Cultivator Application – Filing Packet Notarized Cover Sheet

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

Acknowledgement and Notarized Signature

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

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

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

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

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

-OR-

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

First Name: Elizabeth
M.I.: M
Last Name: Van Dulman (aka McLaughlin)

Signature: 

Application Assistance Information

Name of Company Providing Application Assistance (If individuals, please provide information below)
Benesch, Friedlander, Coplan & Aronoff LLP

First Name:
M.I.: 
Last Name:

Address
41 South High Street Suite 2600
Columbus, Oh 43215-6164

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

Signature of Responsible Party: 

Subscribed and sworn to before me this 16 day of June, 2017.

(Seal)

Brian C. DePaw, Attorney At Law
NOTARY PUBLIC - STATE OF OHIO
My commission has no expiration date
Sec. 147.03 R.C.

NOTARY PUBLIC
# Medical Marijuana Control Program (MMCP)

**Business Represented:**

<table>
<thead>
<tr>
<th>First Name</th>
<th>M.I.</th>
<th>Last Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elizabeth</td>
<td>M.</td>
<td>Van Dulman</td>
</tr>
</tbody>
</table>

**Signature:**

**Application Assistance Information**

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

**Canna Advisors**

<table>
<thead>
<tr>
<th>First Name</th>
<th>M.I.</th>
<th>Last Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diane</td>
<td>J.</td>
<td>Czarkowski</td>
</tr>
</tbody>
</table>

**Address:**

1731 15th St, Suite 220, Boulder, CO 80302

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

One-time, Fee-for-services Application assistance

**Signature of Responsible Party:**

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

**TYLER STRATFORD**

NOTARY PUBLIC

**STATE OF COLORADO**

**NOTARY ID 20144018609**

MY COMMISSION EXPIRES MAY 5, 2018

NOTARY PUBLIC
Cultivator Application – Filing Packet Section 1 Identifiable Information Checklist

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Application Cover Sheet</strong></td>
<td>✓</td>
</tr>
<tr>
<td>-</td>
<td>Acknowledgement and Notarized Signature</td>
<td></td>
</tr>
<tr>
<td><strong>Section 1: Identifiable Information Section</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IA</td>
<td>Business Entity and Contact Information Form</td>
<td></td>
</tr>
<tr>
<td>IB</td>
<td>Liquid Assets Form</td>
<td></td>
</tr>
<tr>
<td>IC</td>
<td>Financial Responsibility Form – Insurance</td>
<td></td>
</tr>
<tr>
<td>ID</td>
<td>Financial Responsibility Form – Escrow / Surety</td>
<td></td>
</tr>
<tr>
<td>IE</td>
<td>Property Owner Approval for Use Form</td>
<td></td>
</tr>
<tr>
<td>IF</td>
<td>500 Foot Compliance Cover Page</td>
<td></td>
</tr>
<tr>
<td>IG</td>
<td>Notice of Proper Zoning Form</td>
<td></td>
</tr>
<tr>
<td>IH</td>
<td>Zoning Permit Cover Page</td>
<td></td>
</tr>
<tr>
<td>II</td>
<td>Owners and Officers Roster Form</td>
<td></td>
</tr>
<tr>
<td>IJ</td>
<td>Organizational Chart Cover Page</td>
<td>✓</td>
</tr>
<tr>
<td>IK</td>
<td>Individual Background Information Form (Include copy for each person listed</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>on Attachment II)</td>
<td></td>
</tr>
<tr>
<td>IL</td>
<td>Business in Other Jurisdictions Form</td>
<td></td>
</tr>
<tr>
<td>IM</td>
<td>Copies of Licenses from Business in Other Jurisdictions Cover Page</td>
<td></td>
</tr>
<tr>
<td>IN</td>
<td>Tax Payment Records Cover Page</td>
<td></td>
</tr>
<tr>
<td>IO</td>
<td>Disadvantaged Group Applicant Form</td>
<td></td>
</tr>
<tr>
<td>IP</td>
<td>Entity Identifier Legend Form</td>
<td></td>
</tr>
<tr>
<td>IQ</td>
<td>Trade Secret and Infrastructure Record Notification Form</td>
<td></td>
</tr>
</tbody>
</table>
Cultivator Application – Filing Packet - Section 1: Identifiers

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

**1A Business Entity and Contact Information Form**

<table>
<thead>
<tr>
<th>Business Entity Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Legal Name of Applicant (3796:2-1-02(B)(2)(a)):</td>
</tr>
<tr>
<td>2. Trade Name of Applicant:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3. Type of Organization/Applicant Business Type (3796:2-1-02(B)(2)(b)):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual/ Sole Proprietorship</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4. Ohio Secretary of State Business Identification Number (3796:2-1-02(B)(2)(c)):</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>4008554</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>5. Residential Address:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Redacted</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Redacted</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>9. Proposed Facility Physical Address (if different than above) (3796:2-1-02(B)(2)(d)):</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>100 Edison Drive</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>10. City (if different than above):</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Monroe</strong></td>
</tr>
</tbody>
</table>

| 11. State: | 12. Zip Code: |
|-----------------------------|
| **Ohio** | **45044** |

**Primary Contact or Registered Agent Information**

| 15. First Name | 16. M.I. | 17. Last Name |
|-----------------------------|
| **Elizabeth** | **M** | **Van Dulman (aka McLaughlin)** |

<table>
<thead>
<tr>
<th>18. Title (i.e., Owner, President, etc.)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Owner</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>19. Mailing Address (if different than Business Address):</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>20. City:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Redacted</strong></td>
</tr>
<tr>
<td>-----------</td>
</tr>
</tbody>
</table>

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>Meghan</td>
<td>D</td>
<td>Arata</td>
</tr>
</tbody>
</table>

Owner

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

Owner

29. Mailing Address (if different than Business Address):

30. City:

<table>
<thead>
<tr>
<th>31. State:</th>
<th>32. Zip Code:</th>
<th>33. Phone:</th>
<th>34. Email Address (if different than Business Email):</th>
</tr>
</thead>
</table>

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

meghan@thebreathingroom.com

Identifying Tax Information

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

37. Vendor's License #

N/A

38. Employer Withholding Account #

N/A

39. Other Accounts at the Department of Taxation

N/A
1B Liquid Assets Form
3796:2-1-03(A)(1), 3796:2-1-03(B)(5)(c)

To be Completed by Applicant
Name of Individual or Entity Applying for a Medical Marijuana Cultivator Certificate of Operations:
Elizabeth Van Dulman (aka Elizabeth McLaughlin)

To be Completed by Applicant or CPA

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

-OR-

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

Date of Certification (must be within 30 days of Application submission) (3796:2-1-03(B)(5)(c)(ii).):
6-13-17

Printed Name of CPA or Applicant
Mark H. Gardner

CPA Company Name (if applicable)
Clark Schneier Account

Phone Number: 513-768-2542

Signature:

Subscribed and sworn to before me this 13th day of June, 2017.

DIANE L. MERK
NOTARY PUBLIC
FOR THE
STATE OF OHIO
My Commission Expires March 19, 2022

NOTARY PUBLIC
1C Financial Responsibility Form - Insurance
3796:2-1-03(B)(5)(d), 3796:2-1-05(B)(1)

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

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

-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.

<table>
<thead>
<tr>
<th>Date:</th>
<th>Signature:</th>
</tr>
</thead>
<tbody>
<tr>
<td>6·15·17</td>
<td>[Signature]</td>
</tr>
</tbody>
</table>

Subscribed and sworn to before me this 15 day of June, 2017.

[Notary Seal]

[Signature]

NOTARY PUBLIC
Ohio Department of Commerce
Medical Marijuana Control Program (MMCP)

1D Financial Responsibility Form – Escrow / Surety
3796:2-1-02(B)(6)(d), 3796:2-1-05(B)

To be Completed by Applicant or CPA
Name of Individual or Entity Applying for a Medical Marijuana Cultivator Certificate of Operations:
Elizabeth Van Dulman (aka Elizabeth McLaughlin)

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

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

-OR-

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

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

Printed Name: [Signature]

Phone Number: [Signature]

Subscribed and sworn to before me this ___ day of _____, 20__.

[Signature]

DIANE L. MERK
NOTARY PUBLIC
FOR THE
STATE OF OHIO
My Commission Expires
March 19, 2022

MIMCP-C-1001A (v1.1), Ohio Cultivator Application – Filing/Identifiers
To be Completed by the Applicant

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

HEMMA, LLC

Physical Address and Name of Proposed Medical Marijuana Cultivator Facility:

100 Edison Drive

City: Monroe
County: Butler
State: Ohio
Zip Code: 45044

Phone Number: [Redacted]

Legal Description of the Property:

[Property description details]

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:

KLH ENTERPRISES LTD

Length of Lease/Expiration:

Under contract to purchase

☐ 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.

☐ 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: 6-15-17

Subscribed and sworn to before me this 15 day of June, 2017.

Ashley Wagner
Notary Public, State of Ohio
My Commission Expires October 23, 2021
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.
Ohio Department of Commerce
Medical Marijuana Control Program (MMCP)

1G 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:

HEMMA, LLC

Physical Address and Name of Proposed Medical Marijuana Cultivator Facility:

100 EDISON DRIVE

<table>
<thead>
<tr>
<th>City:</th>
<th>MONROE</th>
</tr>
</thead>
<tbody>
<tr>
<td>County:</td>
<td>BUTLER</td>
</tr>
<tr>
<td>State:</td>
<td>Ohio</td>
</tr>
<tr>
<td>Zip Code:</td>
<td>45044</td>
</tr>
<tr>
<td>Phone Number:</td>
<td>(513) 539-7374</td>
</tr>
</tbody>
</table>

To be Completed by Zoning Authority or Local Government
Jurisdiction of Zoning Office or Local Government

☐ 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 Cultivator facility at the address listed above at this time.
☒ The area of City of MONROE, OHIO 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:

KEVIN P. CHESAR

Title:

DIRECTOR OF DEVELOPMENT

Signature:

K. P. CHESAR

Subscribed and sworn to before me this 6th day of June, 2017.

Deborah J Armitage
Notary Public - Ohio
My Commission Expires April 08, 2021

MMCP-C-1001A (v.1.1), Ohio Cultivator Application – Filing/Identifiers Page 11 of 24
1H Zoning Permit Cover Page
3796:2-1-02(B)(2)(k)

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

☐ No permit is attached.

Mark one of the boxes above.

Include this form in application even if no permit is attached.
To be Completed by Applicant

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

HEMMA, LLC

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

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

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

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

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

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

<table>
<thead>
<tr>
<th>Identifier Legend</th>
<th>Name (First, Middle, Last)</th>
<th>Role</th>
<th>% Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ex: Person A</td>
<td>John Q. Public</td>
<td>Owner</td>
<td>5%</td>
</tr>
<tr>
<td>Person A</td>
<td>Elizabeth M. Van Dulman</td>
<td>Owner</td>
<td>39.41</td>
</tr>
<tr>
<td>Person B</td>
<td>Meghan D. Arata</td>
<td>Owner</td>
<td>26.50</td>
</tr>
<tr>
<td>Person C</td>
<td>Chris J. Brown</td>
<td>Owner</td>
<td>3.85</td>
</tr>
<tr>
<td>Person D</td>
<td>Tim P. Donovan</td>
<td>Owner</td>
<td>3.85</td>
</tr>
<tr>
<td>Person E</td>
<td>Carter T. Nance</td>
<td>Owner</td>
<td>1.00</td>
</tr>
<tr>
<td>Person F</td>
<td>Mel H. Chiogioji</td>
<td>Owner</td>
<td>.77</td>
</tr>
</tbody>
</table>
### Additional

<table>
<thead>
<tr>
<th>Identifier Legend</th>
<th>Names (First, Middle, Last)</th>
<th>Role</th>
<th>% Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Person G</td>
<td>Kenneth P. Moritsugua</td>
<td>Owner</td>
<td>.77</td>
</tr>
<tr>
<td>Person H</td>
<td>Robert Tischinel</td>
<td>Owner</td>
<td>.77</td>
</tr>
<tr>
<td>Person I</td>
<td>Rebeka K. Davis</td>
<td>Owner</td>
<td>5.77</td>
</tr>
<tr>
<td>Person J</td>
<td>John K. Mattes</td>
<td>Owner</td>
<td>5.77</td>
</tr>
<tr>
<td>Person K</td>
<td>Crystal C. Chittenden</td>
<td>Owner</td>
<td>5.77</td>
</tr>
<tr>
<td>Person L</td>
<td>Elizabeth M. Van Dulman</td>
<td>Owner</td>
<td>5.77</td>
</tr>
<tr>
<td>Person M</td>
<td>Sharon A. Butler</td>
<td>Advisory Board</td>
<td>0</td>
</tr>
<tr>
<td>Person N</td>
<td>Wendy S. Lea</td>
<td>Advisory Board</td>
<td>0</td>
</tr>
</tbody>
</table>
1J Organizational Chart Cover Page
3796:2-1-02(B)(2)(e), 3796:2-1-03(B)(1)(b)

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 11.

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.
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>Role (Owner, Officer, etc.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elizabeth Van Dulman (aka Elizabeth McLaughlin)</td>
<td>Owner</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mailing Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address line 1</td>
</tr>
<tr>
<td>Address line 2</td>
</tr>
</tbody>
</table>

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

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

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

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

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

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

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

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

☐ I hereby authorize the Ohio Department of Taxation and any of its agents and/or employees to release information to the Ohio Department of Commerce. These records and information shall be limited to the information obtained and maintained by the Ohio Department of Taxation and shall not contain any federal tax information as defined in I.R.C. 6103 and received from the Internal Revenue Service. I expressly waive the confidentiality provisions of the Ohio Revised Code, which would otherwise prohibit disclosure, and agree to hold the above-
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: 6·15·17

Subscribed and sworn to before me this 15 day of June, 2017.

[Seal]

Brian C. DePew, Attorney At Law
NOTARY PUBLIC - STATE OF OHIO
My commission has no expiration date
Sec. 147.03 R.C.

NOTARY PUBLIC
**I. Individual Background Information Form**

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

<table>
<thead>
<tr>
<th>Name of individual</th>
<th>Meghan Davis Arata</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of birth</td>
<td>[Redacted]</td>
</tr>
<tr>
<td>Title (if applicable)</td>
<td>Owner &amp; Officer</td>
</tr>
</tbody>
</table>

| Mailing Address | 2692 Madison Road Suite N1-331 |

| City | Cincinnati |
| State | OH |
| Zip Code | 45208 |

| Phone Number | (513)321-4433 |
| Email Address | meghan@thebreathingroom.com |

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

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

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

- [ ] 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 J.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: June 15, 2017

Subscribed and sworn to before me this 15 day of June, 2017.

(SEAL)

Tracy L. Johnston
NOTARY PUBLIC

TRACY L. JOHNSTON
Notary Public
State of Ohio
Commission Exp. 06/06/2022
Ohio Department of Commerce

Medical Marijuana Control Program (MMCP)

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: Robert Tichinel

Date of birth: [redacted]

Title (if applicable): Head Grower

Role (Owner, Officer, etc.): Owner

Mailing Address: [redacted]

City: [redacted]

State: [redacted]

ZIP Code: [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-
I, referenced organizations harmless with respect to the disclosure herein. I certify under the penalties of perjury that I am the taxpayer identified below.

Signature: Robert Tichmore  Date: 6/19/2017

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

MATTHEW G VON WORMER
Notary Public, State of Ohio
My Comm. Expires 10/25/2021

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

<table>
<thead>
<tr>
<th>Name of Individual</th>
<th>Michael Allard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mailing Address</td>
<td></td>
</tr>
<tr>
<td>City:</td>
<td></td>
</tr>
<tr>
<td>State:</td>
<td></td>
</tr>
<tr>
<td>Zip:</td>
<td></td>
</tr>
<tr>
<td>Phone Number</td>
<td></td>
</tr>
<tr>
<td>Email Address</td>
<td></td>
</tr>
</tbody>
</table>

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

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

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

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

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

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

- [ ] I hereby authorize the Ohio Department of Taxation and any of its agents and/or employees to release information to the Ohio Department of Commerce. These records and information shall be limited to the information obtained and maintained by the Ohio Department of Taxation and shall not contain any federal tax information as defined in I.R.C. 6103 and received from the Internal Revenue Service. I expressly waive the confidentiality provisions of the Ohio Revised Code, which would otherwise prohibit disclosure, and agree to hold the above-
Ohio Department of Commerce
Medical Marijuana Control Program (MMCP)

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: Jun 15, 2017

Subscribed and sworn to before me this 15 day of June, 2017.

(SEAL)

NOTARY PUBLIC

TRACY L. JOHNSTON
Notary Public
State of Ohio
Commission Exp. 06/06/2022
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: Rebeka Davis

Role (Owner, Officer, etc.): Owner

Date of birth: [Redacted]

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.

Signature: [Signature]

Date: June 7, 2017

Subscribed and sworn to before me this ________ day of __________, 20____.

(SEAL)

NOTARY PUBLIC

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California, County of [County]
Subscribed and sworn to (or affirmed)
before me on this _______ day of ________, 20____ by R.C.S.W.A. [Witness]
proved to me on the basis of satisfactory evidence to be the person(s) who appeared
before me.

Signature: [Signature]

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

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

<table>
<thead>
<tr>
<th>Name of Individual</th>
<th>Date of Birth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timothy P. Donovan</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></td>
<td>Owner</td>
</tr>
</tbody>
</table>

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

City: [Redacted]  | State: [Redacted]  | Zip Code: [Redacted]

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

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

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

☐ 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)(4)).

