in a transactional volume outlook to business with products produced with a commitment to affordability and volume over absolute quality.
2. Quality/Brand Focused: Medical marijuana operators and buyers who are interested in purchasing the highest quality product available at a higher cost than a readily supplied higher volume product.

Although The Company will focus a broad marketing campaign on all prospective wholesale medical marijuana buyers in Ohio, the primary target of The Company’s marketing efforts will be the quality/brand focused market segment. Level 2 cultivators are sized perfectly for this market segment. Since Level 2 cultivators have a lower cultivation capacity than Level 1 cultivators, the cost of production per plant is higher. The Company will use its size limitation as a strength to support its brand promise of small batch, craft medical marijuana. The brand will be promoted as a superior product because of The Company’s size and refined cultivation techniques that do not require the use of synthetic pesticides. Products will be priced at a rate that reflects The Company’s focus on the quality/brand market segment, selling for higher margins while remaining affordable enough for patients of any income level.

The Company’s strength in the emerging Ohio medical marijuana market will be contingent on the high quality of its product offerings. Branding efforts will also promote The Company’s use of sustainable cultivation techniques, including a zero residual pesticide approach, and its ability to care for each plant individually. The Company’s smaller size and short vegetative cycle also allows for nimbly changing strain offerings and production output to meet patient demand, scaling supply as necessary to prevent overproduction and save on operational costs.

**Communication & Advertising Strategy**
The Company’s primary means of communicating with customers will be directly through the Sales/Delivery Director’s sales efforts, focusing on communicating The Company’s brand promise to dispensary buyers first and processors second. The Sales/Delivery Director will foster close buyer relationships with medical marijuana dispensary operators and processors and maintain those relationships as the market expands. Any advertisement created by The Company, including any written or verbal statement, illustration, or depiction created to induce sales through a combination of letters, pictures, objects, lighting effects, illustrations, or similar means, including brochures, promotional, and other marketing materials per OAC § 3796:5-7-01(A), shall be submitted to the Department prior to use, in compliance with OAC § 3796:5-7-01(C).

**Sales Strategy**
The Company’s main selling point will be its ability to offer a variety of rare strains at a higher quality than other cultivators. The Sales/Delivery Director’s process for sales will include lead generation, prioritization of leads, conversion of leads to clients, and continuing to foster buyer relationships. As a cultivator, The Company’s clients are the processors and dispensaries who ultimately provide the product to the market. Because of the limited number of dispensaries and processors in the state, the target client pool is interconnected and limited in size. This limitation allows for the potential of close,
long-term relationships and the prioritization of a marketing strategy over a sales strategy, increasing the amount of medical marijuana sold rather than the number of clients, since the number of available licenses inherently limits the number of potential clients.

**Distribution Channels**

The Company will seek a plant-only processor license to sell directly to dispensaries. If granted this distribution channel gives The Company the autonomy to develop a branding campaign directed at patients, promoting The Company as an artisan cultivator. The Company will also market non-flower plant material to medical marijuana processors. This distribution channel makes use of trimming by-product while indirectly promoting The Company’s brand to processors’ customers as well, thereby increasing its reach and influence. The Company will not directly or indirectly discriminate in price between different processors or dispensary facilities that are purchasing a like grade, strain, brand, quality level, and quantity of medical marijuana, in compliance with O.A.C. § 3796:2-2-07(H). All packaging, advertising, branding, and labeling will closely follow Ohio packaging and labeling requirements per O.A.C. § 3796:2-2-02.

**Growth Strategy**

Projecting The Company’s growth strategy over the coming years is dependent on the timeline for dispensary and processor applications as well as the success of Ohio’s Medical Marijuana Control Program. The Company intends to employ both a horizontal and a vertical growth strategy by expanding cultivation and adding medical marijuana processing with the Department’s approval. Once patient demand can support it, The Company will apply for an expansion of the marijuana cultivation area to add three production lines, doubling its production capacity. The additional production lines will allow The Company to expand strain offerings and lower overall production costs for a more competitive price point. The Company may also apply for a processing license to further develop its product offerings. Creating medical marijuana products in-house that adhere to The Company’s quality assurance standards will not only increase brand awareness and revenue, but also solidify the brand promise of top quality, hand-crafted medical marijuana.

From the onset, The Company will build brand recognition among medical marijuana dispensary buyers and patients by promoting the craft qualities of its product. Once brand recognition is established in dispensaries, The Company will market its product to processors as high-quality plant material with an existing market presence. Marketing to two different distribution channels to expand brand awareness is a key component of The Company’s growth strategy.

**Product Description**

The Company’s superior products rely on cultivation methodologies that are founded on plant care and sustainable techniques, which, combined, lead to consistently high-quality flowers. The Company’s expert cultivation techniques have been developed through years of research and cultivation experience at Entity A. Another cornerstone of The Company’s brand is variable strain offerings based on its ability to select superior phenotypes and quickly bring a new product to market. The Company’s focus on small batch, craft medical marijuana inherently creates a more intimate cultivation experience for better plant care and a regimen nimble enough to adjust strain offerings to cater to patient demand and constantly evolving clinical research on medical marijuana. No plant material shall be distributed to a processor or dispensary unless the strain has been registered with the Department and assigned a product identifier by the Board of Pharmacy.

In State A, the COO’s ability to cultivate high quality medical marijuana flowers and unique strains has earned Entity A two first place awards, including one first place award in 2017 for Proprietary Strain A,
three second place awards, six third place awards, one fourth place award, and one fifth place award in various competitions throughout State A. The Company’s proposed strains presented in Section 2B of this application include Entity A’s award-winning genetics, which have been selected specifically for Ohio’s patient population based on the qualifying medical conditions included in O.R.C. 3796.01(6). For example, one of The Company’s proposed award-winning strains is recommended for muscle spasms like those associated with multiple sclerosis and Parkinson’s disease, as well as chronic and severe pain.

**Projected Revenue**
The Company’s projected annual revenue, once fully operational, is $2.664 million from medical marijuana cultivation. This figure will trend linearly if the proposed facility is approved for expansion.

**Patient Participation**
While Ohio’s medical marijuana market is developing, potential market size and patient numbers can be estimated by examining patient participation and demand in states with legalized and regulated medical marijuana programs that are similar in size and population to Ohio. The Company estimates the initial patient population at 0.5% of the state’s total population, growing to 1.3% within three years. For context, states with established medical marijuana programs have the following patient participation rates, in percent of total population: Nevada 0.85%, Rhode Island 1.55%, Oregon 1.62%, Maine 3.83%. Until patient registration begins and medical marijuana facilities have been issued licenses, all market size and market segments are hypothetical estimations.

The proposed cultivation facility is capable of scaling production within a range to meet patient demand. In the initial build-out, the facility will contain three production lines, each capable of producing approximately 64 pounds of finished medical marijuana flowers every 60 days. At full production, the facility will produce, on average, 96 pounds of flowers and 20 pounds of sellable trim each month, which would provide for 1,536 patients each month, assuming average patient consumption at one ounce per month. Assuming initial patient participation at 0.5% of the total population, The Company will be able to provide for approximately 2.6% of the total patient population.

If granted permission to expand its cultivation area from 3,000 square feet to 6,000 square feet, in accordance with O.A.C. § 3796:2-1-09, The Company will add three more production lines, doubling production capacity to 192 pounds of flowers each month, which would provide for 3,072 patients each month. Assuming the patient population also doubles to 1.0% over time, the expanded facility will continue to provide for 2.6% of the total patient population. The Company will adjust the number of plants cultivated based on patient population and consumption reported in the Department’s inventory tracking system (ITS) to ensure that the cultivation facility does not produce or maintain medical marijuana in excess of the quantity required for normal, efficient operation, in compliance with O.A.C. § 3796:2-2-07(D).

**Part II(B): Ohio Based Jobs and Economic Development Plan**
Ohio has long been a laboratory of democracy, particularly adept at experimenting with and nurturing developing industry clusters. Examples include Northeast Ohio’s polymer cluster, Toledo’s designation as the Solar City, Cleveland as the Hub for Biomedicine, and many other cities that have benefitted from the Hubs of Innovation and Opportunity Program.
The medical marijuana industry has a lot to offer these economic trade clusters and has much to gain from allying with them. In time, Ohio’s medical marijuana industry could grow to become an industry cluster of its own, realizing millions of dollars in potential tax revenue and perhaps billions in total industry profits. The increase in tax revenue from the sale of medical marijuana will have a positive impact not only on the state as a whole, but will provide tax revenue and local growth to municipalities and local jurisdictions. Creating new industries and continuing to nurture industry clusters is one of the best means for Rust Belt cities to combat urban shrinkage and encourage further prosperity to urban and agricultural regions. In the state of Ohio, where job growth has been trending below the national rate in recent years, the medical marijuana industry can help fill some of the void left by the automotive industry and other manufacturers, combating unemployment where marijuana businesses are allowed to operate.

Ohio’s unemployment rate has closely followed that of the national unemployment rate, which is currently on the decline. The last two years, however, Ohio has seen very little growth in the state employment rate, which has nearly stagnated. In 2016, the state of Ohio had the worst year for job growth since the recession in 2009, and the job growth rate from December 2015 to December 2016 was .9%, while the nation saw a job growth rate of 1.6%.\(^1\) For the month of March 2017, Ohio’s unemployment rate was 5.1%, or 0.6 percentage points above the national unemployment rate for the month.\(^2\) The state has specifically seen a decline in jobs in education, health services, and general service jobs. Although not a panacea, the state’s Medical Marijuana Control Program has the potential to provide a much-needed jumpstart to the job market by creating jobs locally and supplementing the state’s current job development programs.

The Company’s operations will have a positive economic impact on the region surrounding its proposed facility as well as the state of Ohio in general. The Company expects to immediately create at least 10 permanent jobs at its facility, increasing up to 30 with an approved expansion. The Company is committed to paying a fair living wage, with starting entry level pay guaranteed at 200% of minimum wage. The Company will also hire local contractors to retrofit the facility and buy materials for operations from local businesses whenever possible.

Increased employment in the area may have corresponding positive ramifications for the local economy, such as an increase in housing, small business development, and overall contribution to the local economy and culture. To foster diversity in the gender and ethnic make-up of its staff, recruitment documents will be screened for unconscious biases in language that could discourage women and minority candidates from applying. Recruitment strategies to achieve The Company’s goal of a 20% veteran workforce include attending veteran careers fairs and posting open positions on local and online military job boards.

Measures to increase the safety and security in the facility’s neighborhood include exterior lighting, 24/7 surveillance monitoring, carbon-filters on all vents to prevent marijuana odor and onsite security personnel outside of working hours. In addition, the area surrounding the proposed cultivation facility will be outfitted with landscaping to improve the curb appeal of the location. The design of the facility

\(^1\)http://www.cleveland.com/business/index.ssf/2017/03/ohio_unemployment_rate_5_perce.html
\(^2\)http://www.deptofnumbers.com/unemployment/ohio/
http://ohiolmi.com
and clean exterior image, coupled with The Company’s commitment to implement a local park cleanup project, will serve to develop the surrounding area, increase property values, and contribute to a sustainable and growing local community.
2B Operations Plan
(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: 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))
PART I: EXPERIENCE IN AGRICULTURE

The Company’s philosophy for indoor cannabis cultivation is based on the team’s knowledge and experience with cannabis cultivation and plant pathology. As doctors of entomology, Advisor B and Advisor D have spent many years researching plants’ susceptibility and resistance to pests and pathogens. Likewise, the COO has experimented with varying approaches to marijuana cultivation environments during six years of exposure as a cultivator. Based on their professional experience and academic research, The Company’s approach is not to create an overly sterile cultivation environment but instead use equipment, products and procedures that promote plant vigor and resistance. Although some cultivators promote ultimate sterility in their indoor environments, in The Company’s experience sterility is not achievable in agriculture and, in fact, is in direct opposition to the practice of inoculating plant media with beneficial microbes. An overly sterile environment may actually be detrimental to plant health, especially in the event that a pest or pathogen does enter the facility. The Company prefers a holistic approach to plant health and pest management, beginning at the micro level with beneficial microbes applied to the roots early in the cultivation cycle and extending to the macro level with environmental control equipment and biological predators controlling pest problems before they start.

Since 2014, The Company’s COO has owned and operated Entity A, a medical marijuana cultivator and consultant in State A that has grown to become among the most reputable craft medical marijuana cultivators in the state. Entity A’s 3,800 square foot cultivation facility distributes to some of the largest, oldest, and most reputable dispensaries in its area and has earned dozens of awards for its medical marijuana flowers. Entity A has developed its business based on ethics of quality, safety, and consistency, helping to shape demand in State A for small-batch, craft medical marijuana. The Company intends to bring these same ethics to its proposed cultivation facility in Ohio. The following plans, policies, and procedures further demonstrate The Company’s extensive experience cultivating medical marijuana with the consistency, quality, and safety demanded by the commercial market.

The facility operates according to a standardized schedule to guarantee not only product quality, but also maximum efficiency in terms of cultivation inputs and yield. In the fiercely competitive market of State A, consistency goes hand-in-hand with innovation and Entity A has designed its facility and operations to meet both of these market demands. Using an efficient small-batch harvest cycle, Entity A is able to quickly bring its flowers to market and alter its mix of varieties based on patient demand. Clones enter the flowering stage within approximately one month of propagation, and harvests per flower room are maximized to six per year. Each of Entity A’s four flower rooms contain 32 lights and will consistently yield 64 pounds of manicured medical marijuana flowers per harvest.

Entity A has achieved this level of sophistication over the years by experimenting with irrigation and lighting techniques; taking a scientific approach to modifying individual elements of the complex cultivation environment. To reduce water consumption, Entity A has transitioned from ebb and flow watering systems in its flower rooms to more efficient drip irrigation systems that generate little to no runoff. Lighting systems are as energy efficient as possible and use the lowest effective wattage to meet photosynthetically active radiation (PAR) value requirements for plant growth. High Output fluorescent lighting is used in all propagation and vegetative areas to reduce power consumption. Entity A also conducts ongoing phenotype selection by cultivating and testing each new variety introduced into the facility. This allows them to identify the most stable genetics for mother plants and to consistently achieve the cannabinoid profiles and strain varieties patients of State A have come to expect from top tier cultivators.
In addition to the COO’s cultivation experience, Advisor A has dedicated his entire professional career to the medical marijuana industry, beginning as a medical marijuana cultivator sixteen years ago and going on to participate at all levels of production and distribution. With his combination of experience as an advisor to both government agencies and private businesses, Advisor A is a subject matter expert in medical marijuana. His experience includes setting up operations for licensed medical marijuana cultivators and processors in multiple highly regulated states, contracting with a municipality to create and implement regulations, and working for advocacy firms to educate legislators and regulators in industry best practices.

The Company’s Advisory Board also includes two agricultural scientists with doctoral degrees in entomology, which is the study of insects, who have a combined 76 years researching and teaching agricultural techniques and Integrated Pest Management (IPM). Advisor D has developed an international internship program for IPM training that attracts participants from around the world, while also participating in his local community to promote IPM best practices among local food producers. Advisor B has been teaching and publishing his research on pest identification and management for over 50 years. He also has seven years’ experience in the private sector researching plant pesticides as a director-owner for a pest evaluation company that aids clients in determining best practices for pest management and eradication.

These Advisors’ invaluable experience will ensure The Company’s proposed operations use the safest and most effective IPM strategies. Both perform trials for international chemical companies to determine activity, efficacy and best use practices to maximize pest management and minimize costs and adverse impacts on final products. Advisor D is also a highly recognized expert on the use of classical and novel biological controls such as predators, parasites, bacteria and fungi for management of greenhouse and interiorscape pests. Both researchers publish the results of their experiments in recognized scientific journals so that other researchers and industry adopters have access to new knowledge.

**Part II: CULTIVATION METHODS AND PROPOSED STRAINS**

**Part II(A): Cultivation Techniques and Standards**

The Company’s cultivation facility will operate with the same precision used in their existing operations. Each step, from cloning to curing, is executed according to a precise schedule based on the operators’ many years of experience cultivating medical marijuana. The Company shall not amend or otherwise change the approved cultivation techniques described herein unless written approval is obtained from the Department of Commerce, in compliance with O.A.C. § 3796:2-2-07(E). The Company will not initiate propagation, nor any other cultivation activities, until a certificate of operation is issued by the Department, in compliance with O.A.C § 3796:2-1-06(A).

**Perpetual Harvest**

To ensure a consistent supply of medical marijuana is available to be sold to licensed processors and dispensaries per O.A.C. § 3796:2-1-07(A), the facility is designed to hold three production lines to allow for staggered harvests every twenty days. This provides a steady supply of medical marijuana and a stable workflow for cultivation and harvest agents. Staggering harvests into smaller batches also minimizes the security risk posed by one large harvest. The number of production lines utilized will be adjusted based on patient population and consumption reported in the Department’s Inventory Tracking System to ensure The Company does not produce or maintain medical marijuana in excess of the quantity required for normal, efficient operation, in compliance with O.A.C. § 3796:2-2-07(D).
Cultivation Stages
There are two regular stages of the medical marijuana life cycle: vegetative and flower. Per O.A.C. § 3796:1-1-01(A)(51), the vegetative stage is the stage of cultivation where and when a marijuana plant is propagated to produce additional marijuana plants or reach a sufficient size for production, including seedlings, clones, mothers, and any other immature marijuana plants that have no more than two stigmas visible at each internode of the marijuana plant and are not in an area that has been intentionally deprived of light for a period of time intended to produce flower buds and induce maturation. Per O.A.C. § 3796:1-1-01(A)(19), the flowering stage is the stage of cultivation where and when a marijuana plant is cultivated to produce plant material for medical marijuana products, including any plant that has been intentionally deprived of light for a period of time intended to produce flower buds and induce maturation, from the exact moment the light deprivation has started to occur and for the remainder of the marijuana plant growth cycle in such area, as well as mature plants that have more than two stigmas visible at each internode of the plant, per O.A.C. § 3796:1-1-01(A)(19)(a). The Company’s cultivation method uses a growth cycle of approximately 12 weeks, divided into the following rooms:

Mother and Clone Room
The mother and clone room contains an area for plant propagation and an area for mother plants, which are separated by a curtain.

Propagation Area
The propagation area contains plants in their first two weeks of life, also known as clones. Per O.A.C. § 3796:1-1-01(A)(7), a clone is a non-flowering plant cut from a mother plant that is no taller than eight inches and is capable of developing into a new plant. Eventually, clones grow into full-sized flowering plants that are an exact replica of the plant from which the cutting was taken. Clones are kept under continuous light (24/0) under low intensity T8 fluorescent lighting and will be fed a diluted nutrient solution high in B vitamins. Clones will be kept humid under a clear plastic humidity dome in a propagation tray until roots begin to show.

Mother Area
The mother area of the mother and clone room will contain the plants from which clones are cut. Per O.A.C. § 3796:1-1-01(A)(34), a mother plant is a marijuana plant that is cultivated or maintained for the purpose of generating clones and that will not be used to produce plant material for sale to a processor or a dispensary. Mother plants are kept continuously in the vegetative stage, cultivated solely for the purpose of propagating clones and shall not be used to produce any medical marijuana, per O.A.C. § 3796:1-1-01(A)(51)(b). Mother plants will receive 18 hours of light and six hours of darkness (18/6) under 315 Watt ceramic metal halide lighting. Lights will be raised as necessary to maintain a distance of at least two feet from the top of the plant. Mother plants will be fed as-needed from an ebb and flow nutrient reservoir and will receive a weekly foliar application of a blend of vitamins and minerals to ensure healthy foliar growth and increase pathogen resistance. Mother plants will be pruned and defoliated on a schedule that correlates to cloning needs to maximize the number and health of new growth sites.

Healthy mother plants are vital for creating high-quality clones, which will in turn create high quality medical marijuana. The Company will only select mothers from female medical marijuana plants that show signs of healthy genetics such as fast growth, high potency, homogenous characteristics across all parts of the plant, an ability to resist mold and other pests, and provision of appropriate medicinal
benefits for the patient population. Mother plants will be re-established from vegetative stock every three months and on a continuous basis in order to establish baseline vigor and ensure future vitality. If a mother plant becomes unhealthy, contaminated, or stressed, no clones will be taken from it. Clones will be taken from a given mother plant no more than once every two weeks.

Environmental conditions for mother and clone room:
- Temperature: 75-80 degrees Fahrenheit;
- Humidity: 60%-70% RH;

Vegetative Room
Plants complete approximately a third of their vertical and horizontal growth in the vegetative room, establishing a foundation for their greatest height, width, and fullness potentials. Rooted clones will be transplanted directly from their propagation trays into six-inch Rockwool cubes. These cubes are placed in 4’x8’ grow trays at a density of 104 per tray, at which time each plant will be assigned a unique plant identifier per O.A.C. § 3796:1-1-01(A)(50). Each time plants are transferred from the propagation area to the vegetative room, the trays will be sterilized and inspected. Plants will remain in the vegetative state for approximately 19 days and will reach a height of 12 to 18 inches.

Environmental conditions in vegetative room:
- Temperature: 75-80 degrees Fahrenheit;
- Humidity: 60-70% RH;
- Light: 18 hours of light and six hours of darkness (18/6) under High Output T5 fluorescent lighting. Lights will be placed at a fixed distance of approximately two feet from the top of the plant;
- Water and feeding schedule: Vegetative plants are fed through a recirculating irrigation system that pumps a pre-mixed nutrient solution into the grow trays on a specified schedule. The nutrient solution is pumped continuously for enough time to saturate plants, then drains back to the nutrient reservoir, allowing the plants to take only what they need from the nutrient mixture with zero run-off generated during the vegetative cycle. The nutrient reservoir is reused throughout vegetation and changed between cycles;
- Pest management: A preventative, non-toxic pest and pathogen foliar spray will be applied to plants once per week.

Flower Rooms
When plants in the vegetative stage are ready to transition into the flowering stage, they are spread into 4’x8’ grow trays at a density of 32 plants per tray, allowing each plant approximately one square foot of grow space for the duration of their flowering cycle. Plants entering the flowering stage are moved to an assigned flower room based on the variety and schedule. The optimal flowering period of The Company’s proposed strains is approximately 60 days. The flowering area will be divided into three rooms, with schedules staggered by 20 days, ensuring that even if all rooms are not operational, not more than 120 days elapse between harvests, in compliance with O.A.C. § 3796:2-1-07(A)(1). During this final stage of cultivation, light conditions are changed to stimulate the growth of flowers. Plants in flower rooms are fed through a custom manifold system that feeds each plant individually. Little to no runoff is generated during the flower stage. At specific points in their lifecycle, flowering plants are bent and pruned to maintain a consistent canopy height and thickness. These processes ensure consistency in yield, quality, and size of flowers. Plants will remain in the flowering stage for approximately eight weeks until they reach peak ripeness.
Environmental Conditions for flower rooms:
- Temperature: 70-80 degrees Fahrenheit;
- Humidity: 55%-65% RH;
- Light: 12 hours of light and 12 hours of dark (12/12) under 1000 Watt Gavita Pro 1000e High Pressure Sodium lamps. Lights will be positioned at a fixed height and plants will grow into canopy headspace as they adapt to the light intensity;
- Water and feeding schedule: Plants will be fed according to their needs, between 1-6 times per day. During the final seven days of the flowering cycle, plants will be fed only pure water. No foliar, pesticide, fungicide, or other spray shall be applied to plants after the 21st day of the flowering cycle, per O.A.C § 3796:2-2-01(C)(3).

**Part II(B): Medical Marijuana Varieties**
The COO’s extensive experience breeding and cultivating medical marijuana in the highly competitive State A market has won dozens of awards for Entity A, including a globally recognized first-place award in the hybrid flower category for Proprietary Strain A. The Company can provide a certificate of analysis for each of its proposed strains showing full cannabinoid and terpenoid analysis as well as pesticide and microbiological content.

The Company shall only cultivate for distribution strains of medical marijuana that have been registered with the Department of Commerce and assigned a product identifier by the Board of Pharmacy, in compliance with O.A.C § 3796:5-1-01(I) and O.A.C § 3796:5-8-01(A). The Company shall not grow a prohibited form of medical marijuana that is not registered and approved by the Board of Pharmacy, in compliance with O.A.C § 3796:2-2-07(C). Plant material distributed by The Company, including medical marijuana flowers as well as leaves and other plant parts, shall have a tetrahydrocannabinol (THC) content of not more than thirty-five percent, per O.R.C. § 3796.06(D)(1) and O.A.C § 3796:2-2-07(G), which shall include the sum of the amount of THC and 87.7% of the amount THCA present in the flowers or plant material, per O.A.C § 3796:1-1-01(A)(49). Each of The Company’s selected strains were bred by experienced breeders and were selected for their unique phytochemical makeup, pest resistance, yield, consumer demand, and overall stability. With approval from the Department and the Ohio State Board of Pharmacy, the Company intends to grow the following strains:

<table>
<thead>
<tr>
<th>Strain Identifier</th>
<th>THC Content</th>
<th>CBD Content</th>
<th>CBGa Content</th>
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<tbody>
<tr>
<td>Proprietary Strain A</td>
<td>19%</td>
<td>0.05%</td>
<td>0.34%</td>
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<td>High THC 2</td>
<td>25%</td>
<td>0.05%</td>
<td>0.52%</td>
</tr>
<tr>
<td>High THC 3</td>
<td>27%</td>
<td>0.06%</td>
<td>1.41%</td>
</tr>
</tbody>
</table>

The Company may submit additional strains for Department approval with the Board of Pharmacy upon receiving its certificate of operation.

**Company Specifications**
The Company will establish specifications for the quality, appearance, potency, purity, and identification of each medical marijuana strain, package size, and dose in its final packaged form. The Company will not release any batch of medical marijuana unless testing by a licensed testing laboratory shows that the batch meets The Company’s specifications and the standards set forth by the Department
and that the package or label contains the analysis from a licensed testing laboratory, per O.A.C § 3796:2-2-06(C). General specifications for all medical marijuana include:

- Every medical marijuana strain and every medical marijuana package size and dose of each strain must be registered with the Department and assigned a product identifier by the State of Ohio Board of Pharmacy, per O.A.C § 3796:5-8-01(A) and O.A.C § 3796:5-8-01(B);
- Microbial contaminants must not exceed the standards set forth in Table 9 of the most recent version of the Cannabis Inflorescence: Standards of Identity, Analysis, and Quality Control monograph, per O.A.C § 3796:4-2-04(G);
- The total detected amounts of aflatoxin B1, aflatoxin B2, aflatoxin G1, and aflatoxin G2 must not exceed twenty micrograms per kilogram per O.A.C § 3796:4-2-04(H)(1);
- The detected amount of ochratoxin A must not exceed twenty micrograms per kilogram, per O.A.C § 3796:4-2-04(H)(2);
- The detected amount of arsenic must not exceed 0.14 micrograms per kilogram, per O.A.C § 3796:4-2-04(I)(1);
- The detected amount of cadmium must not exceed 0.09 micrograms per kilogram, per O.A.C § 3796:4-2-04(I)(2);
- The detected amount of lead must not exceed 0.29 micrograms per kilogram, per O.A.C § 3796:4-2-04(I)(3);
- The detected amount of mercury must not exceed 0.29 micrograms per kilogram, per O.A.C § 3796:4-2-04(I)(4);
- Pesticide residues for approved pesticides listed in the Department’s approved list of pesticides must not exceed the most stringent acceptable standard for an approved pesticide chemical residue in a food item as set forth in Subpart C of 40 C.F.R. Part 180, per O.A.C § 3796:4-2-04(J); and
- Pesticide residue from any pesticide not on the Department’s approved pesticide list must not be present in any detectable amount, per O.A.C § 3796:4-2-04(J).

Part II(C): Research Plans

Strain Offerings
The Company will occasionally devote part of a flower room to testing new strain varieties. This will allow The Company to select strains with cannabinoid profiles that are more likely to treat specific medical conditions in a targeted way. Over time, this will allow patients of the state to experience a higher likelihood of therapeutic benefits. No plant material cultivated in the testing area shall be distributed to a processor or dispensary unless the strain has been registered with the Department and assigned a product identifier by the Board of Pharmacy. The Company’s CEO is a board-certified orthopedic surgeon passionate about the potential benefits of cannabinoid-based medicine. The CEO will not seek a certificate to recommend medical marijuana to patients, in compliance with O.A.C § 3796:2-1-03(A)(2)(b), nor conduct clinical research with medical marijuana. The CEO will guide The Company’s research by tracking published clinical studies on medical marijuana and attending educational conferences and events relevant to The Company’s research efforts.

Pest Management
Advisor B and Advisor D have national and international reputations related to their applied and basic research on managing insects and mites in controlled environments. They will lead a pest management research plan by focusing on four entomological research efforts:

- Evaluations of standard and organic insecticides and miticides used to manage insects and mites associated with the cannabis plant: The insecticides and miticides tested will concentrate on the
newer “low risk” chemistries (as defined by US-EPA), insect growth regulators, and certified organic products using the current list of OMRI products (Organic Materials Review Institute) as a guideline. In compliance with O.A.C § 3796:2-2-01(C), The Company will only research pesticides and chemicals that appear on the Department’s most recent version of the approved list of permitted pesticides, fertilizers, and other chemicals. Discoveries of new systemic and non-systemic insecticides over the last decade have shown high promise for control of common insect and mite pests, yet these chemistries are often in Category IV (practically non-toxic) meaning they pose risk, however minimal, to consumers. The Company proposes replicated trials of treated medical marijuana plant material and products to determine if there are any pesticide residues remaining at harvest time.

- Testing of use and release strategies to maximize biological controls: Predators and parasites of common greenhouse pests are widely used in Europe to produce high quality greenhouse crops and this technology is gaining favor in the United States, especially for greenhouse vegetable production. These same biological controls should be ideal candidates for cannabis production systems where the new leaves and flowers are the primary products. Current research is concentrating on how to best release these biological controls. Some are suitable to be spread via granular blowers or salt and pepper shakers, and others are released via special packets (attached to plant parts). The Company proposes an evaluation of each of these methods with the various agents to determine the most efficient and efficacious system, particularly for spider mite predators and whitefly parasitoids.

- Production strategies that are commonly used to prevent initial infestations, isolate and contain discovered infestations, and manage infestations with minimal impact pesticides: Development of production methods that minimize insect and mite pests is difficult to scientifically replicate without multiple facilities that have similar attributes. However, through careful record keeping and using constant monitoring techniques, The Company will research methods (i.e., keeping different age categories of plants separated in defined growing spaces, treatment of plants known to be infested) that maximize production and minimize pests.