☐ 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-
# Ohio Department of Commerce

### Medical Marijuana Control Program (MMCP)

## 1K Individual Background Information Form

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

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

<table>
<thead>
<tr>
<th>Name of Individual</th>
<th>John Mattes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Role (Owner, Officer, etc.)</td>
<td>Owner</td>
</tr>
</tbody>
</table>

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

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

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

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

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

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

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

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

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

Signature: ________________________________ Date 6/12/17

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

(SEAL)

AMY L. NEGLEY
Notary Public, Kentucky
State At Large
My Commission Expires
July 9, 2017
Notary ID# 490566
1K Individual Background Information Form

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

<table>
<thead>
<tr>
<th>Name of Individual</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Christopher J. Brown</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date of Birth</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>12/31/1970</td>
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</tr>
</tbody>
</table>

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

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

<table>
<thead>
<tr>
<th>Phone Number</th>
<th>Email Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>555-1234</td>
<td><a href="mailto:brown@example.com">brown@example.com</a></td>
</tr>
</tbody>
</table>

- I understand that the Department may review criminal background records for purposes of evaluating my suitability to participate in the medical marijuana program, I hereby authorize the release of any and all information of a confidential or privileged nature to the Department and its agents (3796:2-1-02(B)(2)(F)).
- I certify that I have not been convicted of any disqualifying offense as described in Chapter 3796 of the Ohio Administrative Code (3796:2-1-03(A)(2)(a)).
- I certify that I am not a physician who has been certified or applied for certification to recommend medical marijuana under Chapter 4731.30 of the Revised Code (3796:2-1-03(A)(2)(b)).
- I certify that I have no ownership investment interest, or a compensation arrangement with a laboratory licensed under Chapter 3796, of the Administrative Code or an applicant for a license to conduct laboratory testing (3796:2-1-03(A)(3)).
- 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-
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange

Subscribed and sworn to (or affirmed) before me on this 12th day of June 2017, by Christopher Brown

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

MICHAEL CODY OVERLEY
Notary Public - California
Orange County
Commission # 2162973
My Comm. Expires Aug 19, 2020

(Seal)
Signature
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: 6/12/17

Subscribed and sworn to before me this 13th day of June, 2017.

SARAH TIEMEYER
Notary Public, State of Texas
Comm. Expires 03-01-2021
Notary ID 131025996

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 11

<table>
<thead>
<tr>
<th>Name of Individual</th>
<th>Date of birth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crystal Cheryl Chittenden</td>
<td></td>
</tr>
</tbody>
</table>

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

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

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

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

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

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

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

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

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

<table>
<thead>
<tr>
<th>Signature</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crystal C. Childres</td>
<td>6-14-17</td>
</tr>
</tbody>
</table>

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

AMY L. NEGLEY
Notary Public, Kentucky
State At Large
My Commission Expires
July 9, 2017
Notary ID# 490566

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
KENNETH MORITSUGU

Role (Owner, Officer, etc.)
Advisory Board Member

Date of Birth

City:

State:

Zip Code:

Phone Number:

Email Address:

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 to the disclosure herein. I certify under the penalties of perjury that I am the taxpayer identified below.

Signature [Signature] Date 09 June 2017

Subscribed and sworn to before me this 09th day of June, 2017.

(SEAL)

NOTARY PUBLIC
<table>
<thead>
<tr>
<th>Name of Individual</th>
<th>Date of birth</th>
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<tbody>
<tr>
<td>Melvin H Chiogioji</td>
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<thead>
<tr>
<th>Title (if applicable)</th>
<th>Role (Owner, Officer, etc.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advisory Board Member</td>
<td>Advisory Board Member</td>
</tr>
</tbody>
</table>

- [ ] I understand that the Department may review criminal background records for purposes of evaluating my suitability to participate in the medical marijuana program. I hereby authorize the release of any and all information of a confidential or privileged nature to the Department and its agents (3796:2-1-02(B)(2)(D)).
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referenced organizations harmless with respect to the disclosure herein. I certify under the penalties of perjury that I am the taxpayer identified below.

Signature:  
Date: 6/8/17

Subscribed and sworn to before me this 8th day of June, 2017.

[Signature]

NOTARY PUBLIC

[Seal]

STATE OF HAWAII

[Seal]

STATE OF HAWAII

[Seal]

MMCP-C-1001A (v1.1), Ohio Cultivator Application – Filing/Identifiers
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: Sharon Davis Butler

Title (if applicable): Advisory Board Member

Mailing Address: [Redacted]

City: [Redacted] State: [Redacted] Zip Code: [Redacted]

Phone Number: (513)321-3399 Email Address: sharon@button-button.com

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

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

[Signature:]

Date [June 12, 2017]

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

(SEAL)

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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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: 6/9/17

Subscribed and sworn to before me this [Day] day of [Month], 2017.

(SEAL)

(Seal)

NOTARY PUBLIC

MICHAELE P. ROLFES
Notary Public, State of Ohio
My Comm. Expires May 30, 2021
Recorded in Hamilton County
# Medical Marijuana Control Program (MMCP)

## 1K Individual Background Information Form

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

To be completed by each individual owner or officer as listed on attachment II.

<table>
<thead>
<tr>
<th>Name of Individual</th>
<th>Date of birth:</th>
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<tbody>
<tr>
<td>Richard Klassen</td>
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<table>
<thead>
<tr>
<th>Title (if applicable)</th>
<th>Role (Owner, Officer, etc.)</th>
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<tbody>
<tr>
<td>Advisor</td>
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</table>

<table>
<thead>
<tr>
<th>Mailing Address</th>
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<tbody>
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<td>Zip Code:</td>
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<table>
<thead>
<tr>
<th>Phone Number</th>
<th>Email Address:</th>
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<tbody>
<tr>
<td></td>
<td><a href="mailto:richard@thinkcanna.com">richard@thinkcanna.com</a></td>
</tr>
</tbody>
</table>

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

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- [ ] 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)).

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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 06/16/2017

Subscribed and sworn to before me this 16th day of June, 2017.

AMY FREY  
Notary Public, State of Ohio  
My Commission Expires  
April 19, 2020  
NOTARY PUBLIC
To be Completed by Applicant

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

HEMMA, LLC

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

<table>
<thead>
<tr>
<th>State</th>
<th>Type</th>
<th>Dates of Issue/Expiration</th>
<th>Number</th>
</tr>
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<tbody>
<tr>
<td>N/A</td>
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☐ I certify that, to the best of my knowledge, no owner or officer has received any revocation or suspension for any licensure related to the distribution of marijuana. (3796:2-1-02(B)(2)(j)(iii))

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

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

Medical Marijuana Control Program (MMCP)

[Signature]

Date: 6-16-17

Subscribed and sworn to before me this 16th day of June, 2017.

(SEAL)

NOTARY PUBLIC

ANGELA VECCHIO
NOTARY PUBLIC
STATE OF OHIO
Recorded in
Franklin County
My Comm. Exp. 6/24/17

STATE OF OHIO

MMCP-C-1001A (v1.1), Ohio Cultivator Application – Filing/Identifiers

Page 19 of 24
☐ 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.
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.
Business Plan

2A - Part I - Experience in Business

Overview

[ENTITY A] is a team of experienced entrepreneurs who have assembled a collective of diverse business backgrounds capable of building a successful medical marijuana cultivation operation. The team includes an innovative entrepreneur, a dynamic owner of a wellness center business and yoga expert, a finance expert, an environmental efficiency professional, and an experienced commercial medical marijuana cultivator and industry expert. These team members combined with the established specialists on the advisory board will enable [ENTITY A] to be imminently qualified for licensure as a Level II cultivator under Ohio’s Medical Marijuana Control Program (MMCP). This part of the Business Plan will describe the owners’ and advisory board members’ experience in business, with an emphasis on their professional business licenses and experiences in highly regulated spaces.

[PERSON A] – Chief Executive Officer

[PERSON A] is a skilled business leader with experience in real estate, brand development, and start-up enterprises. Recently, [PERSON A] spent several years founding a technology company and brand, [ENTITY E] aided by [ENTITY F], a startup catalyst that is a public/private partnership. [ENTITY E] was the first female-founded resident company accepted into [ENTITY F], paving the way for future women to apply to the newly created startup incubator. [ENTITY F] specializes in connecting business owners, investors, and mentors to create new businesses set for long-term success and economic growth. With this support, [PERSON A] has taken an idea sparked from a casual conversation with a friend to a viable business model for an award winning innovative product not previously available. [PERSON A]’s record of experience developing business concepts will lead [ENTITY A] to become a respected licensee as part of the MMCP.

Educated at faith-based schools, [PERSON A] became a licensed real estate salesperson in 2008, operating with an impeccable reputation for scrupulous business practices and a blemish-free license history. [PERSON A] was a full-time parent to four young children when she began developing ideas into what would become her next successful business venture, [ENTITY E]. [PERSON A] held a Real Estate Salesperson license issued by a state regulatory agency on August 15, 2008. The license was in good standing with no negative actions against it, prior to license surrender on 12/27/2011 (revoked for non-renewal). [PERSON A] renewed their Real Estate Salesperson license issued by the state agency on April 28, 2017. The current license is in good standing with no negative actions against it.

[PERSON A] has shown her ability to learn, grow, and adapt through establishment of [ENTITY A]. In 2016, [PERSON A]’s appreciation for the therapeutic effectiveness of medical marijuana for children struggling with debilitating epilepsy and the positive social justice impact of the highly regulated medical marijuana industry, led her to begin gathering knowledge, expertise, and data from industry leaders and professionals who are members of a marijuana business leaders’ association. [PERSON A] founded [ENTITY A] in 2017 in the relentless pursuit of a medical marijuana cultivation license to contribute to the production of an uninterrupted supply of medical marijuana to treat qualifying patient’s medical conditions.

[PERSON A] has a large network of supporters, business mentors, and entrepreneurs with whom an existing business relationship exists, and members of local charitable organizations who have shown support for [ENTITY A]. These relationships will enable [PERSON A] to build [ENTITY A] with a
focus on community involvement. A primary tenet of [ENTITY A]’s business plan is focused, strategic philanthropy. Charitable giving will be possible by leveraging longstanding community relationships with the tireless patient advocates in Ohio. [ENTITY A] has built valuable relationships with several experts to ensure that they can combine their business acumen with cannabis industry best practices to achieve [ENTITY A]’s goals of cultivating the highest quality, pharmaceutical-grade medical marijuana, at the most affordable price possible in service to the qualifying patients of Ohio.

[PERSON B] – Community Outreach Coordinator & HR Director

[PERSON B] owns existing Ohio businesses and will apply proven business skills to [ENTITY A] operations. [PERSON B] has extensive business experience in the wellness services industry and started teaching yoga at the age of 20. Additionally, at age 25, [PERSON B] became a Pilates teacher comprehensively certified to the highest recognition in her field. [PERSON B] has been a member of the local business community since 2009 when she opened a multi-faceted wellness center. The wellness center specializes in offering therapeutic and holistic exercise classes. In 2012, [PERSON B] expanded the wellness center to nearly triple the size and added massage therapy, an Ayurvedic medicine practitioner, energy healing, and skin care services, all of which complement the medical marijuana industry’s focus on natural remedies and preventative medicine. [PERSON B] will contribute her fantastic reputation as a respected wellness services provider to [ENTITY A]. As a master’s level anatomist, [PERSON B] values the healing potential of the human body and has a deep understanding of and appreciation for the endocannabinoid system. Pursuing a license to become a cultivator closely aligns with this value system. [PERSON B] strongly believes in the healing and therapeutic qualities of medical marijuana and is prepared to invest all that she has in making Entity A, and Ohio’s medical marijuana program, a success.

[PERSON B] is also a Registered Yoga Teacher (500RYT) who has completed 500 hours of training and passed the Pilates Method Alliance (PMA) testing, the highest level one can achieve in her field. [PERSON B] continually meets and exceeds the continuing education requirements set forth by the regulatory agencies of her field. While only a minimum of 20 hours per year of continuing education are required, she spends weeks each year either traveling to or bringing in teachers that are at the top of her field and masters the cutting edge innovations of her industry. As a member of professional yoga associations, [PERSON B] shows knowledge of, and a commitment to, caring for the body. As community outreach coordinator for [ENTITY A], [PERSON B] intends to continue improving quality of life for qualifying patients, with the same dedication, empathy, and professionalism she has with her businesses and philanthropic contributions to her local community. Compassion and healing are at the heart of [PERSON B]’s career focus and everything she does.

[ENTITY A] intends on developing a vertically integrated medical marijuana business model and will be pursuing an MMCP processor license. The Medical Director, [PERSON G], and the Research and Development Specialist will lead research and development of medical marijuana manufactured products with [PERSON B], if granted a processor license. This will enable [ENTITY A] to offer products designed to treat specific medical conditions or symptoms. [PERSON B] will focus on developing high quality, life enhancing nutritionally helpful products.

Like [PERSON A], [PERSON B] also has a rich history of philanthropy, giving both time and money. [PERSON B] works closely with a non-profit organization that prevents gender-based violence and offers crisis intervention services. [PERSON B] takes hotline calls and trains volunteers to give direct support to those in need of services. [PERSON B] is also active with a non-profit organization that gives
the therapeutic and healing benefits of yoga to underserved and at-risk communities. As a Registered Yoga Teacher, this organization is a terrific way for [PERSON B] to use their professional skills to give back to the local community. That experience will enable [PERSON B] to lead community outreach and educational efforts. Both [PERSON A] and [PERSON B] will work to breakdown stereotypes associated with cannabis by becoming compliant licensed cultivators and processors.

[PERSON C] – Chief Financial Officer
[PERSON C] is an experienced consultant and finance expert who earned a Ph.D. from a prestigious university in 2008 and an MBA from one of the most acclaimed business schools in the country. [PERSON C] has also researched novel cancer treatment methods during his undergraduate studies. For the past several years, [PERSON C] has focused on the financial and strategic development of startups for long-term success. [PERSON C] will use skills evolving businesses from conception or underperformance to thriving operations to develop [ENTITY A] into a financially viable medical marijuana business.

[PERSON C]’s financial acumen gained from converting underperforming companies into profitable companies will greatly contribute to [ENTITY A]’s success. As the Chief Financial Officer (CFO), [PERSON C] will create and execute the company’s strategic financial vision. Leading all financial compliance efforts, [PERSON C] will also manage all accounting vendors and accounting staff. As principal of a capital investment firm, [PERSON C] has previously worked closely with business leaders in technology and other industries. [PERSON C] is well suited to the role of CFO at [ENTITY A] due to the experience of raising capital, sourcing business deals, and assessing new technologies. These factors will enable [PERSON C] to execute [ENTITY A]’s financial goals, allowing [PERSON A] to focus on product development and gaining operational knowledge of medical marijuana cultivation.

[PERSON D] – Chief Operations Officer
[PERSON D] is a senior executive with more than 20 years of experience in business. Recently, as the CEO and Co-founder of [ENTITY G], an Ohio-based energy sector consulting firm, [PERSON D] has successfully led the company from start to profitable operation. Focusing on energy efficiency, financing, project development and project management, [PERSON D] will bring valuable skills to the [ENTITY A] team. Throughout [PERSON D]’s career he has consulted other companies to improve energy efficiency and energy use by retrofitting facilities. [PERSON D] will use their knowledge at the [ENTITY A] facility to improve existing infrastructure for energy efficiency and oversee that any new buildings will have energy efficiency features in the design. [PERSON D]’s experience in leadership roles with technology start-ups, energy firms, and other businesses make them a great fit for [ENTITY A]. [PERSON D] will develop energy efficiency plans and implement technologies, policies, and procedures to reduce [ENTITY A]’s environmental impact.

[PERSON E] – Senior Advisor
[PERSON E] has had an illustrious career and has received multiple awards for excellence in business. [PERSON E] will be a Senior Advisor, bringing more than 20 years of business experience to [ENTITY A]. With a history of leadership roles, such as CEO, co-founder, Executive Chairman, Strategic Advisor, and Board Member, [PERSON E] is well suited to be the Senior Advisor of [ENTITY A]. This person earned a BS in Business Administration and Marketing from a prestigious business school.

Recently, [PERSON E] has been the CEO of the startup catalyst that [PERSON A] has used to grow a technology startup. [PERSON E] has mentored entrepreneurs since 2007 and will continue to work
closely with [PERSON A] to implement [ENTITY A] business vision and hone [PERSON A]’s CEO skills. By helping bring a large convention to [CITY/LOCATION], [PERSON E] has been very active in developing [CITY/LOCATION] as an emerging startup hub. This level of innovation, leadership and strong relationships in the private and public sector will greatly contribute to [ENTITY A]’s success.

[PERSON F] – Security Director
An engineer by trade, [PERSON F] is a decorated military veteran who served for more than 30 years. [PERSON F] will be a Security Director to [ENTITY A] and will bring a lifetime of experience in business with an expertise in security operations to the role. [PERSON F] earned a BS in electrical engineering from a renowned university, an MBA from a prestigious business school, and a Doctor of Business Administration from a widely acclaimed university.

[PERSON F] served 32 years military service with five of those years active duty as a high-ranking officer. Some of the decorations [PERSON F] has acquired in his long military career are among the most honorable in the military. In the private sector, [PERSON F] is currently President and CEO of a high level security firm providing support to national security programs for Government and commercial clients, including Physical, Personal, Technical and Operational Security, Counterterrorism, Intelligence Analysis, Counterintelligence and Emergency Management. [PERSON F] is highly suited to oversee the implementation of [ENTITY A]’s security plan focused on divergence prevention.