- Evaluation of cannabis strains for natural resistance/tolerance to common pests: As with most crops, the high variation in genomes of cannabis cultivars/strains provides plants that have natural resistance or tolerance to common insect and mite pests. Research will allow The Company to improve and fully implement its Integrated Pest Management System that incorporates regular detection and monitoring procedures with plant resistance attributes, biological controls and minimal risk pesticides.

PART III: PRODUCTION TIMELINE AND PRODUCTION SCHEDULE

The Company’s complete production timeline from freshly cut clones all the way to properly dried and cured flower is approximately 14 weeks and includes the following steps:

**Step 0:** Mother Plants, Ongoing  
**Process:** All mother plants of each strain are tagged and numbered.

**Step 1:** Propagation, ~2 weeks  
**Process:** Clones from each mother plant are cut, plugged, numbered, and tagged in batches to match their source. Clones are placed in 1ft x 2ft humidity domes under low intensity T8 fluorescent lighting for two weeks until healthy roots are established.
Step 2: Vegetation, ~19 days  
**Process:** Rooted clones are transplanted into six-inch Rockwool cubes in the vegetative growing area. Each plant transplanted is tagged with a unique plant identifier and scanned to record its transfer in The Company’s electronic inventory tracking system (ITS). The identifier tag will remain with the plant through each stage of production. Vegetative growth takes place under slightly more intense T5 fluorescent lights. Plants are spaced at 3.25 plants per square foot.

Step 3: Flowering, ~60 days  
**Process:** Identifier tags on vegetative plants are scanned and moved into a flower room. Plants will be placed at approximately one plant per square foot of grow area. Plants are flowered under high-intensity, high-pressure sodium lighting to provide adequate energy for photosynthesis and carbon fixation.

Step 4: Drying, 1 week  
**Process:** Mature plants are cut at the base and stripped of all large leaves. At this point, each plant along with its identifier tag is transferred into the drying/curing room. Each de-leafed plant is hung upside down on a wire rack to dry for approximately one week.

Step 5: Trimming, 4 days  
**Process:** Dried plants undergo final trim in the designated trimming area. Identifier tags for each dried plant will be scanned into the ITS before trimming begins to note its status change. Plants are finely trimmed by human hand to avoid the degradation that automated trimming machines can cause. Plant material is trimmed and harvested into food grade polypropylene containers. Each container may contain material from multiple plants of the same strain cultivated and harvested together, consolidating plants into 15 lb. batches of flowers or 25 lb. batches of trimmed leaves. Each container will have all the tags from each plant in the batch attached to the container. Medical marijuana waste, primarily plant stalks at this stage, will be disposed of in accordance with The Company’s medical marijuana waste disposal procedures. Trimming takes approximately four days per flower room harvest.

Step 6: Curing, 1 week  
**Process:** Batch containers are moved into the curing area to stabilize. At this point the flowers/buds/trim are off-gassing and equalizing moisture content. This process takes approximately one week.

Step 7: Testing, TBD by testing laboratory  
**Process:** Representative samples are taken from each batch by an employee of a licensed laboratory for quality assurance testing. Batch containers are kept in quarantine storage in the vault until certificate of analysis shows the batch meets The Company’s specifications for the strain.

Step 8: Packaging, Ongoing  
**Process:** Approved batch containers are taken into the packaging area to be weighed and packaged. Plant identifier tags for each container are scanned into the ITS when they enter the packaging area. The agent responsible for packaging will then weigh out medical marijuana plant material in the quantities indicated in the packaging order. A supervisor will inspect each packaged and labeled batch for compliance with company specifications prior to distribution.
**Step 9: Shipment, Ongoing**

Upon receiving an order from a licensed medical marijuana processor or dispensary, packaged and approved medical marijuana will be loaded into locked storage areas within the designated transport vehicle staffed with two delivery team members who have been trained in The Company’s transport procedures, including use of the Department’s ITS to record chain of custody throughout transport as well as required entries in the transportation log.

**PART IV: MARIJUANA CULTIVATION AREA LAYOUT AND ENVIRONMENT**

Per O.A.C. § 3796:2-2-01(A)(1), the cultivation facility will have separate spaces within the cultivation area for each stage of growth, and plants will be moved from one room to the next as they mature. The cultivation facility has been designed not only to comply with state regulations but also follows selected specifications from 21 CFR 110, the federal regulations governing current good manufacturing practice in manufacturing, packing, or holding human food. Following these standards will ensure The Company facility is able to produce contaminant-free medical marijuana. The cultivation facility is designed to:

- Be of a size that is suitable for cultivation operations;
- Have a power supply sufficient to handle the electrical load calculated by a licensed electrical engineer based on the equipment listed in The Company’s architectural renderings;
- Have wall, ceiling, and floor surfaces that can be easily cleaned, with walls and ceilings in cultivation areas painted with high-gloss, anti-fungal, and anti-bacterial paint;
- Have contact surfaces, fixtures, pipes, and ducts that prevent contamination;
- Include a shipping/receiving area for identifying, withholding, releasing, approving and/or rejecting the various components used in cultivation and processing operations;
- Include medical marijuana storage areas for approved, withheld, quarantined, rejected, and in-process medical marijuana;
- Have an adequate number of toilet facilities with hand-washing stations, in compliance with local, state, and federal regulations, including Occupational Safety and Health Administration (OSHA) standards that require a minimum of one bathroom per 20 employees;
- Have adequate lighting in all areas, particularly hand-washing and processing areas;
- Have back flow prevention devices in plumbing supply lines; and
- Meet applicable local building, fire, safety, and zoning statutes, local ordinances, and rules and regulations adopted by the locality, in compliance with O.A.C § 3796:2-1-02(B)(2)(k) and O.A.C § 3796:2-1-03(B)(1)(e).

**Location**

In compliance with O.R.C. § 3796.30(A), the cultivation facility is not proposed to be located within five hundred feet of the boundaries of a parcel of real estate having situated on it a school, church, public library, public playground, or public park, measured linearly as the shortest distance between the closest point of the property lines of the cultivation facility and the prohibited facility, in accordance with O.A.C § 3796:5-5-01(A). In the event a prohibited facility becomes established within 500 feet of the cultivation facility after it has been issued a provisional license, The Company shall notify the Department, submit its existing security plan, and make reasonable additional measures to prevent access and make the surrounding areas safe as deemed necessary by the Department, in compliance with O.A.C § 3796:5-5-01(D).
Marijuana Cultivation Area
The proposed facility has 16,470 square feet of available space. The Company will initially use 3,000 square feet of this space as marijuana cultivation areas, in which medical marijuana is cultivated during the vegetative and flowering stages, in compliance with O.A.C. § 3796:1-1-01(A)(28). Medical marijuana plants shall not be cultivated outside of the designated, restricted access cultivation areas, in compliance with O.A.C. § 3796:5-6-02(A)(8). The marijuana cultivation area, which does not include areas used solely for the storage and maintenance of mother plants, clones, or seedlings, will not exceed 3,000 square feet, in compliance with O.A.C. § 3796:1-1-01(A)(23), unless a request for expansion is approved by the Department in accordance with O.A.C. § 3796:2-1-09. In the event that it seeks to expand its marijuana cultivation area, The Company shall submit an expansion plan that includes the requirements of O.A.C. § 3796:2-1-09(B). The Company will not change the use or occupancy of the facility unless the Department is notified and provides written approval of such changes, in compliance with O.A.C. § 3796:2-2-07(F).

The pages that follow include graphic representations, drawn to scale, of the proposed marijuana cultivation area, including:

1) A two-dimensional floor plan of the marijuana cultivation area showing layout and grow tables; and
2) A three-dimensional rendering of the marijuana cultivation area showing the equipment to be installed and stacked orientation for vegetative room only.
**Vegetative Room**
The proposed facility contains one 356 square foot vegetative grow area containing eight 4’x8’ grow tables and twenty-four (24) 432-watt T5 fluorescent fixtures. The vegetative room grow tables are stacked on standard industrial racks in a 2-tier configuration.

**Flower Rooms**
The proposed facility includes three 880 square foot flower rooms, each containing twenty 4’x8’ grow tables and thirty-two (32) 1000-watt High Pressure Sodium light fixtures. This is un-tiered, single story construction.

**Dry/Trim Room**
Since only one flower room is harvested and trimmed at a time, a single room will be used for the post-harvest activities of drying and trimming. The dry/trim room will be built with the same specifications as storage vaults and will be environmentally controlled with HVAC and dehumidification equipment, as well as a carbon air scrubber, HEPA and MERV 13 filters, and UV sanitizing light to prevent mold. The dry/trim room will be kept at a temperature of 68 degrees Fahrenheit and 50-55% RH. Air filters in the dry/trim room will be replaced after each batch of medical marijuana has been stored to keep the filters working optimally, as there is a high potential for odor and particulate matter.

**Curing**
After the medical marijuana is dried and trimmed, the batch will be placed in curing bins and transferred to the designated curing room with the transfer noted in the ITS.

**Signs Posted**
Per O.A.C § 3796:2-1-06(E), The Company shall post in a conspicuous place within the facility its certificate of operation issued by the Department along with a copy of the current certificate of occupancy for the facility and any other certificate, business license, or other authorization required by the local jurisdiction. The documents shall also be made available to the Department and all fire code and building officials upon request.

**PART V: STANDARD OPERATING PROCEDURES**

**Part V(A): Operations Standards and Guidelines**

Maintaining the health and ideal growth of medical marijuana plants through each stage of maturity requires various daily procedures. Based on the COO’s experience operating a medical marijuana cultivation facility in State A, The Company has prepared written Standard Operating Procedures (SOPs) that dictate how medical marijuana is cultivated, harvested, packaged, labeled, stored, and distributed. The procedures described here are select processes meant to demonstrate The Company’s ability to consistently cultivate high quality medical marijuana as a result of many years standardizing its operations methods and procedures. If awarded a provisional license, The Company shall present to the Department its full and complete manual of policies and procedures upon request.

**Cultivation Procedures**

**Plant Training and Pruning Techniques**

Plants in the vegetative stage are pruned according to schedule to ensure even growth for an optimal flower end product. Plant growth during vegetation significantly influences the number and size of medical marijuana flowers that will develop during the flowering stage. A thicker stem will encourage
more nutrients to travel into developing flowers, stronger branches will bear the weight of heavier
flowers, and more light exposure will produce bigger flowers. The point of plant pruning is to
encourage even node development and branching in order to maximize the plants potential, effectively
increasing yield without increasing energy requirements.

Pruning, training, transplanting, and changes in nutrients or light cycle all cause various levels of stress
to a plant. Stress can be beneficial because when a plant is given the proper recovery time, the plant
will come back stronger with increased vigor. However, if a plant is overstressed because it is trained
or treated without given time to recover, it will go into shock and may suspend or cease growth.
Cultivation agents will give plants a minimum of one week to recover before and between any
treatments that cause stress.

The Lead Grower will determine which plant training techniques will be used for each strain or batch of
plants and when to apply each technique, based on their expertise and observation of the plants’
growth. When plant training is necessary, the Lead Grower will use the ITS to assign a cultivation
agent the task of performing plant training, specifying which technique(s) to use and which plants or
batches of plants should be trained.

Cultivation agents will use the following training and pruning techniques to encourage a horizontal
growth structure and more flowering sites on each plant. Cultivation agents working in vegetative and
flower rooms will learn to perform each of these techniques during their pre-employment training:

**High Stress Training**

High stress training techniques involve removing a part or parts of the plant to redirect energy into
other parts of the plant, usually a flowering site.

- **Topping:** When plants have grown past the propagation stage and begin the vegetative stage, the
top of the plant is cut off at the nearest node. The tips of branches are where new growth occurs
and are called meristems. Removing the plant’s primary or apical meristem will cause it to
develop at least two new apical meristems to compensate for the damage. Topping can also be
performed at the secondary meristems to create more flowering sites.

- **Pruning:** Selectively removing leaves and branches that are weak or block the light from
reaching other parts of the plant.

- **Lollypopping/Palm-treeing:** Removing all but the upper three or four nodes of each branch,
including leaves, flowering sites, and secondary branches, in order to direct the plant’s energy
only to the flowering sites at the tips of the branches, which are closest to the lights.

**Low Stress Training**

Low stress training techniques bend, train, and lightly damage plants, but do not remove plant parts.
The purpose of these techniques is both to redirect energy to flowering sites as well as adjust the
canopy to allow the light to reach all parts of the plant equally.

- **Supercropping:** This method involves pinching the apical meristem and secondary branches at a
predetermined height to redirect a plant’s energy to the branches below the point of damage,
encouraging them to grow and create a more even canopy that effectively allows the light to
reach plant parts that would have otherwise been shaded. The pinching points recover to make
those branches stronger and capable of supporting heavier flowers.

- **Screen of Green (SCROG):** This technique utilizes a trellis across the tops of plants, and each
time a branch grows past the level of the trellis, it is tucked underneath, encouraging the
development of a flowering site at each tuck. Using the SCROG technique causes plants to
direct energy to flowering sites equally by maintaining them all equally close to the light source.
Harvesting and Drying Procedures

**Determining Ripeness**
Medical marijuana plants will be harvested when they show signs of ripeness, indicating that cannabinoid content is at its peak. No plants will be harvested without approval from the COO or Lead Grower. When plants are within ten days of finishing the flowering phase for the strain, harvest agents will start inspecting plants daily for signs of ripeness. Harvest agents will look for the following characteristics under a magnifying glass or handheld microscope to determine whether a plant is fully ripened:

- At least 50% of the trichomes on the plant are cloudy but not yet amber or are only slightly turning amber;
- Many fan leaves are turning yellow, brown, orange, or purple (harvest colors), depending on the strain;
- Some, but not all, of the calyxes are turning harvest colors; and
- Pistils have turned from white to orange or brown and are beginning to dry up.

Because each plant is different, some plants may ripen before others. Agents will check approximately 25% of all the plants in a batch each day for signs of ripeness. When at least half of the plants checked on a single day are determined ripe, the harvest will begin.

**Cutting Down**
At harvest, each plant will be cut at the base of the stalk and transferred to the drying area along with its identifier tag. Fan leaves will then be removed from the plant and the entire plant will be sectioned and hung upside down on a wire hanger and placed on a two-level rack along with its identifier tag. When all plants of the batch have been cut, de-leafed, and hung in the drying area, the removed fan leaves will be disposed of in accordance with The Company’s medical marijuana waste disposal procedures.

**Drying**
During the drying stage, plants’ moisture content is reduced under environmentally controlled conditions that prevent contamination. Because flower density varies depending on the strain, the length of time in the drying area will vary from batch to batch. Bacteria and mold are present even in the cleanest environments, and despite preventative measures such as air filters and sanitation, mold can occur on medical marijuana flowers during drying. The most likely factor in the growth of mold are a drying environment that is too wet or warm. Any cultivation or harvest agent that enters the drying area will be required to wear a mask and gloves to prevent biological contamination. A harvest agent will check plants daily to ensure the absence of mold and mildew. If evidence of mold is found on a flower, it will be immediately disposed of. Relative humidity in the dry/trim room will be maintained at 50%, and the temperature will remain at 68 degrees Fahrenheit. These environmental conditions are optimal for flower preservation and mold inhibition.

**Moisture Content**
A harvest agent will check the moisture content of flowers daily, looking for signs of optimum moisture content. Qualitatively, optimum moisture content is signaled by flowers that feel crisp on the outside but still hold water in their stems, as indicated by a stem that is dry but still pliable. Flowers should compress under light finger pressure but bounce back to their original shape when the pressure is released.
**Trimming Procedures**
The leaves surrounding flowers have high chlorophyll and low cannabinoid content, making them inappropriate for flower-only medical marijuana applications. The goal of trimming is to remove excess leaves from flowers while keeping the resin glands intact, which are called trichomes. Cannabinoids and terpenes, the primary therapeutic compounds in marijuana, are found within the trichomes, which are so fragile they can be damaged by handling alone. The Company will hand-manicure all flowers to avoid the degradation that automated trimming machines can cause.

The trimming area will have both seated and standing workstations equipped with lighting adequate to see plant material in detail and comfortable seating and standing surfaces. Workstations will be designed as ergonomically as possible and will be adjustable for harvest agents of different heights. Trays and tools will be laid out in a way that makes work flow as efficient as possible. Hand-trimming tools include vinyl or nitrile glove, sharp, clean spring-loaded scissors, ethyl alcohol, and durable cotton pads for cleaning scissors regularly. The Lead Grower or their designee will be responsible for keeping the trimming team on track, supplied with medical marijuana plants, and clearing away trimmed flowers, sugar leaf, and waste (dried stems). These responsibilities will allow them to monitor harvest agents who are trimming, keeping a close watch on their performance while discouraging diversion. To prevent diversion, harvest agents’ will not be allowed to bring bags, purses, or personal containers of any kind into the trimming area.

**Hand Trimming Procedures**
When a plant is processed in the trimming area, its identifier tag will be scanned to record its status change in the ITS. Each batch will be trimmed separately. Harvest agents will separate plant material into trimmed medical marijuana flowers, sugar leaf (small leaves close to the flower on which trichomes are present), and medical marijuana waste (dried stems). Flowers and sugar leaf will be placed in separate trimming containers made from chemically inert, food-safe polypropylene labeled with plant identifier tags and/or batch numbers. As scissors become resinous, trimming progress slows down. Harvest agents will stop to clean their scissors with ethyl alcohol, taking care to dry them completely when finished. Gloves will also be changed as frequently as necessary to prevent the build-up of resin, avoiding undue worker fatigue and decreased trimming performance. Any resinous waste, including used cotton pads and gloves, will be disposed of in accordance with The Company’s medical marijuana waste disposal procedures.

**Batching**
During trimming, plants of the same variety that have been grown, harvested, and processed together and exposed to the same conditions throughout cultivation will be consolidated into batches of no more than 15 pounds of dried flower or 25 pounds of dried sugar leaf, per O.A.C § 3796:1-1-01(A)(3).

**Curing Procedures**
The goal of curing is to stabilize medical marijuana by distributing the moisture left in the plant evenly throughout the flowers. As excess water evaporates, the internal moisture of the processed flowers equalizes and stabilizes. Likewise, properly cured medical marijuana has the singular smell and scent that separates it from other medicinal herbs. During drying moisture is pulled out of plants quickly to prevent contamination, the goal of curing is to remove moisture slowly. Because the flowers will have moisture content under 15% when they are removed from the drying chambers, there is little risk of mold during the curing process.
Burping
After trimming, flowers and sugar leaf will be placed into curing bins made from chemically inert, food-grade polypropylene. Curing bins will be stored in a designated area in the curing room. Harvest agents will open bins regularly throughout their shifts to release moisture and gasses from the bins as well as inspect plant material visually for signs of mold. Curing bins will be alternately opened and closed every four hours while agents are on-site. During nighttime hours, bins will be kept closed. This procedure, known as burping, will continue over the course of five to seven days, or until optimum moisture content and aromatic properties have been reached.

Final Moisture Content
The final moisture content for cured medical marijuana is evidenced by the absence of a grassy or hay-like aroma, a strong marijuana aroma, and stems that snap when bent. The Lead Grower or their designee will test flowers for optimum moisture content in each curing bin daily. When optimum moisture content is reached, the curing bin will be transferred to the quarantine area of the vault for quality assurance testing.

Sanitation Procedures
Sanitation is a key component of The Company’s quality assurance, product safety, and agent safety programs. In compliance with O.A.C. § 3796:2-2-01(D)(6), The Company shall implement policies and procedures related to receiving, inspecting, transporting, segregating, preparing, packaging, and storing medical marijuana in accordance with adequate sanitation principles. The Maintenance Lead will establish standards to maintain the facility in a clean and orderly condition, which includes being free from infestation by rodents, insects, birds, and other animals of any kind, in compliance with O.A.C. § 3796:2-2-01(A)(4). Although a USDA audit is not currently available for the medical marijuana industry, if it becomes available, The Company will undergo a voluntary audit for Good Agricultural Practices (GAPs) and Good Handling Practices (GHPs) compliance.

Cultivation Cycle Cleaning & Disinfection
All rooms where medical marijuana is cultivated, stored or handled will be kept free of dirt, leaves, and other debris. The vegetative room, flower rooms, and dry/trim room will be subject to a multi-stage cleaning and disinfection process between vegetative and harvest cycles, while the mother and clone room will be cleared and disinfected every three months.

The disinfection process entails cleaning plant contact surfaces like trays, reservoirs, drying racks, hangers, and plant material bins with a 3% bleach solution and/or pure ethyl alcohol. Floors will also be mopped with a 3% bleach solution because of collateral exposure to ambient plant material. Floors in cultivation, drying and trimming areas will be two stage epoxy coated sealed concrete to create a non-porous surface that is easily mopped. Other surfaces like walls, reflectors, ducting, and other equipment surfaces will be cleaned with a non-toxic surface cleaner like Simple Green. Air handling equipment, including air conditioner coils, evaporative coils, and dehumidifier coils, will be cleaned regularly with a non-toxic foaming cleanser such as Micro Coil Clean manufactured by BBJ Industries.

Irrigation

Equipment
Automatic irrigation systems will feed plants in the vegetative room, flower rooms, and mother area including a recirculating flood and drain system for vegetative plants and mother plants. Flower rooms will implement a drip irrigation system. Automated irrigation is ideal for hydroponic growing mediums that drain quickly. The vegetative room will include 4’ x 8’ grow trays, 70 gallon reservoirs and flood
and drain systems manufactured by Botanicare. The mother area will include 3’ x 6’ grow trays, 40 gallon reservoirs and flood and drain systems manufactured by Botanicare. Drip irrigation equipment for flowering areas includes trays manufactured by Botanicare and Dosatron in-line fertigation systems. This system is controlled by a Rain Machine Touch HD – 12 irrigation controller feeding Hunter Industries 1” PGV Electric Flow Control Valves. These valves control the flow of nutrient solution to Jain Octa Bubblers, which distribute the solution to each plant. In compliance with O.A.C. § 3796:2-2-01(D)(5), the facility’s water supply shall be derived from the municipally regulated water system and shall be capable of providing a safe, potable, and adequate supply of water.

**Water Quality**

Plants will be irrigated with water purified using no-waste pass through filtration. The Company will use a combination of equipment including an Aquasana Rhino 1,000,000-gallon Inline Water Filter with UV disinfection and Eddy Electronic Water Descaler. The Company will not use wasteful purification methods such as reverse osmosis filtration or distillation. In compliance with O.A.C. § 3796:2-2-01(D)(5), the facility’s water supply shall be derived from a source that is a regulated water system or a private water supply capable of providing a safe, potable, and adequate supply of water. The water at the cultivation facility is from a municipal source and test results from the local water authority will be reviewed annually to ensure the water meets state primary drinking water standards. If test results are not available from the local water authority, The Company will test water annually. Records of water quality testing will be kept on-site at the cultivation facility and will be made available for inspection. Chemicals, fertilizers, pesticides, media, and other products will be stored away from the potable water supply.

**Watering Schedules**

Once roots are well established, plants benefit from being allowed to dry down between watering. One of the goals of hydroponic cultivation is to encourage plants to use water and nutrients as efficiently as possible by giving them only the water they can use and no more. Overwatering plants not only is wasteful, it is very detrimental to their growth and can seriously damage a plant’s root system. Plants in the cultivation facility will be given only as much water as they need.

Frequency of watering will be determined by the Lead Grower and varies throughout the plants life cycle. Clones in propagation areas are hand watered as needed, based on plant uptake and evaporation. Electric timers will activate the flood and drain systems for vegetative and mother plants. Frequency varies from once per week to three times daily depending on the stage of growth. The Rain Machine Touch HD-12 Irrigation Controller will activate the drip and in-line fertigation systems to water plants in the flowering stage one to six times per day as needed.

**Cultivation Equipment**

**Environmental Control Systems (ECS)**

Carefully regulated and constantly monitored environmental conditions are paramount to the success of any indoor medical marijuana cultivation operation. While medical marijuana grown outdoors is capable of withstanding drastic changes in temperature, medical marijuana grown indoors requires stable daytime and nighttime temperatures to ensure plant health and vitality. The Company will maintain the cultivation facility with equipment providing adequate lighting, ventilation, and temperature for the safe and consistent cultivation of medical marijuana, in compliance with O.A.C. § 3796:2-2-01(A)(5).
The cultivation facility will contain a hybrid air system that operates as a sealed system but is capable of opening to allow ventilation. When the system is sealed, air will not be drawn in or released outside but will instead be filtered, conditioned, and re-circulated within the cultivation area. When vents are opened, air will be drawn in from outside of the facility through a HEPA filter equipped with UV sanitation lights to ensure no pests or pathogens are drawn in. Air will also pass through an Energy Recovery Ventilator (ERV) to save heating/cooling costs. Air expelled from the facility will pass through carbon filters to remove marijuana odor. The facility will remain sealed most of the time to maintain consistent environmental conditions. To refresh the air supply, vents will be opened for approximately ten minutes once per week, as well during disinfection of any room.

A sealed air system is the best option for an indoor cultivation center most of the time, as it ensures that almost no pests or pathogens are allowed to enter. The system depends on the use of traditional split single-zone and mini-split multi-zone air conditioning units with heat pumps, dehumidifiers, humidifiers, air cleaners, and supplemental carbon dioxide, all controlled by centralized controllers. The equipment will maintain the following environmental conditions in cultivation areas:

- Temperatures between 70 and 80 degrees Fahrenheit throughout the year;
- A relative humidity (RH) between 50-75% depending on cultivation area and plant cycle;
- Carbon dioxide levels of 1200-1500 ppm; and
- Air continuously filtered to remove particulate matter such as bacteria, dust, mold spores, and marijuana odor.

ECS equipment will be designed and installed by an HVAC professional based on the size and production needs of the cultivation facility and will be maintained according to the manufacturer’s instructions. Environmental conditions will be recorded on a daily basis, and any irregularities or malfunctions of equipment during a manufacturing cycle will be recorded in the batch record for any plants affected.

**Heating and Cooling Systems**

The Company will install multiple Fujistu/Siemens, mini-split multi-zone air conditioning units with heat pumps and ultra-efficient Lennox XP25, 26 SEER, air conditioning units with heat pumps to maintain specifications for temperature throughout the cultivation facility and specific to each area. Indoor cultivation using artificial light does not usually require high-output supplemental heat source because lights provide most of the heat needed to sustain consistent temperatures between 70 and 80 degrees regardless of the temperature outside. If necessary, supplemental heat will be provided through heat pumps in the air conditioning units.

**Humidification and Dehumidification Systems**

Medical marijuana plants take water in through their roots and expel moisture through their leaves, which can lead to a humid cultivation environment. Too much humidity in the air promotes mold and inhibits transpiration, paradoxically, over dry conditions can also encourage mildew and cause plants to transpire too quickly or dry up. In general, younger clones and vegetative plants require more humidity, while plants in flowering stages require a slightly drier environment. The relative humidity in the cultivation facility will depend on stage of growth. Generally, relative humidity (RH) will be 50-70% in all rooms, with each room having its own control to optimize the environment for its purpose. Monitors will be installed in each room of the cultivation area to monitor the relative humidity. To keep RH at optimum levels in each cultivation area, The Company will install Quest Dual 225 Pint Overhead Dehumidifiers with replaceable HEPA filtration as well and Aqua Fog SS Industrial Grade Humidifiers.
Air Filtration and Odor Mitigation
The Company will use multiple carbon filter air cleaners in each room of the cultivation area to continuously filter and purify air, including Can-Lite 12”x48” Carbon Filters and a Max-Fan Q-MAX 12” Fans. Carbon filters will effectively remove large particulate matter and neutralize volatile organic compounds to mitigate marijuana odor. HEPA filters and UV air sanitizers will sterilize air of bacteria, mold, and pathogens.

Circulation
Medical marijuana plants grown indoors require good air circulation to inhibit mold growth and expose leaves to fresh CO₂ supply. Oscillating fans will be installed in each room of the cultivation area approximately every 4-6 feet and will be positioned to give each plant optimum levels of airflow to ensure that temperature and carbon dioxide levels are consistent throughout. Fans will be energy-efficient and thermally protected to prevent overheating.

Supplemental Carbon Dioxide System
Carbon dioxide is essential to plant growth, and in an indoor cultivation setting it can quickly become depleted. Outdoor ambient CO₂ levels vary between 300 and 600 ppm, but marijuana plants thrive in an environment with ambient CO₂ levels up to 1500 ppm. Supplemental CO₂ systems will be installed in each of the vegetative and flower rooms, including either 100-pound food grade CO₂ tanks or, alternatively, Titan Controls 702870 Ares 10-Burner Natural Gas CO₂ Generator. CO₂ systems will be turned on and off automatically by Growlink Controllers or equivalent to maintain levels at approximately 1500 ppm while lights are turned on. Without light, plants cannot use CO₂ because they are not actively involved in photosynthesis. Supplemental CO₂ systems will remain off while lights are turned off. The following safety mechanisms will be installed along with supplemental CO₂ systems:

- A CO₂ monitor in each vegetative and flower room;
- An automatic shut-off valve if CO₂ levels exceed 2000 ppm or if the pilot light on the CO₂ generator is not lit;
- Carbon monoxide monitor installed in each room with a CO₂ generator to detect a malfunction of the burner; and
- CO₂ systems and monitors checked periodically to ensure proper functioning.

In the event that The Company is unable to install supplemental carbon dioxide systems, Energy Recovery Ventilation (ERV) units will be installed on every air handling system to reduce energy footprint of building. This allows fresh air exchange without wasting cooling capacity.

Environmental Control System (ECS) Sensors and Controllers
The ECS system will be monitored and regulated automatically 24 hours per day via multiple systems including a Growlink Pro Controller that automatically regulates the CO₂ systems, humidifiers, and dehumidifiers. The Rain Machine system controls irrigation based on the parameters set by the user. The Gavita Master Controller EL2 will control all lighting functions in each room. Grow Link sensors installed through cultivation areas will monitor temperature, humidity, CO₂ levels, and carbon monoxide levels. Sensors will send alarms to the Lead Grower and Maintenance Lead anytime a system or sensor malfunctions or a sensor detects dangerous conditions and will automatically shut off a severely malfunctioning component.

Lighting Equipment
Plants will be grown under artificial light using a combination of fluorescent and High Intensity Discharge (HID) lighting. The lighting plan will be designed by the COO and will be as energy
efficient as possible. To mitigate energy consumption, The Company may install solar panels on each building. All lighting equipment will be installed by a licensed electrical contractor.

**High Intensity Discharge (HID) Lights**
For the flowering stage, plants react strongly to a full spectrum of light, which is currently best provided by HID lights. The flower rooms will use Gavita Pro 1000e 1kw lights. All lamps will be connected to the Gavita Master Controller EL2, allowing cultivation agents to vary the intensity based on plants’ needs. Mother areas will use Dimlux 315 Watt Ceramic Metal Halide lighting as they provide optimal spectrum and energy efficiency for mother plants.

**Fluorescent Lighting**
The seedlings and clones in the propagation room do not need, and would, in fact, be harmed by, high intensity light. Instead, they will be kept under Dual Bulb T8 fluorescent fixtures. Plants in the vegetative stage will be kept under 432 Watt Sun Blaze High Output T5 fluorescent fixtures. Fluorescent lamps use less power and produce less heat than high intensity light, reducing energy use directly as well as indirectly through decreased cooling costs in vegetative areas.

**Electrical Safety**
All rooms containing HID lighting, ballasts, and electrical control panels will be constructed with a minimum of one-hour fire assembly and with fire safety systems that comply with the requirements of the local fire code, including at least one fire extinguisher in each room of the cultivation areas and an additional fire extinguisher for every 10,000 watts of lighting. Fire extinguishers will be:
- Easily accessible to employees from every room and in each hallway of the facility;
- Maintained annually or as specified by the manufacturer; and
- Have a class rating appropriate for an electrical fire.

**Workplace Safety**
The inherent risks of cultivating and manufacturing medical marijuana products must be mitigated through pre-employment training and periodic review of the Workplace Safety Program, which includes:
- Accident prevention signs to indicate dangerous conditions or conditions requiring caution, as well as the “OSHA Job Safety and Health: It's the Law” poster and “OSHA Log of Work-Related Injuries and Illnesses”;
- Location of eye flush stations and first aid kits;
- Fire extinguisher location and proper use;
- Accident reporting, record-keeping and investigations for work-related injuries and illnesses;
- How to get medical services and first aid;
- Location and use of Material Safety Data Sheets (MSDS) for each chemical stored onsite;
- Compressed gas storage safety and Permissible Exposure Level (PEL) monitoring for each chemical gas stored onsite;
- A written Hazard Communication Program that agents will follow to ensure that all chemicals used at the facility are safely stored, properly labeled, and utilized as intended by the manufacturer;
- Instruction for personal protective equipment (PPE) agents will use regularly;
- Accident reporting, record-keeping, and investigations;
- Emergency Action and Fire Prevention Plans; and
- Rights under OSHA.
The Company’s designated Safety Officer will conduct regular surveys of the facility, noting potential workplace hazards, and the results of each survey will be used to design and update the Workplace Safety Program.

**Hazard Communication Program**

The Company’s written Hazard Communication Program ensures that all chemicals used at the facility are safely stored, properly labeled, and utilized as intended by the manufacturer, and includes:

- Methods and observations that may be used to detect the presence or release of a hazardous chemical in the work area (such as continuous monitoring devices, visual appearance, or odor of hazardous chemicals when being released, etc.);
- The physical, health, and gas hazards of the chemicals in the work area;
- Measures agents can take to protect themselves, including specific procedures to protect agents from exposure to hazardous chemicals;
- The details of the hazard communication program, including an explanation of manufacturer’s labels; The Company’s labeling system; and the Material Safety Data Sheets (MSDS), including the order of information and how agents should use the appropriate hazard information;
- Compressed gas storage safety and PEL monitoring for each chemical gas at the facility; and
- Regular inspection of compressed gas cylinders.

**Emergency Action Plan**

The written emergency action plan will be kept in the facility, available to agents for review. The emergency action plan will include, at a minimum:

- How to report a fire or another emergency;
- Emergency evacuation procedures, including type of evacuation and exit route assignments;
- Procedures for agents who remain in the facility to operate critical operations before evacuation;
- How all agents will be accounted for after evacuation;
- Name or job title of the agent(s) who may be contacted for more information about the plan;
- Agents designated and trained to assist in evacuation of other agents; and
- An emergency alarm system that uses a distinctive signal for each purpose.

The Company will review the emergency action plan with agents at the time of hiring, when an employee’s responsibilities under the plan change, and when the plan is changed.

**Fire Prevention Plan**

The Company will contact the National Fire Protection Association for information on how to design a fire prevention plan. The written fire prevention plan will be kept in the workplace and be made available to employees for review. The fire prevention plan will include:

- A list of all major fire hazards, proper handling and storage procedures for hazardous materials, potential ignition sources and their control, and the type of fire protection equipment necessary to control each major hazard;
- Procedures to control accumulations of flammable and combustible waste materials;
- Procedures for regular maintenance of safeguards installed on heat-producing equipment to prevent the accidental ignition of combustible materials;
- Fire extinguisher location and proper use;
- The name or job title of employees responsible for maintaining equipment to prevent or control sources of ignition or fires;
- The name or job title of employees responsible for the control of fuel source hazards; and
- Exit routes and the location of Emergency Exits.
The Company will invite local fire department will play an interactive role in designing the facility and company safety policies. All necessary fire department permits will be acquired prior to beginning operations. The Company will conduct a random fire drill at least once per year to assess agents’ responses to a fire emergency. Based on agent response to the drills, agents may be re-trained in the fire prevention plan. A physical copy of emergency exits and a formal fire response and evacuation plan will be on hand at the facility at all times. The Company will assure that the servicing, maintenance, and testing of fire detection systems, including cleaning and necessary sensitivity adjustments, are performed by a trained person knowledgeable in the operations and functions of the system.

Part V(B) and Part V(C): Environmental Impact Reduction Plan

Depending on the type of cultivation operation, growing medical marijuana can require a large amount of energy. The Company’s energy conservation plan focuses on reducing energy consumed by lighting and HVAC (Heating, Ventilation, and Air Conditioning) equipment by using T5 and T8 fluorescent horticultural lighting wherever possible, including for all vegetative and propagation areas, as an alternative to High Intensity Discharge (HID) lighting. Lighting technology used in cultivation operations shall be inspected regularly and reasonably upgraded as more efficient technologies become available. In the event that supplemental carbon dioxide sources are not permitted, energy recovery ventilation units will be installed on air handling units in order to reduce overall energy consumption. The proposed HVAC units are rated at 26 SEER which is the highest efficiency rating that is currently commercially available. The Company may also reduce its overall carbon footprint through the installation of solar panels on the roof of the building.

Water Conservation
The Company’s irrigation systems have been designed to create as little wastewater as possible, with little to no runoff from plants during cultivation. Watering equipment to minimize water use include the following:

- Nutrient reservoirs connected to recirculating flood and drain systems for all plants in the vegetative stage which continuously reuse water;
- Drip irrigation for plants in the flowering stage eliminates excess watering and is designed for zero runoff and zero wastewater; and
- Water for plant irrigation purified by a carbon and sediment filters rather than wasteful distillation or reverse osmosis purification processes reduces water use by half.

Irrigation equipment will be inspected regularly and replaced as more efficient technologies become available. The Lead Grower and Chief Engineer will regularly evaluate newly available irrigation equipment and growing mediums that promote improved nutrient absorption and plant growth while conserving water. The Company will also implement the following policies and procedures to reduce water use:

- Plants will be allowed to dry down thoroughly between watering to avoid waste;
- Toilets shall be high efficiency, using only 0.8 gallons per flush;
- Water-saving faucets; and
- Landscaping with native, water-wise plants that don’t require irrigation.

Wastewater Management
The only fertigated water deposited into sewer systems is a maximum of 240 gallons each 20 days when vegetative nutrient reservoirs are changed. Fertigated wastewater shall be disposed of in compliance with applicable water district regulations, including wastewater testing to ensure acceptable limits for chemical combinations. Chemical solutions that exceed limits for discharge into local sewers will be disposed of in accordance with applicable laws and regulations.
Conservation Policies and Procedures
Agents will be encouraged to look for ways to reduce their daily individual environmental impact. Lighting that is not essential to cultivation or security operations shall consist of energy-efficient, long-lasting, and recyclable bulbs. Lights that are not in use shall be dimmed or switched off, unless security requires otherwise. Wherever possible, recycled materials, such as paper, will be employed. In order to reduce fuel consumption and CO₂ emissions, scheduled deliveries will be condensed into as few trips as possible, and a fuel-efficient and/or alternative-fuel vehicle will be used for deliveries. Agents traveling to or from work shall be encouraged to carpool or access public transportation. Whenever possible and permissible, waste shall be recycled. Medical marijuana waste shall not be recycled unless done so in a manner permitted by law. If municipal waste collection services do not allow for collection of recyclables, a manager shall be responsible for ensuring that a private recycling service is employed. In such a case, agents may volunteer to dispose of recyclables in place of a manager. Agents will be encouraged to participate in green service initiatives, such as community cleanup and gardening programs. Containers used in cultivation, such as propagation trays, growing tables and Rockwool medium, will be cleaned and reused or donated to a local nursery whenever possible.

Pest Management and Odor Control
Cultivation operations will employ Integrated Pest Management (IPM) techniques to reduce the need for pesticides. IPM systems focus on minimizing risk, including risks posed to consumers, products, and the environment by overuse or improper use of pesticides. The Company is committed to using all natural, plant-derived pesticide products if chemical prevention or intervention is necessary. To eliminate the odor of medical marijuana flowers, air cleaning equipment including activated carbon, HEPA and MERV 13 filters will constantly scrub any air exiting the facility of odors and pathogens.

PART VI: STAFFING AND TRAINING

Part VI(A): Staffing and Training Guidelines
The Company’s operations plans will provide the basis for training all company agents. The Company may supplement training with independent training courses; however, independent courses will not replace internal training. Type 1 employees will first be trained in standard operating procedures (SOPs), and then they will train all other agents. All agents will have a training and probationary period of 90 days, beginning with human resources, safety, and security training. On the job training will be completed within the 90-day probationary period. Training will include the following topics:

Employee and Human Resources Policies
The COO will be responsible for presenting agents with company employment policies. Agents will receive these policies in writing, in addition to a full day’s training session, which will cover:

Hours and Compensation
- Timekeeping policies, how to clock in and out using software, usernames, and passwords;
- Attendance policies, including the disciplinary actions for repeated tardiness;
- Break policies: Each agent will be allowed a minimum of 15 minutes break every four hours, a 30 to 60-minute lunch break for shifts longer than four hours, and an additional lunch break for shifts longer than ten hours. All breaks will be paid;
- Overtime pay rates for agents paid by the hour who work upwards of 40 hours per week;
- Payroll schedule;
- Paid Time Off (PTO) and Leave Options: Sick leave and PTO accrual rates and how to request PTO or sick leave;
- Holiday schedule;
- Rights for FMLA Leave, as required by federal law; and
- Bereavement, Voting, Jury Duty, and Personal Leave policies.

**Employee Benefits**
- Workers Compensation and Statutory Short-Term Benefits.

**Identification Policies**
- Company ID badges must be worn at all times and must not be obstructed from view; and
- Agents must keep their state-issued employee ID card visible at all times when on company property and, if applicable, during the transportation of medical marijuana to another cultivator, processor, or testing laboratory, in compliance with O.A.C. § 3796:5-2-01(D).

**Policies for Job Performance and Workplace Behavior**
- Prohibited activities and behavior in the workplace;
- Disciplinary violations, probationary periods, and suspensions;
- Personal possessions policies, including personal electronic devices;
- Consumption policies for alcohol, tobacco, prescription drugs, and illegal substances;
- Social media and the workplace;
- Confidentiality policy;
- Conflict of interest;
- Anti-harassment and non-retaliation policy; and
- Ending employment.

**Contamination Prevention**
All agents will be trained in the following policies and procedures for preventing contamination:

**Personal Hygiene Plan**
The written, formal personal hygiene training program will include:

- **Hand-washing**
  - Instructions and demonstrations on how to wash hands using warm water and soap
  - Location of hand-washing stations and single-use paper towels
  - When agents must wash their hands, including before beginning work, after using the restroom, after breaks, after smoking or eating, before donning single-use gloves, when switching from one task or area to another, and after any absence from the workstation.
  - Responsibilities for stocking restrooms and hand-washing stations with soap and single-use paper towels, and who to tell if these materials are missing.

- **Jewelry**
  - Removing all non-permanent jewelry before entering cultivation areas.
  - Covering any permanent jewelry, such as wedding rings, piercings, or medical bracelets/necklaces prior to beginning work.

- **Make-up and accessories**
  - If make-up is worn, it should be applied frugally to prevent rubbing off.
  - False eyelashes and fingernails, hairpins, or other items that may fall out are prohibited during work hours.
o Agents should not wear perfume or cologne to work or put on any scented items, including lotions, while at work.

- **Food**
  o No candy, food, gum, cough drops, or other food is allowed in the cultivation areas.
  o Food is to be stored only in the kitchen area of the employee break room.
  o No food shall be stored in employee lockers.

- **Smoking**
  o No medical marijuana smoking or vaporization is allowed on the premises of the cultivation facility.
  o Tobacco smoking or vaporizing must be conducted outdoors in designated areas.

- **Personal items**
  o No personal items are allowed in medical marijuana cultivation areas, including cell phones or other personal digital devices.

- **Personal cleanliness**
  o Fingernails are kept trimmed and cleaned.
  o Hair is combed and tied back as necessary.
  o Skin is free of dirt, grease, or grime.
  o Facial hair is trimmed and neatly groomed. No facial hair is allowed to grow more than 1.5 inches from the face nor can facial hair of any length be worn in an unkempt manner.

- **Communicable disease prevention**
  o Any agent with symptoms of disease or illness or with an open wound or sore must report them to a supervisor.
  o Open wounds or sores must be covered with sterile, water-proof bandaging.
  o Agents with symptoms of disease or illness or with a wound or sore that cannot be covered are prohibited from working.
  o If an agent sees another agent who has symptoms of disease or illness or an uncovered wound or sore at work, the agent must report it to a supervisor.
  o Supervisors will monitor agents for signs of illness/disease or open wounds/sores.

- **Hygiene inspection and correction**
  o Supervisors and managers will regularly inspect agents’ personal hygiene and work habits.
  o If an agent fails to adhere to the standards presented in the personal hygiene training program, the failure will be treated as a disciplinary violation, beginning with a warning and proceeding to more stringent measures, up to and including termination of employment.

- **Prohibition on pets and other animals from entering any part of the facility.**

**Contamination Barriers**

Any person who enters cultivation and trimming areas are required to wear a new pair of nitrile or vinyl gloves before touching any plant or plant material matter. Gloves must be changed between tasks, any time an agent or visitor exits and re-enters a cultivation room or the dry/trim room, and after any absence from the work station. Hair nets are also required for all agents working in a cultivation room or in the dry/trim room. Face masks are required for agents working in the dry/trim room.

**Water as a Contaminant**

As water is one of the biggest contributors to contamination in agricultural operations, agents will learn:

- Water quality standards and testing for signs of fecal pollution;
- Mold and pathogen growth in wet environments;
- Sanitation procedures and schedules for irrigation equipment;
• How to check backflow devices on water source plumbing; and
• Sanitation and inspection procedures for cooling systems.

**Personal Protective Equipment (PPE)**
As a part of safety and contamination training, agents will learn:
• When to use PPE;
• What PPE to use;
• When PPE is not sufficient protection;
• How to properly put on, take off, wear, and adjust PPE; and
• Care for and durability of PPE.

Agents must exhibit an understanding of PPE training and proper PPE use before doing any work that requires PPE. Any agent who does not exhibit proper PPE use will be retrained. In addition to the garments required by the uniform policy, agents will use the following PPE on a regular basis:
• Protective eyewear for working in cultivation areas with artificial lighting that protect the eyes from UV and infrared rays;
• Protective eyewear and face masks for performing jobs that generate airborne particulate matter; and
• Protective gloves made from an impermeable material for handling chemicals or nutrient solutions.

**Security Training**
All agents will be required to complete security training within one week of beginning employment. Security training includes training on security devices and their uses, ways to maintain the access control system, what to do if persons try to access areas of The Company they are not permitted to enter, and who to contact during emergency events. Security training will pay special attention to ensuring that diversion and theft do not occur at the facility and will focus on security standard operating procedures that instruct on what to do upon detecting diversion or theft. All agents must review The Company’s security and safety plan and sign an attestation stating they have reviewed the policy and accept and understand all that is required of the agent.

**Workplace Safety Training**
The inherent risks of indoor medical marijuana cultivation will be mitigated through pre-employment training and periodic review of the Workplace Safety Program that meets the standards required by the state and federal OSHA office and the federal General Industry standards in 29 CFR 1910. Safety training includes OSHA training for agriculture and OSHA hazardous materials training.

**OSHA Training**
Initially, company managers will attend Introduction to OSHA for Small Businesses, Introduction to Safety and Health Management, and Recordkeeping Rule Seminar. The Introduction to OSHA course will cover applicable OSHA standards, compliance requirements for inspections, tools to implement safety and health programs, and necessary training for agents. The Introduction to Safety and Health course will introduce company managers to the four core elements of a safety and health management system. The Recordkeeping course will introduce managers to reporting and recording requirements for workplace injuries and illnesses.

Within the first 60 days of employment, all company agents will take part in the OSHA Evacuation and Emergency Planning course. At the end of the course agents will be familiar with emergency plans, the
creation of emergency plans, emergency exits, and the importance of maintaining a clear emergency exit pathway, and they will be able to recognize violations of OSHA standards.

Between 60 and 120 days of employment, agents will take the OSHA Standards for General Industry and OSHA Hazardous Materials courses. The General Industry course will cover the general standards for all industries, with particular focus on hazardous aspects of industries. At the end of this course agents will be able to explain general industry standards and identify hazards. The Hazardous Materials course will introduce agents to the types of hazardous materials they are likely to encounter, including flammable and combustible liquids. When agents have completed this course, they will be able to identify hazardous materials, assess them for compliance with OSHA standards, and know how to properly move, store, and handle them.

**Rights Under OSHA**

Agents will be informed of their rights, including:

- The right to review, examine, and copy the current log of injuries and illnesses;
- The right to know of any toxic substances and harmful physical agents they may be exposed to;
- The right to report an injury; and
- The right to view the annually posted summary of the injuries and illnesses.

**Medical Services and First Aid**

Managers will be required to take OSHA’s Bloodborne Pathogens Exposure Control course and be first-aid and cardiopulmonary resuscitation (CPR) certified. The Company’s COO is the designated Safety Officer, and will instruct agents about what should be done in a medical emergency and will know which emergency personnel to contact. Adequate first aid supplies shall be readily available, and agents shall be instructed in the location of eye flush stations, chemical showers, and first aid kits as well as how to get medical services and first aid.

**On-the-Job Training**

All agents will complete the training modules listed below that pertain to their position. All training materials and attendance records shall be retained for a minimum of five years and made available to regulatory agencies for inspection upon request. On-the-job-training include:

**Marijuana Plant Health and Life Cycle**

- Cultivation stages
- General information on each stage of a medical marijuana plant’s growth, including mothers, cloning, seedlings, vegetative, flowering, and harvesting
- The layout of the facility as it relates to each stage of growth and production, include Propagation, Mother, Vegetative, Flowering, Harvest, Trimming, Testing, Packaging, and Storage
- Nutrients for medical marijuana growth, including macro and micro nutrients, and nutrient products and safety procedures for storing and applying each nutrient product
- State and federal law on pesticides considered safe for medical marijuana
- Physical, biological, mechanical, cultural, and chemical controls for prevention and intervention
- Inventory control systems and procedures; and
- Federal and state medical marijuana laws and regulations.

**Propagation Training**

- Cloning technique
• Mother care and replacement
• Cleaning and sanitation schedules, responsibilities, and procedures for propagation areas

**Vegetative Training**
• Plant growth, progression, and organization through the vegetative cycle
• Plant management training procedures, including LST (low stress training) and HST (high stress training), to ensure light reaches all parts of the plant, increase the number of flowers, and direct plants’ energy to flowers
• Nutrient regimens for vegetative plants and signs of nutrient deficiencies or toxicity
• Cleaning and sanitation schedules, responsibilities, and procedures in vegetative areas
• Placing identifier tags and assigning unique plant identifiers in the ITS

**Flower Training**
• Nutrient regimen for flowering plants and recipes for different strains
• Defoliation techniques during the flowering cycle to increase each flower’s yield
• Flushing policies and procedures to remove excess salts and residual nutrients
• Flowering times for different strains
• Signs of peak flower ripeness, including trichome development and color
• Cleaning and sanitation schedules, responsibilities, and procedures in the flower rooms

**Harvest Training**
• Harvesting and drying procedures
• Procedures for hand manicuring without damaging trichomes
• Curing procedures for achieving optimum moisture content and preservation of terpenes
• Packaging procedures for standard unit sizes, bulk sale or storage
• Maintaining an acceptable maximum deviation of up to +5% for quantity of medical marijuana placed in packaging
• Label contents and placement
• Cleaning and sanitation schedules, responsibilities, and procedures in harvest areas
• Using the electronic ITS and plant identifier tags to:
  o Weigh and record the weight of batch components before and after trimming, medical marijuana flowers, and sugar leaf for packaging
  o Record dates, times, procedures, applications, and observations
  o Retrieve and record assigned tasks
  o Create and verify labels
  o Verify batch status as approved, rejected, or quarantined

**Transportation Training**
• Using the ITS for order fulfillment
• Cleaning and sanitation schedules, responsibilities, and procedures in distribution areas
• Procedures for properly delivering medical marijuana
• Basic roadside maintenance including how to change a tire, apply chains, replace windshield wiper blades, and handle other common problems
• What to do if a company vehicle is in an accident
• Procedures for transferring medical marijuana from the damaged vehicle to a second vehicle dispatched by management
• Post-accident procedures, including a drug and blood alcohol test
**Integrated Pest Management (IPM) Training**

- Cultural, biological, mechanical, physical, and chemical controls
- Environmental conditions for optimum plant health
- Common pests, pathogens, and contaminants
- IPM procedures, including action thresholds, monitoring, prevention, and intervention
- Pesticides safe for use on medical marijuana plants
- Safe handling protocols for pesticides
- Company policies for using pesticides as a last resort, flushing, and testing for pesticide residues

**Part VI(B): Diversity and Inclusion Plan**

Diversity is a critical issue in the medical marijuana industry, which has been largely dominated by white men, and has left little room for women or minorities to excel and become managers or business-owners. The Company is committed to creating a workforce that matches or exceeds the diversity of Ohio’s overall population. According to the 2016 census, 79.8% of Ohio’s 11,614,373 population was white (not Hispanic or Latino), which was the only ethnic group to decrease in population. The percentage of African-American’s in Ohio increased half a percentage to 12.7%. The next largest ethnic group is Latino/Hispanics, with 3.6% of the population (also up half a percent). Just 2.1% of Ohio is Asian, a 0.4% increase from 2010’s census. The smallest ethnic group is Indigenous Americans, which is a mere 0.3% of the population (a slight increase from 2010). The data provided by the census on veteran status is for the total number of veterans who resided in Ohio over the span of 2011-2015, a total of 806,531 (6.9% of the current population total if the rate stayed the same).

To achieve diversity in its workforce The Company will focus on the recruitment process by controlling for unconscious bias in all job descriptions, postings and announcements. Laura Mather is a computer scientist who has studied unconscious bias, and has discovered that some words (such as ninja, fast-paced environment, work hard/play hard, and Silicon Valley) project what she refers to as a “brogrammer” culture. In her findings, she argues that every single word used in a job description has a significant impact on who will apply. For example, wording perceived to be overly-masculine may discourage women from applying. A switch of a word like *determined* to the perceived less-masculine *dedicated* can make a huge difference in who applies while doing little to change the semantic meaning. Unconscious biases also influence whether or not minority candidates will apply to positions. If qualified and diverse candidates never apply out of fear of an overly masculine or white culture, then all other diversity efforts (mission statement, social media, new published materials) will have an increased likelihood of being perceived as insincere. To encourage diversity in job applicants, The Company will review all recruitment documents for unconscious biases in language that could turn away women and minority candidates.

**Hiring Veterans**

The Company is committed to hiring veterans whose education and experience suit an available position. The military has a reputation for breeding decisive thinkers who can make for natural managers in the business-world, and ingrains a sense of duty in an individual that any workplace can find value in. The Company’s goal is to have 20% of its workforce staffed by veterans. Recruitment strategies will include any of the following when an open position is available: attending job fairs on military bases and local veteran career fairs, enlisting resources from regional VA hospitals, posting open positions on online military job boards such as Military.com, HireVetsFirst.gov, TurboTap.org, HelmetstoHardhats.org and USAJobs.gov, and leverage existing team members’ networks to identify suitable veteran candidates.
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)
PART I: PACKAGING AND LABELING

Quality Assurance
The Company has created the following quality assurance and quality control plan to ensure a safe, consistent product supply and minimize deviation in quality of the production batches of medical marijuana, in compliance with O.A.C. § 3796:2-2-01(B). The quality assurance plan has been designed to detect and prevent operational failures that endanger public health, create a likelihood of contamination or diversion, or a pattern of deviation from standard operating procedures (SOPs), in compliance with O.A.C. § 3796:5-6-02(A)(14). If The Company proposes to change any part of this plan, the proposed changes shall be submitted to the Department 60 days before the effective date of the approved changes, per O.A.C. § 3796:2-2-01(B)(1).

The Company has selected Advisor A to ensure that its quality assurance standards and procedures adhere to industry best practices. In the absence of national standards for cannabis production, best practices can only be determined by industry leaders. Advisor A is a subject matter expert in medical marijuana who has been validated by both the private and public sectors. Advisor A has been directly contracted by a government municipality in State A to craft regulatory policy and implement changes to correct its flawed marijuana application processes. In separate engagements, he has been hired by government advocacy firms in multiple highly regulated states to educate state legislatures and administrations. Advisor A has dedicated his entire professional career to the cannabis industry. Over the years he has participated in almost every facet of the industry, but his recent focus is on quality assurance and compliance. As an expert in the field, state-licensed dispensaries, cultivators and processors regularly contract Advisor A to create quality assurance standards and procedures that comply with their state’s requirements.

With Advisor A’s combination of experience advising both government agencies and private businesses, Advisor A is uniquely qualified to ensure that the highest levels of quality assurance will be met in all facets of the proposed cultivation facility. Advisor A will be responsible for reviewing and updating The Company’s quality assurance procedures regularly to ensure they comply with industry best practices as well as the Department’s requirements.

Quality Assurance Personnel
The COO will oversee the quality assurance program. Other designated company employees (agents) or contracted employees of a third-party may perform quality assurance procedures following written quality assurance SOPs. Any person contracted to perform quality assurance duties will be required to adhere to The Company’s visitor policies.

Specifications and Standard Operating Procedures
Quality assurance is based on adherence to written specifications and procedures throughout production. Specifications that dictate the quality, identity, and composition of any materials used in the cultivation of medical marijuana, including components, tools, and equipment, shall be recorded and approved by the COO prior to operations. Production SOPs that dictate how medical marijuana is cultivated and harvested shall be recorded and approved by the COO. The Company will likewise establish specifications for the quality, appearance, potency, purity, and identification of each medical marijuana strain and package size or dose in its final packaged form. These written specifications and SOPs will ensure that all medical marijuana cultivated has consistent quality, potency, and purity.
**Materials Inspection and Approval**
The Sales/Delivery Director will receive, identify, withhold, inspect and approve or reject all equipment, tools, and materials used in medical marijuana production. Each shipment of materials received at the cultivation facility will be checked against the supplier’s shipping manifest to ensure the shipment meets the order. The Sales/Delivery Director will then examine each item or group of items to ensure they are correctly identified, are free of damage or contamination, and meet The Company’s specifications for the material. Each item or group of items will be withheld from use until inspected and approved or rejected. Materials that meet specifications, are free of damage and contamination, and are correctly identified will be approved and stored. Any materials that do not meet specifications shall be rejected unless the COO approves a treatment, process adjustment, reprocessing, or other deviation that will render the component suitable for use. Approved shipments of materials will be assigned a distinctive code in The Company’s electronic inventory tracking system (ITS) allowing the item(s) to be traced back to the supplier when necessary.

**Medical Marijuana Sampling and Testing**
No batch of medical marijuana will be distributed without a valid certificate of analysis showing the batch meets The Company’s specifications and the Department’s standards. The Company will contract with a testing laboratory located in Ohio that has been issued a certificate of operation by the Department to have custody and use of controlled substances for scientific and medical purposes and for the purposes of instruction, research, or analysis, per **O.A.C. § 3796:1-1-01(A)(48)**. Immediately before packaging a batch of a medical marijuana that has been grown, harvested, and processed together and exposed to the same conditions throughout cultivation, the COO or their designee will contact a licensed testing laboratory to request that an employee of the testing laboratory come to the cultivation facility to collect representative samples. Per **O.A.C. § 3796:4-2-03(A)**, samples must be taken in such a manner to ensure a random sample is selected from each segregated, homogenized 15-pound batch of harvested, manicured, and dried medical marijuana flowers or buds and from each 25-pound batch of plant material or trim, excluding flowers and buds (**O.A.C. § 3796:1-1-01(A)(3)(a)**).

**Batch Clearance**
When the certificate of analysis for a batch sample is received from the testing laboratory per **O.A.C. § 3796:2-2-06(C)**, the COO will compare the tested criteria to company specifications for the strain and the Department’s standards. No medical marijuana shall be released for sale until it has received final clearance from the COO affirming that the batch meets Company specifications and the standards set forth by the Department and that the package or label contains the analysis from a licensed testing laboratory.

**Packaging Procedure**
Batches of medical marijuana that have been tested and issued an analysis by a licensed laboratory showing they meet the standards set forth by the Department per **O.A.C. § 3796:2-2-06(C)** will be packaged and labeled for storage or distribution according to product demand. After a batch of medical marijuana has been tested and approved by the COO, he or she will move all containers in the batch from the quarantine section within the vault to the cleared medical marijuana section within the vault, indicating that it is ready for packaging. A supervisor will then create a packaging order in the ITS based on recent orders, current inventory, and customer preference. The harvest agent responsible for packaging will first put on required personal protective equipment (PPE), including gloves, hair and/or beard net, and face mask. He or she will then consult the packaging order, noting packaging sizes. The agent will then sanitize a packaging station and retrieve all necessary tools, materials, and medical marijuana necessary.
Only one batch container will be removed from the vault at a time. When a batch container is brought into the packaging area, the batch number and/or plant identifier tags are scanned to automatically update their status in the ITS. The agent will pre-set the scale to measure the amount indicated in the packaging order and then place the indicated amount on the scale. The agent will gently remove medical marijuana plant material from the curing bin and place it on the tray until the desired quantity is reached. The digital scale will alert the agent when the pre-set quantity has been reached or exceeded, within 5% overage. The agent will then place the plant material into the packaging container, seal it, and use the ITS to print a label containing the information described below. The ITS will automatically remove the quantity of medical marijuana within the package from the electronic inventory of cleared medical marijuana and place it in the electronic inventory of packaged medical marijuana.