[PERSON F] served as Deputy Assistant Secretary of [ENTITY H] for over 20 years. [PERSON F]’s professional experience is vast in the security, engineering and research fields. [PERSON F] has government project and program management experience and is a published author of two books about energy conservation. As an engineer, [PERSON F] has experience in the following: energy efficiency programs, energy economics and financing, international energy programs, industrial waste utilization and minimization, and construction management of power plants (fossil fuel and nuclear). [PERSON F] is a registered professional electrical engineer and a senior member of several veteran and professional electrical engineering associations.

[PERSON G] – Medical Director
[PERSON G] is a medical doctor and committed public servant who has served in federal government positions for more than 30 years. [PERSON G] has extended his career in public healthcare to the private sector for more than six years, as a Vice President for a major corporation, [ENTITY D]. This wealth of medical knowledge and healthcare industry experience will be priceless in guiding [ENTITY A] in its compliance efforts. [PERSON G] will be the Medical Director, as part of the Advisory Board. [PERSON G] has experience leading thousands of professional and technical employees in public healthcare settings. Applying their public healthcare knowledge, [PERSON G] will advise [PERSON A] and [PERSON B] on cultivation product development and formulation. Eventually, the company intends to use [PERSON G] to advise medical marijuana processing operations also.

[ENTITY A] intends to have a producer-processor business model, with the award of both cultivation and processing licenses. Using that model, [ENTITY A] will use [PERSON G] to review laboratory analyses of strains and products. [PERSON G], [PERSON B] and [PERSON O] will lead research and development of products with specific cannabinoid ratios. [ENTITY A] seeks to set itself apart from other companies by offering products with specific cannabinoids and nutritional benefits. [PERSON G] will use experience as a medical doctor to guide strategic product development to meet the needs of qualifying patients.
[PERSON N] is a business professional with experience in a variety of industries, including janitorial, electronics, and manufacturing. As the Facilities Manager, [PERSON N] will oversee the safe operation of [ENTITY A]'s facilities to ensure compliant cultivation of medical marijuana. As a janitorial company franchise owner, [PERSON N] has developed the knowledge and expertise necessary to ensure that [ENTITY A]'s facilities are running at maximum capacity in an efficient and safe manner. As an operations manager, [PERSON N] has more than forty years of experience supervising employees, training employees, and operating successful businesses. [PERSON N] earned an Associate of Applied Science degree in Network Computers from Southwestern College and is a proud military veteran who served in the Army and attended the U.S. Army Signal School, where they studied communications. As a community member and local business owner, [PERSON N] will help to develop the medical marijuana business and contribute to the economic health of Ohio.

[PERSON O] - Director of Cultivation

[PERSON O] is an experienced horticulturist with more than seven years of experience working in commercial greenhouse and plant cultivation environments and will be the Director of Cultivation for [ENTITY A]. [PERSON O] has a Bachelor of Science degree in Sustainable Agricultural Systems, with a specialization in horticulture as well as a degree in Greenhouse and Nursery Management. [PERSON O] will blend a knowledge of greenhouse management and plant husbandry skills to oversee day-to-day operations at the facility. Versed in practicing and teaching propagation techniques, such as the use of tissue culture techniques, [PERSON O] will work closely with [PERSON D] and [ENTITY C] to incorporate marijuana-specific cultivation practices and standard operating procedures into [Entity A]'s facility operations plans. [PERSON O] has experience with automated cultivation monitoring systems, integrated pest management (IPM), and training greenhouse employees in large-scale facilities producing more than 100,000 plants per month. [PERSON O]'s experience includes cultivation of vegetables, ornamental plants, perennial and annual plants, finished flowers, house plants, and foliage. The combination of [Person O]'s experience in cultivation, propagation, IPM, and employee training experience and [ENTITY C]'s established cannabis operations expertise will enable [PERSON O] to ensure the success of the new facility.

[PERSON P] – Marketing & PR Director

[PERSON P] is an expert in marketing and sales strategies and will lead [ENTITY A]'s public relations efforts. [PERSON P] will serve as [ENTITY A]'s Marketing and PR Director. The role will consist of [PERSON P] developing marketing strategies based on his years of business experience in marketing. [PERSON P] has led brand management projects with great success. At the request of corporate management, [PERSON P] directed innovative advertising and marketing projects for some of the largest global household brands. [PERSON P] has marketed products across several industries, including clothing, grocery foods, technology, sports, and restaurant chains. [PERSON P] has managed staffs of over 100 individuals and has been responsible for procuring handbooks, onboarding documents and product manuals. As a successful brand manager, [PERSON P] will lead [ENTITY A]'s effort to become the preeminent medical marijuana entity in Ohio.

Conclusion

[ENTITY A] has the exemplary business experience and industry expertise necessary for success as medical marijuana cultivators. [ENTITY A] is well positioned to provide an uninterrupted supply of
medical marijuana for qualifying patients in the local area while avoiding the trappings of over-production and ensuring strict compliance with the regulatory requirements of the MMCP. [PERSON A] and [PERSON B] have both spent years helping develop the local economy and building reputations as trusted and respected business owners in their community. Emphasizing the vast array of benefits that derive from a regulated medical marijuana market, [ENTITY A] will employ past business experience to operate in a compliant and transparent manner. This section of the Business Plan has shown that [ENTITY A] has the prior business experience, connection to industry experts, passion, and energy to continue investing in the local community as a licensed cultivator.

Part II (A) – Business Model

Executive Summary
[ENTITY A] will provide medical marijuana to licensed processors and dispensaries, if granted a plant-only processor license. Through the establishment of standard operating procedures (SOPs) that adhere to existing cannabis industry best practices, [ENTITY A] intends to become a leader in the Ohio medical marijuana market and is particularly focused on enabling military veterans in their pursuit of alternative health care options. [PERSON A] founded the business on principles such as innovation, creativity, and commitment to community. [ENTITY A] is seeking to merge proven business strategies with fresh concepts to become a successful cultivator. Ohio has long been known as a hub for manufacturing and the inclusion of medical marijuana among its tenured industries will spur economic development. Both [PERSON A] and [PERSON B] have large business and social networks that have shown support to [ENTITY A]. [ENTITY A] will become synonymous with consistent, quality medicine through community outreach and building a large network of support.

Cultivation Operations
[ENTITY A] is applying for a Level II cultivator license first, with the intention of applying for a processing license when the application period becomes active. [ENTITY A] understands that successful cultivation operations will be dependent upon the expertise of cannabis industry experts and the operations partner. As such, [ENTITY A] will scale operations to meet demand after setting up a compliant, small-scale cultivation facility.

Processing Operations
If granted a Level II cultivator license and successful operations ensue, [ENTITY A] intends to apply for a processor license and begin extraction and processing operations. [ENTITY A] seeks to perform research and development to create unique formulations of nutritionally synergistic compounds with cannabinoids. The Medical Director, [PERSON G], will lead these efforts with [PERSON B].

Existing Business Owners
[PERSON A] and [PERSON B] are established entrepreneurs who have built successful teams to implement business visions in the past and feel confident that they can do the same with [ENTITY A]. Their agility in business will enable them to keep up with the pace of adaptation required by a rapidly changing medical marijuana marketplace. [PERSON A] and [PERSON B] will further business development throughout the state. As existing business owners, they understand the value of a strong local economy. [ENTITY A] will employ and contract with local candidates. Improving the communities that are home to [ENTITY A] and its employees will be at the core of operations. Communities are improved through the creation of jobs, the contribution of tax funds, spending by the business within the local economy and the therapeutic relief provided to patients by [ENTITY A]’s
products. Led by two active parents who volunteer time and donate money to local non-profits, [ENTITY A] will have an arm of the business focused solely on community outreach, education, and charitable giving. Being a good neighbor is important to [ENTITY A] and it will demonstrate its long-term financial viability through factoring in specific charitable giving goals, as a part of overall profits.

**Intensive Self-Education & Resourcefulness**
Through intensive self-education, both [PERSON A] and [PERSON B] have been preparing to navigate the new industry in a nimble manner, but also to tap industry experts to ensure the long-term success of [ENTITY A]. Understanding that there is a science and art to the application of medical marijuana to varying patient populations, [ENTITY A] seeks to use experts and partner with organizations that will bring the vision for the business to life. These experts will focus [ENTITY A]’s development efforts on creating products to treat specific qualifying medical conditions.

Extreme resourcefulness is an essential part of running a successful business. [PERSON A] and [PERSON B] have aligned themselves with people that are knowledgeable in specific areas of medical marijuana cultivation, knowing that is not their area of expertise. Through building a team with medical marijuana cultivation ability, resourcefulness, and general business acumen, [ENTITY A] seeks to become a compliant, licensed Level II cultivator. The section Relationships with Industry Experts further describes the company’s plan for success.

**Passionate & Committed Patient Advocates**
[PERSON A] and [PERSON B] have been outspoken patient advocates in their respective communities. They are passionate believers in the therapeutic potential of medical marijuana to treat patients with qualifying medical conditions. Positively affecting the opioid addiction and overdose epidemic is a significant ancillary benefit of the MMCP. As advocates for a healthy lifestyle and the powerful positive impact of medical marijuana, [ENTITY A] is eager to hear reports from processors and dispensaries about how [ENTITY A]’s products may benefit patients.

**Relationships with Industry Experts**
Developing strategic relationships with medical marijuana industry experts will be critical to [ENTITY A]’s success as a cultivator. [PERSON A] and [PERSON B] will accept the advisement of the experts, while applying their proven business skills in wellness center and technology company operations and branding. The collective knowledge of the team, including [PERSON A] and [PERSON B], as well as [ENTITY B] give [ENTITY A] great potential to effectively provide an uninterrupted supply of medical marijuana to patients.

[ENTITY B]
[ENTITY A] has enlisted [ENTITY B] as its medical marijuana consulting firm. [ENTITY A] has established a strategic relationship with the firm, based in another jurisdiction. [ENTITY B] has more than 70 years of combined operational experience in all sectors of the regulated medical marijuana industry. The [ENTITY B] team has unparalleled knowledge of the requirements for operating as part of a highly regulated medical marijuana program. The firm will support the compliant and transparent operations of [ENTITY A]. Since 2013, [ENTITY B] has used their expertise to advise successful clients in 19 medical marijuana markets nationally and internationally. [ENTITY B] gives an array of services, such as business planning, new market analysis, and business license application support. With a background in construction and design, [ENTITY B] regularly advises clients on facility selection, design, and construction. [ENTITY A] will also use [ENTITY B] to develop cultivation techniques,
guide strain selection, equipment selection and further develop the advisory board and executive team. [ENTITY B] has experience developing teams, training employees, and ensuring the regulatory compliance of clients.

[ENTITY B] will provide supplementary expertise relating to the specific operation of the company’s medical marijuana processing facility. The varied business ability of the [ENTITY A] executive team will maximize the resources offered by expert consultant firms, such as [ENTITY B]. The [ENTITY A] executive team has analyzed the fiscal impact of enlisting medical marijuana consulting services and decided that choosing them will allow the company to become operational at an accelerated pace. Using a consultant firm will give [ENTITY A] a first-to-market advantage and speed efforts to provide medical marijuana to qualified patients and caregivers in Ohio.

Company Vision
[ENTITY A] believes that a person’s greatest wealth is their health. [ENTITY A]’s vision is a healthier, happier Ohio, whose worst-off residents have affordable access to marijuana and marijuana products that improve their quality and enjoyment of life.

Mission Statement
[ENTITY A] exists to provide Ohioans with medical cannabis for therapeutic use to enhance their quality of life. [ENTITY A] seeks to improve the communities in which it works through community involvement and educational outreach efforts, neighborhood investment, and improved neighborhood security. These combined efforts will net results that serve patients, the community and benefit [ENTITY A], enabling a virtuous cycle of continued charitable giving.

Objectives
[ENTITY A] plans to:
- Secure a Tier-II Cultivation License
- Secure licenses permitting it to conduct Processing Operations
- Create unique formulations of nutritionally synergistic compounds with house-grown cannabinoids
- Emphasize high-CBD strains
- Develop unique cannabinoid combinations
- Improve the communities that host [ENTITY A] and its employees through charitable giving

Keys to Meeting Objectives
- Assemble a team of the best possible partners and advisors
- Spend money on employees with the knowledge to develop products in combination with patient feedback mechanisms
- Cultivate a variety of known-helpful high-CBD strains and develop new ones though breeding
- Return to the patient feedback mechanisms to develop a variety of patient- and condition-specific products
- Attend community meetings to learn where charitable giving can be of the most help

Operating Structure
PERSON A will serve as CEO
PERSON B will serve as Community Outreach Coordinator & HR Director
PERSON C will serve as CFO
PERSON D will serve as COO
PERSON E will serve as Senior Advisor
PERSON F will serve as Security Director
PERSON G will serve as Medical Director
PERSON O will serve as Director of Cultivation
PERSON P will serve as Marketing and PR Director

Market Analysis

Projected Patient Base

[ENTITY A] will cater to many patient communities. The language of Ohio’s law gives doctors the opportunity to suggest medical marijuana as an alternative to pharmaceutical drugs. A host of people suffering from a wide range of pain-inducing conditions may benefit from using medical marijuana. House Bill 523 lists 22 qualifying medical conditions, including chronic pain. More than 185,000 Ohio residents meet the criteria for a medical marijuana recommendation, according to data published by Arcview Market Research in partnership with BDS Analytics. [ENTITY A] will develop specific treatment options for all qualifying conditions and focus marketing efforts on processors and dispensaries serving quantifiable patient communities.

Senior Citizens

[ENTITY A] anticipates its largest patient demographic to be senior citizens. Ohio residents are aging at a faster rate than the national average. The U.S. Census Bureau reports the median age of Ohioans to be 39.3 as opposed to the national average of 37.8. The disparity may not seem significant, but it has a lasting impact on health care, employment, and the economy. Older people have greater healthcare needs. Medical marijuana will play a critical role in treating qualifying conditions common to seniors, as the stigma around its use fades. 75% of respondents to a recent study by AARP, Inc. aged 45 or older support medical marijuana. According to the non-profit Washington Health Care Association, more than a dozen assisted living facilities have adopted medical marijuana policies in Washington state. Seniors are the fastest growing segment of the market in jurisdictions where medical marijuana is available. The medical expertise of Medical Director [PERSON G], will help to inform senior citizens of the risks and benefits of consuming medical marijuana. [ENTITY A] will accommodate qualifying senior patients who are averse to psychotropic effects by cultivating high-CBD, low-THC strains. [ENTITY A] will offer large print educational resources that describe the varying side effects and benefits of medical marijuana in plain language. [ENTITY A] will inform patients about the variety of medical marijuana applications to treat qualifying medical conditions.

Pediatric Patients

[ENTITY A] will target the pediatric patient demographic suffering from intractable epilepsy and other qualifying conditions. [PERSON G] is a medical doctor who seeks to improve quality of life for patients with Dravet syndrome. There is significant anecdotal evidence and an increasing amount of scientific studies that support the use of high-CBD, low-THC medical marijuana. Some applications of medical marijuana for epilepsy have decreased seizure frequency from more than 100 daily to an average of less than one per day. [ENTITY A] will strive to be an education resource for parents and guardians of pediatric patients that may benefit from medical marijuana through a robust, age-restricted website.

Veterans
The MMCP also allows the use of medical marijuana to treat symptoms of post-traumatic stress disorder (PTSD). Veterans commit suicide at twice the rate as citizens, per data compiled from the U.S. Census Bureau’s American Community Survey and Centers for Disease Control and Prevention (CDC) annual national mortality reports. In Ohio, veterans commit suicide at a rate of 28.6 per 100,000 people. The number of suicides for citizens is less than half of that – 13.6 per 100,000. [ENTITY A] will provide expert medical care for patients suffering from PTSD. Because many jurisdictions do not include PTSD as a qualifying medical condition, there is limited data on its efficacy. However, overwhelming anecdotal evidence suggests that medical marijuana may help the symptoms of PTSD. The U.S. Department of Veterans Affairs (VA) has concluded that there is a significant correlation between PTSD and suicide among veterans. Therefore, [ENTITY A] will cultivate medical marijuana strains specific to its application to the qualifying medical condition. [ENTITY A] will pursue a producer-processor business model and will cultivate and manufacture medical marijuana products specific for PTSD. [Person A] has established a partnership with [Entity 22] an organization dedicated to funding veterans to receive treatment for PTSD, Traumatic Brain Injury and winning the war against veteran suicide. Additionally, [Person B] has closely collaborated with one of the nation’s leading researchers and clinicians on PTSD to write a research plan that will be overseen and implemented by this doctor in partnership with [Entity 22].

Patients with Chronic Pain

In states that include pain as a qualifying condition in their medical marijuana programs, such as Colorado and Michigan, 1-2% of the total population register as patients. If those averages hold true for Ohio, the state may expect between 117,000-234,000 active patients when the MMCP reaches maturity. According to data reported by Arcview, Ohio may have 50,000 registered patients at the end of 2019, 60,000 by 2020 and 72,000 by the end of 2021. The research group also purports that 7.5% of Ohioans already consume marijuana and conservative estimates of the illicit market in the state are more than $1.4 billion dollars. [ENTITY A] will directly convert a significant portion of this market to the regulated market. By establishing a business model that incorporates cultivation and processing, black-market dealers will not be able to compete with [ENTITY A]’s superior-quality and fair-priced medical marijuana. The research group projects a compound annual growth rate (CAGR) of 95% from 2016-2021. With 200,000 qualifying patients, the first fully-operational year could generate more than $150 million in sales.