If The Company is awarded a processor or plant-only processor license, medical marijuana flowers for distribution to dispensaries will be packaged into 3.5 gram units, with 128 units constituting approximately one pound of medical marijuana. Medical marijuana packaged for distribution to processors will be vacuum sealed in packages of varying weight, depending on the processor’s order.

**Packaging Equipment and Tools**

Equipment used for packaging will be of a size and quality to adequately perform its intended function. All scales will be NTEP rated to Class III or above. Scales will be sealed onsite and regularly serviced by a registered service agent. The Company will maintain onsite at least one NTEP Class III scale with a division size of 1.0 gram or less for weighing medical marijuana in excess of five pounds and one NTEP Class II scale with 0.01 gram divisions or less for weighing medical marijuana in amounts less than five pounds. Scales, balances, or other weight and/or mass measuring devices will be routinely calibrated using National Institute of Standards and Technology (NIST)-traceable reference weights, as least once per calendar year, by an independent third party approved by the Department, in compliance with O.A.C. § 3796:2-2-02(D)(4).

Tools that come into contact with medical marijuana will be made from a material that is not reactive or absorptive and will not adversely affect the purity, safety, or quality of medical marijuana. Harvest agents engaged in packaging will be trained to use the following equipment and tools:

- Commercial digital scale, connected to the ITS;
- Label-maker;
- Vacuum sealer with gas purge;
- Compressed nitrogen tanks; and
- Scoops, tongs, and other hand tools.

**Labeling Procedure**

Labels will be printed using the digital label-makers at each packaging station connected to the ITS and digital scales. Using the manufacturer’s instructions, harvest agents will check the label-maker prior to beginning packaging operations to ensure that it has been loaded with the correct labeling material and that labels from previous operations have been removed. After weighing, packaging, and sealing a package of medical marijuana, the agent will use the ITS to print the appropriate label. Before applying the label, the agent will examine it to ensure that the printed information is correct and that the label is readable and free of deformations or contamination. If the label is incorrect, deformed, or contaminated, it will be discarded and a new label will be printed. Per O.A.C. § 3796:2-2-02(F), it is prohibited for any person to knowingly or intentionally alter, obliterate, or otherwise destroy any container or label attached to an approved container. In the event an agent of The Company does so, appropriate disciplinary action will be taken, including reporting the violation to the Department if necessary.
**Materials Specifications**

The Company will establish specifications for the packaging and labeling materials used for each strain and package size or dose of a medical marijuana strain registered with the Department. Specifications for all packaging materials include:

- All packaging material shall gain the Department’s approval prior to use and must maintain the identity, purity, strength, and composition of medical marijuana, in compliance with O.A.C. § 3796:2-2-02(A)(1) and O.A.C. § 3796:2-2-02(B)(1);
- Packaging for medical marijuana distributed to a processor will be tamper-evident and light-resistant, in compliance with O.A.C. § 3796:2-2-02(A)(1);
- Packaging for medical marijuana distributed to a dispensary will be child-proof, tamper-evident, and light-resistant, in compliance with O.A.C. § 3796:2-2-02(B)(1); and
- Any free sample provided to a dispensary per O.A.C. § 3796:2-2-02(E) shall be packaged in a sample jar protected by a plastic or metal mesh screen.

Specifications for all labeling materials include:

- The label for each medical marijuana strain must be approved by the Department, per O.A.C. § 3796:5-8-01(B);
- A label shall not contain any of the following per O.A.C. § 3796:2-2-02(D):
  - Any false or misleading statement or design;
  - Depictions of the product, cartoons, or images that are not registered with the Department, which includes any insignia related to a governmental entity;
  - Any sum totals of cannabinoids or terpenes, except THC content as defined in O.A.C. § 3796:1-1-01(A)(49); or
  - Any information that would violate the Department’s restrictions on advertising, as described in O.A.C. § 3796:5-7-01(F);
- Labels may contain an approval or certification logo from a third-party certifier if the certifier does not have a direct or indirect financial interest in any medical marijuana entity licensed in Ohio and their certification protocols have been reviewed and approved by the Department, in compliance with O.A.C. § 3796:2-2-02(C); and
- Labels must be conspicuously placed on packages.

**Processor Labeling**

The Company will affix to every package of medical marijuana distributed to a processor a label that meets the requirements of O.A.C. § 3796:2-2-02(A)(2), including the following information printed in English in letters at least one-sixteenth inch tall:

- The Company’s name, license number, place of business address, and telephone number for reporting a complaint or adverse event per O.A.C. § 3796:2-2-02(A)(2)(a);
- The name and license number of the processor facility receiving the shipment per O.A.C. § 3796:2-2-02(A)(2)(b);
- The name of the medical marijuana that was registered with the Department and the product identifier issued by the Board of Pharmacy, per O.A.C. § 3796:2-2-02(A)(2)(c) and O.A.C. § 3796:2-2-02(A)(2)(d);
- The total weight in grams of plant material in each package, per O.A.C. § 3796:2-2-02(A)(2)(g);
- Batch number;
- A unique identification number that will match the medical marijuana with a batch and batch number to facilitate any warnings and recalls the Department deems appropriate, per O.A.C. § 3796:2-2-02(A)(2)(e);
- Date of harvest, final testing, and packaging, per O.A.C. § 3796:2-2-02(A)(2)(f);
• The identification of the independent testing laboratory providing the chemical analysis of the medical marijuana, per O.A.C. § 3796:2-2-02(A)(2)(h);
• The laboratory analysis, profile, and a list of all active ingredients, including the percentage content by weight for the following cannabinoids, at a minimum, per O.A.C. § 3796:2-2-02(A)(2)(i):
  o Delta-9-tetrahydrocannabinol (THC);
  o Delta-9-tetrahydrocannabinolic acid (THCA);
  o Cannabidiol (CBD); and
  o Cannabidiolic acid (CBDA);
• An expiration date not exceeding one year from the date of harvest, per O.A.C. § 3796:2-2-02(A)(2)(j);
• Instructions for use and storage; and
• The following warnings, in compliance with O.A.C. § 3796:2-2-02(A)(2)(k):
  o “This product is for medical use and not for resale or transfer to another person”;
  o “This product may cause impairment and may be habit-forming”; and
  o “This product may be unlawful outside of the State of Ohio.”

Dispensary Labeling
If awarded a processor license or a plant-only processor license for the limited purposes of packaging, selling and delivering finished plant material directly to a licensed dispensary per O.A.C. § 3796:1-1-01(A)(38), The Company shall affix to each package distributed to a dispensary a label in English that meets the requirements of O.A.C. § 3796:2-2-02(B)(2). Packages distributed to a dispensary will not exceed a 90-day supply of medical marijuana, as determined by the Board of Pharmacy per O.R.C. 3796.04(B)(10). When placing labels on packages distributed to a dispensary, harvest agents shall leave a space for a licensed dispensary to attach a personalized label for the patient, and shall including the following:
• The Company’s name, license number, place of business address, and telephone number for reporting a complaint or adverse event per O.A.C. § 3796:2-2-02(B)(2)(a);
• The name and license number of the dispensary receiving the shipment per O.A.C. § 3796:2-2-02(B)(2)(b);
• The name of the medical marijuana strain that was registered with the Department and the product identifier issued by the Board of Pharmacy, per O.A.C. § 3796:2-2-02(B)(2)(c) and O.A.C. § 3796:2-2-02(B)(2)(d);
• The total weight in grams of plant material in each package, per O.A.C. § 3796:2-2-02(B)(2)(g);
• Batch number;
• A unique identification number that will match the medical marijuana with a batch and batch number to facilitate any warnings and recalls the Department deems appropriate, per O.A.C. § 3796:2-2-02(B)(2)(e);
• Date of harvest, final testing, and packaging, per O.A.C. § 3796:2-2-02(B)(2)(f);
• The identification of the independent testing laboratory providing the chemical analysis of the medical marijuana, per O.A.C. § 3796:2-2-02(B)(2)(h);
• The laboratory analysis, profile, and a list of all active ingredients, including the percentage content by weight for the following cannabinoids, at a minimum, per O.A.C. § 3796:2-2-02(B)(2)(i):
  o Delta-9-tetrahydrocannabinol (THC);
  o Delta-9-tetrahydrocannabinolic acid (THCA);
  o Cannabidiol (CBD); and
  o Cannabidiolic acid (CBDA);
An expiration date not exceeding one year from the date of harvest, per O.A.C. § 3796:2-2-02(B)(2)(j);

Instructions for use and storage; and

The following warnings, in compliance with O.A.C. § 3796:2-2-02(B)(2)(k):
  o “This product is for medical use and not for resale or transfer to another person”;
  o “This product may cause impairment and may be habit-forming”; and
  o “This product may be unlawful outside of the State of Ohio.”

Packaging and Labeling Recordkeeping
For each batch of medical marijuana, the following packaging and labeling information will be recorded in the ITS:

- Date(s) on which each step of the packaging and/or labeling protocol was performed;
- Statement of the actual yield and a statement regarding whether the actual yield is within the acceptable range of the theoretical yield at the end of packaging and/or labeling;
- Label contents; and
- Identity of each person performing each process step in packaging and/or labeling of the batch.

Quality Assurance Clearance
The COO or their designee will inspect each packaged and labeled batch for compliance with The Company’s specifications. Any packaged or labeled medical marijuana which fails to meet its packaging specifications, labeling specifications, or other packaging requirements must be rejected, unless the COO approves repackaging, relabeling, or other deviation that will ensure the batch will meet all packaging and labeling specifications and other packaging requirements and will not be otherwise contaminated or adulterated. Any such repackaging, relabeling, or other deviation must be documented in the ITS. Representative and reserve samples will be collected from each batch of packaged and/or labeled medical marijuana as part of finishing operations.

PART II: PRODUCTION CONTROL

Pest Management
The Company’s leaders have extensive knowledge of safe pesticide use and will apply an environmentally sensitive approach to pest management that guarantees harvested medical marijuana plant material contains no residual pesticides. The Company’s Advisory Board also includes two agricultural scientists who have a combined 76 years researching and teaching agricultural techniques and integrated pest management (IPM). Both perform trials for international chemical companies to determine activity, efficacy and best use practices to maximize pest management and minimize costs and adverse impacts on the final products. Advisor D is also a highly recognized expert on the use of classical and novel biological controls (predators, parasites and diseases) for management of greenhouse and interiorscape pests.

As doctors of entomology, Advisor B and Advisor D have spent many years researching plants’ susceptibility and resistance to pests and pathogens. Likewise, the COO has experimented with varying approaches to marijuana cultivation environments during six years of exposure as a cultivator. Based on their professional experience and academic research, The Company’s approach is not to create an overly sterile cultivation environment but instead use equipment, products and procedures that promote plant vigor and resistance. Although some cultivators promote ultimate sterility in their indoor environments, in The Company’s experience sterility is not achievable in agriculture and, in fact, is in direct opposition to the practice of inoculating plant media with beneficial microbes. An overly sterile environment may actually be detrimental to plant health, especially in the event that a pest or pathogen does enter the
facility. The Company prefers a holistic approach to plant health and pest management, beginning at the micro level with beneficial microbes applied to the roots early in the cultivation cycle and extending to the macro level with environmental control equipment and biological predators controlling pest problems before they start.

Plants grown in an indoor environment are more vulnerable to pests and diseases because they lack the natural defenses provided by a diverse ecosystem. Without natural biological predators, other plants to draw pests away, and the guaranteed nutrients that nature provides to ensure overall plant health, plants grown indoors can quickly become infested if a pest population moves in. IPM represents a departure from the widespread use of pesticides toward a series of evaluations, decisions, and controls using current and comprehensive information on the life cycles of likely pests. This information, in combination with available pest control methods, is used to manage pest damage with the least hazard to people and the environment. The following policies and procedures will preemptively control pests and pathogens in The Company’s marijuana cultivation areas. Interventions will only be used when necessary and with the least hazardous control method available. The IPM program will use a combination of the following controls:

**Cultural Controls**
Cultural controls include environmental control systems and SOPs that promote plant health and impede the introduction of pests into the cultivation environment. Cultural controls include:

*Hygiene Requirements for Agents*
Cultivation agents are required to follow company policies for personal hygiene, including regular handwashing and the use of disposable, single-use gloves before handling plant material, between tasks, and after any absence from the work station. Hair nets are required in all cultivation rooms as well as the dry/trim room. Face masks are required for agents performing drying, trimming and packaging procedures.

*Regular Cleaning*
All rooms where medical marijuana is cultivated, stored or handled will be kept free of dirt, leaves, and other debris. The vegetative room, flower rooms, and dry/trim room will be subject to a multi-stage cleaning and disinfection process between vegetative and harvest cycles, while the mother and clone room will be cleared and disinfected every three months. During disinfection, all plant contact surfaces including floors, perimeter walls, plant trays, drying racks, and hangers will be wiped down, flushed, or mopped with a solution of 3% bleach and water. All other non-contact surfaces including light hoods, reflectors, ducting, tables, and equipment surfaces will be wiped down with a biodegradable cleaner. Concrete floors in cultivation, drying, and trimming areas will be two-stage epoxy coated and sealed to create a non-porous surface that is easily mopped.

*Environmental Conditions for Optimum Plant Health*
The best defense against pests and diseases is a healthy plant. Plants grown outdoors are relatively less vulnerable to pests because of regional adaptation and nature provides them with the optimum balance of environmental conditions such as light, CO₂, humidity, air circulation, and temperature. To maintain healthy plants indoors, these environmental conditions must be mimicked artificially. If they are not, plant health will suffer, and plants will become more vulnerable to pests. See 2B of this application for specifications on environmental control equipment and conditions.
**Physical and Mechanical Controls**

While cultural controls are usually preventative, physical and mechanical controls are used to intervene as needed. These tools and strategies will be put into place only if a pest has been identified and only to directly remove or kill pests or physically prevent them from spreading. Physical and mechanical controls are the first line of defense against identified infestations and pose little to no hazard to people and the environment. The Company will use the following physical and mechanical controls:

**Plant Eradication**

If a plant shows severe signs of a pest or pathogen, it may be removed from production and destroyed to prevent the threat from spreading to other plants.

**Physical Removal of Pests**

If pests are large enough to be spotted and caught by hand, cultivation agents may pick them off infested plants or remove them using an insect vacuum. If done with precision and meticulous monitoring, this method is a non-toxic alternative to chemical treatment.

**Insect Sticky Traps**

The Company will hang a variety of colored sticky traps throughout cultivation areas as a pest prevention and monitoring measure.

**Biological Controls**

Biological controls, or the use of pests’ natural enemies to prevent or manage infestation, include the beneficial actions of parasites, pathogens, and predators particular to the pest or pathogen that is threatening a plant’s health. Biological controls may be used preventatively or as an intervention after physical and mechanical controls have been exhausted. They are nontoxic and pose little to no risk to people and the environment. Natural pest and pathogen enemies commonly used in medical marijuana cultivation include:

**Natural Insect Predators**

Natural predators that do not damage medical marijuana, such as ladybugs, spiders, parasitic wasps, beetles, and the praying mantis, may be introduced into cultivation areas when a pest is identified.

**Bacteria, Fungi, Nematodes, and Protozoa**

The Company will utilize beneficial pathogens both preventatively and as an intervention. Beneficial microbes such as Great White Mycorrhizae with Beneficial Bacteria & Trichoderma will be fed to plants periodically to encourage their growth in the rhizosphere, which will prevent the colonization of harmful molds, root aphids, nematodes and other harmful microbes.

**Chemical Controls**

Chemical controls will be used for both prevention and intervention of pests and pathogens. The Company will use only all natural or plant-derived products. Microbial and botanical pesticides may be applied preventatively during the vegetative cycle, such as horticultural soaps, neem oil, citric acid, essential oils, garlic, diatomaceous earth, pyrethrum, sulfur evaporators, and nontoxic natural remedies. As an intervention, once a pest or pathogen has been identified, chemical controls will be used only as a last resort when cultural, physical, mechanical, and biological controls have been unsuccessful.

**Pesticide Products**

In compliance with O.A.C. § 3796:2-2-01(C), The Company will only use pesticides and chemicals that appear on the Department’s most recent version of the approved list of permitted pesticides, fertilizers,
and other chemicals. Per O.A.C. § 3796:2-2-01(C)(1), The Company will only use pesticides registered with the Ohio Department of Agriculture that are either:

- Registered with the United States Environmental Protection Agency under section 3 of section 3 of the Federal Insecticide, Fungicide, and Rodenticide Act, per O.A.C. § 3796:2-2-01(C)(1)(a); or
- 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, per O.A.C. § 3796:2-2-01(C)(1)(b).

Pesticide products may include all or any of the following, or their equivalent:

**AzaMax**
Manufacturer’s description: AzaMax is made from special Azadirachtin Technical extracted from the neem seed using patented extraction technology. The neem tree is known for its innumerable benefits. AzaMax contains Azadirachtin A&B as active ingredients and more than 100 limonoids. AzaMax does not use harsh chemical solvents and instead uses food grade ingredients. AzaMax is OMRI listed and licensed in all 50 states.

**Azatrol**
Manufacturer’s description: Azatrol is an azadirachtin insecticide (1.2%) formulated to provide broad spectrum insect control with very low environmental impact. NON-TOXIC to honeybees and many other beneficial insects. OMRI Listed for use in organic production. A popular botanical insecticide/miticide with multiple modes of action, Azatrol acts as an anti-feedant, insect growth regulator and as a repellent and ovipositioning deterrent.

**Cold Pressed Neem Oil**
Neem oil is a naturally occurring pesticide found in seeds from the neem tree. It is yellow to brown, has a bitter taste, and a garlic/sulfur smell. It has been used for hundreds of years to control pests and diseases. Only neem oil products listed with OMRI will be used.

**Citric Acid**
Citric acid elicits antimicrobial activity against mold and bacteria. It is a weak organic acid often used as a natural preservative that is produced by microbial fermentation of carbohydrate substances. The Company will use OMRI listed citric acid products derived from microorganisms that have not been genetically modified.

**Sulfur Evaporator**
Sulfur evaporators are used to combat mildew in the indoor and greenhouse cultivation settings. They work on the principal of heating purified sulfur prills, or pellets, at an ideal temperature to completely and cleanly vaporize the sulfur into the grow environment. Sulfur has been used for centuries for natural fungus and mildew control. Sulfur evaporators cannot be used within a one-week period of pesticide products that are oil-based and three weeks before harvest.

**Garlic Barrier**
From manufacturer: Garlic Barrier is a very strong liquid garlic extract that mixes with water and is sprayed on farm and garden plants to keep insects off. The garlic used in Garlic Barrier is a very
powerful variety which is much more potent than the garlic goods in grocery stores. It’s all natural and listed by OMRI as suitable for organic farm use. Cannot be used 6 weeks from harvest because of odor.

**Pesticide Safety Training**

In accordance with The Company’s Hazard Communication Program, cultivation agents who work in cultivation areas will complete pre-employment pesticide safety training. All cultivation agents applying pest prevention products shall be trained in the proper use of any pest prevention product used in the facility according to the manufacturer’s instructions, including strict adherence to the use and posting requirements stated on the product’s label, in compliance with O.A.C. § 3796:2-2-01(C)(5) and O.A.C. § 3796:2-2-01(C)(4). Pesticides will be mixed according to the manufacturer’s directions, using the lowest concentration recommended and never exceeding the maximum concentration recommended by the manufacturer. Training shall include proper selection and use of PPE and use for each product, as well as the disposal of unused fertilizers in compliance with all state and federal laws and regulations per O.A.C. § 3796:2-2-01(C)(7). The use of a pesticide, fertilizer, or other chemical by an employee that is inconsistent with the product’s label may result in disciplinary action.

**Foliar Sprays**

Any preventative or intervention foliar pesticide spray shall be mixed at the lowest concentration possible. No foliar nutrients, pesticides, or other chemicals will be applied to a plant after the twenty-first day after the plant enters the flowering stage, in compliance with O.A.C. § 3796:2-2-01(C)(3).

**Fumigants**

Sulfur, pyrethrins, and other fumigants may be applied according to the manufacturer’s recommendation. No cultivation agents or visitors will enter a cultivation area while a fumigant application is in progress or during the period following a fumigant application, as recommended by the manufacturer. The cultivation agent responsible for the application will ensure that cultivation areas are closed during and after application and that other agents are made aware that fumigation is in progress.

**Post-Harvest Testing to Determine Pesticide Levels**

All plants will be tested by a third party to ensure that any approved pesticide product applied has been sufficiently flushed from the plant material. Pesticide residues for approved pesticides listed in the Department’s approved list of pesticides must not exceed the most stringent acceptable standard for an approved pesticide chemical residue in a food item as set forth in Subpart C of 40 C.F.R. Part 180, per O.A.C. § 3796:4-2-04(J). Pesticide residue from any pesticide not on the Department’s approved pesticide list must not be present in any detectable amount, per O.A.C. § 3796:4-2-04(J).

**Record-Keeping**

Any pesticide or anti-pest treatment, including organic, chemical, and living organisms used to repel or destroy pests, will be recorded in the batch record as well as the individual plant record in the ITS. The Company will maintain a record of all pesticide, fertilizer, or other chemical applications for at least five years, which shall be made available to the Department upon request, in compliance with O.A.C. § 3796:2-2-01(C)(6). Each pesticide application entry shall contain the following:

- Date and time of application, in compliance with O.A.C. § 3796:2-2-01(C)(6)(a);
- Stage of cultivation process, in compliance with O.A.C. § 3796:2-2-01(C)(6)(b);
- If plants are in the flowering stage, date when the plants were moved to the flowering stage, in compliance with O.A.C. § 3796:2-2-01(C)(6)(c);
- United States Environmental Protection Agency registration number, if applicable, in compliance with O.A.C. § 3796:2-2-01(C)(6)(d);
- Analysis of the fertilizer applied, in compliance with O.A.C. § 3796:2-2-01(C)(6)(e);
• Application site as identified in the facility’s location legend, per O.A.C. § 3796:2-2-01(C)(6)(f);
• Name of the product being applied, in compliance with O.A.C. § 3796:2-2-01(C)(6)(g);
• Amount of product applied, per O.A.C. § 3796:2-2-01(C)(6)(h);
• Unique plant identifier or any other information that identifies the plants that received the application, in compliance with O.A.C. § 3796:2-2-01(C)(6)(i);
• Size of the application area, in compliance with O.A.C. § 3796:2-2-01(C)(6)(j);
• Name of the employee or other individual making the application, in compliance with O.A.C. § 3796:2-2-01(C)(6)(k); and
• Comments or special conditions related to the application, in compliance with O.A.C. § 3796:2-2-01(C)(6)(l).

**IPM Evaluation Process**

IPM evaluation for each pest or pathogen will follow a four-tiered approach:

1. **Identify pests and set action thresholds:** Before taking any pest control action, IPM first identifies the most common pests and pathogens and sets a measurable threshold at which an intervention or control method must be employed. A single pest may not always require intervention, and not all insects and microorganisms require control.

2. **Monitoring:** The Company has set schedules and procedures for monitoring each room and each plant for signs of pests and pathogens. Cultivation agents will be trained to look for signs of pests common to indoor medical marijuana cultivation, keep detailed records of IPM monitoring, and report any signs of pests or pathogens to a supervisor. Monitoring removes the possibility that pesticides will be used when they are not needed or that the wrong kind of pesticide will be used.

3. **Prevention:** Preventative measures are the first line of defense against pests, as a preventative protocol will minimize the need for intervention. The IPM program will use a combination of physical and cultural controls that will make the cultivation facility uninhabitable for pests.

4. **Intervention:** Methods to remove pests will be used only after monitoring identifies a pest and thresholds indicate pest control is required. At that point, the Lead Grower will evaluate the proper control method for effectiveness and risk. Less hazardous pest controls, such as physical or biological controls or organic pesticides, will be used first. If further monitoring indicates that less hazardous controls are not working, additional pest control methods will be employed, such as targeted spraying of approved, non-toxic pesticides.

**IPM Monitoring Procedure**

Cultivation agents will monitor the plants in each room daily for signs of vigor as well as signs of pathogenic activity and mineral deficiency. Inspections will evaluate the following:

• **Overall health:** This includes monitoring the plant’s growth since the last inspection, the overall color, strength, and size of the plant canopy, and the health of the plant’s root system;

• **Leaf and stem health:** A representative sample (5-10 leaves) of each strains’ leaves should be inspected for signs of disease, mold, nutrient deficiency, toxicity, or poor health. Signs include: leaves curled under or upward; leaves yellowing, showing dark or light spots, or appearing burned; and stems turning red or brown or looking weak or unsteady; and

• **Pest inspection:** Agents will inspect stems and leaves, paying particular attention to the undersides of leaves for signs of pests, as well as any other unexpected abnormalities. Agents will use a handheld microscope to scan for microscopic pests and fungal infections.
Nutrient Management Plan
Medical marijuana plants need a variety of chemical elements throughout their life cycle to achieve optimum growth and maintain their overall health. They absorb these elements through their leaves and roots but only if such elements are present in the correct proportions. Too much or too little of an element will affect a plant’s ability to absorb others.

Ambient Nutrients
Ambient nutrients are the non-mineral nutrients that plants get from the air and water, including hydrogen, oxygen, and carbon.

Hydrogen
The potential of hydrogen, or pH, measures the activity of hydrogen ions in a solution. The higher the concentration of hydrogen ions, the more acidic a solution, while a lower concentration of hydrogen ions makes a more alkaline or basic solution. Each plant has a pH level optimum for nutrient absorption. Some plants prefer a more acidic solution, while others prefer a more alkaline solution. Medical marijuana plants prefer a neutral pH that falls between 6.5 and 7; however, plants grown hydroponically need lower pH levels for maximum nutrient absorption. The cultivation facility will generally maintain nutrient solutions at a pH level between 5.7 and 6.2 for maximum nutrient uptake. The pH of irrigation water will be monitored in real time using pH monitoring devices attached to the irrigation system. Cultivations agents will also be equipped hand-held digital pH monitoring devices.

Oxygen
Although we usually think of oxygen as a plant’s waste product, they also need oxygen to survive, particularly in the root system. Plants take in oxygen through their roots from air pockets in the growing medium. To ensure plants get enough oxygen, it is important to use a growing medium, like Rockwool, that allows for appropriate aeration of the roots. Allowing roots to dry down between watering, and oxygenating water using an air pump helps maintain optimum oxygen availability.

Carbon
Plants need carbon dioxide to perform photosynthesis. Although medical marijuana plants can grow with normal atmospheric CO₂ levels, they will grow faster and bigger with increased CO₂, which can be provided using a supplemental CO₂ system. To maximize plant growth and minimize energy consumption, the cultivation facility will install a supplemental CO₂ system to keep CO₂ levels at approximately 1500 ppm during light hours in the cultivation area.

Macronutrients
Macronutrients are the mineral nutrients needed in large amounts for ideal plant health. The most important of these are nitrogen, phosphorus, and potassium. Other macronutrients include calcium, magnesium, and sulfur. In hydroponic cultivation, macronutrients are more readily available than other cultivation methodologies.

Nitrogen, Phosphorus, and Potassium (NPK)
The most important macronutrients for medical marijuana, these three elements are found in all fertilizers in various proportions depending on the application. Plants need more nitrogen (N) during the vegetative stage because it is essential for chlorophyll production, which happens at a faster rate as the plant is stretching and growing new leaves and branches. Phosphorous (P) is important throughout the medical marijuana plant life cycle, as it plays a role in photosynthesis and root health, but plants use more phosphorous during the flowering stage. Potassium (K) use is also elevated during flowering, while nitrogen use decreases. For this reason, fertilizers for plants in the vegetative stage have more
nitrogen and less potassium and phosphorous, while those meant for plants in their flowering stage have less nitrogen and increased proportions of potassium and phosphorous.

_Calcium, Sulfur, and Magnesium_
Each of these macronutrients also plays an important role in plants’ growth, often in relationship with other macronutrients. For example, a calcium deficiency can be caused by an overdose of nitrogen or potassium, which inhibits a plant’s ability to absorb calcium even when it is available. To avoid overdose of any one nutrient, the cultivation facility will use a regimented feeding program, check regularly for signs of nutrient deficiency and toxicity, and adjust nutrient levels only when necessary.

_Micronutrients_
These are the mineral nutrients plants need only in small amounts throughout their growth cycle. They include iron, manganese, boron, zinc, copper, and molybdenum. These nutrients will be provided in small amounts throughout the vegetative and flowering stages, except when plants are being flushed.

_Nutrient Deficiencies_
When a plant receives too much or too little of any nutrient, its overall health deteriorates. Medical marijuana plants show distinct symptoms when nutrients are deficient or out of balance. If a problem is detected early on, it can be corrected by adjusting the fertigation schedule or formula. Cultivation agents will inspect plants in all stages of growth daily for signs of vigor as well as signs of mineral deficiency, looking for the symptoms of nutrient imbalance or deficiency, recording findings in the ITS and taking action in accordance with company procedures.

_Nutrient Products_
The cultivation facility will only use fertilizers that appear on the Department’s most recent version of the approved list of permitted pesticides, fertilizers, and other chemicals, in compliance with O.A.C. § 3796:2-2-01(C). If The Company wishes to use a specialty fertilizer, including any fertilizer designed, labeled, and distributed for uses other than the production of commercial crops as defined in O.R.C. § 905.31(Q), it must be registered with the Ohio Department of Agriculture, in compliance with O.A.C. § 3796:2-2-01(C)(2). With the Department’s approval, The Company will use both organic and synthetic nutrients in its hydroponic cultivation operations, which may include products manufactured by any of the following companies:

- General Hydroponics;
- HydroDynamics (HDI);
- Botanicare;
- Plant Success;
- Technaflora;
- Nutrilife; and
- Growth Technology Ltd.

_Applying Nutrients_

_Safety Requirements_
All cultivation agents applying nutrient fertilizers, or other chemicals, shall be trained in the proper use of each product prior to application, including strict adherence to the use and posting requirements stated on the product’s label, in compliance with O.A.C. § 3796:2-2-01(C)(5) and O.A.C. § 3796:2-2-01(C)(4). Training shall include proper selection and use of PPE and appropriate use for each nutrient, as well as the disposal of unused fertilizers in compliance with all state and federal laws and regulations.
per O.A.C. § 3796:2-2-01(C)(7). The use of a pesticide, fertilizer, or other chemicals by an employee that is inconsistent with the product’s label may result in disciplinary action.

**Fertigation**
During the vegetative stage, nutrients are applied via a nutrient reservoir into grow trays connected to a flood and drain system manufactured by Botanicare. Irrigation occurs on an automated schedule that is adjusted depending on plants’ development and the moisture content of the Rockwool medium. Nutrients are applied to plants in the flowering stage through Dosatron automated in-line fertigation systems that mix nutrient recipes for each application according to user inputs.

Cultivation agents will verify pH levels, the concentration of nutrients in the solution in terms of electrical conductivity (EC), and water temperature of all nutrient solutions daily. Rate of application varies from once a week to three times a day throughout the plants’ life cycle.

**Foliar Feeding**
Plants may be sprayed with a nutrient formula during their vegetative stage, as plants also take in nutrients through their leaves. The cultivation agent responsible for foliar feeding will mix a nutrient formula that is approximately half the strength of that applied during fertigation and generously spray the leaves of each plant. No foliar nutrients, pesticides, or other chemicals will be applied after the twenty-first day following the date a plant enters the flowering stage unless otherwise permitted on the Department’s approved list, in compliance with O.A.C. § 3796:2-2-01(C)(3).

**Nutrient Correction**
When a plant shows symptoms of nutrient deficiencies or toxicity, a cultivation agent will record the plant and problem in the ITS and communicate with a supervisor before correcting a problem. If a nutrient overdose is suspected in an entire tray, a cultivation agent will bypass the Dosatron or Botanicare systems to irrigate plants with plain water for one to two days. If only one plant is affected, the problem may be corrected with a customized treatment, such as a foliar spray rich in the deficient nutrient.

**Recordkeeping**
The Company will use the ITS to maintain a record of all pesticide, fertilizer, or other chemical applications. Records shall be kept for at least five years and shall be made available to the Department upon request, in compliance with O.A.C. § 3796:2-2-01(C)(6). For each plant or batch of plants, application records shall contain the following information:
- Date and time of application, in compliance with O.A.C. § 3796:2-2-01(C)(6)(a);
- Stage of cultivation process, in compliance with O.A.C. § 3796:2-2-01(C)(6)(b);
- If plants are in the flowering stage, date when the plants were moved to the flowering stage, in compliance with O.A.C. § 3796:2-2-01(C)(6)(c);
- United States Environmental Protection Agency registration number, if applicable, in compliance with O.A.C. § 3796:2-2-01(C)(6)(d);
- Analysis of the fertilizer applied, in compliance with O.A.C. § 3796:2-2-01(C)(6)(e);
- Application site as identified in the facility’s location legend, per O.A.C. § 3796:2-2-01(C)(6)(f);
- Name of the product being applied, in compliance with O.A.C. § 3796:2-2-01(C)(6)(g);
- Amount of product applied, per O.A.C. § 3796:2-2-01(C)(6)(h);
- Unique plant identifier or any other information that identifies the plants that received the application, in compliance with O.A.C. § 3796:2-2-01(C)(6)(i);
- Size of the application area, in compliance with O.A.C. § 3796:2-2-01(C)(6)(j);
- Name of the employee or other individual making the application, in compliance with O.A.C. § 3796:2-2-01(C)(6)(k); and
- Comments or special conditions related to the application, in compliance with O.A.C. § 3796:2-2-01(C)(6)(l).

**Growing Media**
The Company has determined that indoor cultivation is best suited for the regional climate, security, and discretion. Plants will be grown hydroponically, meaning no soil will be utilized in the facility. Instead, an inert growing medium will be used and nutrients will be fed to plants when they are irrigated. During propagation, clones will be plugged into Rockwool starter cubes where roots become well established. During the vegetative and flowering stages, including the mother stage, rooted clones will be placed in 6in. x 6in. Rockwool cubes. Only pest- and pathogen-free growing media will be used. All cultivation materials will be sourced from local stores whenever possible.

**Rockwool**
Rockwool, also known as stone wool or mineral wool, is a man-made substrate manufactured by melting basaltic rock and spinning it into thin fibers that are cooled to create a growing medium that can hold high levels of moisture and aeration. An inert growing medium, it is the most widely used growing medium for hydroponic tomatoes and is considered a natural product, as it is essentially made from rock alone. The Company will use Rockwool manufactured by Grodan as its only growing medium from propagation through flowering, including mother plants. Rockwool can be recycled into a new growing medium.

**PART III: INVENTORY CONTROL PLAN**
Advisor C is a registered pharmacist with almost 40 years of experience, including 21 years as a Director of Pharmacy at multiple medical facilities, with almost 10 years directing a level two trauma center. His knowledge of accountability requirements for pharmaceutical products, including drug pedigree and chain of custody tracking, will advise The Company’s inventory tracking and reconciliation procedures. The Company will incorporate the use of electronic inventory tracking software with regular physical inventory reconciliation to ensure that medical marijuana plants and plant material are tracked and accounted for from propagation until sold, stored, or destroyed. The Company prefers to use the same software that the Department selects to maintain the electronic database described in O.R.C. § 3796.07. If the Department’s selected software is not sufficient to perform the functions described herein, The Company will select its electronic inventory tracking system (ITS) from a reputable marijuana seed-to-sale software company. Examples include BioTrackTHC, MJ Freeway, or equivalent. The Company’s ITS shall be capable of interfacing with the Department’s inventory tracking system.

**Seed-to-Sale Tracking**
In compliance with O.A.C. § 3796:2-2-01(A)(3), The Company’s operations plan includes policies and procedures to document the chain of custody for all medical marijuana in the Department’s inventory tracking system. The Company shall track and submit into the Department’s inventory tracking system any information the Department determines necessary for maintaining and tracking medical marijuana, per O.A.C. § 3796:2-2-04(A).
**Propagation**
Each time a group of clones of the same variety of medical marijuana is propagated or brought into the Propagation area, cultivation agents will use the ITS to create a label that will be placed on the exterior of each propagation tray bearing, at a minimum, the strain name and product identifier assigned by the State of Ohio Board of Pharmacy per O.A.C. § 3796:1-1-01(A)(40). All labels used for inventory control purposes will be moisture-proof, heat-resistant, non-removable, inalterable, and tamper-evident.

**Vegetation**
When clones are transplanted from a cloning medium into a growth medium for vegetative or flowering stages, cultivation agents will use the ITS to assign to each plant a unique plant identifier, which is a numeric or alphanumeric sequence, as determined by the Department, to allow for inventory tracking and traceability in the ITS per O.A.C. § 3796:1-1-01(A)(50). Upon transfer into a vegetative or flower growth medium agents will also secure attach to the plant or the plant’s container a moisture-proof, heat-resistant, non-removable, inalterable, and tamper-evident identifier tag that contains the following information, in compliance with O.A.C. § 3796:2-2-04(A):
- The Company’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.

Any tag placed on the plant itself will be loose enough to allow the stem to grow to its expected thickness but tight enough to prevent it from being slipped over the top of the plant without causing noticeable damage to the plant. Tags will remain on plants until they are harvested. During each stage of growth, cultivation procedures, conditions, or complications for each plant will be recorded in the ITS, including the plant identifier of the affected plant.

**Harvest**
At harvest, each plant is cut, sectioned, and hung along with its identifier tag in the drying room. Once dry, plants move into the trimming area to undergo final trim. Identifier tags for each plant entering the trimming area will be scanned into the ITS prior to trimming. During trimming the plant material from plants of the same variety that were propagated and cultivated together, under normal environmental conditions, without significant variances from company specifications, are consolidated into batches that meet the requirements of O.A.C. § 3796:1-1-01(A)(3), not to exceed 15 pounds of manicured dried flowers or buds or 25 pounds of plant material, excluding flowers and buds. As plant material is added to a batch, the plant’s identifier tag is placed on the container and the plant identifier is recorded in the batch record in the ITS. Each batch will be assigned a unique numeric or alphanumeric batch number to allow for inventory tracking and traceability, per O.A.C. § 3796:1-1-01(A)(4).

During trimming harvest plant material is separated into trimmed flower, sugar leaf, and waste. Per O.A.C. § 3796:1-1-01(A)(37), plant material means the leaves, stems, buds, and flowers of the medical marijuana plant and does not include seedlings, seeds, clones, stalks, or roots of the plant or the weight of any non-marijuana ingredients combined with the medical marijuana. All plant material is tracked throughout trimming procedures in the ITS and with labels bearing the batch number on each container.

**Curing and Testing**
After trimming procedures are complete, flowers and sugar leaf will be placed separately in curing containers labeled with the batch number. After curing is complete, the COO will facilitate required sampling and testing by a licensed laboratory. Cured medical marijuana will be stored in the quarantine section of the vault during testing. The licensed laboratory will use batch numbers to track and identify representative samples. If the certificate of analysis shows the batch meets The Company’s
specifications and the Department’s standards, curing containers bearing the batch number will be transferred out of the quarantine area to the cleared medical marijuana area.

**Packaging, Labeling and Distribution**

Batches of medical marijuana that have been tested and issued an analysis by a licensed laboratory showing they meet the standards set forth by the Department per O.A.C. § 3796:2-2-06(C) will be packaged and labeled for storage or distribution according to product demand. All medical marijuana distributed to a processor or dispensary will be registered with the Department and assigned a product identifier by the State of Ohio Board of Pharmacy, per O.A.C. § 3796:5-8-01(A). Medical marijuana packaged for storage will be labeled with the batch number, the product identifier and the status of the batch, at a minimum. Medical marijuana will be stored on the premises in vault storage as shown on plot plans in Section 2D of this application, accessible only by type 1 key employees, in compliance with O.A.C. § 3796:2-2-04(F).

Medical marijuana packaged for distribution to a licensed processor or dispensary shall be packaged and labeled in accordance the requirements of O.A.C. § 3796:2-2-02. The Company will not directly or indirectly discriminate in price between different processors of dispensary facilities that are purchasing a like grade, strain, brand, quality, and quantity of medical marijuana, in compliance with O.A.C. § 3796:2-2-07(H). The Company may also sell medical marijuana to a laboratory licensed under O.A.C. § 4729-13 to possess dangerous drugs and controlled substances for scientific and clinical purposes, per O.A.C. § 3796:2-1-06(D). At no time shall The Company sell medical marijuana in any form to a patient or caregiver, in compliance with O.A.C. § 3796:2-2-07(A). The Company may provide to a dispensary free samples of plant material of a particular strain being sold at the dispensary, so long as the sample is tracked in the ITS from distribution to destruction by the dispensary, per O.A.C. § 3796:2-2-02(E).

**Inventory Records**

For each plant and for each batch, the ITS will keep a perpetually updated record that contains:

- Plant identifier or batch number;
- For a batch, the plant identifier for each plant in the batch;
- Planting date(s);
- Medical marijuana form (seed or clone) and origin;
- Strain and the unique product identifier assigned by the State of Ohio Board of Pharmacy per O.A.C. § 3796:1-1-01(A)(40);
- Cultivation information including all materials, nutrients, pesticides, and procedures used during the growth cycle;
- Harvest information including harvest date(s) and the weight of medical marijuana flowers and sugar leave after trimming;
- Date(s) trimmed and name of agent(s) responsible for trimming;
- Curing information including length of time in curing bins, method(s) and/or containers used;
- Results of internal and third-party quality assurance testing;
- A record of any label applied to all or part of the batch; and
- Any other relevant information required by law.

Inventory records, including weekly and comprehensive inventory counts, will be maintained for a minimum of five years after the expiration date assigned to the batch and will be made available to the Department at any time, in compliance with O.A.C. § 3796:2-2-04(E). ITS records may also be made available to qualified patients or other parties upon request in accordance with company policies for product crises.
ITS Scheduling and Task Assignment
Beyond the batch tracking functions described above, the ITS is also a cultivation management tool capable of assigning, scheduling, and tracking cultivation and harvesting tasks. Each cultivation and harvesting agent will have a user account protected by password with controls set for the agent’s appropriate level of access. The COO and Lead Grower will use the ITS to assign or reassign tasks to agents, create and update calendars tracking cultivation cycles and procedures, and create detailed instructions for agents to follow. Cultivation and harvesting agents will use the ITS to mark tasks complete, view summaries of assigned tasks, and add additional notes to the batch or plant identifier record. If a relevant task is completed and confirmed by a supervisor, it will be automatically added to the batch record.

Physical Inventory Counts
The COO will have oversight of both the ITS and physical inventory of medical cannabis on-site at the cultivation facility. They will be responsible for receiving, inspecting, and approving or rejecting clones that arrive from outside the facility; randomly performing inventory discrepancy checks; and performing full physical inventory reconciliations. Per O.A.C. § 3796:2-2-04(B)(2), prior to commencing business, The Company shall establish ongoing inventory controls and procedures for the conduct of inventory review and comprehensive inventories of medical marijuana for traceability in the Department’s ITS to detect any diversion, theft, or loss in a timely manner. Prior to commencing business, The Company shall conduct an initial comprehensive inventory of all medical marijuana in the facility, in compliance with O.A.C. § 3796:2-2-04(B). If The Company commences business with no medical marijuana on hand, it shall record this fact as the initial inventory per O.A.C. § 3796:2-2-04(B)(1).

Weekly Inventory Reports
Upon commencing business, a type 1 employee will prepare a weekly inventory of medical marijuana at the facility that includes the following, in compliance with O.A.C. § 3796:2-2-04(C):

- The date of the inventory, per O.A.C. § 3796:2-2-04(C)(1);
- Per O.A.C. § 3796:2-2-04(C)(2), the amount of medical marijuana on hand, including:
  - The 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 cultivation 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;
- The amount of medical marijuana sold since the previous weekly inventory, per O.A.C. § 3796:2-2-04(C)(3), including:
  - The date of sale per O.A.C. § 3796:2-2-04(C)(3)(a);
  - The license number and name of the processor or dispensary to which the medical marijuana was sold per O.A.C. § 3796:2-2-04(C)(3)(b); and
  - The batch number, registered product name and quantity of medical marijuana sold per O.A.C. § 3796:2-2-04(C)(3)(c);
- Per O.A.C. § 3796:2-2-04(C)(4), the date, quantity, and method of disposal of medical marijuana, if applicable;
- A summary of the inventory findings per O.A.C. § 3796:2-2-04(C)(5); and
- The name, signature, and title of the employees who conducted the inventory and oversaw the inventory per O.A.C. § 3796:2-2-04(C)(6).
Annual Inventory Count
On an annual basis, a type 1 key employee of The Company shall conduct a physical, manual inventory count of all medical marijuana in the cultivation facility, comparing it against the annual inventory report generated by the ITS, in compliance with O.A.C. § 3796:2-2-04(D).

Inventory Discrepancies
If a discrepancy is found during an inventory count, the COO will investigate whether it was the result of an error, theft, or diversion. In the event it was the effect of an error, SOPs may be adjusted to avoid another error from arising. If an investigation reveals a discrepancy outside of loss standard to the industry due to moisture loss and handling, a type 1 key employee of The Company shall report the discrepancy to the Department, in compliance with O.A.C. § 3796:2-2-04(D).

Uninterrupted Supply
The Company will use the ITS and regular inventory counts to track packaged and stored medical marijuana as well as anticipated yields for live medical marijuana plants to ensure that a consistent supply of medical marijuana is available to be sold to licensed processors and dispensaries, in compliance with O.A.C. § 3796:2-1-07(A). The Company will consider supply consistent by either:
- Allowing no more than 120 days to elapse between harvests of at least 15 pounds of medical marijuana, per O.A.C. § 3796:2-1-07(A)(1); or
- Maintaining an inventory of at least ten pounds of medical marijuana that is ready for immediate sale per O.A.C. § 3796:2-1-07(A)(2).

In the event that The Company is unable to maintain a consistent supply of medical marijuana, a type 1 employee shall petition the director of the Department to toll computation of the 120-day timeframe, providing the following elements as listed in O.A.C. § 3796:2-1-07(E):
- An explanation of the facts and circumstances that will not allow The Company to ensure a consistent supply of medical marijuana; and
- A plan for how and when The Company will be able to meet the requirements of O.A.C. § 3796:2-1-07(A).

In compliance with O.A.C. § 3796:2-1-07(C), should The Company be issued a notice of insufficient business activity by the director of the Department, a type 1 employee shall respond with any evidence sufficient to prove that The Company has met and continues to meet the requirements of O.A.C. § 3796:2-1-07(A).

Preventing Oversupply
The facility is designed to hold three production lines to allow for staggered harvests every twenty days. The number of production lines utilized will be adjusted based on patient population and consumption reported in the Department’s inventory tracking system to ensure The Company does not produce or maintain medical marijuana in excess of the quantity required for normal, efficient operation, in compliance with O.A.C. § 3796:2-2-07(D).

PART IV: DISPOSAL AND WASTE REMOVAL
Medical marijuana waste of all types will be treated with same security caution as a potent finished medical marijuana product up until rendered unrecoverable and disposed. The utmost care shall be taken to ensure that no medical marijuana waste is stolen or diverted by any agent, visitor or member of the public. The following waste disposal policy will ensure that medical marijuana is disposed of both safely and sustainably, threatening neither public safety nor the environment. Examples of medical marijuana waste include:
• Adulterated medical marijuana, as defined by O.A.C. § 3796:1-1-01(A)(2), in which any of the following applies:
  o A substance has been mixed or packed with the medical marijuana to reduce the quality or strength or the substance has been substituted wholly or in part for the medical marijuana, per O.A.C. § 3796:1-1-01(A)(2)(a);
  o It consists, in whole or in part, of any filthy, putrid, or decomposed substance, including mold, mildew, and other contaminants, per O.A.C. § 3796:1-1-01(A)(2)(b);
  o 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, per O.A.C. § 3796:1-1-01(A)(2)(c); or
  o Its container is composed, in whole or in part, of any poisonous or deleterious substance that may render the contents injurious to health, per O.A.C. § 3796:1-1-01(A)(2)(d);
• Discarded immature or mature plants and seedlings;
• Unusable medical marijuana trimmings;
• Dead plants and plant debris;
• Medical marijuana leaves and flowers that are expired, damaged, or have been stored improperly. “Expired” means medical marijuana that is beyond the date specified by The Company in its labeling for plant material, not to exceed one calendar year from its harvest date, per O.A.C. § 3796:1-1-01(A)(17)(a). "Plant material" means the leaves, stems, buds, and flowers of the medical marijuana plant, and does not include seedlings, seeds, clones, stalks, or roots of the plant or the weight of any non-marijuana ingredients combined with the medical marijuana, per O.A.C. § 3796:1-1-01(A)(37);
• Any resinous waste, including used cotton pads and gloves; and
• Any medical marijuana returned to the cultivation facility.

Rendering Medical Marijuana Waste Unrecoverable
Pursuant to O.A.C. § 3796:2-2-03(A), The Company shall dispose of undesired, excess, unauthorized, obsolete, adulterated, misbranded, or deteriorated medical marijuana waste either by disposal executed in accordance with the procedures herein written, under the supervision of a type 1 key employee, and in such a manner as to render the medical marijuana waste unusable, in compliance with O.A.C. § 3796:2-2-03(A)(1); or by surrender without compensation of such medical marijuana to the Department director or the director’s designee, at the director’s discretion, pursuant to O.A.C. § 3796:2-2-03(A)(2). The Company prefers to render medical marijuana waste unusable under the supervision of a type 1 key employee as defined in O.A.C. § 3796:5-2-01(H)(1), including an owner, administrator, or individual that has control and management over the day-to-day activities that significantly impact the operations of The Company. The Company will not allow medical marijuana, or medical marijuana byproduct or scrap, to be used or disposed of in a manner not consistent with the rules and regulations of the state or the procedures herein, in compliance with O.A.C. § 3796:5-6-02(B)(12).

In compliance with O.A.C. § 3796:2-2-03(B), the disposal procedures contained herein shall be sufficient to render medical marijuana waste unusable. The Company will render medical marijuana waste unrecoverable by grinding it to break down the phytochemicals in medical marijuana sufficiently to ensure medical marijuana waste is no longer psychoactive. It is more environmentally friendly than methods requiring the use of chemicals to destroy phytochemicals because it makes use of waste byproducts from other commercial activities. The Company will use electric mulching equipment (leaf mulcher and/or chipper/shredder) to grind medical marijuana waste into mulch and then incorporate the mulched waste with one or more of the non-consumable, solid wastes listed below, such that the resulting mixture is at least 51 percent non-marijuana waste:
  • Paper waste;
Cardboard waste;
- Food waste;
- Yard or garden waste;
- Grease or other compostable oil waste;
- Bokashi, or other compost activators;
- Soil or other used growth media; or
- Other wastes approved by the Department

Any agent who uses the mulching equipment shall complete training prior to operating the machine. Agents shall perform a safety check with each use. All agents shall follow the manufacturer’s instructions for safely operating the machine and for the use of PPE, including safety goggles and gloves.

Procedure for Rendering Medical Marijuana Waste Unrecoverable

In compliance with O.A.C. § 3796:2-2-03(C), the disposal of medical marijuana shall be performed in the facility’s designated destruction area 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. Medical marijuana waste shall be rendered unrecoverable at least once per day, unless no medical marijuana waste is generated or identified. Under the supervision of a key 1 employee, agents will use the following procedure:

1. Gather medical marijuana waste generated as a part of cultivation or harvest activities and ask a type 1 key employee to accompany you to the medical marijuana waste destruction area.
2. If there are waste items stored in the vault, a type 1 key employee shall transfer them to the waste destruction area.
3. If a waste item has a batch a record in the ITS, as is the case for batches that fail quality assurance testing, returned or recalled products, record the transfer in the ITS.
4. Remove packaging, if necessary.
5. Tare the scale and weigh the medical marijuana waste products in aggregate. Record the aggregate weight in the ITS.
6. Weigh non-consumable solid waste in an amount equal to the weight recorded for medical marijuana waste, plus an additional 1%. Record the weight in the ITS.
7. Put on protective safety goggles and gloves and then perform the necessary mulcher safety checks.
8. Feed the medical marijuana waste into the mulcher as directed by the manufacturer’s operations manual.
9. Use a shovel, rake, or other tool to mix the mulched medical marijuana waste with the non-consumable waste until it is unrecognizable.
10. Unlock the container designated for medical marijuana waste rendered unrecoverable and place the mixture inside. Re-lock the container. Per O.A.C. § 3796:2-2-03(B), the container must always be kept locked, opened only to deposit and remove unrecoverable medical marijuana waste.

Recordkeeping

In compliance with O.A.C. § 3796:2-2-03(D), the type 1 key employee overseeing the disposal of medical marijuana shall use the ITS to create a separate record of every disposal indicating the following:
- The date and time of disposal;
- The manner of disposal;
• The volume and weight of the approved solid waste media used to render the medical marijuana unusable;
• The unique identification codes associated with the medical marijuana scheduled for destruction;
• The reasoning for and description of the disposal;
• The signature of the type 1 key employee overseeing the disposal of the medical marijuana; and
• If the medical marijuana 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.

The Company shall keep and maintain true, complete, legible records relating to the disposal of medical marijuana, medical marijuana products, and waste at the facility for a five-year period. All required records will be made available for inspection if requested by the Department.

**Disposal**

Medical marijuana waste that is rendered unusable shall be discarded into a locked dumpster or other approved, locked container for removal from the facility by a local waste management service, or it may be composted in a secured area at the cultivation site for future use at the facility, in compliance with O.A.C. § 3796:2-2-03(B). Any medical marijuana waste to be removed by the waste management service shall be picked up at least once per week. An agent will record the name and collect the signature of the waste management agent responsible for pickup prior to unlocking the medical marijuana waste container for disposal.

**Non-Marijuana Waste**

The disposal of other waste from the facility that does not include medical marijuana, including hazardous waste and liquid waste, shall be performed in a manner consistent with federal and state law, in compliance with O.A.C. § 3796:2-2-03(E). Non-hazardous, non-marijuana solid waste will be stored separately from marijuana waste rendered unusable in bins or dumpsters for regular weekly pickup by a local waste management company. Examples of non-hazardous non-marijuana waste include:

• Growing media from medical marijuana cultivation, such as soil and seedling plugs, that has not been treated with hazardous additives or pesticides;
• Food and general waste from agent break rooms and restrooms; and
• Recyclable waste, such as plastics, paper, and metals.

**Liquid Waste**

The Company’s will use equipment and techniques to create as little wastewater as possible. Irrigation systems include flood and drain as well as drip line nutrient injection systems, which create practically no runoff from plants during cultivation. Wasteful distillation and reverse osmosis purification methods will not be utilized. All condensate from air conditioners and dehumidifiers will be filtered and added back to the active water supply.

The only fertigated water that will need to be disposed into the municipal sewer system is approximately 240 gallons of remaining nutrient solution unused in the vegetative reservoirs, which will occur approximately every twenty days or when a new batch of clones enter the vegetative room. Wastewater shall be disposed of in compliance with applicable water district regulations, including wastewater testing to ensure acceptable limits for chemical combinations. Chemical solutions that exceed limits for discharge into local sewers will be disposed of in accordance with applicable laws and regulations.

**Hazardous Waste**

Disposal of hazardous waste, including all unused pesticides, fertilizers, and other chemicals, shall be performed in compliance with all federal, state, and local codes and regulations, including compliance
with all directions on the product label, pursuant to O.A.C. § 3796:2-2-01(C)(7). Any hazardous waste that must be removed from the premises shall be collected by a local waste management business. Examples of hazardous waste include:

- Chemical waste, such as certain pesticides, cleaning products, and soil additives;
- Fluorescent light bulbs and other bulbs containing mercury; and
- Electronic waste, which may be donated or disposed of at an e-recycling event, as available.

PART V: ADVERSE EVENTS AND RECALLS

The Company’s written SOPs and quality assurance plan have been designed to ensure that all medical marijuana cultivated at the facility is tested, stored, and handled to prevent contamination or misidentification; however, in the event of contamination, expiration or other circumstances that render a medical marijuana product distributed by The Company unsafe or unfit for consumption, The Company will follow the policies and procedures contained herein to identify the products involved, notify all dispensaries, processors, or licensed laboratories to whom an affected product was sold or transferred, and dispose of any affected products returned or retrieved by The Company, in compliance with O.A.C. § 3796:2-1-02(B)(4)(f).

Complaints

Each shipment of medical marijuana products distributed will include information on how to contact The Company to file a complaint. Type 1 employees are responsible for receiving and recording complaints. For any complaint received, they will complete a Complaint Log, assign and record a unique complaint number, and give the person issuing the complaint the unique complaint number for reference. They will then enter the complaint number and a copy of the Complaint Log into the batch record in the ITS for the batch of medical marijuana in question. Complaint records will be retained for one year past the expiration date of the affected batch or for one year past the date of receipt of the complaint, whichever is longer.

Pursuant to O.R.C. § 3796.17, the State of Ohio Board of Pharmacy shall establish a toll-free telephone line to respond to inquiries from patients, caregivers, and health professionals regarding adverse reactions to medical marijuana and to provide information about available services and assistance. Thus, The Company anticipates receiving complaints only from other medical marijuana entities; however, if patient or caregiver wants to issue a complaint, The Company shall receive and record the complaint using the procedure described herein.

A type 1 employee will review the contents of each complaint within the first 24 hours after the complaint is made and determine whether the complaint describes an adverse event. An adverse event occurs when a patient reports having a negative side effect from using a product. If The Company receives a report of an adverse event, the COO will open an investigation within 24 hours to determine if the product indicated to have caused the problem was, in fact, the cause.

Product Investigations

An investigation will be conducted for all adverse events. First, the COO will conduct a thorough records review of all inventory control and other records regarding the product to assess whether an approved or unapproved deviation occurred from SOPs, product specifications or component specifications. Next, the product will be sent for re-testing. If the affected product was not returned, a reserve sample from the same batch shall be tested. Test results will be recorded in the Complaint Log as well as in the batch record for the affected product.
If test results for the affected product are substantially similar to the original test results, and the records show that there were no abnormalities in SOPs, then the complaint will be considered resolved. If the test results are not substantially similar or the records indicate an unapproved deviation from SOPs, The Company will continue the investigation until the cause for the deviation has been identified. The complaint will not be considered resolved until The Company has found a cause for the discrepancy in testing results, has resolved the error in SOPs, or six months has passed from the initial complaint date. If an investigation reveals that a product is associated with a serious adverse event or a major discrepancy in SOPs, The Company may issue a withdrawal or recall.

**Recalls and Withdrawals**
The Company may issue a recall when an adverse event investigation reveals an unapproved deviation from SOPs occurred that poses a health risk to patients or the public, such as:

- A product comes into contact with allergens;
- A product is contaminated by bacteria, chemicals, or other objects;
- A product distributed has expired prematurely;
- A product is misbranded, mislabeled, or has packaging problems;
- The components or equipment used to produce the medical marijuana are contaminated, unapproved, or recalled by the supplier; or
- Any other circumstances that render the medical marijuana unsafe or unfit for consumption.

In the event that a recall is necessary, The Company will follow the following recall procedures, which have been advised by 21CFR7.

**Recall Team**
The COO is responsible for assembling a recall team to handle each product crisis, delegating tasks to team members, and following up to make sure that the procedures have been completed. A recall is more than simply collecting product; it also entails resolving issues with consumers, public relations, sales, quality assurance, distribution, other medical marijuana establishments, and the law. The duties of the recall team will be spread among The Company’s executive team, Advisory Board, agents, and outside consultants. Consultants may include an attorney, an accountant, a product safety specialist, and/or a scientist. The COO will divide the work into specific units and assign a leader of each unit, who will be responsible for reporting to the COO about the unit’s progress.

**Event Binder**
An event binder will be kept for each product crisis that includes:

- A description of the product, including packaging and labeling;
- All identifying information about the product, including the product’s batch number, plant identifiers, components used to cultivate and harvest the product, and equipment used to cultivate, harvest, trim, package, label, or store the product;
- Details about the problem with the product, including the results of the product investigation;
- Details about the discovery of the problem, including date and time;
- A compilation of the records regarding the product;
- Information about the supply chain of the product; and
- Copies of the Complaint Log and Returned Product Log.

The event binder will also include a master list of all members of the recall team, including telephone numbers, email addresses, mailing addresses, and who is to replace a member on the team if that member is unable to fulfill his or her duties. The COO will assign the responsibility of organizing the event binder to one member of the recall team, who will ensure that documents are appropriately copied, delivered, and made available to the state for viewing upon request. All documentation accumulated
during the event will be digitized after the conclusion of the event. All testing records will be kept for a minimum of five years after testing is completed.

Identifying Product Origins
If the adverse event investigation reveals that the health risk necessitating the recall was caused by components or equipment used at the facility to cultivate, harvest, trim, package, or label the product in question, The Company will contact the supplier and alert them of the situation. All such components or equipment will be removed from use, and any medical marijuana product created using the affected component or equipment will be placed in quarantine for testing and/or disposal. No component from the same shipment as the problematic component will be received at the facility after notice of the problem has been given to the supplier. The inventory control records for all affected medical marijuana will be updated to reflect the nature of the product crisis.