Potential for Success

Network of Supporters & Brand Awareness

[ENTITY A] seeks to build a strong brand and use its network of supporters to spread brand awareness. [ENTITY A] will use its vast network of community supporters to establish the [ENTITY A] brand. Cultivating medical marijuana that meets the needs and demands of processors, dispensaries and patients is a primary goal of the company. The management team is aware that regular networking, community involvement, and communication with constituents is key to brand awareness. The existing network of supporters will act as a foundation to help spread the brand among licensed processors, dispensaries, patients, and caregivers. [ENTITY A] will appoint [PERSON B] and other staff members to network and perform community outreach. Outreach efforts may include attending local government meetings and taking part in events hosted by industry organizations. [ENTITY A] will support local non-profit organizations, especially those focused on qualifying medical conditions, through charitable activities and educational efforts. Working with non-profit health advocacy organizations will enable [ENTITY A] to connect with potential patients outside of a dispensary setting, which is commonly where the
public perceives all patient interaction occurs. [ENTITY A] will use its network of supporters to ask for feedback and comments from potential patients and the public, which will spread the brand while gathering important data to guide business strategies.

Uniform Branding for Cultivation and Processing

[ENTITY A] seeks to develop consistent branding for both the cultivation and processing facilities, if granted licenses for each. [PERSON B] nearly tripled the size of the wellness center they own and will apply that experience in establishing and expanding the [ENTITY A] brand. Beginning with cultivation operations provides [ENTITY A] the opportunity to gain a reputation for quality, consistency, and unique product offerings, such as high-CBD/low-THC strains. Uniform branding will enable [ENTITY A] to become recognizable to processors, dispensaries, and patients during initial cultivation operations. Once established as cultivators, uniform branding will then enable the company to bolster its product offerings with the addition of medical marijuana products.

Products and Services

Medical Marijuana Flower

[ENTITY A] will cultivate the following broad categories of medical marijuana: Cannabis Sativa, Cannabis Indica, hybrid and high-CBD strains. [ENTITY A] will develop products with varied ratios of cannabinoids, including THC and CBD, and ancillary cannabinoids and terpenes. The company will pride itself on offering a wide variety of medical marijuana strains to suit individual patient needs. By cultivating a wide range of medicinally-effective strains, [ENTITY A] will meet demand for raw medical marijuana flower with distinct cannabinoid and terpene profiles to treat specific qualifying conditions.

Cannabis Sativa is the most widely cultivated species of marijuana, noted for its euphoric, cerebral, and energizing effects. It is the preferred variety of most patients for daytime use, effectively treating fatigue and exhaustion, in addition to alleviating headaches and muscle spasms. Sativa plants typically grow tall with long, narrow leaves. They often take longer than their counterparts to harvest, as their flowering period usually lasts longer.

Cannabis Indica is a species of marijuana believed to have originated in South Asia. Patients who suffer from severe pain or insomnia often use Indica strains for their more relaxing and calming effects. Indica plants generally produce a greater yield in shorter time periods than Sativa strains. Hybrid strains are a cross of both Indica and Sativa, in varying proportions. Strains may be “Sativa dominant,” “Indica dominant,” or “50/50,” which are balanced strains with the effects of both Indica and Sativa in equal amounts. Hybrid strains tend to provide more mild effects in patients, neither giving energy nor inducing extreme relaxation and sleep.

High-CBD strains of medical marijuana have elevated levels of cannabidiol (CBD), which is a cannabinoid with powerful anti-inflammatory properties. CBD has a broad range of medical applications, including the treatment of chronic pain, epilepsy, and post-traumatic stress disorder among other serious ailments. [ENTITY A] will cultivate High-CBD, Low-THC strains, and work to develop its own High-CBD genetics throughout operation. Anecdotal evidence overwhelmingly suggests that medicines having small amounts of THC in combination with high doses of CBD are more effective for prevention and treatment of intractable seizures than CBD alone.
Marketing and Sales
Owing to the sensitive nature of the product being sold, [PERSON P], whom will serve as [ENTITY A]’s Marketing and PR Director, expects that the Department will impose some limits on advertising. However, [PERSON P] anticipates that the Department will permit traditional print advertising with restrictions on design. Therefore, [PERSON P] plans to run a tasteful print advertising program in local newspapers and medical publications informing patients of the new options they have available to them under the Program. In addition, [ENTITY A] will establish a website that includes a double-opt-in email list and a “patient portal” for access to online patient fora for discussion of marijuana and condition-related topics. [ENTITY A] will produce brochures entitled “Is Medical Marijuana Right for Me?” which will be distributed to physicians who express interest in having them available to their patients. [PERSON P] will also produce stand-and-deliver/Q&A presentations to existing patient communities, live-in care facilities, medical groups and patient support groups that express interest in the presentation. [PERSON P] expects to spend most of [ENTITY A]’s marketing effort and money on producing the in-person presentations to physicians and patient groups.

[PERSON P] will develop customer acquisition and retention plans that will generate brand loyalty among processors, dispensaries, and patients to drive demand. [ENTITY P] will offer bulk pricing options and flexible payment terms. Another way [ENTITY P] will attract and retain customers will be by offering exclusive-vendor contracts to dispensaries and processors by which only [ENTITY A] products will be dispensed or processed there, respectively.

Financial Projections
Please see Financial Plan for detail regarding capital expenses, operating expenses, and sources and uses of funds.

Special Considerations
Sales & Excise Tax Requirements
Current Ohio state sales tax is 5.75% and local taxes are variable within the state. The MMCP allows the state to levy a tax on each dispensary transaction. The Department will also likely require [ENTITY A] to pay an excise tax on wholesale sales of medical marijuana. In addition to licensing fees and taxes, access to banking and the inability to deduct ordinary business expenses from its taxes due to IRS section 280E are two unique financial factors [ENTITY A] has considered in planning a medical marijuana business in the State of Ohio.

Banking Access
Due to medical marijuana’s federal classification as a Schedule I narcotic, financial institutions that have interstate charters cannot accept deposits from companies that sell marijuana, making access to traditional banking a considerable challenge in the medical marijuana industry. However, many established medical marijuana businesses in other jurisdictions maintain accounts with banks and credit unions. Successful medical marijuana businesses have established standing relationships with state-chartered institutions while avoiding national corporate banks.

The Financial Crimes Enforcement Network (FinCEN), the U.S. Treasury Department bureau that fights money laundering, reports that nearly 300 depository institutions nationwide currently maintain accounts with marijuana-related businesses. In a 2015 survey of 400 respondents in the cannabis industry, Marijuana Business Daily reported that 40% had bank accounts. [ENTITY A] is capable of securing access to banking. The U.S. Senate Appropriations Committee approved an amendment to the Financial
Services and General Government Appropriations Bill in June 2016 that would prevent the spending of federal funds to prohibit or penalize banks and other financial institutions for providing services to state-legal marijuana businesses. The bill intends to ease the access to banking for state-compliant marijuana businesses and for financial institutions to work with such businesses without the fear of federal penalties. The House of Representatives did not pass the measure, but it is expected to be reintroduced in 2017 with increasing popular support behind it. [ENTITY A] will monitor the progress of the amendment through Congress.

Unusual Tax Burdens

[ENTITY A] will be subject to paying taxes on a much larger percentage of its revenues than non-marijuana businesses with the same earnings and costs, due to Section 280E of the federal income tax code. The clause restricts marijuana businesses from claiming standard deductions, because it bans all tax credits and deductions from Schedule I narcotics trafficking, including marijuana. As a cultivator of medical marijuana, only a small percentage of operating expenses will go to the actual sale of marijuana.

[ENTITY A] will deduct all costs of goods sold (COGS), “incident to and necessary for production or manufacturing operations or processes,” as specified in 26 CFR § 1.471-11 thereby reducing some tax liability. This exemption will allow [ENTITY A] to deduct the cost of facility employees, electricity, structural repairs, facility improvements, cultivation equipment, packaging, license fees, and insurance. These deductions will apply to the cultivation and processing of medical marijuana products.

[ENTITY A] will still have added tax burdens specific to marketing, administration and sales costs for its cultivation and manufacturing facilities. These expenses will not be deductible because they are directly related to the sale of medical marijuana, as prohibited by Section 280E of the federal tax code. [ENTITY A] took this unusual tax burden under sincere consideration when developing its business plan.

[ENTITY A] will conduct transactions with medical marijuana businesses and will accumulate significant amounts of cash. [ENTITY A] is aware of the Internal Revenue Service (IRS) Form 8300, which requires the company to report to the IRS and FinCEN any cash transaction more than $10,000 resulting from a single transaction or two or more related transactions.

Part II (B) – Business Model – Ohio-based Jobs Development

Bringing Jobs Back

[ENTITY A] will bring jobs back to Ohio. The Ohio economy has flat-lined, with limited investor interest from outside the state and less revenue coming in from taxes than in years past. [ENTITY A] will employ individuals across multiple industrial disciplines. As a tax-paying, licensed cultivator of medical marijuana, [ENTITY A] will provide employment for experts in horticulture, management, trimming and packaging, facility maintenance, transportation, security and so forth. The unemployment rate in Ohio is 5.1% compared to the national average of 4.5%. Though it has declined significantly since the Great Recession (11% in December 2009), it has risen since its lowest point in August 2015 (4.7%). [ENTITY A] will create jobs that pay well above minimum wage plus several advanced positions that pay six-figure salaries. [ENTITY A] executives understand the hardships facing the core manufacturing sector in providing competitively paying jobs. The team’s business history demonstrates [ENTITY A]’s ability to treat its employees with dignity through a fair wage and running financially sustainable businesses.
According to a report from New Frontier Data, the legal marijuana industry will create more than a quarter of a million jobs by 2020. As one of the largest medical marijuana markets in the U.S., Ohio will provide thousands of industry-related jobs. According to the Bureau of Labor Statistics, the combined marijuana labor force will outnumber manufacturing, utilities, and even government jobs nationwide. Thus, medical marijuana can revitalize the Ohio economy and enhance investment in the state. The amount of jobs [ENTITY A] will create will be enhanced if they are able to secure processing and dispensing licenses. Under this scenario, [ENTITY A] would employ individuals in processing and dispensing in addition to cultivation. These jobs would require a range of skills, including: horticulture, chemistry, pharmaceutical manufacturing, retail management, and customer service in a medical environment. [ENTITY A] will also require human resources experts, staff managers, security officers, and grounds-keeping technicians. [ENTITY A] will prioritize diversity when hiring employees and promote a multi-cultural, socially diverse workforce. [ENTITY A]’s staffing and training standards are explained in detail in Section 2B, Part VI-Staffing and Training of this application.

Hiring Preference for Local Candidates
Not only will [ENTITY A] bring jobs to Ohio, more specifically, the company will bring jobs to the city that [ENTITY A] proposes operations. According to the city that [ENTITY A] proposes operations, more than 65% of the city’s residents are part of the workforce. The website also states that “approximately 400,000 people live within a 15-minute commute of the City.” These statistics show that [ENTITY A] will have a large pool of qualified candidates from which to choose, when hiring local candidates. The company principals strategically selected the city as its base of operations, and this was one of the reasons that led to that decision.

Employing Older Workers
[ENTITY A] knows the trends of the local economy, as both [PERSON A] and [PERSON B] are existing business owners that have been in business in Ohio since 2009. In the report, “Ohio’s Greying Labor Force,” the Ohio Job and Family Services state that “From 2006 to 2016, Ohio’s labor force will continue to grow older as the baby boom generation ages. Those 55 and older will comprise 22.4 percent of the labor force at the end of this period, up from 16.7 percent in 2006.” With almost one in four employees potentially being over the age of 55, a focus on recruiting, training, and retaining older workers will be a key part of the company’s success and its Ohio-based jobs plans. [ENTITY A] is proud to create job opportunities for all types of Ohio citizens. To achieve recruiting goals, [ENTITY A] will coordinate with senior advocacy organizations to connect elderly employees with jobs in the region.

Ohio-Based Contractors and Vendors
[ENTITY A] will give preference to local contractors and vendors. Supporting the local economy through spending is as important as job creation. To identify local companies with which to contract, [ENTITY A] will work with the Ohio Development Services Agency (ODSA) Minority Business Development Division (MBDD) which supports the growth and sustainability of small, minority-owned, and disadvantaged businesses in Ohio. The company will also work with the organizations to assist in hiring veterans and in identifying veteran-owned businesses, as well as for strategic planning support to incorporate Ohio-based contractors and vendors into the company’s long-term goals.

Economic Stimulation
The regulation of medical marijuana has been a major economic stimulator in jurisdictions with mature medical marijuana markets. Colorado, which legalized medical marijuana in 2000, and added adult use marijuana in 2012, has seen a significant economic boost throughout their program’s implementation. Business Insider ranked Colorado as one of the fastest growing economies in the nation and attributed the growth, in part, to marijuana. The state is experiencing their lowest unemployment rate since 2008, after the state reached a historical high of 8.9% in October 2010 during the Great Recession.
[ENTITY A] will have a positive effect on ancillary businesses in the Ohio community. Businesses that will be boosted by [ENTITY A]’s operation include: electricians, lighting manufacturers, construction workers, contractors, utility companies, fertilizer and pesticide supply companies, security agencies, equipment manufacturers, packaging distributors, local banks, legal and financial professionals, and others too numerous to list completely.

The operation of [ENTITY A] will substantially increase Ohio’s tax revenue. Over $1 billion worth of marijuana and marijuana products were legally dispensed nationwide in 2015 alone. [ENTITY A] will contribute a significant amount of money to the millions of dollars in annual taxes and fees required to complete school construction projects, support law enforcement agencies, and bolster the Ohio general fund. Some local municipalities in Ohio are enthusiastic to utilize medical marijuana tax revenue to build public parks, playgrounds, and homelessness relief programs. [ENTITY A] is excited about the potential for the tax revenue it generates from its cultivation operations to benefit drug abuse prevention, counseling and treatment, and Ohio police departments, among other community organizations.

**Healthcare Cost Savings**

Healthcare savings in regulated jurisdictions have been attributed, in part, to the accessibility of medical marijuana. [ENTITY A] believes that access to medical marijuana will improve the quality of life of many Ohio residents. A study in the July 2016 issue of Health Affairs found that Medicare spending was reduced in states that have implemented medical marijuana programs. In 2013 alone, Medicare saved over $165 million in the 17 legal states examined. The study looked at over 87 million prescriptions from the Medicare Part D database, focusing only on conditions where marijuana might serve as an alternative to prescription medications. Medical marijuana has shown significant potential to reduce the amount of prescription drugs one might take to treat qualifying conditions. The study concludes that if all states legalized medical marijuana, annual savings could be triple that amount, totaling $500 million.

**Personnel Schedule**

[ENTITY A] will employ a minimum of 10 individuals within 12 months of operation. [ENTITY A] will initially employ five people who will begin work within one month of being awarded a Level II cultivation license, including: a Chief Executive Officer, an accountant, a compliance/quality assurance manager, a lead grower/harvest manager, and a horticultural associate. Within the first full year of operation, that number will increase to ten employees, including: a wholesale sales director, an additional horticultural associate, a packaging technician, and two trim and processing specialists. After 24 months of operation, [ENTITY A] will employ three additional employees, including: an additional horticultural associate, an additional packaging technician, and an additional trim and processing specialist. This only accounts for the award of a cultivation license. Naturally, if the business can secure processor and/or dispensary licenses, this number could triple.

[ENTITY A] will scale cultivation operations according to patient demand and as permitted by the department. [ENTITY A] will hire 10 employees in its first year of operation and pay out a total of $404,680 in wages. In its second year of operations [ENTITY A] plans to hire five additional staff in anticipation of expansion to meet market need. It is budgeting a payroll of $622,120 for the second year and $724,085 in the third year of operations. [ENTITY A] has additionally budgeted an annual payroll increase of 3% of total payroll. [ENTITY A] has also forecasted payroll taxes and benefits. These expenses include, Social security (6.20%), Medicare (1.45%), Federal Unemployment Tax (FUTA) (0.80%), State Unemployment Tax 0.50%, Worker’s Compensation (1.85%), and other employee benefit programs (10%). Total payroll taxes and benefits will equal 20.80% of total payroll.
Operations Plan

Part I - Experience in Agriculture/Cultivation

[ENTITY A] will combine traditional greenhouse cultivation expertise with marijuana-specific cultivation knowledge to create a sustainable Level II cultivation operation focused on strict regulatory compliance and the production of the highest-quality pharmaceutical grade medical marijuana. To further ensure a continuous uninterrupted supply of medical marijuana, [ENTITY A] will also use [ENTITY C], an operational consulting firm, to write and implement standard operating procedures (SOPs) that adhere to industry best practices and the regulatory requirements of the MMCP. [ENTITY A] will employ experienced medical marijuana cultivators, university trained agribusiness professionals, and rigorous employee training and mentorship programs to begin effective operations.

[PERSON O]

[ENTITY A] has recruited a team of professionals whose individual experience is impressive, and when combined will result in the company’s ability to establish medical marijuana cultivation operations immediately following the issuance of a license. [PERSON O], who is an experienced horticulturist with more than seven years of experience working in commercial greenhouse and cultivation environments will lead the team as the Director of Cultivation. [PERSON O] has been an Assistant Greenhouse & Tissue Culture Manager, Assistant Grower, Section Grower, and Research Assistant. These roles have been in large-scale commercial greenhouse, outdoor, vineyard, and research settings. The range of experience that [PERSON O] has will contribute to developing a well-rounded team of Cultivation Associates. The Director of Cultivation, [PERSON O], will also use their experience using complex automated environmental control modules to ensure that all automated systems in the facility operate optimally. [PERSON O] has used Argus Control brand systems in a facility that produced more than 100,000 plants monthly. This type of large-scale cultivation experience will enable [PERSON O] to train employees to use automated environmental controls, apply integrated pest management (IPM) techniques, and use plant husbandry best practices to cultivate high-quality medical marijuana. [PERSON O]’s experience includes cultivation of vegetables, ornamental plants, perennial and annual plants, finished flowers, house plants, and foliage. Also versed in practicing and teaching propagation techniques, such as the use of tissue culture techniques, [PERSON O] will work closely with [ENTITY B] to develop best practices and to include them in standard operating procedures (SOPs).