Communication
The recall team will use the ITS to create a distribution list of all parties to whom the batch of affected medical marijuana was transferred. After the distribution list has been finalized, the recall team will decide how urgently the product should be returned to determine what kind of communication to use to alert the distribution chain. All communications will be sent with official documentation. The recall team may elect to communicate using telephone, fax, email, social media/web postings, letter sent by post, and/or press release/media statement. If the product crisis is widespread and the recall team feels it would be most beneficial to disseminate information quickly, the team may update The Company’s social media accounts and/or alert local news media.

All communications must include:
- The product’s name batch number, product number, and any other identifying information;
- The dates during which the product was distributed;
- Contact information for The Company;
- The Company’s website URL for product crisis information; and
- Instructions for what to do with the product.

Each week during the recall, a check will be completed to see how many parties on the distribution list have responded to notice of the recall. The Company will continue sending notice, in varying communication formats, until all parties on the distribution list have responded.

Recall Status Reports
The recall team will keep the public and the Department informed on the status of the recall throughout the event by releasing digital Recall Status Reports on The Company’s website. Printed copies will be available at the facility. The reports will include the distribution list, excluding any patient information other than the quantity of affected patients. Reports will also include information about the product records, how much product has been accounted for, and what procedures are being used to account for the rest.

Recalled products may be returned directly to the facility or the Sales/Delivery Director may retrieve them from a dispensary, processor or laboratory. If it is not feasible to have the recalled product returned to The Company’s facility, instructions for proper disposal will be included in official communication. Any member of the supply chain electing to dispose of the product and not return it to The Company’s facility will be asked to sign a form stating that they disposed of the product in compliance with all laws and regulations governing disposal. Obtaining cooperation in this process will ensure a more accurate count of total recalled items disposed.
Storing Recalled Products
All recalled products returned to The Company’s facility will be placed in the quarantine storage area within the vault. Sufficient quantities of the recalled sample will be retained for testing at least three additional times and will be stored for two years after the event. When possible, samples will be stored in their original packaging. Regardless, recalled and returned products will be retained in receptacles that are airtight.

Disposal of Recalled Products
Once a product crisis is resolved, all recalled products labeled for disposal shall be disposed of in accordance with The Company’s waste disposal policies, not including the samples to be saved for two years.

PART VI: RECORDKEEPING AND REGULATORY COMPLIANCE

Part VI(A): Recordkeeping Policies

In compliance with O.A.C. § 3796:2-2-08(A), The Company shall keep true, complete, legible, and current books and records, maintaining them at the facility for a five-year period, unless otherwise required by law. All required records will be made available for inspection if requested by the Department. The following records shall be maintained:

- Records relating to the disposal of medical marijuana and waste, per O.A.C. § 3796:2-2-08(A)(1);
- Records related to the sale of medical marijuana, per O.A.C. § 3796:2-2-08(A)(2);
- Transportation records, per O.A.C. § 3796:2-2-08(A)(3);
- Records of all samples sent to an independent testing laboratory and the quality assurance test results, per O.A.C. § 3796:2-2-08(A)(4);
- Security records, per O.A.C. § 3796:2-2-08(A)(5);
- Inventory tracking records and inventory records maintained in the ITS, as well as records maintained by the facility outside the ITS, per O.A.C. § 3796:2-2-08(A)(6);
- Per O.A.C. § 3796:2-2-08(A)(7), cultivation records, which, at a minimum, shall include the following:
  - Forms and types of medical marijuana maintained at the facility daily, per O.A.C. § 3796:2-2-08(A)(7)(a);
  - Soil amendment, fertilizers, pesticides, or other chemicals applied to the growing medium or plants or used in the process of growing medical marijuana, per O.A.C. § 3796:2-2-08(A)(7)(b); and
  - Production records, including planting, harvesting and curing, weighing, and packaging and labeling, per O.A.C. § 3796:2-2-08(A)(7)(c);
- Financial records, per O.A.C. § 3796:2-2-08(A)(8);
- Employee records, per O.A.C. § 3796:2-2-08(A)(9); and
- Records of any theft, loss, or other unaccountability of any medical marijuana, per O.A.C. § 3796:2-2-08(A)(10).

Electronic Records
Pursuant to O.A.C. § 3796:2-2-08(B), The Company is permitted to use an electronic system for storage and retrieval of records required by the Department or for other records relating to medical marijuana. The Company will use an electronic system that meets the following requirements:
Guarantees the confidentiality of the information stored in the system, per O.A.C. § 3796:2-2-08(B)(1);

Can safeguard against erasures and unauthorized changes in data after the information has been entered and verified by The Company, per O.A.C. § 3796:2-2-08(B)(2);

Can place a litigation hold or enforce a records retention hold for purposes of conducting an investigation or pursuant to ongoing litigation, per O.A.C. § 3796:2-2-08(B)(3); and

Is capable of being reconstructed in the event of a computer malfunction or accident resulting in the destruction of the data bank, per O.A.C. § 3796:2-2-08(B)(4).

Financial Records
The Company shall maintain financial records at the facility for a five-year period and make them available to the Department upon request, in compliance O.A.C. § 3796:2-2-08(C), including the following:

- Records that clearly reflect all financial transactions and the financial condition of the business, including contracts for services performed or received that relate to The Company, per O.A.C. § 3796:2-2-08(C)(1);
- 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, per O.A.C. § 3796:2-2-08(C)(2);
- Bank statements and canceled checks for all accounts relating to The Company, if applicable, per O.A.C. § 3796:2-2-08(C)(3); and
- Accounting and tax records related to The Company and all investors in the facility, per O.A.C. § 3796:2-2-08(C)(4).

Human Resources Records
The Company shall retain all hiring, training, performance, and disciplinary records for any person hired as an agent of The Company, including contractors and volunteers. Agent files shall be stored in a locked container or password-protected computer and shall be kept for a minimum of five years. In compliance with O.A.C. § 3796:2-2-08(D), agent files shall include:

- All records relating to the hiring of agents, including applications, documentation of verification of references, and any other related materials, per O.A.C. § 3796:2-2-08(D)(1);
- Per O.A.C. § 3796:2-2-08(D)(2), an employee log that includes the following information for every current and former agent:
  - Agent name, address, phone number, and emergency contact information, per O.A.C. § 3796:2-2-08(D)(2)(a);
  - Registration number and access credential designation, per O.A.C. § 3796:2-2-08(D)(2)(b);
  - Date of hire and date of separation from employment, if applicable, and the reason for the separation, per O.A.C. § 3796:2-2-08(D)(2)(c);
  - All training, education, and disciplinary records, per O.A.C. § 3796:2-2-08(D)(2)(d); and
  - Salary and wages paid to each agent, and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with The Company, including members of a non-profit corporation, if any, per O.A.C. § 3796:2-2-08(D)(2)(e);
- Visitor logs, per O.A.C. § 3796:2-2-08(D)(3).

Waste Disposal Records
Pursuant to O.A.C. § 3796:2-2-08(E), The Company is permitted to store medical marijuana product and waste disposal records at the facility. Any such records shall include:
The registered product name, strain, and quantity of medical marijuana involved, per O.A.C. § 3796:2-2-08(E)(1);

The date of production or removal from production, per O.A.C. § 3796:2-2-08(E)(2);

If the medical marijuana has been removed from production, the reason for removal, per O.A.C. § 3796:2-2-08(E)(3);

A record of all medical marijuana sold, transported, or otherwise disposed of, per O.A.C. § 3796:2-2-08(E)(4);

The date and time of sale, transportation, or disposal of the medical marijuana, per O.A.C. § 3796:2-2-08(E)(5); and

Per O.A.C. § 3796:2-2-08(E)(6), if the medical marijuana is destroyed, the records required under O.A.C. § 3796:2-2-03, as described in Part IV of this section.

Part VI(B): Inventory Tracking Compliance

In compliance with O.A.C. § 3796:2-2-01(A)(3), The Company’s operations plan includes policies and procedures to document the chain of custody for all medical marijuana in the Department’s ITS. The Company will submit via the Department’s ITS any information the Department determines necessary for maintaining and tracking medical marijuana cultivated by the Company from its seed source through its cultivation and distribution, per O.R.C. § 3796.07 and O.A.C. § 3796:2-2-04(A).

Seed-to-Sale Tracking

Per O.A.C. § 3796:2-2-04(B)(2), prior to commencing business, The Company shall establish ongoing inventory controls and procedures for the conduct of inventory review and comprehensive inventories of medical marijuana for traceability in the Department’s ITS to detect any diversion, theft, or loss in a timely manner, including the following regular tracking and recordkeeping procedures:

Propagation

Each time a group of or clones of the same variety of medical marijuana is propagated or brought into the Propagation area, cultivation agents will use the ITS to record the strain name, product identifier, and number of plants in each propagation tray, such that the ITS contains a perpetually updated record of all plants in the clone phase of growth, per O.A.C. § 3796:2-2-04(C)(2)(a).

Unique Plant Identifiers

When a clone is transplanted from a cloning medium into a growth medium for vegetative or flowering stages, or when a plant reaches 12 inches in height, cultivation agents will use the ITS to assign to each plant a unique plant identifier, such that the ITS contains a perpetually updated record of all plants in the vegetative and flowering stages of growth, per O.A.C. § 3796:2-2-04(C)(2)(a). Cultivation agents will also securely attach to the plant or the plant’s container a moisture-proof, heat-resistant, non-removable, inalterable, tamper-evident, identifier tag that contains the following information, in compliance with O.A.C. § 3796:2-2-04(A):

- The Company’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.

Identifier tags will remain on plants until they are harvested. During each stage of growth, cultivation procedures, conditions, or complications for each plant will be recorded in the ITS, including the plant identifier of the affected plant.
**Batch Consolidation**

At harvest, each plant is cut and hung along with its identifier tag in the drying room, such the ITS contains a perpetually updated record of the total number of plants and every unique plant identifier that have been harvested but are not yet associated with a batch, per O.A.C. § 3796:2-2-04(C)(2)(c). Once dry, the plant material from plants of the same variety that were propagated and cultivated together under normal environmental conditions are then consolidated into batches. As plant material is added to a batch, the plant’s identifier tag is placed on the container and the plant identifier is recorded in the batch record in the ITS.

**Batch Identification and Storage**

Each batch will be assigned a unique numeric or alphanumeric batch number to allow for inventory tracking and traceability, such that the ITS contains a perpetually updated record of the batch number, weight, and strain name associated with each batch at The Company’s facility that has been quarantined for testing or is ready for sale to a processor or dispensary, per O.A.C. § 3796:2-2-04(C)(2)(b). Medical marijuana will be stored on the premises in a designated, enclosed, locked area identified in The Company’s plans as submitted to the Department, accessible only by authorized individuals, in compliance with O.A.C. § 3796:2-2-04(F).

**Distribution**

For any batch or portion of a batch sold or transferred to another medical marijuana entity, including a testing lab, the following information shall be recorded in the ITS:

- The amount of medical marijuana sold or transferred;
- The date of sale or transfer;
- The license number and name of the processor, dispensary, or testing laboratory to whom the medical marijuana was sold or transferred; and
- The batch number, registered product name, and quantity of medical marijuana sold or transferred.

Distribution entries will ensure that the ITS contains a perpetually updated record of the amount of medical marijuana sold or transferred by The Company, per O.A.C. § 3796:2-2-04(C)(3).

**Disposal**

The type 1 key employee overseeing any disposal of medical marijuana shall use the ITS to create a separate record that includes the information required per O.A.C. § 3796:2-2-03(D), such that the ITS contains a perpetually updated record of the date, quantity, and method of each instance in which medical marijuana has been disposed of, per O.A.C. § 3796:2-2-04(C)(4).

**Weekly Inventory Reporting**

Upon commencing business, a type 1 employee will use ITS records perpetually updated as a part of The Company’s inventory control plan to prepare a weekly inventory of medical marijuana at the facility that includes the following, in compliance with O.A.C. § 3796:2-2-04(C):

- The date of the inventory, per O.A.C. § 3796:2-2-04(C)(1);
- Per O.A.C. § 3796:2-2-04(C)(2), the amount of medical marijuana on hand, including:
  - The 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 cultivation 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;
- The amount of medical marijuana sold since the previous weekly inventory, per O.A.C. § 3796:2-2-04(C)(3), including:
  - The date of sale per O.A.C. § 3796:2-2-04(C)(3)(a);
  - The license number and name of the processor or dispensary to which the medical marijuana was sold per O.A.C. § 3796:2-2-04(C)(3)(b); and
  - The batch number, registered product name and quantity of medical marijuana sold per O.A.C. § 3796:2-2-04(C)(3)(c);
- Per O.A.C. § 3796:2-2-04(C)(4), the date, quantity, and method of disposal of medical marijuana, if applicable;
- A summary of the inventory findings per O.A.C. § 3796:2-2-04(C)(5); and
- The name, signature, and title of the employees who conducted the inventory and oversaw the inventory per O.A.C. § 3796:2-2-04(C)(6).

**Comprehensive Inventory Reviews**

Prior to commencing business, The Company shall conduct an initial comprehensive inventory of all medical marijuana in the facility, in compliance with O.A.C. § 3796:2-2-04(B). If The Company commences business with no medical marijuana on hand, it shall record this fact as the initial inventory per O.A.C. § 3796:2-2-04(B)(1). On an annual basis, a type 1 key employee of The Company shall conduct a physical, manual inventory count of all medical marijuana in the cultivation facility, comparing it against the annual inventory report generated by the ITS, in compliance with O.A.C. § 3796:2-2-04(D).

**ITS Records**

Inventory records, including weekly and comprehensive inventory counts, will be maintained for a minimum of five years after the expiration date assigned to the batch and will always be made available to the Department, in compliance with O.A.C. § 3796:2-2-04(E).
2D Security Plan  
(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, 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))
PART I: SURVEILLANCE TECHNOLOGY AND PHYSICAL SECURITY

The key to a thoroughly protected and constantly observed, yet pleasant workplace environment lies in the analysis of criticality and vulnerability factors specific to the operation. Security Company A has assessed these factors as they relate to the proposed site and operations and has designed a physical security plan that includes:

- Secure perimeter barriers equipped with intrusion detection system monitored twenty-four hours per day by a U.L. Listed Central Station;
- Video surveillance systems that work in tandem with the intrusion detection and alarm systems for providing perimeter detection and video verification of potential intrusion threats; and
- Access Control System for entrance onto the premises and within the facility that utilizes card readers for all entry points.

The Company shall keep all security equipment in good-working order and will have the systems inspected and all devices tested by a third party quarterly, in compliance with O.A.C. § 3796:2-2-05(D). All systems and devices will be tested weekly by personnel onsite. Per O.A.C. § 3796:2-2-05(A), The Company shall comply with all security plans described herein.

The Company has developed comprehensive written operating policies, plans, and procedures that have been informed by Good Agricultural Practices (GAP), Good Handling Practices, and Quality Assurance/Quality Control standards based on Good Manufacturing Practices (GMP), as well as recommendations developed by the American Herbal Products Association. If awarded a provisional license, The Company will provide full written copies of these plans, which are fully annotated with Ohio statutory and regulatory requirements, to the Department upon request.

Perimeter Barriers
The Company will make the following improvements to restrict access to the premises and building:

**Fencing**
An exterior fence will be constructed using number 11 gauge or heavier wire with mesh openings no larger than two square inches. Selvage shall be twisted and barbed at the top and bottom, and equipped with a top guard strung with barbed wire and angled outward (if local ordinances permit) and upward at a 45-degree angle. The fence shall rest within two inches of solid ground with a minimum height of eight feet. A clear zone of at least ten feet shall be maintained on both sides of the fence where possible. “No Trespassing” signs shall be posted on or adjacent to fencing at such intervals that at least one sign is visible at any approach to the barrier for a minimum distance of 50 yards.

Fencing will contain designated areas for employee parking, shipping/receiving and delivery truck path. The single access point to the premises will be protected by a video intercom-monitored gate equipped with a card reader to allow authorized persons onto the property. Frequent patrols and checks of all perimeter barriers shall be conducted by a security officer during their working hours to monitor their condition. Observations of unsecure factors shall be promptly reported and reports of inadequate perimeter security shall be immediately acted upon. The Company will also maintain the fencing to prevent unauthorized entry or access to waste disposal containers, or disposal areas outside the facility, in compliance with O.A.C. § 3796:2-2-05(A)(2). No composting will be done outside of the facility, despite being allowed by O.A.C. § 3796:2-2-05(A)(2).

**Doors and Windows**
Doors shall be of heavy construction with a reinforced jamb hung in a frame sufficiently strong to avoid prying. Hinges shall be either located within the doorway or the screws or bolts concealed and hinge
pins welded or flanged to prevent removal. Doors to sensitive areas shall be equipped with automatic door closing devices and fitted with a strong dead bolt and a heavy latch. All man doors shall have armored door mount contacts to monitor door status. The overhead door(s) will have contacts mounted on the rail/track. Motion detectors will be installed to ensure multiple layers of security inside the building to protect both the main doors and overhead doors. All existing window openings exposed to cultivation areas shall be removed and filled in.

**Intrusion Detection System**
The Company will install an adequate security alarm system around the perimeter of the facility to prevent and detect diversion, theft, or loss of medical marijuana utilizing commercial grade equipment, in compliance with O.A.C. § 3796:2-2-05(A)(1). The Company’s intrusion detection system consists of an exterior fence detection system, interior contacts on all entry points to the building, and motion detectors. Per O.A.C. § 3796:2-2-05(B)(1), the video surveillance system will work in tandem with the perimeter motion detectors to identify unauthorized access to the facility. The fence detection system shall be configured to report alarms based on predefined zones corresponding to physical sections of the fence. These physical sections of fence will correlate to camera presets configured into the video surveillance system to provide automatic camera call-ups based on the fence zone alarms.

**Protective Lighting System**
The Company will ensure the outside perimeter of the facility is well-lit, in compliance with O.A.C. § 3796:2-2-05(A)(6). A protective lighting system is essential to the security program, as it provides a means of continuing the same degree of protection and detection during the night as is available during the day, including high quality surveillance monitoring at night.

All light poles used to light the perimeter barriers shall be within the fence and at least eight feet from the barrier so as not to be readily accessible to damage or destruction. Cones of illumination from lamps shall be directed downward and away from the installation. Lamps will be mounted to provide a strip of light both inside and outside security fencing. Beams shall overlap to provide coverage in case of bulb failure. A photoelectric beam will cover the exterior area between the cultivation facility and any adjacent buildings. Additional lighting shall be provided at points of entry and points of possible intrusion. Automatically controlled protective lighting shall be checked and inspected regularly for proper operation prior to darkness. Lower parts of buildings and structures with light shall be finished or striped with light finishes to aid in security inspection of the installation.

The protective lighting system shall have a dependable auxiliary source of power that is independent of the plant lighting or power system. Parallel circuit wiring shall be used to prevent system failure in the event of bulb failure in any one fixture. Whenever practical, wiring shall be placed underground in tamper resistant conduits. If above ground, it should be high enough to reduce the possibility of tampering.

Adequate emergency lighting shall be provided for indoor evacuation routes and will go into operation automatically when needed. The protective lighting system shall be designed, and exact locations recorded, so that repairs can be made rapidly in an emergency. Switches and controls shall be properly located, waterproof and tamper resistant, readily accessible, centrally located and inaccessible from the outside the perimeter barrier. The protective lighting system will be inspected regularly by a security officer. If a security officer discovers an inoperative lighting system, he or she will report the failure to a type 1 employee and the light shall be repaired or replaced within 24 hours.
Video Surveillance System
The Company will utilize a video surveillance recording system installed by a vendor that is approved by the Department and meets the standards required by the Department to prevent and detect diversion, theft, or loss of medical marijuana, in compliance with O.A.C. § 3796:2-2-05(A)(3). The proposed video surveillance system has been designed by Security Company A, who will also install the system if approved by the Department. The alarms/events generated by the analytic cameras shall be programmed to alert the type 1 employee on-site and security monitoring professionals at an off-site, U.L Listed, monitoring station (Central Station).

Camera Placement
Surveillance cameras will capture the entire facility, including direct placement near entrances, exits, and parking areas, to capture a clear and certain identification of any person entering or exiting the facility, which shall be appropriate for the normal lighting conditions of the area under surveillance, in compliance with O.A.C. § 3796:2-2-05(B)(2). Video cameras shall be directed at all approved safes, approved vaults, and will also monitor the entrance, exit, and interior of all areas where medical marijuana is being cultivated, harvested, stored, or handled, in compliance with O.A.C. § 3796:2-2-05(B)(3). The Company will notify visitors of video monitoring by placing notices on the public entrance.

Camera Specifications
All cameras installed will be day/night high resolution that provide an image resolution of at least D1, recorded at 30 images per second, in compliance with O.A.C. § 3796:2-2-05(B)(4)(h). A date and time stamp will be embedded on all recordings. The date and time shall be synchronized and set correctly and shall not significantly obscure the picture, in compliance with O.A.C. § 3796:2-2-05(B)(4)(e).

In compliance with O.A.C. § 3796:2-2-05(B)(4)(f), cameras installed outdoors and in low-light interior areas shall be day/night cameras with a minimum resolution of 600 lines per inch (analog) or D1 (IP) and a minimum light factor requirement of 0.7 LUX. F Outdoor fixed dome network cameras with pan tilt zoom (PTZ) functionality will be installed on the exterior of the building and on perimeter fencing and shall be assisted by IR illumination lighting to increase picture clarity and brightness. Outdoor Day/Night PTZ cameras will be installed in all other areas of the facility. Cameras will be calibrated and focused to maximize the quality of the recorded image and installed in a manner that will prevents them from being readily obstructed, tampered with, or disabled, in compliance with O.A.C. § 3796:2-2-05(B)(4)(c).

Monitoring
Surveillance feed will utilize an internet protocol (IP) camera system to 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. Data shall be transmitted over the Real-time Protocol (RTP) or Real Time Streaming Protocol (RTSP) to provide 24-hour live feed from all cameras with motion-activated recording capabilities, per O.A.C. § 3796:2-2-05(B)(5). Monitoring of the video will be via one high definition 60” monitor which shall always remain connected to the electronic recording security system, in compliance with O.A.C. § 3796:2-2-05(B)(4)(b). Access to on-site surveillance recordings will be limited to type 1 employees, per O.A.C. § 3796:5-2-01(H)(2).

Exportation of Video Files
All video recordings will be saved in an industry standard format that can be played on any standard computer operating system and will allow for the exporting of still images in an industry standard image format, including .jpg, .bmp, and .gif. Exported video shall have the ability to be archived in a
proprietary format that ensures authentication of the video and guarantees that no alteration of the recorded image has taken place, in compliance with O.A.C. § 3796:2-2-05(B)(4)(g). All cameras will be capable of immediately producing a clear color still photo that is a minimum of 9600 dpi from any camera image, live or recorded, in compliance with O.A.C. § 3796:2-2-05(B)(4)(d). All surveillance recordings will be stored for a minimum of 60 days. If The Company is aware of a pending criminal, civil, or administrative investigation or legal proceeding for which a recording may contain relevant information, The Company shall retain an unaltered copy of the recording until the investigation or proceeding is closed or the entity conducting the investigation or proceeding notifies The Company that it is not necessary to retain the recording. All recordings shall be erased or destroyed prior to disposal.

The video surveillance recording system shall provide a direct feed and login capabilities to the Department to allow for real-time access and monitoring of the facility via the live video surveillance recording system, in compliance with O.A.C. § 3796:2-2-05(B)(4)(a). The Company will also provide the Department access to stored recordings upon request, in compliance with O.A.C. § 3796:2-2-05(B)(5).

Failure Notification
In compliance with O.A.C. § 3796:2-2-05(B)(9), the video surveillance system will provide an alert the CEO and COO within the cultivation facility within five minutes of failure, either by telephone, email, or text message. The Company will repair or replace any failed component of the video surveillance recording system within twenty-four hours of failure, unless The Company provides notice to the Department and an extension is approved, in compliance with O.A.C. § 3796:2-2-05(B)(4)(i). Backup primary equipment will be stocked to repair or replace any failed component of the video surveillance recording system.

Alarm Systems
All security systems will be installed and configured for onsite supervision by type 1 employees in the security/IT room. Security systems will also be monitored twenty-four hours per day by security monitoring professionals off-site at Central Station. The Company will have two methods of communication with Central Station, and will conduct a daily timer test to ensure communication devices are working. All alarms shall be transmitted via a private and secure connection. In compliance with O.A.C. § 3796:5-4-01(C), The Company shall notify the Department within 24 hours and submit a written report within 10 days if any of the following occur:

- An alarm activation or other event that requires response by public safety personnel, per O.A.C. § 3796:5-4-01(C)(1);
- A breach of security, per O.A.C. § 3796:5-4-01(C)(2); or
- The security alarm system fails due to a loss of electrical support or mechanical malfunction, per O.A.C. § 3796:5-4-01(C)(3).

Pursuant to O.A.C. § 3796:5-4-01(E), The Company shall maintain and shall make available to the Department all documentation related to any of the aforementioned reportable occurrences.

Silent Alarm and Panic Alarm
Wireless and hard-wired silent alarm buttons, also known as a hold-up button, will be installed at the facility, per O.A.C. § 3796:2-2-05(B)(6). The wireless hold-up button (WHB) is a portable key fob that can be activated by an employee onsite from anywhere in the building. The hardwired hold-up button (HHB) shall be located in the office. Hold-up alarms will automatically notify law enforcement as well as security monitoring professionals at Central Station.
Card readers equipped with key pads will activate a separate panic alarm when a type 1 employee onsite manually enters a duress code. The panic alarm will generate an audible security alarm system signal in the event of a life-threatening situation or an emergency requiring law enforcement response, in compliance with O.A.C. § 3796:2-2-05(B)(7). Panic alarms will activate an automatic voice dialer located in the security/IT room, which will send a prerecorded voice message, when activated, over a telephone line, radio, or other communication system to a law enforcement, public safety, or emergency services agency requesting dispatch, in compliance with O.A.C. § 3796:2-2-05(B)(8).

Fire and Smoke Detection
Fire and smoke detectors will be installed throughout the facility in all areas legally required and will be connected to the alarm system. The COO is responsible for assigning team members to frequently test and replace detectors as needed to ensure that they remain in proper working condition.

Communications
The Company will have two methods of communication with Central Station: primary communication via IP and cellular backup. For onsite communication, a video intercom system will be installed that consists of an IP Master Station in the office and cameras and voice intercoms at the gate entrance and all exterior doors.

Back-up Systems
All video surveillance and alarm systems will be connected to back-up power sources so that, in the event of a power outage, they will continue running for at least 48 hours, in compliance with O.A.C. § 3796:2-2-05(B)(10). Pursuant to O.A.C. § 3796:2-2-05(C), The Company will install a back-up alarm system that uses commercial grade equipment provided and monitored by Security Company B, a separate third-party security firm. The back-up alarm system shall detect unauthorized entry during times when no employees are present at the facility.

Access Control
The Company will restrict access to any area within the facility containing medical marijuana except to registered employees (agents) or an individual permitted to access the facility under the supervision of a Company agent in accordance with the visitor authorization procedures set forth in O.A.C. § 3796:5-2-01(I), in compliance with O.A.C. § 3796:2-2-05(A)(7). The Company will install electronic card readers on all exterior doors and all interior doors to control and track agent movement as well as prevent visitors from accessing unauthorized areas. Card readers are programmable to permit and deny access based on the person, the time of day, or the day of the week. They will also generate and store an electronic log of all agent movement in and out of areas where medical marijuana is grown, stored, or handled.

Per O.A.C. § 3796:2-2-05(A)(5), all areas used for cultivating, harvesting, or storing medical marijuana shall be kept securely locked and protected from unauthorized access to medical marijuana. Door status is monitored at all entry points with mounted door contacts. Presentation of a valid credential to the card reader will momentarily unlock the door and allow ingress. Free egress is always allowed and, unless it is an emergency exit, no alarm event is generated when someone exits through a door; however, doors held open for an extended period of time generate a door propped alarm.

Access Cards
Each agent will be issued an access card that allows them to access the areas of the facility necessary to perform their work duties. Each access card will contain a photo of the agent. Per O.A.C. § 3796:2-2-05(A)(8), only registered, authorized employees, owners and officers of The Company will be issued
access cards. All persons to whom an access card has been issued shall be instructed in its proper use, including:

- Access cards must not be shared with any person, including other agents of the Company; and
- Access cards must not be left in locks nor stored in a location accessible to persons other than registered, authorized employees, in compliance with O.A.C. § 3796:2-2-05(A)(9).

Misuse of and access card will result in disciplinary action, up to and including termination. Type 1 key employees are responsible for the issuance and oversight of access cards, including recording and controlling rigid accountability procedures. Lost or damaged access cards shall be invalidated and replaced with one bearing a different control number (or magnetic code) or one that is otherwise not identical to that one lost or damaged. A substantial monetary charge for reproduction of access cards lost or damaged will discourage negligence. Rosters of lost, damaged or invalidated access cards shall be posted at security control points, and temporary badges will not be issued.

In addition to receiving an access card issued by The Company, every owner, principal officer, board member, employee, administrator, agent, or other person who may significantly influence or control the activities of a cultivator shall apply to the Department for an employee ID card, in compliance with O.A.C. § 3796:5-2-01(A). No person shall begin working for The Company prior to receiving his or her employee ID card, in compliance with O.A.C. § 3796:5-2-01(D). Cardholders must keep their employee ID card visible at all times when on the property of any cultivator, processor, or testing laboratory and during the transportation of medical marijuana to another cultivator, processor, or testing laboratory, as applicable to their job position, in compliance with O.A.C. § 3796:5-2-01(D).

Access Levels

In compliance with O.A.C. § 3796:5-2-01(H), The Company shall designate the level of access granted to an applicant for an employee ID card. The Company may choose to implement additional access restrictions, but at a minimum, the access levels shall be designated as follows:

- Per O.A.C. § 3796:5-2-01(H)(1), a type 1 designation is an owner, administrator, or individual who has control and management over the day-to-day activities that significantly impact The Company’s operations. Type 1 access permits the cardholder to enter every area of the facility. Areas of the facility accessible only to type 1 employees are colored red in Part III of this section, and include the security/IT room and the vault. The Company may designate up to three type 1 cardholders as a key employee. The CEO and COO will be type 1 cardholders and a third may be designated at a later date, as appropriate. A key employee shall be responsible for all activities at the facility and will serve as the point of contact for the facility with the Department; and
- Per O.A.C. § 3796:5-2-01(H)(2), a type 2 designation is a board member, officer, employee, or agent permitted to enter the production and non-production areas of the facility designated in the facility plans and specifications submitted by The Company under O.A.C. § 3796:2.1.02. A type 2 cardholder shall not be permitted to access the areas containing vaults, security equipment, and other equipment related to the facility’s surveillance operations. Areas of the facility accessible to type 2 cardholders are colored yellow in Part III of this section.