[ENTITY C]

[ENTITY C] will be the glue that will hold the team together. An operational consulting firm, [ENTITY C] specializes in giving new marijuana industry licensees direct training and knowledge transfer within the first six months of operations. Unlike long-term management agreements, [ENTITY C] will provide services only during the initial operations period, with the goal of training [PERSON O] to maintain operations and train employees on an ongoing basis. This will empower the company to acquire the operational knowledge necessary up front and not be dependent upon outside expertise indefinitely, which poses its own risks. [ENTITY C] will write and help to implement SOPs to ensure regulatory compliance, adherence to best practices, and inclusion of [PERSON O]’s skills. By blending the knowledge and expertise of all parties, [ENTITY C] will lay a foundation for future company growth and establish [ENTITY A] as a professional, knowledgeable, and compliant cultivator through training and documentation. [ENTITY C] will also help to implement cultivation methodology through advising [PERSON O], however at no time will [ENTITY C] be responsible for the direct management of employees. [ENTITY C]’s services will be informational in nature and serve to fill in any knowledge gaps to provide [PERSON O] with helpful support and guidance during the critical first stages of facility
operations. Upon the completion of the six-month contract, [PERSON O] will independently possess the knowledge and skills to oversee employee training programs, including the use of learning management systems (LMS).

[ENTITY A] will become a respected medical marijuana cultivator within a six-month period following the issuance of a license, by utilizing the agriculture and cultivation experience of [PERSON O], as well as the industry best practice knowledge and training services of [ENTITY C]. The marriage of each of these resources will enable [ENTITY A] to become operational and successful cultivators in Ohio.

Part II (a) - Cultivation Methods

Grow Media

[ENTITY A] will cultivate medical marijuana using mineral wool blocks on rolling flood tables. There are several benefits to using mineral wool in a hydroponic system. Mineral wool is an inert, porous, non-degradable growing medium that provides firm root support. Mineral wool can hold up to five times its own weight in nutrient solution while still retaining 15% air, even when fully saturated. Another benefit to the exclusion of soil from the facility is eliminating an environment favorable to pests. As a sustainability best practice, after harvesting plants, Cultivation Associates will sterilize mineral wool blocks for reuse.

Propagation

[ENTITY A] will only propagate female plants. The Director of Cultivation will cull males and retain only females for cultivation, when plants start from seed. The Director of Cultivation will propagate medical marijuana plants through an asexual process called “cloning.” This technique creates a genetic copy (clone) of the originating vegetating plant (mother). Clones will originate from healthy, freshly topped vegetative plants. Cultivation Associates will use the topping technique described later in this section. The Director of Cultivation will allow mother plants to continue to vegetate as normal plants. [ENTITY A] will not cultivate mother plants for the sole purpose of propagation. This method prevents disease and ensures an uninterrupted supply of healthy plants. In effect, [ENTITY A] will create a genetic library that will need continual maintenance. To prevent losing strain genetics, the Director of Cultivation will ensure that at least one plant of a strain remains in a vegetative cultivation area before transferring plants of that strain to flower cultivation areas.

Cultivation Associates will identify healthy mother plants in vegetative cultivation areas and prepare propagation equipment, to produce clones for production. Sterile techniques will prevent the contamination of propagation equipment. SOPs will require that Cultivation Associates sterilize propagation equipment before use to avoid contaminating equipment, containers, and plants. Cultivation Associates will mark each group of clones with a unique identifier, and document the number of clones propagated from each strain. Cultivation Associates will record this data in the inventory tracking system (ITS), when cloning procedures are complete. Lead Cultivation Associate will separate propagating clones from mature vegetative plants. After 7-10 days, roots will emerge from the mineral wool and Cultivation Associates will prepare transplanting procedures, including assigning unique identifiers for each plant in the ITS.

Transplanting

Cultivation Associates will prepare transplanting procedures in a space away from cultivation areas. Cultivation Associates will retrieve six in³ pH-treated mineral wool cubes and unique plant identifiers. Cultivation Associates will then place the small propagated mineral wool cubes directly into the hole of
the larger cubes. Cultivation Associates will gently tap down the smaller cube to create a flush surface with the larger cube. Cultivation Associates will then roll carts of transplants into vegetative cultivation areas. There, Cultivation Associates will place plants on elevated rolling tables and insert irrigation emitters. Each 16 ft² of cultivation space will contain a maximum of nine buckets (plants). The Director of Cultivation will then document the propagating plants as mature vegetating plants in the ITS and ensure each unique identification tag is secure on every plant’s stem near the grow media surface. After transplanting procedures are complete, Cultivation Associates will place all used equipment and tools in the cleaning area, then sweep and mop the transplanting area.

**Fertilizing**
The Director of Cultivation will document standard liquid fertilizer solutions for each week of the cultivation cycle. Liquid fertilizer formulas will vary depending on strain, stage of growth, and environmental factors. The Director of Cultivation will document a watering standard that maximizes plant health. [ENTITY A] will use automated irrigation monitors to observe water quality. The Director of Cultivation will document fertilizer discharge standards as an environmental best practice. Cultivation Associates will measure fertilizer concentrations in parts per million (ppm) and acidity (pH) using a handheld meter. At the end of each cultivation cycle, the irrigation system will flush grow media with clean water to rinse roots and grow media of all fertilizer.

**Vegetative Growth**
The Director of Cultivation will document the standard vegetative cycle for each strain, which will vary from 20 to 35 days. Plants will receive greater volumes and concentrations of fertilizer as they mature. To ensure an uninterrupted supply of medical marijuana, the Director of Cultivation may terminate vegetative growth early or extend the time indefinitely through the manipulation of photoperiod (time exposed to light). Each strain will have its own genetic predisposition, whereby a sweet spot of maximal-yield-to-minimal-growth-time ratio exists. The Director of Cultivation will document vegetating standards for each strain.

**Topping and Pruning**
After plants have enough leaf surface area to support vigorous growth (usually around 18-24”), they will undergo topping procedures. Cultivation Associates will top and prune plants throughout cultivation to shape plants into symmetrical spheres of foliar growth. Topping is the process by which cultivator cut one main branch (meristem) to create two new “tops” of the existing tallest apical growth shoots. Topping removes the inhibitory hormone, auxin, concentrated in the top of the plant, allowing branches to grow more rapidly. The shoots will then become meristems themselves and produce cells that promote vertical and outward growth in a symmetrical manner. Cultivation Associates will use cut stems that are viable for propagation as clones.

Pruning achieves two goals, (1) thinning the plant for improved airflow and better light exposure while (2) directing the plant's energy to the biggest, most dominant budding sites. Proper pruning techniques efficiently manipulate the growth pattern of plants. The Director of Cultivation will remove branches that block adequate light or do not receive enough light and document standards that predict which budding sites will gain the most weight for each strain. Pruning and topping may commence on plants 24-30” tall. At this point, Cultivation Associates will prune all branches in danger of touching the grow media surface. This technique increases airflow and minimizes the vector by which pests may access plants. Cultivation Associates may remove 30-40% of the plant material through topping and pruning in the weeks directly preceding and following the initiation of the flowering photoperiod.
**Flowering Stage**

Cultivation Associates will transfer vegetative plants to flower cultivation areas and increase the dark period (scotophase) from zero to 12 uninterrupted hours. This period of darkness will induce flowering. During the scotophase, The Director of Cultivation will ensure stray light does not disturb plants. Light leaks can stunt growth and induce the production of male flowers and therefore seeds, which are unfavorable to maximizing therapeutic quality. The Director of Cultivation will increase air circulation during flowering to prevent the accumulation of respired water vapor, which can accumulate on flowers and create an invitation to mildew. Buds will sufficiently ripen within 45-90 days of flowering, depending on the strain. The Director of Cultivation will document standards that identify the ideal harvest time. This standard will vary from strain to strain. The presence of darkening, receding bract stigmas and milky amber trichomes indicate ideal harvest time. The Director of Cultivation will then schedule the Harvest and Processing Manager to harvest plants.

**Daily Monitoring**

Cultivation Associates will inspect every plant every day throughout the cultivation cycle. The Director of Cultivation will create standards and guidelines for plant inspections to include indications of pestilence and malnutrition. As a part of daily inspections, a Cultivation Associate will first observe each plant’s grow media for uniform dampness. While doing so, they will gently agitate each plant to detect weak stems and observe any deficiency. They will then prune leaves and branches to maximize air circulation and create uniform light exposure. Cultivation Associates will remove leaves and grow media from tables and gutters to prevent standing water and plant material from rotting. This technique further prevents an environment favorable to pests. During the flowering stage of growth, the Director of Cultivation will slide plastic trellises up and down to train branches into a compact, uniform canopy. The lower trellis will support developed branches while Cultivation Associates weave new growth into the top trellis. This technique is known as low stress training (LST). LST is a way to increase the exposure of lower branches to light and therefore enhance the growth of budding sites. This technique further creates an even canopy, which allows for predictable watering schedules, fertilizer requirements and yields of usable medical marijuana.

**Post-Harvest Processing**

[ENTITY A] will maintain documentation for post-harvest procedures, including drying and trimming methods. The Harvest and Processing Manager will supervise all harvest operations. First, the Harvest and Processing Manager will cut a plant, remove plastic trellises, weigh the entire plant, and document the unique identifier and weight on a Harvest Log. Then, in a post-harvest processing area, Cultivation Associates will hang the plant upside down and cut equal-length stems. Cultivation Associates will remove all fan leaves from the stems before hooking the stems on rolling dry racks. The Harvest and Processing Manager will transfer rolling dry racks to a drying room and a curing room. Cultivation Associates will remove grow media from the flower cultivation area, while harvesting plants. Cultivation Associates will use a sterilizing solution to prepare mineral wool blocks for reuse. Meanwhile, The Harvest and Processing Manager will combine unique plant identifiers and weights of the same strain into harvest batches and document them in the ITS. The Harvest and Processing Manager will weigh all waste specific to each harvest batch and collect it throughout harvest operations. To prevent combining the contents of different harvest batches, Cultivation Associates will harvest and trim all plants of one strain before moving to the next.
The Director of Cultivation will monitor humidity. [ENTITY A] and temperature in the drying room so buds may dry within four to seven days. The Harvest and Processing Manager will have exclusive access to the drying room and curing room. Buds will be dry when The Harvest and Processing Manager can snap stems by hand with little resistance. In the post-harvest processing area, Lead Cultivation Associate will remove clusters of flowers (buds) from stems and separate them into buckets. The Harvest and Processing Manager will store contents of each harvest batch in sealed five-gallon buckets in the drying room and curing room. Over the course of 5-14 days, the Harvest and Processing Manager will gently agitate the contents of buckets daily and allocate buds for trimming. The Harvest and Processing Manager may reserve some harvest batches for processing, which will not need further manicuring. (If granted a processing license in the next phase of licensing, the company plans on processing much of its medical marijuana into medical products, as detailed more fully in the research section herein.) [ENTITY A] will hand-trim medical marijuana buds for dispensary-bound medical marijuana to preserve trichomes and minimize the contact of medical marijuana with lubricated machinery (trim machines often employ petroleum-based lubricants). As they manicure buds, Cultivation Associates will separate trim, stems, and buds. Harvest and Processing Manager will continually subtract processing waste and moisture loss from harvest batches in the ITS. The Harvest and Processing Manager will put trimmed buds in sealed five-gallon buckets to retain moisture until packaging. During this time, Harvest and Processing Manager will prepare samples for microbial, cannabinoid, and contamination testing. Upon certification from a licensed testing facility, the Harvest and Processing Manager will retrieve buds and trim from buckets in the drying room to package for dispensaries and processors respectively.

Cleanliness in Operations

[ENTITY A] will require cleanliness in all aspects of operation. The Director of Cultivation will maintain and sanitize cultivation areas as it pertains to a United States Department of Agriculture (USDA) Controlled Environment Horticultural Facility (CEF). The Director of Cultivation will monitor maintenance and cleaning procedures using checklists and documentation that detail actions taken to clean, repair, replace, and otherwise maintain cultivation equipment. All employees will wear personal protective equipment (PPE) specific to each task.

Cultivation Associates will use a power washer for large equipment and a stainless steel three-stage industrial sink to clean cultivation equipment, buckets, and tools. Cultivation Associates will prepare cleaning solutions according to manufacturer recommendations. After cleaning, Cultivation Associates will sanitize equipment and tools using heat or chemicals. If Cultivation Associates use hot water in the three-stage sink for sanitizing, water will be at least 180°F and employees will expose clean equipment to hot water for at least 30 seconds. If Cultivation Associates use chemicals to sanitize equipment, they will expose equipment to the sanitizer for the time that the manufacturer recommends. Effective chemical sanitizers include chlorine, iodine, and quaternary ammonium. Cultivation Associates will mix appropriate concentrations of sanitizers with warm water to make a solution that remains between 55°F-120°F during its use.

Cultivation Associates will allow equipment to air dry on a stainless steel drying bench. Larger equipment and buckets will air dry on a clean floor space away from soiled equipment. While equipment dries, Cultivation Associates will use a squeegee to push water to a floor drain. Cultivation Associates will put away equipment and tools as soon as they are dry.
[ENTITY A] will employ post-harvest cleaning techniques to prevent the introduction and spreading of contaminants. After each harvest, Cultivation Associates will clean and sanitize grow tables, walls, irrigation lines, drip emitters, floors, and ceilings in cultivation areas. Before cleaning a cultivation area, the Director of Cultivation will turn off appropriate cultivation lights and fans. Cultivation Associates will use approved cleaning agents, hot water, and absorbent sponges to wipe all surfaces within the cultivation area. Cultivation Associates will remove irrigation lines, drip emitters, and other cultivation equipment from cultivation areas to wash them in the cleaning area. The Director of Cultivation will train employees to clean from the top-down and from the cleanest, most sensitive equipment to the dirtiest equipment. The Director of Cultivation will develop priority levels for the cleaning of all cultivation equipment to avoid cross-contamination.

[ENTITY A] will incorporate sterile techniques into cultivation operations to prevent the introduction of contaminants. To enable sterilization, the Director of Cultivation will schedule the cleaning of all aspects of the facility on a predictable, periodic basis. Before entering any operational area of the facility, employees will step onto rubber sanitizing foot mats to disinfect their shoes. Pliable rubber scrapers on the mats will dislodge contaminants from footwear as employees immerse the shoe soles in a disinfectant solution.

Waste
The Director of Cultivation will reduce the amount of waste [ENTITY A] generates through efficient resource use, recycling, and composting programs. A Type 1 Key Employee will supervise all waste procedures. [ENTITY A] will dispose of its waste per the Medical Marijuana Control Program and local laws. [ENTITY A] will manage its waste in a manner that prevents diversion, protects the surrounding citizenry, and minimizes environmental impact, as more fully detailed in Section 2C – Part IV Disposal and Waste Removal.

Part II (b) - Proposed Strains
[ENTITY A] will cultivate strains that encompass the Medical Marijuana Control Program’s qualifying conditions. [ENTITY A] will provide a steady, uninterrupted supply of several strains of medical marijuana flower. [ENTITY A] has created strain profiles for each of its original strains to include dry-weight percentages by volume of cannabinoids and terpenes in dried, cured flower. [ENTITY A] will use these original strains to breed strains specific to market demand and treat specific qualifying conditions.

[STRAIN 1] is a high-THC, low-CBD indica variety. The use of [STRAIN 1] in other regulated jurisdictions has shown symptom relief for the following qualifying conditions: cancer, Crohn’s disease, fibromyalgia, inflammatory bowel disease, multiple sclerosis, severe pain, HIV, AIDS, spinal cord injury, and ulcerative colitis. Experts believe the psychotropic properties of THC coupled with β-Myrcene, a sedating and relaxing terpene, provide therapeutic value for muscle tension, pain, and inflammation. [STRAIN 1] will contain the following cannabinoids and terpenes: THCa – 15-23%; CBDa – 0-5%; CBG – 0.3-1%; THCV – 0-0.2%; CBC – 0-0.2%; CBL – 0-0.4%; Linalool: 0-0.2%; ß-Myrcene – 0.6-1.5%; a-Pinene – 0.06-0.4%; Limonene – 0-0.1%; ß-Caryophyllene – 0.2-0.6%.

[STRAIN 2] is a high-THC, low-CBD indica variety. The use of [STRAIN 2] in other regulated jurisdictions demonstrates symptom relief for: cancer, Crohn’s disease, fibromyalgia, inflammatory bowel disease, multiple sclerosis, severe pain, HIV, AIDS, spinal cord injury, and ulcerative colitis. Experts believe the mid-range THC content, coupled with significant amounts of Linalool, a terpene...
with anti-convulsant properties, provide therapeutic relief for muscle tension. [STRAIN 2] will contain the following cannabinoids and terpenes: THCa – 14-22%; CBDa – 0.1%; CBG – 0.1%; THCV – 0.2%; CBN – 0.02%; CBL – 0.04%; Linalool: 0.13-0.2%; β-Myrcene – 0.1-0.2%; α-Pinene – 0.13-0.2%; Limonene – 0.2-0.5%; β-Caryophyllene – 0.17-0.3%.

[STRAIN 3] is a high-THC, low-CBD sativa variety. [STRAIN 3] has a significant amount of cannabigerol (CBG), a cannabinoid that acts as a molecular precursor for all cannabinoids. CBG has shown to slow down nerve damage and help regulate immune cells to limit inflammation. [STRAIN 3] demonstrates relief for symptoms associated with HIV, AIDS, ALS, cancer, glaucoma, epilepsy, multiple sclerosis, Hepatitis C, and sickle cell anemia. [STRAIN 3] will contain the following cannabinoids and terpenes: THCa – 17-23%; CBDa – 0.1%; CBG – 1.7-2.5%; THCV – 0.2-0.3%; CBN – 0.02%; CBL – 0.04-0.08%; Linalool: 0.06-0.1%; β-Myrcene – 0.3-0.6%; α-Pinene – 0.17-0.3%; Limonene – 0.3-0.6%; β-Caryophyllene – 0.3-0.46%.

[STRAIN 4] is a high-THC, low-CBD sativa variety. [STRAIN 4] has high concentrations of the α-Pinene. The terpene is associated with anti-inflammation, alertness and combats short-term memory loss associated with THC. [STRAIN 4] has demonstrated analgesic properties similar to pharmaceutical opiates but without the associated side effects such as drowsiness and confusion. [STRAIN 4] will contain the following cannabinoids and terpenes: THCa – 22-27%; CBDa – 0.2-3%; CBG – 0.5-0.9%; THCV – 0.15-0.2%; CBN – 0.04-0.08%; CBL – 0.02-0.04%; Linalool: 0.06-0.1%; β-Myrcene – 0.3-0.5%; α-Pinene – 0.17-0.3%; Limonene – 0.3-0.6%; β-Caryophyllene – 0.2-0.6%.

[STRAIN 5] is a high-THC, low-CBD hybrid variety. [STRAIN 5] contains high concentrations of cannabichromene (CBC). CBC may benefit Alzheimer’s disease patients, since studies have shown it to encourage neurogenesis in the brain, which may provide symptom relief. Experts believe [STRAIN 5] may help reduce nerve damage associated with spinal cord disease, Parkinson’s disease, multiple sclerosis, traumatic brain injury, PTSD, and CTE. Studies have shown that CBC and THC have additive anti-inflammatory properties when co-administered, which suggests that [STRAIN 5] is effective for severe pain, muscle tension and traumatic injury. [STRAIN 5] will contain the following cannabinoids and terpenes: THCa – 22-27%; CBDa – 0.1-1.5%; CBG – 1.3-2.2%; THCV – 0.2-0.4%; CBN – 0.05-0.07%; CBC – 0.3-0.7%; Linalool: 0.2-0.3%; β-Myrcene – 0.2-0.5%; α-Pinene – 0.13-0.17%; Limonene – 0.3-0.5%; β-Caryophyllene – 0.4-0.8%.

[STRAIN 6] is a high-THC, low-CBD hybrid variety. Patients in legal jurisdictions describe the psychotropic effect of [STRAIN 5] as uplifting yet relaxing. [STRAIN 6] contains a significant amount of β-caryophyllene. The terpene has shown to reduce tumors and provide relief for anxiety associated with THC due to its affinity to the peripheral CB2 receptors, which are concentrated in the gastrointestinal system. [STRAIN 6] has shown to be effective for ulcerative colitis, Crohn’s disease, inflammatory bowel disease, cancer, and severe pain. [STRAIN 6] will contain the following cannabinoids and terpenes: THCa – 22-25%; CBDa – 0.1-2%; CBG – 0.8-1.3%; THCV – 0.2-0.6%; CBN – 0.02-0.02%; CBC – 0.15-0.2%; Linalool: 0.2-0.3%; β-Myrcene – 0.4-0.7%; α-Pinene – 0.2-0.3%; Limonene – 0.3-0.7%; β-Caryophyllene – 0.3-0.5%.

[STRAIN 7] is a 2:1 CBD to THC variety. [STRAIN 7] has significant amounts of CBD while still containing psychotropic cannabinoids such as THCa and THCV. [STRAIN 7] has shown significant relief for debilitating health complications associated with immunodeficiency conditions and cancer, as well as epilepsy, ALS, Parkinson’s, multiple sclerosis, and gastrointestinal pain. [ENTITY A] will
prioritize the cultivation of high-CBD varieties. [STRAIN 7] will contain the following cannabinoids and terpenes: THCa – 8-9%; CBDa – 16-18%; CBG – 0.5-0.9%; THCV – 0.13-0.3%; CBN – .01-0.02%; CBC – 0.2-0.4%; Linalool: 0-0.02%; β-Myrcene – 0.5-1%; a-Pinene – 0.07-0.1%; Limonene – 0.08-0.1%; β-Caryophyllene – 0.06-0.1%.

[STRAIN 8] is a 20:1 CBD to THC variety. [ENTITY A] will cultivate [STRAIN 8] for the intention of minimizing psychotropic effects associated with THC. [STRAIN 8] is potent in CBD and has shown significant relief for seizure disorders in pediatric patients. CBD has also shown to reduce tumors and provide relief for all of the Medical Marijuana Control Program’s qualifying conditions. [STRAIN 8] has specifically shown to help relieve symptoms associated with Parkinson’s disease, and PTSD. [STRAIN 8] will contain the following cannabinoids and terpenes: THCa – 0.5-1%; CBDa – 14-17%; CBG – 0.7-1%; THCV – 0.01-0.03%; CBN – .05-0.14%; CBC – 0.3-0.7%; Linalool: 0.01-0.03%; β-Myrcene – 1.1 -1.5%; a-Pinene – 0.08-0.2%; Limonene – 0.13-0.2%; β-Caryophyllene – 0.06-0.12%.

Part II (c) – (OPTIONAL) Research Plan

Posttraumatic Stress Disorder (PTSD) is a mental health condition that will impact 8% of the U.S. civilian population and up to 30% of the Veteran population over the life-time. While there are evidence-based treatments that are effective at treating PTSD, they remove the diagnosis of PTSD in only 50-70% of individuals treated and the dropout rates from these therapies range from 18-60% depending on the group treated. Thus, it is critical that we identify ways to augment existing treatments to a) enhance their tolerability/reduce drop outs and b) strengthen the treatment response.

The long-term objective of this project is to employ tetrahydrocannabinol (THC) a type 1 cannabinoid receptor (CB1) as a cognitive enhancer to increase the efficacy of fear extinction to existing therapies used in the treatment of posttraumatic stress disorder (PTSD). A marker of increased efficacy would be a 15% reduction in dropout rate and sustained and lasting reduction of symptoms evaluated 1 year post treatment.

As it stands, the first-line “gold standard” therapies for treating PTSD are Prolonged Exposure (PE) and Cognitive Processing Therapy (CPT). Completion of PE or CPT results in large and clinically significant reductions in PTSD and related disorder symptoms, e.g. depression, anger, anxiety. symptoms, with up to one-half of Veterans losing their PTSD diagnosis. However, the clinical effectiveness of PE and CPT is hampered by high rates of treatment dropout.

Recently published data show dropout rates ranging from 19-38% among Veterans. However, a significant portion of individuals do not lose their diagnosis after PE or CPT (30-50%) and many individuals drop out of the treatments before receiving a full dose. Researchers have attempted in identify the core elements of both treatments to increase treatment success as well as trying to add interventions to augment PE and CPT. These attempts have met with varying levels of success, suggesting that more work needs to be done in this arena.

Prolonged Exposure (PE), involves focusing on processing the trauma memories and approaching safe trauma-related situations that are avoided in order to help the person overcome emotional distress and daily difficulties that the traumatic events have caused. Prolonged exposure therapy works roughly like this: After taking a brief inventory of the patient’s military service, In the treatment, the therapist asks the veteran to recount the story of his or her worst trauma over and over and over again with eyes closed until the memory of it becomes “habituated,” losing its traumatic charge and becoming like any other
normal autobiographical memory. The basic premise is that repeated exposure to fear-linked cues will produce the extinction of fear. PE is generally effective, but many patients have incomplete fear extinction (some even experience an increase in symptoms) or fail to sustain extinction learning-related improvement over time.

Cognitive Processing Therapy (CPT), focuses on the impact the traumatic event has had on the person’s life and helps them examine and change unhelpful thoughts and feelings related to the event, oneself, others and the world. CPT focuses mostly on examining how traumatic experiences have impacted beliefs about safety, trust, control, self-esteem, and relationships. CPT involves an active process of identifying thoughts and feelings related to the traumatic experiences, and then learning to examine and challenge thinking patterns that interfere with functioning or ability to enjoy life. CPT is a skills-based approach involving discussion and worksheets that create understanding and tools that can be applied on a daily basis. The process of CPT leads to new learning that helps make sense of what has happened, and incorporate this understanding into beliefs about yourself, others, and the world in a balanced way.

Understanding what is happening at the neural level is key to true and lasting treatment of PTSD. Recall of extinction learning depends upon the interaction between two limbic-frontal brain networks (hippocampus [HPC], ventromedial prefrontal cortex [vmPFC]). PTSD patients show decreased activity in these regions and poor extinction recall. Ancillary assistance with THC that address vmPFC-HPC dysfunction and augment fear extinction therapies could enhance the efficacy of PE for PTSD. Compelling evidence suggests that an acute oral dose of THC, prior to experimental fear extinction procedures in healthy volunteers, facilitates recall of extinction learning via increased activation and functional connectivity of the vmPFC and HPC. As extinction recall deficits and vmPFC-HPC dysfunction have been observed in PTSD, we then postulate that the cannabinoid system could not only ease the negative effects some experience with PE, but also optimize the positive benefits and durability of learning during PE. Accordingly, we will test the hypotheses that THC will significantly enhance the recall of extinction learning in patients (suppress the amygdala) with PTSD, thus increasing activation of the vmPFC and/or HPC.

In the preliminary phase, PTSD patients will be randomized to one of three conditions (low 5mg THC; high 10mg THC; placebo [PBO]). The participant will undergo a standard PE or CPT session with functional MRI (fMRI) and skin conductance recordings (SCR) to compare the effects of THC vs PBO administered prior to extinction learning, testing recall of extinction learning 24 hours and 1 week after extinction learning. If THC (vs. PBO) significantly increases extinction recall and increases vmPFC and/or HPC activation in PTSD, the second phase will test the efficacy of THC to reduce PTSD symptom severity, and increase maintenance of treatment following PE.

In the second phase, PTSD patients will be randomly assigned to a THC (dose identified from the preliminary phase) or PBO condition. THC or PBO will be administered 2 hours prior to each exposure session in a standard manualized PE treatment protocol. We will assess treatment success (reduced PTSD symptom severity) at each PE visit and again at 3 months after treatment to explore long-term PE effects coupled with THC. Like the preliminary phase, we will use a Pavlovian fear extinction paradigm to measure brain activation in fear extinction circuitry during an extinction recall test pre- and post-treatment to determine whether THC increases activation in this circuitry.

Exposure therapy is a first-line approach in the treatment of posttraumatic stress disorder (PTSD) and works by repeated exposure to trauma-related thoughts, feelings, and situations in order to reduce the
distress they cause. Exposure therapy is generally effective, but a significant number of patients are determined to be resistant to these PTSD therapies or drop-out altogether. The goal of the current proposal is to investigate the cannabinoid system as a target for improving the fear extinction learning that goes on in therapy and increasing the sustainability of exposure therapy in treating PTSD (e.g. shortening treatment while strengthening and prolonging gains).

Part III: Product Timeline and Production Schedule
[ENTITY A] will cultivate 8-week flowering strains and 10-week flowering strains. After propagating for two weeks, plants will vegetate for five weeks and three weeks respectively. Clones will have developed root systems such that they are suitable for transplanting within two weeks of propagation. [ENTITY A] will have the ability to harvest medical marijuana within 15 weeks of planting the first seed. Perpetual harvests can begin within 19 weeks of operation. [ENTITY A] will have the capacity to harvest plants every two weeks thereafter. [ENTITY A] will use the following nine-table model to estimate the time elapsed for the cultivation stage of production for 12 harvest dates.

- **Week 1:** Propagate seeds.
  - Identify seeds ([STRAIN 1]-1, [STRAIN 1]-2, etc.)
  - Assign a unique identifier to each strain group of seedlings and reflect in ITS.
- **Week 2:** Continue to monitor propagated seeds.
- **Week 3:** Transplant seedlings and assign unique plant identifiers to each plant.
  - Isolate an apical shoot branch of each plant, cover it with opaque material for 12 hours of uninterrupted darkness per day to induce flowering.
  - Cull males as they are discovered.
- **Week 4:** Top vegetating plants and propagate clones from strong female plants.
  - Duplicate applicable identifiers ([STRAIN 1]-6, [STRAIN 1]-14, etc.).
  - Assign a unique identifier to each strain group of clones and reflect on ITS.
- **Week 5:** Transfer plants of strains with 10-week flowering times to Flowering Table 1.
- **Week 6:** Continue to top vegetating plants and clone applicable strains.
  - Transplant Week-4 propagated clones and assign unique plant identifiers to each plant.
  - Prune understory and use low-stress-training technique to trellis flowering plants.
- **Week 7:** Transfer strains with 8-week flowering time to Flower Table 1.
  - Prune understory and use low-stress-training technique to trellis flowering plants.
- **Week 8:** Continue to top vegetating plants and clone applicable strains.
  - Transplant Week-6 propagated clones and assign unique plant identifiers to each plant.
  - Prune understory and use low-stress-training technique to trellis flowering plants.
- **Week 9:** Transfer 10-week flowering plants from Week-4 propagation to Flower Table 3.
- **Week 10-11:** Continue to top vegetating plants and clone applicable strains.
  - Transplant Week-8 propagated clones and assign unique plant identifiers to each plant.
  - Prune understory and use low-stress-training technique to trellis flowering plants.
- **End of Week 11:** Transfer 8-week flowering plants from Week-4 propagation to Flower Table 4.
  - Transfer 10-week flowering plants from Week-6 propagation to Flower Table 5.
- **Week 12-13:** Continue to top vegetating plants and clone applicable strains.
  - Transplant Week-10 propagated clones and assign unique plant identifiers to each plant.
  - Prune understory and use low-stress-training technique to trellis flowering plants.
- **End of Week 13:** Transfer 8-week flowering plants from Week-6 propagation to Flower Table 6.
  - Transfer 10-week flowering plants from Week-8 propagation to Flower Table 7.
- **Week 14-15:** Continue to top vegetating plants and clone applicable strains.
To best preserve the therapeutic quality of dried medical marijuana, [ENTITY A] will hand-trim each harvest batch. Employees will strip fan leaves off harvested branches and hang them in a drying room for up to seven days. Then, Cultivation Associates will snap dry buds from stems and sort medical marijuana for trimming or packaging for processors. Five-gallon sealed buckets will contain buds for Cultivation Associates to trim over the subsequent week. The Harvest and Processing Manager will
contain buds in sealed five-gallon buckets. Cured, trimmed buds will be ready for delivery to licensed entities at this point in production. Post cultivation operations for each harvest batch will commence and finish within three weeks after the harvest day. The Harvest and Processing Manager may freeze harvest batches and immediately package it for processing. Employees can package trim directly after harvest. [ENTITY A] will harvest, dry, and manicure buds within three weeks of harvesting. [ENTITY A] will package and store medical marijuana in a secure area for no more than one calendar year. [ENTITY A] will use the following model to estimate the time elapsed for the post-cultivation stage of production.

- **Week 15:** Harvest Flower Tables 1 and 2 to create Harvests 1 and 2.
  - Record plant identifiers of uniform strains and harvest day as a harvest batch.
  - Weigh each plant, and record the sum harvest batch weight harvest logs and in ITS.
  - Weigh fan leaf and stalk waste and subtract from batch in ITS.
  - Freeze portion of trim, send sample for testing, and notify producers of its availability to purchase (after the trim sample passes testing).

- **Week 16:** Remove dry stems over the course of the week.
  - Sort buds for trimming or delivery to processors in sealed five-gallon buckets.
  - Trim buds and reseal in five-gallon buckets to cure.
  - Subtract trim specific to strains from batch weights in ITS.

- **Week 17:** Advertise medical marijuana buds to dispensaries.
  - Package and label medical marijuana shipments and prepare transportation logs.
  - Continue sorting dry buds from previous harvests for cultivator to trim and the Harvest and Processing Manager to package to deliver to processors.

- **Week 18:** Finish harvest batches in ITS after the Harvest and Processing Manager subtracts all packages and waste from batch weights.

The Harvest and Processing Manager will separate waste from other raw materials throughout production. The Director of Cultivation will schedule waste disposal pickups to accommodate harvest waste beginning at the end of Week 15. [ENTITY A] will also clean the facility and equipment as necessary. Cultivation Associates will clean grow media buckets after each harvest. The following is an estimated timeline for post-cultivation cleaning operations, which employees will perform throughout the day.

- **Hour 1:** Remove fan leaves, stems, and grow media from cultivation areas as part of harvest operations.
  - Remove drip emitters and place in an empty bucket in the cleaning area.

- **Hour 2:** Remove grow media from cultivation areas, dump contents into dumpsters and return buckets to the cleaning area.

- **Hour 3:** After there is no danger of contaminating plants, sweep Flower Tables in cultivation areas.

- **Hour 4:** Prepare a washing station for cultivation equipment and tools in the cleaning area.

- **Hours 5-6:** Continue washing grow media buckets, and allow them to air dry.

- **Hour 7:** Clean lighting fixtures above empty Flower Tables, sweep, and mop the floor.
  - Clean harvest and trimming areas.

- **Hour 8:** Put away clean cultivation equipment, sanitize the cleaning area.
  - Prepare Flower Tables for reloading.