Security Equipment Storage

The Company will store all security system equipment and video surveillance systems in the locked security/IT room to prevent theft, loss, destruction, or alterations, in compliance with O.A.C. § 3796:2-2-05(A)(4). The security/IT room will be constructed with one-hour fire rated construction and will contain the following equipment: control panels, network DVR, power supply, enclosures, main network POE switch, burglar key pad, cellular backup, alarm panel, and security monitor. Access to the
security/IT room shall be limited to type 1 key employees who are essential to surveillance operations, law enforcement agencies, security system service employees, the Department, and others when approved by the Department, in compliance with O.A.C. § 3796:2-2-05(A)(4)(a). The Company will maintain and shall make available to the Department, upon request, a current list of type 1 key employees and contractors who have access to the security/IT room, in compliance with O.A.C. § 3796:2-2-05(A)(4)(b).

PART II: SECURITY AND TRANSPORTATION POLICIES AND PROCEDURES

Part II(A): Security Plan
The Company’s security plan incorporates the use of commercial grade surveillance, intrusion detection and alarm equipment with personnel, policies and procedures designed to prevent unauthorized entry and activity in the facility. The security program will be implemented without interfering with the orderly and efficient operation of the facility. The Company does not intend to create a prison-like atmosphere but rather to arrive at a workable security program that takes into account the needs and requirements of the operating staff, while adhering to good security practices as perceived by Security Company A, the unbiased third-party security firm contracted to design the physical and mechanical security systems. The goals of The Company’s Security Plan are as follows:

- To maintain a central console security station wherein all fire and security alarms monitoring systems report;
- To establish a main access control point for all persons who ingress or egress the facility;
- Utilize sensing and monitoring devices to assist in the control of movement in areas not under constant observation;
- Identify all agents and visitors who enter the facility and control their movement while on site; and
- Establish security response patrols to monitor and enforce policies established while maintaining the appearance of an open facility.

Security Officers
Since the methods described can only delay intrusion rather than prevent it, security personnel must inspect the premises thoroughly and frequently enough to interrupt, or prevent, intrusion within the time span of the deterrent capability of the physical barriers. Outside of regular working hours, the facility will be manned by one unarmed security officer stationed in the lobby area with access to surveillance camera footage and in direct communication with Central Station. Security Company A will be responsible for hiring, scheduling, and supervising security officers. Security Company A has been a Class “A” Private Investigation & Security Guard Provider since 1998. A site supervisor contracted through Security Company A with sufficient experience and background will supervise, train, counsel and schedule security officers assigned to the facility. All security officers will meet the following employment standards:

- Minimum 25 years old;
- Minimum of five-years’ experience in the private security, military or law enforcement field;
- Have completed an Ohio Peace Training Commission Academy in either Law Enforcement or Security;
- Pass a 9-panel drug screening;
- Pass a BCI & FBI Background Check with no convictions;
- Satisfactorily complete a personal and employment history background check; and
- Obtain employee ID card from the Department, per O.A.C. § 3796:5-2-01(A).
Security officers shall not be required to perform duties other than those closely related to security activities, since the distraction created would seriously impair performance. Activities will include regular patrols of the parking area, fence and fence intrusion detection system, monitoring surveillance feed as needed, and alerting Central Station of any suspicious or unauthorized detected in these areas. The security officer will not have access to the interior of the facility beyond the lobby area.

Each member of the security force will be required to complete an organized basic training course and thereafter take periodic courses of in-service or advanced training. Job description, general, and special orders shall be prepared and posted at all security monitoring stations and shall be reviewed at least semi-annually to ensure applicability. Periodic inspections and examinations shall be conducted by Security Company A and type 1 employees to determine the degree of understanding of and compliance with all orders for any security officer.

**Theft and Diversion**
Agents will be trained to immediately report any irregularities found that might indicate loss, fraud, embezzlement, or any other illegal action taken against The Company, its agents or its property. Suspecting or having actual knowledge of an irregularity and not reporting it may result in disciplinary action.

**Package Inspections**
The Sales/Delivery Director and the COO will conduct periodic inspections of packages, lunch containers, and briefcases, bags, or purses brought in and out of the facility to control unauthorized removal of facility property. Under the COO’s supervision, the Sales/Delivery Director will request that the owner remove enough material to permit a thorough visual inspection. If facility property is discovered during an inspection, the person shall be subject to disciplinary action and/or criminal prosecution depending on the type of property discovered. Any person found removing or attempting to remove medical marijuana from the facility will be reported to the Department as well as law enforcement.

**Diversion Inspection Procedure**
If diversion or theft is suspected, the COO will initiate a diversion inspection by first using the electronic inventory tracking system (ITS) to retrace the time, location and handler of the item or items that are missing. The COO will then review video surveillance records and access card readers to identify any irregularities in agent or medical marijuana flow during the time of the suspected diversion. If an agent is found responsible for an irregularity, disciplinary action will be taken against the agent. The agent will be re-trained if it is a minor irregularity.

**Reporting**
If The Company has reason to believe that an actual loss, theft, or diversion of medical marijuana has occurred, The Company shall immediately notify the Department and law enforcement, in compliance with O.A.C. § 3796:5-4-01(A). A type 1 key employee shall provide the notice by submitting a signed statement that details the estimated time, location, and circumstances of the event, including an accurate inventory of the quantity and type of medical marijuana unaccounted for due to diversion or theft. The notice shall be provided no later than 24 hours after discovery of the event. Within 10 days of submitting a report, The Company shall do the following, in compliance with O.A.C. § 3796:5-4-01(B):

- Review and secure video surveillance footage during the time of the suspected theft or diversion, per O.A.C. § 3796:5-4-01(B)(1);
- Submit a report that contains the following information, per O.A.C. § 3796:5-4-01(B)(2):
o The names and ID numbers of every employee at the facility at the time of the theft or diversion, per O.A.C. § 3796:5-4-01(B)(2)(a);
o The internal measures taken to locate the cause of the loss, theft, or diversion, per O.A.C. § 3796:5-4-01(B)(2)(b); and
o The total quantity and type of medical marijuana stolen or otherwise diverted following a subsequent audit of the facility’s actual inventory compared to the inventory reported by the inventory tracking system, per O.A.C. § 3796:5-4-01(B)(2)(c);
- 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, per O.A.C. § 3796:5-4-01(B)(3); and
- Identify all the records at the facility and potential evidence outside the facility, including video surveillance footage, that will be sealed and prevented from being destroyed until a full investigation is conducted by the Department and law enforcement, if deemed necessary, per O.A.C. § 3796:5-4-01(B)(4).

Visitor Policies
A person who is not a holder of a valid state-issued employee ID card is prohibited from entering the facility, unless they receive authorization and obtain a visitor ID badge from a type 1 employee of The Company, in compliance with O.A.C. § 3796:5-2-01(I). Visitors will be allowed into the facility only by invitation from a type 1 employee.

Visitor Requirements
All persons who are not employed by or contracted to work for The Company will be considered visitors. Visitors are required to:
- Provide a valid, government-issued ID with a photograph to a senior staff member, per O.A.C. § 3796:5-2-01(I);
- Sign the visitor log before obtaining a visitor badge;
- Visibly display their visitor ID badge at all times while on the premises, per O.A.C. § 3796:5-2-01(I)(1)(b);
- Be escorted and monitored by an assigned registered employee of the facility at all times the visitor is on the premises and has access to medical marijuana, per O.A.C. § 3796:5-2-01(I)(1)(a);
- Return the visitor ID badge upon leaving the premises, per O.A.C. § 3796:5-2-01(I)(1)(c); and
- Sign out of the visitor log at the end of visit.

Visitor Log
According to the above, The Company shall maintain its visitor log to includes the name of each visitor, the date and time of arrival and departure, in addition to the registered employee accompanying them, and the purpose of the visit. A type 1 employee will log all visitors in and out. Photocopies of government-issued ID cards will be taken prior to admittance and kept with the log. The Company shall make its visitor log available to the Department upon request, in compliance with O.A.C. § 3796:5-2-01(I)(2). These logs will be maintained for at least two years.

Inspections and Government Personnel
Notwithstanding the requirements of O.A.C. § 3796:5-2-01(I), employees of the Department, law enforcement, emergency medical personnel, in the event of an emergency, or other federal, state of Ohio, or local government officials may enter the facility if necessary to perform their official duties, pursuant to O.A.C. § 3796:5-2-01(I)(3). If an emergency requires the presence of a visitor and makes it impractical to first obtain permission, as may be the case with first responders, the CEO or COO will be
responsible for recording, after the onset of the emergency, the name and affiliation of the visitor and the purpose, date, and time of the visit.

Nothing shall 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, in compliance with O.A.C. § 3796:2-2-04(F). In compliance with O.A.C. § 3796:2-3-01(B), an inspector conducting an inspection shall be accompanied by a type 1 key employee during the inspection.

Identification and Control of Vehicles
Only authorized persons and vehicles are permitted within the fenced perimeter. The gate is access controlled with a card reader, key pad and intercom with video and voice capability, allowing agents of The Company to enter with their access cards. All other vehicles shall be allowed to enter the gate only after clearance from the Sales/Delivery Director or another authorized employee.

Information Security
The Company produces documents that contain private or sensitive information. To ensure they are secure, access to documents will be limited to agents who need access for work purposes, or to the Department and other government agencies for inspection purposes. Documents saved in electronic format will be saved on the off-site data server, unless it is necessary that they be saved on the local facility server.

Non-Disclosure Agreements
All agents hired or contracted to work for The Company will be required to sign non-disclosure agreements. The non-disclosure agreements will detail what information is considered sensitive and private, as well as to whom information may and may not be disclosed.

Personal Password Security
All electronic devices will have passwords or access codes that protect the devices from unauthorized access. The passwords and codes will need to remain private to the specific user. Agents shall be instructed not to write or print passwords on paper or place them in an unencrypted file. Passwords should never be given out to anyone claiming to be from a computer company or vendor. When deciding on a password, an agent shall:

- Use a mixture of symbols, numbers, lower case letters, upper case letters, and punctuation;
- Make it unrelated to any other password;
- Make their password at least eight characters long; and
- Change their passwords every three to four months.

Email
Agents will be instructed not to send sensitive or private information via email. All emails will contain a confidentiality notice and disclosure agreement at the bottom. If any private or sensitive information must be sent via email, it must be sent in an encrypted format.

Storage
The final line of defense at the facility is in the high security storage area where medical marijuana, cash, and sensitive documents are protected. The vault will be constructed with one-hour fire rated construction with 1/8th inch steel plating on the interior walls and ceiling to prevent intrusion from adjacent rooms. The vault door will be dead bolted from three sides and will be controlled by an access reader. Only type 1 employees will have access to the vault, in compliance with O.A.C. § 3796:5-2-
A video camera will be directed at the entrance of the vault, and an additional video camera will be installed inside the vault that gives a clear view of the interior, including the door to all approved safes, in compliance with O.A.C. § 3796:2-2-05(B)(3).

Cash will be stored in a fire-resistant burglary safe that is floor-mounted within the vault. Filing cabinets with a fire rating of one hour and fitted with a combination lock shall be used for document storage. The Company will keep all approved safes, approved vaults, or any other approved equipment or areas used for storing medical marijuana securely locked and protected from unauthorized access, in compliance with O.A.C. § 3796:2-2-05(A)(5).

Part II(B): Transportation Policies and Procedures

Transportation Personnel
The Sales/Delivery Director’s primary responsibility is to coordinate the sale and transportation of medical marijuana shipments. Any person hired to fill this position will:
- Be at least 21 years old;
- Have a clean driving record;
- Not have any felonies or drug or alcohol related driving violations; and
- Be licensed to drive in the state.

Delivery Team
A transport vehicle must be staffed with a delivery team composed of a minimum of two employees of The Company registered with the Department, in compliance with O.A.C. § 3796:5-3-01(C)(4). Each delivery team member shall have access to a secure form of communication, such as a cellular telephone, to communicate with personnel at the facility, and shall have the ability to contact law enforcement through the 911 emergency system anytime that the vehicle contains medical marijuana, unless notification is impractical under the circumstances, in compliance with O.A.C. § 3796:5-3-01(C)(5).

Training
Any person operating a company vehicle will be trained in safe driving techniques, safe product handling techniques, safe cash handling techniques and other safety procedures that may aid drivers en route. A law enforcement-taught course is preferable if available. The Sales/Delivery Director will attend any additional related courses or classes that become available and that the COO deems applicable.

Delivery Team Policies
All delivery team members will be required to present a unified and professional image, including closed-toe shoes that are comfortable to walk, stand, lift, and perform all job functions. Any agent of the Company transporting medical marijuana must display their Department-issued employee identification card and shall produce their card for the Department or the Department’s authorized representative or law enforcement official upon request, in compliance with O.A.C. § 3796:5-3-01(E)(1). Delivery team members will be permitted to wear sweaters, jackets, scarves, blazers, or other outerwear so long as the identification badges remain visible. All delivery team members shall refrain from wearing any clothing or symbols indicating ownership or possession of medical marijuana while on duty.
Cigarettes and Electronic Vaporizers
Smoking cigarettes and the use of electronic vaporizers are prohibited within the cultivation facility and within 25 feet of any entrance to the establishment. Delivery team members are not permitted to smoke or vaporize within the transportation vehicle.

Marijuana
Marijuana consumption is prohibited in all forms within the facility and on company property, in compliance with O.A.C. § 3796:2-2-07(B). A registered medical marijuana patient who works for The Company must follow all applicable laws regarding where medical marijuana products may or may not be consumed. A registered patient may only be hired to work for The Company where not prohibited by law. Any registered patient hired by The Company must adhere to company consumption policies, unless those policies are superseded by law.

Alcohol
Alcohol consumption is prohibited within the cultivation facility and on company property. Agents may not consume any alcohol during their shift, during their scheduled break times, or within six hours prior to the start of their shift. Delivery team members are not permitted to consume alcohol within eight hours prior to the start of their shift. If an agent suspects that another agent is in violation of this policy, they should report their suspicion to a manager, who will consult with the executive team to determine the course of action that should be taken. If an agent is found to be in violation of this policy, disciplinary action will be taken. Any person transporting plants or products for The Company who is involved in an accident must immediately be tested for alcohol levels in the bloodstream.

Illegal Drugs
As part of the hiring process, potential agents will be required to submit to a screening for illegal drugs. Occasional random tests for illegal drugs may be conducted. The Company reserves the right to terminate an agent for illegal drug use, particularly when it effects the operation and safety of The Company’s facility.

Transportation Procedures
Pursuant to O.R.C. § 3796.18(A) and O.R.C. § 3796.18(A)(2), The Company may deliver or sell medical marijuana to one or more licensed processors. If awarded a processor or plant-only processor license per O.A.C. § 3796:1-1-01(A)(38), The Company may also deliver or sell medical marijuana to licensed dispensaries, but shall not directly or indirectly discriminate in price between different processor or dispensary facilities that are purchasing a like grade, strain, brand, quality, and quantity of medical marijuana, in compliance with O.A.C. § 3796:2-2-07(H). Pursuant to O.A.C. § 3796:2-1-06(D), The Company may also sell medical marijuana to a laboratory that is licensed to possess dangerous drugs and controlled substances for scientific and clinical purposes. The Company will not sell medical marijuana in any form to a patient or caregiver, in compliance with O.A.C. § 3796:2-2-07(A).

Preparing Medical Marijuana for Transport

Inventory and Inspection
Medical marijuana must be inventoried and inspected prior to shipment. During pre-delivery inventory and inspection, a type 1 employee will:
- Weigh, count, or otherwise take note of the amount of product that will be transported;
- Check the packaging of the medical marijuana to make sure that it is the proper type and that the integrity of the packaging is secure; and
Examine the labeling on the medical marijuana products:
- If the medical marijuana is to be delivered for testing then it must have a label indicating the establishment it came from, the batch or lot number, and the date it was delivered;
- If the medical marijuana was returned to the cultivation facility and needs re-testing, the label should also include the date it was returned and the reason for the return; and
- If the medical marijuana is to be shipped to a processor or dispensary, a cultivation agent will check to make sure that the labels are compliant with all applicable laws and regulations.

If the agent finds that any packaging is compromised or not compliant, the product will not be transported and must be placed in quarantine for quality assurance inspection.

**Loading**

Medical marijuana may only leave the establishment for transport from the loading area. The loading area will be equipped with video monitoring equipment, electronic access readers, motion detection and door contacts. All interior doors leading into the loading area will close and lock automatically. The delivery team members will load all the medical marijuana directly into the secured storage areas within the transportation vehicles. The products are only to be removed at the delivery site.

**Transportation Log**

Prior to transporting any medical marijuana, regardless of form, The Company shall maintain a transportation log, in writing, in compliance with O.A.C. § 3796:5-3-01(A). The Company will transmit a copy of the transportation log to the medical marijuana entity that will receive the products and to the Department before the close of business the day prior to transport, and will enter the information required in the Department’s inventory tracking system. The transportation log shall be made available to law enforcement agencies upon request. The Company shall maintain all transportation logs at the facility for at least five years, and make them available at the request of the Department, in compliance with O.A.C. § 3796:5-3-01(B). Each transportation log will contain the following information:

- The names and addresses of the medical marijuana entities sending and receiving the shipment, per O.A.C. § 3796:5-3-01(A)(1);
- The names and registration numbers of the registered agents transporting the medical marijuana or the products containing medical marijuana, per O.A.C. § 3796:5-3-01(A)(2);
- The license plate number and vehicle type that will transport the shipment, per O.A.C. § 3796:5-3-01(A)(3);
- The time of departure and estimated time of arrival, per O.A.C. § 3796:5-3-01(A)(4);
- The specific delivery route, which includes street names and distances, per O.A.C. § 3796:5-3-01(A)(5); and
- The 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, per O.A.C. § 3796:5-3-01(A)(6).

The delivery team will carry a copy of the transportation log for the duration of each trip, in compliance with O.A.C. § 3796:5-3-01(E)(5), which shall be signed by the recipient and returned to the cultivation facility after delivery. A second copy of the transportation log shall be left at the receiving site. The delivery team shall also carry a copy of the written transportation route to be followed, including a map. Transport vehicles may be tracked via GPS where possible, but a back-up copy of the route is advisable. Transportation forms may not necessarily need to be printed, and may be compatible with a tablet or phone and remain in electronic form. As such, this policy may be adjusted should The Company choose to go paperless.
Transportation Routes and Schedules
Deliveries will be scheduled to occur no more than three days a week to reduce the overall number of trips made, which will not only reduce The Company’s carbon emissions but also decrease the inherent security risk of transporting marijuana. The Company will ensure that delivery times vary and routes are randomized, in compliance with O.A.C. § 3796:5-3-01(E)(2). In compliance with O.A.C. § 3796:5-3-01(D), any vehicle transporting medical marijuana or any product containing medical marijuana shall travel directly from the sending medical marijuana entity to the receiving medical marijuana entity and shall not make any stops in between, except to other medical marijuana entities listed on the transportation log, to refuel the vehicle, or to notify the medical marijuana entities, the Department, and law enforcement in the event of an emergency. In the event of an emergency, the delivery team will report the emergency immediately to law enforcement through the 911 emergency system and to the medical marijuana entities, which will immediately notify the Department, unless the notification is impractical under the circumstances.

Phone Confirmation
Half an hour before any delivery, the member of the delivery team will call to confirm the delivery and update the receiving entity with a delivery time. The driver shall not make confirmation calls while operating a motor vehicle.

Delivery Site Procedures
When the delivery team arrives at the delivery site, they will verify the address of delivery before collecting the medical marijuana to be delivered and the necessary documentation for delivery. The Company intends to use tablets during delivery, obtain electronic signatures, and update delivery documents electronically and in real time whenever possible. Before receiving a tablet, delivery team members will be trained on how to use it to access and update inventory records, client orders, and the state data system.

At least one delivery team member shall remain with the vehicle anytime the vehicle contains medical marijuana, in compliance with O.A.C. § 3796:5-3-01(C)(4). The delivery team may not leave medical marijuana at any location without verifying the identity and/or registration status of the establishment. After verification, the delivery team may deliver the medical marijuana. After the delivery has been verified by the receiving party, the delivery team will have the transportation log signed. The delivery team will notify the cultivation facility when the delivery has been completed, in compliance with O.A.C. § 3796:5-3-01(E)(6).

The delivery team may not leave medical marijuana with receiving parties unless they obtain a signature on the transportation log verifying receipt. If the delivery team discovers that there is a discrepancy between the transportation log and the actual products collected for delivery, they will return the products to the cultivation facility.

Cash Handling
The Company has designed procedures for safely receiving, transporting and storing cash payments based on the outcomes of a risk management evaluation for the proposed facility. Wherever possible, The Company will prefer electronic payments made into a company bank account. Cash handling procedures shall include:

- Clearly defined roles for each person involved in cash-handling activities;
- Safety checks to be performed prior to departure, in transit, and upon arrival;
- Cash counting procedures and equipment;
- Confidentiality procedures;
• Using varied routes and transport times;
• Communication with the facility during cash transport;
• When and how to delay a cash pick-up or delivery when potential hazards are identified;
• Arrangements for back-up transportation vehicle or personnel;
• Policies to prevent the build-up of cash;
• What to do in the event of a hold-up or an attempted hold-up;
• How and when to test emergency procedures and safety equipment;
• Security specifications for vehicles used to transport cash, including cash storage areas, communication devices, and duress alarms;
• Hazard and incident reporting; and
• Reviewing a client’s location for potential risks prior to making a cash pick-up.

Delivery team members shall discreetly accept any cash payments and place them immediately in the secure payment storage area within the vehicle. The COO will determine at what amount it will be necessary to make a deposit at a bank or return the cash to the cultivation facility.

**Transportation Vehicles**

The Company will use fuel-efficient, non-descript vehicles to transport medical marijuana. Only properly insured vehicles with current registration will be used in medical marijuana transportation, in compliance with O.A.C. § 3796:5-3-01(C)(1). Transportation vehicles will not contain any marks, logos, brands, or other illustrations on the exterior of the vehicle, other than those affixed to the vehicle by the vehicle manufacturer or dealership, in compliance with O.A.C. § 3796:5-3-01(C)(6). All transportation vehicles will be equipped to store medical marijuana and any product containing medical marijuana in a locked, safe, and secure storage compartment that is part of the motor vehicle, or will contain a locked storage container that has a separate key or combination pad, in compliance with O.A.C. § 3796:5-3-01(C)(2). These storage areas will ensure that any medical marijuana or product containing medical marijuana is not visible from the outside of the vehicle, in compliance with O.A.C. § 3796:5-3-01(C)(3). All medical marijuana will be stored and locked in the secure storage area of the vehicle before departure. No medical marijuana will be placed anywhere else in the vehicle.

Transportation vehicles will be equipped with electronic equipment to maintain constant contact with the cultivation facility, as well as to track the vehicle, medical marijuana, and payments at all times. These systems will also allow the delivery team to transmit paperwork, signatures, and other information and documentation. Transportation vehicles are hands-free electronic device zones. At no time shall a driver exceed the maximum posted limit for speed.

**Automobile Accidents**

A member of the delivery team will report any vehicle accident that occurs during transportation to a type 1 employee onsite at the cultivation facility within two hours after the accident occurs, in compliance with O.A.C. § 3796:5-3-01(E)(3). The delivery team shall also call a type 1 employee as well as local law enforcement and request that they take a report. If anyone is injured in the accident, the delivery team shall call emergency response personnel. The delivery team member shall remain on the scene and cooperate with local law enforcement.

The Sales/Delivery Director, CEO, or COO may dispatch another agent or delivery team to collect the medical marijuana from the vehicle involved in the accident to continue the delivery schedule, so long as the medical marijuana still meets The Company’s specifications for packaging and labeling. After any accident, the person operating the transport vehicle must be screened for drugs and blood-alcohol levels and will not be allowed to return to work until after the negative results have been received.
Loss or Theft During Transportation
The delivery team should neither use force nor endanger themselves while attempting to prevent a theft or loss from occurring. If an incident occurs, such as an automobile accident, theft, loss, or mechanical failure, it will be reported immediately to a type 1 key employee onsite at the cultivation facility. In compliance with O.A.C. § 3796:5-3-01(E)(4) and O.A.C. § 3796:5-4-01(A), a type 1 key employee of The Company will report any loss or theft of medical marijuana that occurs during the transportation of medical marijuana immediately to the Department and law enforcement, who will provide the notice by submitting a signed statement that details the estimated time, location, and circumstances of the event, including an accurate inventory of the quantity and type of medical marijuana unaccounted for due to theft during transport. The notice shall be provided no later than 24 hours after the event.

Recordkeeping
The Company shall keep and maintain true, complete, legible, and current transportation records upon the facility premises for a five-year period, in compliance with O.A.C. § 3796:2-2-08(A). All required records will be made available for inspection if requested by the Department.

PART III: FACILITY PLOT PLAN AND SPECIFICATIONS
This section includes the following plot plans overlaid on scaled architectural renderings to exhibit the different areas of operation and security features installed in the facility:
1) Access Control
2) Intrusion
3) Fence Intrusion
4) Video Surveillance
The purpose of this drawing is to depict device quantities and positions and set the parameters for a customer proposal.
The purpose of this drawing is to depict device quantities and positions and set the parameters for a customer proposal.
Fence Intrusion

Fence system will be able to analyze characteristics of each disturbance and reliably detect cut-or-climb intrusion attempts while ignoring harmless environmental disturbances.

The purpose of this drawing is to depict device quantities and positions and set the parameters for a customer proposal.
The purpose of this drawing is to depict device quantities and positions and set the parameters for a customer proposal.
PART IV: EMERGENCY NOTIFICATION PROCEDURES

Emergency Action Plan
The Company’s Emergency Action Plan (EAP) has been developed to mitigate injuries and structural damage in emergencies by organizing agent actions during emergencies in the workplace. In the event of an emergency, the EAP will invoke the Emergency Notification Procedures. The Emergency Notification Procedures are designed to immediately contact emergency personnel including local law enforcement, fire department, or emergency response professionals, and to then notify the Department of any emergency that could affect the neighborhood or public, including fire, presence of contaminated materials, possible need for product recall, natural disaster, robbery, or any other emergency situation.

The Company has developed clear, well-defined policies and programs confronting the possible threat of fire or any other natural or man-made disaster. Fire safety and emergency planning are designed, first, to anticipate what might happen to endanger people or physical property, and to take the necessary preventive measures; and, second, to make provision—through appropriate equipment and/or personnel response – for prompt and effective action when an emergency does occur.

Emergency Notification Procedures
All emergency situations will be reported immediately to necessary parties. For all work-related illness or injuries, an internal report must be completed. Agents must immediately report any personal workplace injuries, dangers, or threats to a type 1 employee who will investigate the situation and initiate the Emergency Notification Procedures when applicable. In the case of immediate emergency situations such as fire, robbery, or other immediate dangers, agents will first dial “911.” All internal numbers used for reporting emergencies, including Security Company A, will be posted and easily visible near each phone. The panic alarm will be activated to notify agents of an emergency situation. Once agents are notified of an emergency, they will carefully follow procedures outlined in the EAP, including evacuation procedures when applicable.

Immediately following or, if possible, during an emergency situation, a designated staff member will notify local law enforcement of the details of the event. A type 1 employee shall notify the Department of any fire or other hazardous materials-related incident or any incident requiring an emergency response to the facility within 24 hours after the discovery of the incident, in compliance with O.A.C. § 3796:5-4-01(D). The Company will provide open and transparent documentation of the emergency situation, including any preventative measures that can assure further occurrences are averted. After notifying local law enforcement and the Department, a type 1 employee will then contact any local government officials or community leaders and local businesses that could be affected by the emergency situation. An internal report and investigation will take place after notification to examine if the emergency could have been prevented and to take necessary measures to prevent further emergency situations when possible.

Fire Prevention and Protection
Since the danger of fire, with its common risk to life and property, affects every agent, the responsibility in the case of fire is a shared one. All staff must be educated in the basic principles of fire prevention and protection, to include operation of fire extinguishers, evacuation routes and procedures, and how to report a fire. Regular fire prevention inspection shall be made to detect fire hazards. Combustible materials shall be properly stored and safeguarded and smoking discipline properly enforced.
Evacuation Plans
Fire evacuation plans and routes shall be posted and fire drills conducted. When safe and practical, fire brigades may be composed of designated employees for response to fire pending arrival of professionals. Lag time between notification and arrival of firefighting equipment shall be determined and evaluated. Contractual agreements may be made with adjacent municipalities, as necessary, to provide response by fire department personnel and equipment.

Fire and Emergency Equipment
Adequate firefighting and first aid equipment will be available and strategically located within the facility, including an emergency response kit that includes:

- A log of all agents and their personal contact information;
- Batteries;
- Flash lights;
- First-aid kit;
- Additional healthcare items; and
- Any other items The Company deems necessary for an emergency or as directed by local fire authority having jurisdiction.

Agents will be familiar with equipment and its location in their assigned area. Safety equipment shall be frequently inspected and tested to be in working order at all times. Fire extinguishers of proper types shall also be available and be inspected frequently by security personnel. Adequate fire barriers, fire doors and shutters shall be installed where needed. They must remain free of obstruction and in proper working order. Fire hydrants must be accessible and in working order.

Emergency Training
The Company understands that part of having a safe and secure facility is employing agents who can handle any situation presented. Emergency response training will teach agents when it is appropriate to evacuate and when other tactics should be employed. All agents will participate in annual simulated emergency and evacuation training during non-operational hours.

Fires
Fires may be caused by hazardous chemicals, electrical hazards, agents, or a natural occurrence, such as lightning. Different fires require different actions. All agents will know where all fire extinguishers and other tools for putting out fires are located. If a fire begins at The Company during business hours, the first agent who becomes aware of the fire should activate the alarm system. If the fire is of such a size that the agent can reasonably combat the fire with a fire extinguisher or other tool, then the agent should do so. If combating the fire would put the agent in danger, the agent should evacuate the area and leave the fire to be handled by the local fire department. Other agents who have been alerted of the fire through the activation of the alarm system will initiate the emergency action plan. Agents will escort visitors out of the facility via the approved evacuation routes.

The Company will conduct a random fire drill at least once per year to assess agents’ responses to a fire emergency. Based on agent response to the drills, agents may be re-trained in the fire response plan. A physical copy of emergency exits and a formal fire response and evacuation plan will be on hand at the facility at all times. The Company will assure that the servicing, maintenance, and testing of fire detection systems, including cleaning and necessary sensitivity adjustments, are performed by a trained person knowledgeable in the operations and functions of the system.
**Chemical Spills**
The OSHA Hazardous Materials course will introduce agents to chemical spill situations. When agents have completed this course, they will receive onsite training covering the location and storage of all tools that may be involved in a chemical spill cleanup, as well as the location of material data safety sheets and chemical spill-related contact information. Chemical spill training may be tested periodically. If an agent is deemed to possess inadequate knowledge, they may be required to retake the OSHA Hazardous Materials course.