**Part IV: Marijuana Cultivation Area Layout and Environment**
Cultivation Areas

[ENTITY A] will retrofit an existing structure to cultivate 3,000 ft² of medical marijuana. The facility will contain one flower cultivation area and one vegetative growth area. The flower cultivation area will consist of no more than 2000 ft² of medical marijuana cultivation area. The vegetative growth area will
consist of no more than 1000 ft² of nonflowering medical marijuana cultivation area. The Facilities Manager will hang adjustable lighting fixtures from structurally sound rafters in each cultivation area. The flower cultivation area will contain 1000W double-ended high-pressure sodium lighting systems, the propagation room will contain T5 fluorescent lights, and the vegetative cultivation area will use ceramic metal halide lights. The Facilities Manager will mount oscillating fans on cultivation-area walls at various heights. By doing so, the Facilities Manager will ensure air circulates evenly throughout every room and growing area. The Facilities Manager and Director of Cultivation will limit exposed cords, clamps, and pulleys by fastening them to rafters or walls.

Cultivation areas will contain raised, rolling flood tables. The Facilities Manager will arrange flood tables in a way that increase the efficiency of cultivation operations. Flood tables will be on rollers to maximize cultivation space. Rolling tables in cultivation areas will move to reserve a four-foot-wide aisle for employees to inspect and prune plants. Cultivation Associates will arrange six in³ mineral wool blocks containing medical marijuana plants on four-foot-wide flood tables in a manner that maximizes the amount of uniform light plants may receive. Each 16 ft² of table space will have a maximum of nine plants. Flood tables in flower cultivation areas will have vertical metal poles on all four corners. The poles will support two layers of plastic trellis horizontally over the table, which cultivators will use to train the growth of plants into an even canopy.

[ENTITY A] will position 55-gallon water drums outside of each grow room or area. [ENTITY A] will fertilize vegetating and flowering plants through a pulse irrigation feed line with drip emitters. [ENTITY A] will use reverse osmosis (RO) filtered water for cultivating medical marijuana. Water capturing reservoirs will be located underneath flow tables. The irrigation system will drain to recycle. This technique will reduce the amount of water the facility uses by over 75%. Cultivation Associates will control irrigation lines from a system controls area outside of cultivation areas. In the systems control area, Cultivation Associates will prepare nutrient solutions and open valves to activate the irrigation system. A submersible pump will transfer nutrient solutions through irrigation channels to each drip emitter. The main cistern will deliver clean RO water to each drum of water. Cultivation Associates will open and close valves specific to each cultivation area. Water will flow from the tops of root systems downward through mineral wool blocks and onto the grow tables. Tables will slant slightly towards discharge channels. The channels will flow to reservoirs, where air stones will perpetually oxygenate the water.

Cultivation areas will have cleanable walls, ceilings, and floors. During construction, [ENTITY A] will fit cultivation-area walls with fiber reinforced plastic (FRP) panels — a composition consisting of chopped fiberglass and a high-performance polyester resin infused with an antimicrobial component resulting in durable, scratch-resistant surfaces. This technique further prevents an environment favorable to pests. Cultivation Associates will clean these surfaces after removing plants from cultivation areas during transplanting and harvesting procedures.

The Facilities Manager will designate every cultivation area as a limited access area (LAA). [ENTITY A] will restrict access to cultivation areas to Type 1 Key Employees and Type 2 Employees responsible for the maintenance and care of medical marijuana plants.

Cleaning Areas
[ENTITY A] will include a cleaning area separate from cultivation areas to facilitate the sanitation of all cultivation equipment. The Director of Cultivation will periodically disassemble nutrient delivery
systems and flush irrigation tubing with hydrogen peroxide. [ENTITY A] will equip the cleaning area with a stainless steel three-stage industrial sink, stainless steel drying benches, and a squeegee to move water toward drains. The Facilities Manager will stock the cleaning area detergents, cleaning solvents, buckets, sponges, and rubber gloves. Cleaning areas will also contain testing kits specific to each sanitizing chemical to ensure appropriate solute concentrations. Cultivators will keep cleaning products in lockable, fire-safe chemical storage closets that meet or exceed National Fire Protection Association (NFPA) and OSHA requirements. Cultivators will also keep chemical spill kits near the storage closets.

[ENTITY A] will designate some sinks for hand-washing only. The Facilities Manager will post signs that read “FOR HAND-WASHING ONLY” and others with proper hand-washing instructions above these sinks. Eye washing stations and decontamination showers will also be available to employees. These facilities will be available for emergency use only, such as accidental exposure to pesticides or other chemicals.

Facility Inspections
[ENTITY A] will foster a culture of teamwork and accountability, and integrate these concepts into facility inspections. [ENTITY A] will prepare audits based on the criteria specified in 3796:2-3-01 Cultivator inspections. The chief compliance officer, whom will be a Type 1 Key employee, will conduct internal inspections and escort third-party inspectors through the facility and observe all operational equipment. Regular observation of the facility environment will ensure that cultivators are using, cleaning, and maintaining cultivation equipment according to Department standards.

The Chief Compliance Officer will conduct a thorough inspection of the cultivation environment at least once monthly, looking for potential trip hazards, improperly stored chemicals, employees performing tasks without proper PPE, and other environmental concerns. The Chief Compliance Officer will generate a report of their findings and recommend solutions to the Director of Cultivation whom will implement changes to policy and protocol as indicated.

[ENTITY A] management will periodically review the cultivation layout and environment as a team. Department heads from each segment of production will meet to discuss methods for improving safety and efficiency throughout the facility. Together, all employees will maintain a clean, safe cultivation environment. [ENTITY A] will use a suggestion box in which employees may anonymously address concerns to [ENTITY A] management. The management team will review each submission in the suggestion box at their next meeting.

Calibrating Monitoring Devices
The Director of Cultivation will keep all operational equipment manuals, instruction sheets, operational procedures, and SDSs in an organized portfolio. To maintain operational efficiency, the Director of Cultivation will calibrate instruments used to monitor the cultivation environment. This will ensure both the health of facility employees and the safety of all products. The Director of Cultivation will calibrate scales, balances, and meters using National Institute of Standards and Technology (NIST)-traceable reference weights. An independent third party will calibrate equipment at least once annually.

General Safety
[ENTITY A] will enforce strict Standard Operating Procedures (SOPs) to ensure workplace and cultivation environmental safety, as more fully detailed in Section 2B – Part V “Standard Operating Procedures,” immediately below. Training of SOPs will be stringent, and employees will pass
assessment tests prior to receiving authorization to perform any operational task. Each employee will have a digital or print version of the most current SOP in front of them each time they perform tasks. [ENTITY A] will conduct annual assessments to recertify employees for each task.

[ENTITY A] will follow all regulations and guidelines set by the Occupation Safety and Health Administration (OSHA), Environmental Protection Agency (EPA), and the National Fire Protection Administration (NFPA). The Director of Cultivation will print safety data sheets (SDS) for every commercially available product in the facility and keep the documents in a folder located at the facility entrance. The Director of Cultivation will periodically inspect the SDSs to ensure they are up-to-date and easily accessible.

Separate Secure Designated Storage for Chemicals and Pesticides
[ENTITY A] will use chemicals, cleaning solutions, and other sanitizing agents approved for use around vegetables, fruit, or medicinal plants and will store them in a manner that protects against contamination, as required by 3796:2-2-01 Cultivator operations and quality assurance plan. The Director of Cultivation will identify, isolate, and securely store all chemicals, used in the production of medical marijuana (and related waste) in an explosion- and fire-proof storage cabinet that meets all NFPA and OSHA standards. [ENTITY A] will affix a large sign to the front of the cabinet that clearly reads in large lettering: “WARNING: FLAMMABLE MATERIALS.”

Maintaining a Pest-free Environment
[ENTITY A] will follow environmental best practices as it relates to the Epidemiologic Triad. The three segments of the disease triad are host, environment, and agent. A fourth factor, vector, is also significant. Without one of the segments to the triad, disease is impossible to exist. [ENTITY A] will develop pest management strategies to mitigate all segments of the triad. Cultivators will maintain healthy plants to prevent a favorable host for pests. In addition, monitoring cultivation conditions and following sanitation best practices prevents an environment favorable to pests. The Director of Cultivation will remove diseased plants immediately and ensure the spacing of plants provides enough airflow under and around plants to eliminate the risk of pests. [ENTITY A] will keep all floors and benches free of debris, dust, and any other potential contaminants. Different pests (agents) can enter cultivation areas through different avenues (vectors). To prevent pests from entering the facility, [ENTITY A] will use HEPA filters in conjunction with the HVAC system. [ENTITY A] will further treat municipal water via reverse osmosis (RO). Regular and proper maintenance of all live plants, including removing dead and decaying plant material, will ensure that conditions do not become hospitable to pests.

Managing Surrounding Outside Area
[ENTITY A] will ensure that the outside environment surrounding the cultivation facility is free of any pests that could potentially enter the facility through the air or entryways. [ENTITY A] will “establish a standard for the facility to be maintained in a clean and orderly condition, which includes free from infestation by rodents, insects, birds and other animals of any kind,” as required by 3796:2-2-01 Cultivator operations and quality assurance plan. Rats and mice are particularly agile and able to enter openings as small as ½ inch. Rodents can prove to be detrimental to medical marijuana crops and can find their way into interior spaces through ill-fitted doors, vents, improperly sealed conduit passages, sewer lines, apertures in roofing, under building footers, and through though window sills. Because rodents’ teeth curve inward, flat metal surfaces are impenetrable to them. Therefore, one way of excluding rodents from the facility will be to patch these sorts of openings with metal flashing. Wire
hardware cloth covered with plaster will be effective, and employees may use steel wool as temporary patches.

Cultivators will remove trees, shrubs, and dense vegetation surrounding the exterior of the facility that could potentially become a breeding ground or home for pests. Employees or third-party contractors will seasonally apply approved pesticide treatments to facility grounds.

Conclusion
[ENTITY A] will construct a facility with specified areas of operation, including cultivation, cleaning, post-harvest operational, and packaging areas. [ENTITY A] will also maintain equipment specific to cultivation areas and ensure that employees clean, sanitize, and calibrate equipment according to predetermined schedules. Employees of [ENTITY A] will routinely inspect and manage the medical marijuana cultivation environment. The Director of Cultivation will maintain the cultivation environment using industrial best practices with a focus on safety and incident prevention. [ENTITY A] will maintain a pest-free facility premises to enhance environmental monitoring and upkeep.

Part V (a): Standard Operating Procedures

Overview
[ENTITY A] will implement detailed standards and guidelines for all aspects of cultivation within their facility, in compliance with OAC 3796:2-1-02(B)(3)(e), Cultivator provisional license application. [ENTITY A]’s standard operating procedures (SOPs) will include all cultivating, propagating, vegetating, flowering, and harvesting of medical marijuana within the facility and will all include content regarding safety, sanitation, and equipment. These SOPs will allow [ENTITY A] to produce consistent medical marijuana and enhance its therapeutic properties through standardized cultivation practices. The chief compliance officer, in conjunction with the Director of Cultivation and [ENTITY A] management, will generate and review all SOPs to ensure they meet standards set by the Department. The Chief Compliance Officer will train all staff and test them quarterly to ensure comprehension and compliance. The Chief Compliance Officer will store SOPs digitally and physically in [ENTITY A]’s facility for use with all associated tasks. The Chief Compliance Officer will also revise SOPs to reflect all procedural changes made within the facility, as described in more detail below. [ENTITY A] will notify the Department of any proposed changes to SOPs, in compliance with OAC 3796:2-2-01(B), Cultivator operations and quality assurance plan, and maintain records of all versions of SOPs and forms used within the facility for at least five years, in compliance with OAC 3796:2-2-08, Cultivator records and reporting requirements.

Document Design
The chief compliance officer, in conjunction with the Director of Cultivation and [ENTITY A] management, will oversee generation of and updating to all SOPs. SOPs will describe cultivating, propagating, vegetating, flowering, harvesting medical marijuana and other tasks within the facility. The HR Director will develop SOPs that address basic staff requirements for working within the facility. SOPs regarding basic staff requirements will describe personal hygiene, time sheets, record keeping, area-access and other activities in the facility that are not part of cultivation specifically. All sections will include content regarding safety, sanitation, and equipment. These SOPs will be in place before cultivation begins at the facility and will ensure the clean, safe, and consistent cultivation of medical marijuana, in compliance with OAC 3796:2-2-01, Cultivator operations and quality assurance plan.
**Safety**

Safety is very important to [ENTITY A] and the Chief Compliance Officer will design all SOPs to ensure that employees maintain high standards of safety. SOPs will include instructions for the use of personal protective equipment (PPE), signage requirements, and the use of specialized storage areas for hazardous materials and other items that pose a risk to staff or medical marijuana. The Director of Cultivation will train staff in the use of PPE specific to each hazardous activity within the scope of their job requirements. Staff performing hazardous activities will place signage at all entrances and notify other staff in the facility before donning PPE and beginning the activity. SOPs for hazardous activities will require that another staff member observes the activity to initiate emergency response procedures should an accident occur. Upon completion of the activity, staff will clean and store equipment. Staff will then notify others that the activity is complete and remove signage.

[ENTITY A] will design SOPs to inherently minimize risks. However, hazardous conditions may come to exist within the facility and pose a risk to staff and medical marijuana. The Director of Cultivation will train staff to identify risks posed by unexpected conditions. Hazardous conditions may include an increased risk of slips, trips, falls, shocks/electrocution, or other physical hazards to staff or plants. The Chief Compliance Officer will also develop SOPs that identify whether to remove such risks or, if removal is outside the capabilities of staff, to employ a service to remove them. Cultivators will monitor cultivation equipment and environmental conditions within the facility using remote sensors. These monitors include but are not limited to temperature, CO₂, water pumps, lights, fans, security, and fire alarms. These sensors will notify the Director of Cultivation of any malfunctions or conditions outside optimal parameters. If hazardous conditions exist, the Director of Cultivation will be able to respond and resolve the issue quickly, ensuring the safety of staff, plants, and the facility.

**Sanitation**

A clean facility is crucial to the cultivation of medical marijuana and all [ENTITY A] SOPs will ensure that employees maintain high standards of cleanliness. [ENTITY A] SOPs will require the use of contaminant-reduction equipment such as scrubs, coveralls, hairnets/beard-nets, work boots, and gloves within cultivation areas of the facility. Similar to PPE, these articles will help prevent staff from introducing contaminants to cultivation areas and ensure that sterile conditions are maintained within the facility. SOPs will also include instructions to replace damaged or unusable articles. [ENTITY A] will store used contaminant-reduction equipment in designated areas until sterilized for reuse and separate them from clean equipment storage areas. [ENTITY A] will contract with a certified third-party company to clean and sterilize scrubs, coveralls, and other types of contaminant-reduction equipment for reuse. The Director of Cultivation will schedule the sterilization of personal articles used within the cultivation area, such as work boots, respirators, and goggles/safety glasses.

[ENTITY A] will construct their facility to minimize the introduction of contaminants and pests. The Director of Cultivation will design SOPs to maintain cleanliness and reduce cross-contamination within the facility using aseptic techniques. To achieve this, SOPs will limit the movement of personnel, plants, and equipment between cultivation areas with special considerations for movement between areas. SOPs will also instruct staff to return work areas to a clean and organized baseline state upon completion of an activity. Staff will store and dispose of cultivation materials and waste generated by the facility using specific SOPs. Finally, the Director of Cultivation will create a specific SOP for end-of-day activities that staff will complete before they leave the facility.
To ensure minimal impact to cultivation activities, the Director of Cultivation will create response SOPs for common contaminants, pests, and unsanitary conditions. Such conditions include mold, plant pests, or other issues common to medical marijuana cultivation and industrial agriculture. Response SOPs may include SOPs for disposing of improperly stored waste, spilled pesticides/fertilizers, or any conditions outside of the normal operating environment that may negatively impact staff and/or plants. This will include a spill-specific SOP, kept on-site with an OSHA spill kit.

**Equipment**

[ENTITY A] will use a variety of equipment to facilitate the cultivation and harvest of medical marijuana. SOPs will describe usage, storage, calibration, and maintenance for all equipment. SOPs will include references to manufacturer manuals and those manuals will be available to staff. Cultivators will access SOPs on company computers and in physical form. Cultivators will have a copy of SOPs alongside them as they perform equipment tasks. The Director of Cultivation will train staff on proper equipment usage before performing tasks using that equipment. SOPs will instruct cultivators to inspect equipment for defects prior to each use, and as a part of weekly auditing procedures. SOPs will also include instructions for the removal of equipment from use for servicing and repairs. For equipment that is too large to move, the Chief Compliance Officer will also include lockout-tagout (LOTO) procedures in SOPs to prevent the use of said equipment during service and repairs.

Equipment use SOPs will include calibration and maintenance as part of equipment use. For continually used equipment, staff will perform calibration and maintenance at a time least likely to adversely impact cultivation (e.g. staff will perform nutrient reservoir pump calibration and maintenance when the reservoir is dry in between nutrient cycles). [ENTITY A] may purchase replacement equipment for use during maintenance so as not to interrupt other activities. In this case, SOPs for such equipment will include the replacement process as well. The Chief Compliance Officer will arrange for an independent third party approved by the Department to calibrate all scales and balances within the facility annually, in compliance with OAC 3796:2-2-01(D)(4), Cultivator operations and quality assurance plan. The Chief Compliance Officer and Director of Cultivation will generate and maintain maintenance logs for all equipment, in compliance with OAC 3796:2-2-01(D)(3), Cultivator operations and quality assurance plan.

**Organization**

The organization of SOPs, within both the documents and the facility, is essential to their use. [ENTITY A] will use consistent terminology, referencing, and formatting in all SOPs. The beginning of SOPs will describe safety concerns and required equipment for specific tasks. The Director of Cultivation will train Cultivation Associates in the use of all SOPs before those cultivators begin work. The Director of Cultivation will monitor staff SOPs use throughout the facility. Cultivators will sign off on forms that accompany SOPs to establish accountability and traceability throughout the cultivation process. The Chief Compliance Officer will electronically store SOPs, in compliance with OAC 3796:2-2-08(B), Cultivator records and reporting requirements. [ENTITY A] will physically store SOPs relating to a specific area, activity, or piece of equipment along with necessary forms in binders throughout the facility. The Chief Compliance Officer will maintain a list of active SOP versions and their physical and digital location.

**Revision**

The Chief Compliance Officer and Director of Cultivation will revise SOPs to reflect any changes to equipment, products, or processes within the facility. To comply with OAC 3796:2-2-01, Cultivator
operations and quality assurance plan, the Chief Compliance Officer and Director of Cultivation will review SOPs yearly to ensure current good manufacturing processes (cGMP) for the cultivation of medical. [ENTITY A] will notify the Department about any changes to SOPs before finalizing them, in compliance with OAC 3796:2-2-01(B), Cultivator operations and quality assurance plan. Upon completion of revisions, the Chief Compliance Officer will assign SOPs a new version number and update all digital and physical copies within the facility. The Chief Compliance Officer will inform staff of any changes made and retrain them on specific sections to ensure only the most current practices are in place, in compliance with OAC 3796:2-2-01(B), Cultivator operations and quality assurance plan. [ENTITY A] will maintain copies of previous SOP versions for five years, in compliance with OAC 3796:2-2-08, Cultivator records and reporting requirements.

Use
Before beginning employment at [ENTITY A], the Director of Cultivation will train staff on all SOPs relating to their duties. The Director of Cultivation will train staff in the use of all SOPs and related forms and inform them of any changes to documents as they occur. The Director of Cultivation will assign each employee login credentials to [ENTITY A]’s learning management system (LMS). The Director of Cultivation will track the completion of all training requirements. SOPs will encompass all staff and all activities performed within [ENTITY A]’s facility as a part of cGMP and in compliance with OAC 3796: 2-2-01, Cultivator operations and quality assurance plan.

Conclusion
The use of SOPs is crucial to successfully cultivating medical marijuana. [ENTITY A] will develop, use, and revise SOPs for all activities within their facility, in compliance with OAC 3796:2-2-01, Cultivator operations and quality assurance plan. The SOPs developed by the Chief Compliance Officer and Director of Cultivation will include all activities within the facility. All SOPs will include special considerations for safety, sanitation, and proper equipment usage. The Chief Compliance Officer will store all SOPs digitally and physically and employees will access them as they perform tasks. To maintain cGMP within the facility, the Chief Compliance Officer and Director of Cultivation will revise SOPs and suggest changes to cultivation processes at least once per year. To comply with OAC 3796:2-2-08, Cultivator records and reporting requirements, [ENTITY A] will keep records of all SOP versions for at least five years. By using these practices to the fullest, [ENTITY A] management will ensure and maintain production consistency through staffing changes and varying harvests.

Part V (b) & (c): Environmental Plan
Overview
[ENTITY A] will operate an environmentally conscious cultivation facility. Sustainable design and operations will reduce costs, improve resource conservation, and strengthen [ENTITY A]’s contribution to the local community and economy. These plans include energy efficient lighting, wastewater treatment, an eventual greenhouse, and exchanged air treatment. Together, these designs will help [ENTITY A] achieve their goals to minimize the carbon footprint, energy usage, environmental impact, and resource needs of their cultivation facility.

Section B
Minimizing Carbon Footprint
According to regulatory agency statistics in another jurisdiction, the average electricity consumption of a 5,000 ft² indoor marijuana facility is about 41,808 kilowatt-hours (kWh) per month, while the average consumption for commercial use of that space is 5,750 kWh per month. For comparison, the average
household electrical consumption within the US is about 900 kWh per month. Since most of Ohio’s electricity comes from coal burning power plants (59%), a typical 5,000 ft² indoor grow facility can contribute roughly 26,239 lbs. of CO₂ per month to the atmosphere.

[ENTITY A] cares about reducing carbon emissions in the energy-intensive medical marijuana industry. [ENTITY A] will use carbon-reducing technologies throughout cultivation operations and the facility will design will include sustainable operations. [ENTITY A] will offset its electricity use with renewable energy to further reduce carbon emissions. [ENTITY A] plans to install a 50kW rooftop photovoltaic solar array to offset the power consumed from the municipal power supply. [ENTITY A] is also investigating the use of a 50kW solid oxide / PEM fuel cell which will provide the facility with both power and CO₂. The facility will feature a high SEER rated HVAC system, a sustainable irrigation system, and advanced efficiency lighting technologies to further reduce [ENTITY A]’s carbon footprint. Outside of the facility, [ENTITY A] will use electric cars to transport medical marijuana to dispensaries and processors.

Minimizing Energy Usage
[ENTITY A] will reduce energy consumption and costs in comparison to a traditional indoor medical marijuana cultivation facility by using energy reducing technologies. The Facilities Manager will conduct a baseline study to analyze consumption and identify starting points for an energy reduction program. By doing so, the Director of Cultivation will determine which strains grow with the greatest energy efficiency. The Facilities Manager will conduct energy and production audits to determine the ratio of grams-per-watt within the facility. The Facilities Manager will collect energy consumption data from equipment manufacturers and usage meters. The intention of the energy audits is to identify problem areas and increase energy efficiency. The Facilities Manager will record lighting-equipment details including: category, type, brand, model, part number, purchase date, warranty, quantity, current, voltage, and power. For each piece of equipment, the Director of Cultivation will document hours used per day, number of days used, and total power (kWh) for each stage of production (i.e. clone, veg, flower, harvest, full cycle). The Facilities Manager will then compare energy consumption to production weights and electricity costs. Using the data, the Facilities Manager and Director of Cultivation will discover cultivation areas that produce inconsistent results and make facility repairs or adjust procedures to eliminate energy waste, improve yields, and increase efficiency.

Minimizing Environmental Impact
Minimizing waste is a priority of [ENTITY A]. [ENTITY A] will have a waste diversion policy to curtail the environmental impact of its operation. The Director of Cultivation will use products and materials that reduce waste, including reusable cultivation equipment. [ENTITY A] will monitor their waste to determine percentages sent to landfills, compost, and recycling centers. [ENTITY A] will choose suppliers who have waste minimization plans and credentials to support a vision of sustainability. [ENTITY A] will also arrange shipments from suppliers to reduce packaging. [ENTITY A] will recycle and reuse waste that does not pose a risk to health or cultivation operations. The facility will feature recycling areas and the Director of Cultivation will train employees on which materials are recyclable throughout production.

Minimizing Resource Needs
[ENTITY A] will minimize the amount of water and electricity required to sustain operations. To determine how [ENTITY A] can reduce resource consumption, the Facilities Manager and Director of Cultivation will compile data on the volume of water, grow media, CO₂, and fertilizer in use. [ENTITY
A] will use water-reducing cultivation techniques to minimize the amount of new water the facility demands. [ENTITY A] will capture cultivation runoff in reservoirs and excess water vapor in dehumidifiers. [ENTITY A] will treat this water with a reverse osmosis (RO) system and use automated irrigation to recycle it. Pulse irrigation will increase frequency of watering but reduce volume. Pulse irrigation only irrigates when average soil moisture is below a set value. If a cultivator does not increase the average soil moisture after irrigation, the system will pulse again after a set time. [ENTITY A]’s environmental impact will be further reduced by using sustainably sourced grow media. Mineral wool blocks will be the main substrate for cultivation and will manufactured from sustainably harvested, naturally occurring basalt rock and chalk. Cultivation Associates will sterilize and reuse mineral wool.

Section C
Energy Efficient Lighting
[ENTITY A] will use efficient lighting methods with attention to intensity, uniformity, and sustainability. [ENTITY A] will use a combination of different lighting technologies including: double-ended high-pressure sodium (HPS), ceramic metal halide (CMH), metal hide (MH), fluorescent, and light emitting diode (LED). [ENTITY A] will use lights to supplement natural sunlight and thus require fewer lights than a fully indoor cultivation. [ENTITY A] will install height-adjustable lights to maximize intensity for plants of differing heights. [ENTITY A] will attach reflectors to their lights to direct as much light as possible to the plants and create a uniform light footprint throughout the cultivation area. By creating a uniform light footprint, the Director of Cultivation can calculate input costs such as electricity, water, and fertilizer with greater accuracy to ensure an uninterrupted supply of medical marijuana. [ENTITY A] will also use Mylar-type surfaces in cultivation areas for high-reflectivity.

Wastewater and Runoff Treatment
As part of their efficiency strategy, [ENTITY A] will use cultivation methods designed to reduce water usage, recapture as much water as possible, and ensure that remaining wastewater is clean. [ENTITY A] will design cultivation methods and hydroponics system to reduce overall water usage within the facility using drip-irrigation, dehumidifiers, a drain-to-recycle system, and bioreactors. Drip irrigation will reduce water usage by directly watering plant roots, minimizing evaporation, and reducing runoff. [ENTITY A] will install dehumidifiers in the facility to recapture evaporated water. [ENTITY A] will install a closed-circuit desalination (CCD) reverse osmosis (RO) system to recycle and treat wastewater for reuse. [ENTITY A] will desalinate and recirculate approximately 75% of total runoff, which will greatly reduce the amount of new water needed by the facility. The RO-system will self-clean its filters using some of the water sent through. A series of bioreactors to make nutrient- and particulate-laden wastewater clean for discharge. [ENTITY A] will use these practices to greatly reduce water usage and ensure discharge of clean wastewater.

Exchanged Air Treatment
[ENTITY A] will treat air before it enters the facility and scrub air before release into the atmosphere. [ENTITY A] will install an energy-efficient HVAC system to draw in, circulate, and expel air. The HVAC system will use high-efficiency particulate air (HEPA) filters to prevent harmful particles such as pollen, mites, molds, and bacteria from entering cultivation areas. To mitigate odor, the HVAC system will use carbon filters to clean air before release into the atmosphere. The Director of Cultivation will also place buckets of odor-reducing gel around cultivation areas and the drying/curing area. The gel is a hydroscopic polymer saturated with a mixture of terpenoids and related compounds to neutralize odor. The gel will not contain any OSHA-regulated materials and will not considered a hazardous waste.
Conclusion

[ENTITY A] will use a series of energy-saving techniques to reduce its environmental impact. [ENTITY A] will minimize its carbon footprint by limiting the use of fossil fuel transportation and using sustainable construction technologies. Lighting technologies will be efficient and reduce electricity costs while automated irrigation systems will reduce the demand for water. By recycling and reusing applicable materials, [ENTITY A] will minimize the need for new durable materials while reducing landfill waste. The Director of Cultivation will conserve natural resources by using mineral wool as the base for grow media. [ENTITY A] intends to eventually construct a greenhouse, which will significantly reduce the amount of electricity needed to sustain operations as they grow. Greenhouse cultivation will also enhance overall production yields. The Director of Cultivation will monitor input and discharge rates of water and RO technology will treat and recirculate the majority of cultivation water. This technology will also reduce the amount of fertilizer sent to the sewer system. To mitigate odors around the cultivation facility, [ENTITY A] will also scrub air within cultivation areas before releasing it to the atmosphere. [ENTITY A]’s greenhouse, energy efficient lighting, wastewater treatment, and exchanged air treatment designs will all work together to minimize the carbon footprint, energy usage, environmental impact, and resource needs of their cultivation facility.

Part VI (a): Staffing and Training

Overview

[ENTITY A] will develop comprehensive guidelines for the screening, staffing and training of employees, and all employment matters. [ENTITY A]’s employment policy is rooted in the compliant acquisition and retention of the most talented, qualified, and professional applicants possible. [ENTITY A] will maintain an acknowledgment of [ENTITY A]’s policies signed by every employee. Additionally, [ENTITY A] will establish employee monitoring procedures to ensure efficient operation of the cultivation facility.

Hiring procedures will demonstrate achievement of [ENTITY A]’s diversity goals and produce reliable predictors of job performance. [ENTITY A] believes a diverse workforce will help [ENTITY A] attract a wider range of qualified employees and foster an environment where diverse participants can fit in and feel comfortable being themselves. [ENTITY A] management will be sensitive to all cultural and social backgrounds to ensure employees work well together. [ENTITY A] will create a workplace that encourages the inclusion of talent from many diverse backgrounds. Diverse employees will display varying viewpoints relating to life and [ENTITY A] management will comprehend and manage them in an accepting workplace environment. [ENTITY A] will construct the cultivation facility to meet American Disabilities Act (ADA) standards, and operations will adapt to the needs of each individual employee to the best of its ability.

Monitoring Employee Performance

One way [ENTITY A] will monitor employees are employee reviews every 90 days. [ENTITY A] will conduct employee reviews in a private meeting between each employee and a member of upper management. Employees working within [ENTITY A] will have specific duties that will enhance the financial sustainability of [ENTITY A]. [ENTITY A] will employ lean management strategies that will focus on continuous improvement in company procedures. [ENTITY A] will define the value of cultivation procedures from the standpoint of the medical patient. [ENTITY A] will identify each step in
the cultivation process and eliminate steps that do not create value. This process will be continuous and managers will trim excess waste through all cultivation, post-harvest, and transportation operations.

Employees have consistent access to human resource tools to greater enhance job duty proficiency. The HR director will provide resources relating to all employment matters to employees. The HR director will provide employee monitoring tools, including: training, administrative services, coaching, and management advice. The organizational function of the HR director will be to propel all personnel to reach their potential within the company, and strict monitoring of job performance will enhance efforts by [ENTITY A] to develop a successful and financially sustainable cultivation organization. A welcoming work environment at [ENTITY A] gives employees the opportunity to act as themselves.

Employee Applications
[ENTITY A] will adhere to the employee application regulations put forth by 3796:5-2-01 Employee identification cards by only hiring applicants that the Department approves for employment in a medical marijuana facility. Prior to employment with [ENTITY A], all individuals will submit to comprehensive background checks. [ENTITY A] may pay application fees for successful employees while in their pursuit of attaining a Department-issued identification card. At the end of the employee’s employment contract at [ENTITY A], the company may withdraw application fees from employee final paychecks in the case of job termination or resignation submitted to management without two weeks’ prior notice of the intended last day of employment.

Employee Identification Cards
No individual will begin working at [ENTITY A] prior to receiving a Department-issued identification card. A cardholding employee will keep their employee identification card visible at all times when on the property of [ENTITY A] or any other licensed entity. The Chief Compliance Officer will report any lost, destroyed, or stolen employee identification card to the Department immediately upon discovery. The Chief Compliance Officer will issue the same report to law enforcement. [ENTITY A] employees that report their employee identification card as lost, destroyed, or stolen will apply for a replacement card with the Department and pay a replacement employee identification card fee as specified in 3796:5-1-01.

Discrimination Free Workplaces
[ENTITY A] will provide a welcoming workplace and will promote the involvement of diverse employees and diverse groups in cultivation operations. [ENTITY A] will provide a safe workplace for all individuals regardless of race, age, gender, gender identity, sexual orientation, or ability. The company will implement a zero-tolerance policy for discrimination and will provide employees tools to privately report any occurrences of workplace discrimination. The HR Director will monitor discrimination in the workplace and immediately address any discovery of discrimination. [ENTITY A] will train employees to identify workplace discrimination in the context of two categories: overt discrimination and covert discrimination. [ENTITY A] will train employees to recognize overt discrimination such as verbal or written threats, intimidation, harassment, or assault. [ENTITY A] will also train employees to recognize covert discrimination, such as micro-aggressions that put diverse individuals at a disadvantage in the workplace. Covert workplace discrimination may not be visibly aggressive or intentional but may nevertheless be insensitive to cultural experiences or social histories. [ENTITY A] employee manuals and training seminars will emphasize that workplace discrimination can range from objectively offensive to seemingly invisible. Some examples of covert discrimination include issuing ill-fitting uniforms that do not comfortably cover the body of obese employees or
placing regularly used items on high shelves out of the reach of short or handicapped employees. [ENTITY A] will encourage employees to suggest changes to SOPs if they feel those company processes are even in the slightest discriminatory to themselves or any diverse individual employed by [ENTITY A].

[ENTITY A] will implement hiring policies that prevent the occurrence of discrimination. The company will redact identifying information, such as names, ethnicities, genders, and ages from resumes during the hiring process, to prevent intermittent biases from hiring managers. This management tactic improves rates of employment of diverse participants across all industries. [ENTITY A] will also employ systems and processes designed to mitigate implicit bias, such as objective skills tests and structured interviews during hiring. One example of actively mitigating intrinsic hiring bias is the selective data acquired from resumes, such as education. If a certain job does not have specific educational requirements to successfully fulfill occupational duties, [ENTITY A] will redact them from resumes to aid equal judgement of the PhD candidate and the GED candidate.

Drug-Free Workplace
[ENTITY A] will establish and implement a drug-free workplace policy consistent with the Ohio Bureau of Workers’ Compensation Drug-Free Safety program (DFSP). [ENTITY A] will provide a drug-free workplace as advised by the Ohio Bureau of Workers’ Compensation Drug-Free Safety Program (DFSP). The Bureau has provided guidelines to assist companies maintain a drug-free work environment. [ENTITY A] intends to help provide a safe and drug-free work environment for all employees and visitors of [ENTITY A]. [ENTITY A] will explicitly prohibit the use, possession, solicitation for, or sale of narcotics or other illegal drugs, alcohol, or prescription medication without a prescription on [ENTITY A] premises or while performing an assignment. Being impaired or under the influence of legal or illegal drugs or alcohol away from the [ENTITY A] premises, if such impairment or influence adversely affects the employee’s work performance, the safety of