**Medical Emergencies**
Type 1 employees will be required to take OSHA’s Bloodborne Pathogens Exposure Control course and will be first aid and cardiopulmonary resuscitation (CPR) certified. They will then instruct agents about what should be done in each medical emergency and will know which emergency personnel to contact.

**Weather-Related Emergencies**

*Inclement Weather*
If inclement weather is such that it would be unsafe for agents to travel to work, a type 1 key employee will advise all agents as soon as able to stay home. Full-time agents will be paid for the time that they were scheduled to work. If an individual agent is unable to make it into work because of the weather, they must alert their supervisor. No agent will be punished for being unable to get to work because of inclement weather, but eligible agents may apply sick leave or paid time off.

*Severe Snowstorms*
Severe snowstorms can be dangerous events with high winds, low temperatures, and heavy snowfall. In a severe snowstorm, the type 1 employee(s) onsite will determine when agents should be sent home and if the facility should shut down. If the facility remains open during a severe snowstorm, agents will be charged with the task of shoveling the walkways and putting down snowmelt. The Company will obtain a contract with a third-party for parking lot plowing services as necessary.

*Flood*
The facility may flood because of an internal water problem or because of a natural disaster. If an agent detects flooding they will alert a type 1 employee. All agents shall be trained on the proper storage of medical marijuana in the event of a flood.

*Tornadoes*
A tornado protection area will be identified within the facility. Agents will be trained on tornado preparation, including when to enter the protection area and how to determine whether it is safe to exit after the tornado has passed.

**Criminal Incidents**

*Armed robbery*
Robbery is the unlawful taking of another’s property using force or the threat of force. If an agent becomes aware of an armed robbery or an attempted armed robbery, they shall immediately alert a type 1 employee. Any agent who is not in the area of the armed robbery should quickly evacuate following the emergency action plan protocol. Agents should remember that the protection of agents and visitors is paramount in situations of armed robbery or attempted armed robbery. Agents should always concede to the demands of the perpetrator.
Invasion
Company agents will follow armed robbery procedures in cases of invasion with an emphasis on protecting the safety of agents and visitors above all else. All agents will be instructed in basic self-defense training and will be encouraged to take additional self-defense classes that focus on risk mitigation.

Burglary
Burglary is unlawful entrance into a building or dwelling with the intent to commit a felony. As burglaries generally occur at night, all security officers will be trained to handle instances of burglary, including when and how to intervene and how to fully cooperate with law enforcement. Security Company A and/or Security Company B will be responsible for alerting local authorities if a burglary occurs.

Workplace violence
The Company has a strict policy against workplace violence. Included in the definition of workplace violence are physical violence, threats of violence, intimidation, harassment, coercion, possession or inappropriate use of firearms or weapons, and any other actions that could be perceived by a reasonable person as violent. Workplace violence can occur on or off The Company’s premises by an individual or group of individuals authorized to act in an official capacity for The Company. In some instances, workplace violence could be considered as such when directed against other company agents, contracted agents, family members of company agents, or property of The Company or its agents.

Violations of this policy will result in disciplinary action up to and including termination and/or legal action, if necessary. Agents are required to report incidents of workplace violence. Reports can be made anonymously, and the privacy of the individual making the report will be maintained. If the perpetrator of workplace violence is an agent’s direct supervisor, the agent should report the violence to a member of the executive team. Any retaliation in response to a report will not be tolerated and will result in immediate termination.
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.*

<table>
<thead>
<tr>
<th>Applicant should provide a narrative detailing support for the following:</th>
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<tbody>
<tr>
<td><strong>Funding Analyses</strong></td>
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<tr>
<td>A breakdown of the applicant's actual and anticipated sources of funding.</td>
</tr>
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<tr>
<th><strong>Operating Expense Breakdown</strong></th>
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<tbody>
<tr>
<td>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))</td>
</tr>
</tbody>
</table>
I. FUNDING ANALYSIS

The Company’s founders are investing in The Company because they believe in the capacity of medical marijuana to aid the ailments of qualified patients. It is The Company’s goal to establish high standards for Ohio’s Medical Marijuana Program at its inception by applying its established operational methods that guarantee consistent, safe, and quality assured medical marijuana, and modifying them to fit Ohio’s requirements. The Company has identified funding sources to meet and exceed estimated expenses related to bringing the cultivation facility online. Sources and uses of funds have been projected for 24 months in total including the 6 months after being awarded a Provisional License and the first 18 months following issuance of the Certificate of Operation, as shown in the attached Pro Forma. The owners have financial assets and potential loans totaling $2,642,000, ensuring that prior to the period when The Company begins earning revenue, or if unanticipated costs arise, the timeline and specifications of this application will be met per OAC § 3796:2-1-06(A), such that the proposed facility is capable of obtaining a Certificate of Operation within nine months of being selected for a provisional license, in compliance with OAC § 3796:2-1-06(B). The Company is confident they can exceed this requirement and be eligible for the Certificate of Operation within 6 months of being granted a provisional license.

Funding Sources

**Liquid Assets – Personal Investments**

The owners are legally committed to the success of The Company according to the executed operating agreement, including fiduciary responsibilities that require each to personally invest financial assets towards ongoing funding of The Company. The owners’ personal cash reserves of $380,000 will fund the initial phases of the operation. The owners earn strong salaries in stable professions and feel comfortable exhausting cash reserves as they will continue earning incomes. Projected expenses, shown in detail in Section II below, to cover all startup costs until revenue begins will total $612,397 and will exceed the cash reserve amount by $232,397. To cover these remaining anticipated expenses, up to $900,000 in loans may be acquired, or an additional $317,000 in Marketable Securities can be invested to fund the business and cover these expenses. These Marketable Securities are liquid assets that can cover the remaining projected expenses by 1.36x alone. The total funding available to cover expenses prior to revenue generation is $1,597,000, which far exceeds the minimum capital requirements per OAC § 3796:2-1-02(B)(6)(c) and OAC § 3796:2-1-02(B)(6)(c)(1).

<table>
<thead>
<tr>
<th>Liquid Assets – Personal Investments</th>
<th>CEO</th>
<th>COO</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liquid Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Accounts</td>
<td>$250,000</td>
<td>$130,000</td>
<td>$380,000</td>
</tr>
<tr>
<td>Marketable Securities</td>
<td>$300,000</td>
<td>$17,000</td>
<td>$317,000</td>
</tr>
<tr>
<td>Personal Loan</td>
<td>6.9% interest</td>
<td></td>
<td>$250,000</td>
</tr>
<tr>
<td>Private Loans</td>
<td>5-year, 7% fixed interest</td>
<td></td>
<td>$150,000</td>
</tr>
<tr>
<td>Private Loans</td>
<td>5-year, 10% fixed interest</td>
<td></td>
<td>$500,000</td>
</tr>
<tr>
<td><strong>Total Available for Funding</strong></td>
<td></td>
<td></td>
<td><strong>$1,597,000</strong></td>
</tr>
</tbody>
</table>

**Personal Loans**

When it is necessary to acquire additional funding, the CEO will take a personal loan to fund The Company’s expenses. The CEO’s high-income profession and creditworthiness has afforded the CEO a personal bank loan of $250,000, available for use at any time.
**Private Loans - Lenders**
The Company anticipates using the owners’ liquid assets and personal loans before seeking funds via private loans from additional investors. When these resources are exhausted or when the Owners decide to seek outside funding, they have identified two committed lenders. Per OAC § 3796:2-1-04(D), the persons or entities providing loans shall not have a financial interest in The Company nor shall they be owners, officers, Board Members, shareholders, employees, or any other person that may significantly influence or control the activities of The Company. The repayment terms of all loans taken shall not include a share of The Company’s profits, but rather a fixed interest rate. One of the committed lenders is a family friend and successful entrepreneur outside of the medical marijuana industry who is committed to provide a loan of up to $150,000, for a 5-year term, with a 7% fixed interest rate. The other committed investor is also a successful entrepreneur outside of the medical marijuana industry who is willing to provide funding of up to $500,000, for a 5-year term, with a 10% fixed interest rate.

**Additional Non-Liquid Assets**
Although liquid assets and available loans at $1,597,000 far exceeds anticipated startup costs, the owners have additional non-liquid assets, shown in the below table, totaling $1,045,000 that can be tapped. The CEO and COO also currently earn annual incomes of $525,000 and $240,000 respectively, which is a further source of funding for The Company.

<table>
<thead>
<tr>
<th>Additional Non-Liquid Assets</th>
<th>CEO</th>
<th>COO</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Assets</td>
<td>$120,000</td>
<td>$75,000</td>
<td>$195,000</td>
</tr>
<tr>
<td>Real Estate Assets Net</td>
<td>$100,000</td>
<td>$750,000</td>
<td>$850,000</td>
</tr>
<tr>
<td><strong>Total Non-Liquid Assets</strong></td>
<td><strong>$1,045,000</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**II. COST BREAKDOWN**
Because of the owners’ and Advisory Board members’ collective business experience both within and outside of the medical marijuana industry, the owners recognize that startup expenses may be higher than anticipated. To account for extra or unanticipated costs, the following expenses have been estimated at a minimum 10% higher than anticipated: Building Improvements, Security Costs, Salaried Wages, Accounting, and Testing. For example, Security costs are at a minimum $150 per month for remote monitoring services, and up to $4450 per month when utilizing a security guard on premises. The Company is using $5000 as an estimate in the Pro Forma, which is over 10% higher than the highest anticipated expenses for security.

**Timeline**
The Company’s anticipated timeline includes a six-month Build Out phase from being awarded a provisional license. This includes passing inspections to obtain a Certificate of Operation at the end of the sixth month. Cultivation is projected to begin immediately following issuance of the Certificate of Operation, with the first harvest occurring in the fourth month of operations. This is when The Company will become Cash Flow positive as Revenues will exceed Operating Expenses. The funding sources identified above will cover all costs incurred during these startup phases, independent of projected revenue. The Company expects to break even 19 months from receiving the provisional license. Several necessary steps have already been completed, including property identification and lease agreement, initial architectural renderings, floorplans, and security overlays, so that build-out can begin immediately upon provisional license award.
### Start-up Costs

#### Pre-Provisional Licensing Expenses
Separate from the costs laid out in this section, $119,000 has already been invested or set aside for pre-licensing expenses, including $18,000 for the cost of a Certificate of Operation per OAC § 3796:5-1-01(B)(2). These expenses are outlined here and have already occurred or been set aside at the time of application submission. While real costs, they are not factored into the cost breakdown moving forward should the company be awarded a provisional license. The company chose this route to separate actual costs from potential costs for a cleaner break-even analysis.

<table>
<thead>
<tr>
<th>Pre-Licensing Expenses</th>
<th>Apr-17</th>
<th>May-17</th>
<th>Jun-17</th>
<th>Jul-17</th>
<th>Aug-17</th>
<th>Sep-17</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application Assistance Costs</td>
<td>$5,000</td>
<td>$53,000</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$70,000</td>
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<tr>
<td>State Fees</td>
<td>$1,000</td>
<td>$6,000</td>
<td>$18,000</td>
<td></td>
<td></td>
<td></td>
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<td>City Fees</td>
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<td>$2,500</td>
<td></td>
<td></td>
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<td>$3,500</td>
</tr>
<tr>
<td>Lease Hold Costs</td>
<td>$2,500</td>
<td>$2,500</td>
<td>$2,500</td>
<td>$2,500</td>
<td>$2,500</td>
<td>$12,500</td>
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<tr>
<td>Security Fees</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$4,000</td>
</tr>
<tr>
<td>Architect Fees</td>
<td>$5,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$5,000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$119,000</td>
</tr>
</tbody>
</table>

#### Post-Provisional Licensing Expenses
Start-up costs include expenses incurred over a period of 10 months from the time of receiving a provisional license in September 2017 through issuance of a Certificate of Operation allowing for cultivation ramp-up to first harvest in June 2018. The largest start-up costs are included in the six month Build Out phase, totaling $433,390. This includes large expenses like the down payment for the purchase of the building, renovation of the facility, equipment and systems for cultivation, and equipment and installation of security systems. Once issued a Certificate of Operation, estimated expenses that will need to be carried for four months until the sale of first harvest total $179,007. For the full 10 months, $612,397 will need to be spent before any cash flows come in from cultivation operations.

#### Build Out
The estimated $433,390 for the build out phase includes the building down payment and mortgage, mechanical and electrical improvements, security improvements, cultivation equipment and installation costs. Capital Expenditures (CapEx) for the facility total $399,090, which is the bulk of the funding allocated for the build-out phase. Initial operating expenditures during the build out phase include the building insurance and taxes, inventory tracking system setup, and staffing costs. Build-out expenditures are scheduled for the first six months after receiving a provisional license, and prior to issuance of a Certificate of Operations, as follows:
# Build Out Expenses (Prior to Certificate of Operation)

<table>
<thead>
<tr>
<th>Month from Certificate of Operation</th>
<th>Sep-17</th>
<th>Oct-17</th>
<th>Nov-17</th>
<th>Dec-17</th>
<th>Jan-18</th>
<th>Feb-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilities (General)</td>
<td>$300</td>
<td>$300</td>
<td>$300</td>
<td>$300</td>
<td>$300</td>
<td>$300</td>
</tr>
<tr>
<td>Security Costs (Primary and Secondary)</td>
<td></td>
<td>$40,000*</td>
<td></td>
<td>$15,000*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building Down Payment and Mortgage</td>
<td>$105,000*</td>
<td>$2,000</td>
<td>$2,000</td>
<td>$2,000</td>
<td>$2,000</td>
<td>$2,000</td>
</tr>
<tr>
<td>Building Insurance and Taxes</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
</tr>
<tr>
<td>Building Improvements (Walls, Electrical, Plumbing)</td>
<td></td>
<td>$25,000*</td>
<td>$15,000*</td>
<td>$10,000*</td>
<td>$10,000*</td>
<td>$10,000*</td>
</tr>
<tr>
<td>Cultivation Related Equipment</td>
<td>$159,090*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lead Grower @ $60k salary</td>
<td></td>
<td>$5,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintenance Lead (0.5 FTE)</td>
<td></td>
<td>$2,500</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cultivation Agents @ $36k yearly salary (2)</td>
<td></td>
<td>$3,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IT (Equipment plus monthly recurring)</td>
<td></td>
<td>$5,000*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventory Tracking System (Software and Hardware)</td>
<td></td>
<td></td>
<td></td>
<td>$4,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank Charges</td>
<td></td>
<td>$500</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Supplies</td>
<td></td>
<td>$5,000*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal</td>
<td></td>
<td>$2,000</td>
<td>$2,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Phone</td>
<td></td>
<td>$500</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintenance</td>
<td></td>
<td>$500</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$105,300</strong></td>
<td><strong>$27,800</strong></td>
<td><strong>$17,800</strong></td>
<td><strong>$12,800</strong></td>
<td><strong>$213,890</strong></td>
<td><strong>$55,800</strong></td>
</tr>
<tr>
<td><strong>Build Out Total:</strong></td>
<td><strong>$433,390</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Calculated in CapEx amount of $399,090

**Cultivation Equipment**

To meet the specifications described in Sections A through D of this application, The Company’s projected expenses for cultivation equipment are **$159,090**, shown summarized in the above table as occurring in January 2018, and shown in detail in the below tables.
## 20 Table Flower Room Module (3 per facility)

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
<th>Cost per</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Botanicare 4'x8' OD Grow Trays Black</td>
<td>20</td>
<td>$200</td>
<td>$4,000</td>
</tr>
<tr>
<td>Gavita Pro 1000e 1kw Lights</td>
<td>32</td>
<td>$400</td>
<td>$12,800</td>
</tr>
<tr>
<td>Gavita Master Controller EL2</td>
<td>1</td>
<td>$280</td>
<td>$280</td>
</tr>
<tr>
<td>Dosatron Custom Inline Nutrient Dosing System</td>
<td>1</td>
<td>$5,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>RainMachine Touch HD-12 Irrigation Controller</td>
<td>2</td>
<td>$240</td>
<td>$480</td>
</tr>
<tr>
<td>Hunter Industries 1&quot; PGV Electric Flow Control Valve</td>
<td>20</td>
<td>$17</td>
<td>$340</td>
</tr>
<tr>
<td>Jain Octa-Bubbler</td>
<td>80</td>
<td>$10</td>
<td>$800</td>
</tr>
<tr>
<td>Table frames</td>
<td>20</td>
<td>$200</td>
<td>$4,000</td>
</tr>
<tr>
<td>Can Lite Carbon Filter and Fan</td>
<td>4</td>
<td>$220</td>
<td>$880</td>
</tr>
<tr>
<td>Quest Duel 225 Dehumidifier</td>
<td>1</td>
<td>$3,200</td>
<td>$3,200</td>
</tr>
<tr>
<td>AquaFog SS700 Humidifier</td>
<td>1</td>
<td>$550</td>
<td>$550</td>
</tr>
<tr>
<td>Air Conditioning Unit - Lennox 25 SEER 5-ton</td>
<td>3</td>
<td>$3,500</td>
<td>$10,500</td>
</tr>
<tr>
<td>Ares CO2 Generator</td>
<td>1</td>
<td>$400</td>
<td>$400</td>
</tr>
<tr>
<td>Oscillating fans</td>
<td>16</td>
<td>$35</td>
<td>$560</td>
</tr>
<tr>
<td>Growlink Environmental controller with 4 outlets</td>
<td>1</td>
<td>$700</td>
<td>$700</td>
</tr>
</tbody>
</table>

**Per flower room** $44,490

**Per facility** $133,470

## 8 Table Veg Room Module (1 per facility), Mother Supplies, and Processing Supplies

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
<th>Cost per</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Botanicare 4'x8' OD Grow Trays Black</td>
<td>8</td>
<td>$200</td>
<td>$1,600</td>
</tr>
<tr>
<td>Botanicare 70 gal Reservoirs</td>
<td>8</td>
<td>$150</td>
<td>$1,200</td>
</tr>
<tr>
<td>Sun Blaze T5 HO fluorescent lighting</td>
<td>24</td>
<td>$200</td>
<td>$4,800</td>
</tr>
<tr>
<td>Industrial Rack System</td>
<td>2</td>
<td>$800</td>
<td>$1,600</td>
</tr>
<tr>
<td>Feeding and Circulation Pumps</td>
<td>16</td>
<td>$25</td>
<td>$400</td>
</tr>
<tr>
<td>Digital Timers</td>
<td>4</td>
<td>$20</td>
<td>$80</td>
</tr>
<tr>
<td>Nozzle kits and tubing</td>
<td>1</td>
<td>$200</td>
<td>$200</td>
</tr>
<tr>
<td>Aquasana Rhino 1,000,000 gallon Inline Water Filtration</td>
<td>1</td>
<td>$2,500</td>
<td>$2,500</td>
</tr>
<tr>
<td>Eddy Water Descaler</td>
<td>1</td>
<td>$240</td>
<td>$240</td>
</tr>
<tr>
<td>Can Lite Carbon Filter and Fan</td>
<td>4</td>
<td>$220</td>
<td>$880</td>
</tr>
<tr>
<td>Quest Duel 225 Dehumidifier</td>
<td>1</td>
<td>$3,200</td>
<td>$3,200</td>
</tr>
<tr>
<td>AquaFog SS700 Humidifier</td>
<td>1</td>
<td>$550</td>
<td>$550</td>
</tr>
<tr>
<td>Air Conditioning Unit - Lennox 25 SEER 5-ton</td>
<td>1</td>
<td>$3,500</td>
<td>$3,500</td>
</tr>
<tr>
<td>Ares CO2 Generator</td>
<td>1</td>
<td>$400</td>
<td>$400</td>
</tr>
<tr>
<td>Oscillating fans</td>
<td>8</td>
<td>$35</td>
<td>$280</td>
</tr>
<tr>
<td>Growlink Environmental controller with 4 outlets</td>
<td>1</td>
<td>$700</td>
<td>$700</td>
</tr>
</tbody>
</table>
Operating Expenses After Certificate of Operation

After the initial six months of build-out, the facility will be prepared to begin plant propagation immediately upon Department inspection, approval and issuance of a Certificate of Operation. Operating expenditures during this next phase include costs that support the breadth of the business and costs that directly support cultivation operations as Cost of Goods Sold (COGS). Monthly insurance premiums will cover general liability, product liability, and building insurance, additional staff will be hired, accounting professionals will be retained, Personal Protective Equipment (PPE) will be needed, a delivery vehicle will be leased, and The Company will begin to make charitable contributions of 1% of revenues earned.

<table>
<thead>
<tr>
<th>Cost Projections for Expenses to Achieve Full Output of Facility</th>
</tr>
</thead>
<tbody>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>Month from Certificate of Operation</td>
</tr>
<tr>
<td>Phase of Operation</td>
</tr>
<tr>
<td>Utilities (General)</td>
</tr>
<tr>
<td>COGS including related Utilities (excluding labor)</td>
</tr>
<tr>
<td>Product Liability and General Liability Insurance</td>
</tr>
<tr>
<td>Security Costs (Primary and Secondary)</td>
</tr>
<tr>
<td>Building Down Payment and Mortgage</td>
</tr>
<tr>
<td>Building Insurance and Taxes</td>
</tr>
<tr>
<td>Lead Grower @ $60k salary</td>
</tr>
<tr>
<td>Maintenance Lead (0.5 FTE)</td>
</tr>
<tr>
<td>Sales/Delivery Director @ $60k salary</td>
</tr>
</tbody>
</table>
### Ongoing Operating Expenses

Once the facility is fully operational, operating expenses including COGS are estimated to stabilize at **$101,874** per month. The below details provide an explanation as to what is included in the monthly expenses for each budget item. There are also some additional details on budget items that include large costs that will occur when the provisional license is issued.

**Product Liability and General Liability Insurance**
- This expense will occur once the Certificate of Operation is issued. Based on insurance quotes obtained from specialists in the medical marijuana industry, and specifically tailored for the proposed facility, annual premiums are expected to be $30,176, or approximately $2,514 per month. This cost includes the requirements set forth by the state and additionally covers Finished Stock and Crop Coverage. Due to the critical nature of this budget item, and the inability to forecast future pricing, The Company has estimated **$3,000** per month for this expense, which includes a 17% buffer.

**Security Costs (Primary and Secondary backup)**
- The bulk of this expense will be incurred in the two months preceding issuance of the Certificate of Operation. Security systems hardware and installation will cost approximately **$55,000**. Once installed, monthly security expenses are estimated to be $4,300. This includes monitoring for both primary and secondary systems, as well as hiring an unarmed guard outside of normal business hours. The Company is using **$5,000** as an estimated monthly expense, which includes a 14% buffer. Secondary security will be provided by a nationally recognized firm well known for high quality service and fast response times.

### Table

<table>
<thead>
<tr>
<th>Budget Item</th>
<th>Month 1</th>
<th>Month 2</th>
<th>Month 3</th>
<th>Month 4</th>
<th>Month 5</th>
<th>Month 6</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultivation Agents @ $36k salary (2)</td>
<td>$3,000</td>
<td>$6,000</td>
<td>$6,000</td>
<td>$6,000</td>
<td>$6,000</td>
<td>$6,000</td>
<td>$31,017</td>
</tr>
<tr>
<td>Harvest Agents @ $16.30/hour (8)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$11,177</td>
</tr>
<tr>
<td>Accounting</td>
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<td>$1,000</td>
<td>$1,000</td>
<td>$1,000</td>
<td>$1,000</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>IT (Equipment plus monthly recurring)</td>
<td>$150</td>
<td>$150</td>
<td>$150</td>
<td>$150</td>
<td>$150</td>
<td>$150</td>
<td>$150</td>
</tr>
<tr>
<td>Inventory Tracking System (Software and Hardware)</td>
<td>$200</td>
<td>$200</td>
<td>$200</td>
<td>$200</td>
<td>$200</td>
<td>$200</td>
<td>$200</td>
</tr>
<tr>
<td>Testing</td>
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<td></td>
<td></td>
<td></td>
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<td></td>
<td>$1,500</td>
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<tr>
<td>Bank Charges</td>
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<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
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<tr>
<td>Office Supplies</td>
<td>$100</td>
<td>$100</td>
<td>$100</td>
<td>$100</td>
<td>$100</td>
<td>$100</td>
<td>$100</td>
</tr>
<tr>
<td>Legal</td>
<td>$2,000</td>
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<td>$2,000</td>
<td>$2,000</td>
<td>$2,000</td>
<td>$2,000</td>
<td>$2,000</td>
</tr>
<tr>
<td>Phone</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
</tr>
<tr>
<td>Maintenance</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
</tr>
<tr>
<td>PPE/Consumables</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
</tr>
<tr>
<td>Delivery Vehicle Lease</td>
<td>$2,000</td>
<td>$650</td>
<td>$650</td>
<td>$650</td>
<td>$650</td>
<td>$650</td>
<td>$2,000</td>
</tr>
<tr>
<td>Charitable Contributions (1% of Total Revenue)</td>
<td>$740</td>
<td>$1,110</td>
<td>$1,480</td>
<td>$2,220</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$31,017</strong></td>
<td><strong>$41,150</strong></td>
<td><strong>$45,283</strong></td>
<td><strong>$61,557</strong></td>
<td><strong>$68,887</strong></td>
<td><strong>$81,746</strong></td>
<td><strong>$101,874</strong></td>
</tr>
</tbody>
</table>

Note: The total revenue is estimated based on historical data and projections, and may vary based on market conditions and other factors.
Building Down Payment and Mortgage
- The bulk of this expense occurs immediately upon issuance of a provisional license in the form of a down payment on purchasing the proposed building. The down payment will be $105,000 and mortgage payments will be $2,000 per month after that.

Building Insurance and Taxes
- These amount to $500 per month and start upon purchase of the building. This is for basic building coverage for Fire and Acts of God with a portion set aside for expected taxes to be paid.

Building Improvements
- These expenses include retrofitting the facility for cultivation layout. This encompasses framing, insulation, and drywall to create the different areas of the facility. This also covers the cost of electrical and plumbing work.

Cultivation Equipment
- This is the largest single expense during the buildout phase, estimated at $159,090. See the included Equipment Cost Breakdown for specific cultivation equipment and pricing. This expense is incurred 5 months into build out, or a month before anticipated issuance of the Certificate of Operation. Ordering the equipment, a month before beginning operations will cover any shipping delays or potential issues, and ensures there is time for setup and employee training.

Salaries and Wages
- Hired employees will start with The Company one month before anticipated start of cultivation operations. These expenses will rise gradually until full production is reached, and then stabilize. First month’s expenses in this category are expected to be $10,500 for a Lead Grower, Maintenance Lead, and Cultivation Agents. A Sales/Delivery Director will be hired in the second month of operation, and Harvest Agents will be hired in the fourth month when the first harvest occurs. This budget item steadily increases to $40,854 per month and stabilizes in the seventh month when the facility begins to operate at full output.

Accounting
- Accounting expenses are estimated to be $1,000 per month. This was derived from multiple preliminary quotes from accounting professionals and conversations other business owners with similarly sized operations and employees. The company’s accounting cost estimates include considerations due to the complexity of operating in a new industry.

Inventory Tracking System (ITS)
- Initial cost of the ITS software is $1,500 for setup and training. The monthly recurring charge is $200. This is based on quotes from industry leading providers of medical marijuana inventory tracking systems. The ITS hardware is included in the IT budget.

IT
- This initial cost of technology systems is expected to be $5,000 and includes a computer for the office, a 60” monitor for the security video feeds, scanning and labeling equipment for the ITS, two tablets, and networking equipment. The ongoing expense estimate of $150 per month covers business class internet service.

Testing
- Lab testing fees are projected to be $3,500 per month once full production is reached. Based on production estimates and batch size requirements per OAC § 3796:1-1-01(A)(3)(a), the number of batches requiring testing per month will be approximately 5-7. Current testing fees in medical marijuana states for complete analysis including potency, terpene, pesticide, and microbiological contaminants is $300 per batch. These are more established markets. Due to Ohio being a new market, $500 per test has been planned to account for any unanticipated complexities.
Bank Charges
- Bank fees are expected to be $500 per month starting 5 months after granting of Provisional License. Bank charges for this size of business typically fall under this budget. The true cost of this may vary greatly dependent upon banks willingness to work with medical marijuana operators and the State’s guidance.

Office Supplies
- Initial expenditure on office supplies is budgeted at $5,000 for desks, chairs, shelving, printer, and consumable office supplies. This is an ample budget for office supplies as they will likely cost much less. The Company estimates an ongoing expense of $100 per month for consumables in this category.

Legal
- Legal fees are estimated at $2,000 per month on an ongoing basis. This is based on information obtained from consultants and legal professionals with experience in medical marijuana states. Typically, legal council is retained for ongoing questions and to help ensure compliance.

Phone
- Phone service is projected to cost $500 per month. This includes a landline for the building and security systems, and cell phone plans for key employees including CEO, COO, Lead Grower, and Sales/Delivery Director.

Maintenance
- Maintenance expense is estimated to cost $500 per month for general upkeep and to ensure all equipment and systems are in optimal working order. This includes the cost of general cleaning supplies and chemicals.

Personal Protective Equipment (PPE)/Consumables
- This budget item includes supplies like latex gloves, particulate masks, and hair nets for staff handling plant material to protect both the health of staff members and quality of the product. The estimated expenses of $500 per month and are likely to be much lower.

Delivery Vehicle Lease
- The Company intends to lease a vehicle for the specific use of delivering finished product to dispensaries and processors. This vehicle will be configured to comply with the requirements set forth by the state for transporting medical marijuana. The budget includes $2000 dollars for any specialty items required and a monthly payment of $650.

Projected Revenue and Profits
The Company anticipates generating revenue beginning with the first harvest, provided the state has awarded certificates of operations to dispensaries and testing laboratories. It will then take another three months to ramp up to full output. Revenue for the first harvest is estimated at $74,000, with revenues increasing to $222,000 monthly when the facility reaches full output in the seventh month after receiving a Certificate of Operation. This assumes an average price per pound of $2,250. This figure was chosen based on the COO’s analysis of market pricing for medical marijuana flowers and experience in the marketplace. High quality flowers in State A’s mature market are valued at $2,800-$3,000 per pound. Because of the uncertainty of a new market, a conservative figure was chosen to estimate revenues. Estimated monthly operating expenses and charitable contributions (including costs of goods sold) are $101,874. After taxes, net profits are estimated at $73,277 per month, as shown in the attached Pro Forma.

Ongoing Expenses and Profits
The following pro-forma shows anticipated expenses and revenues for the first two years after award of a provisional license: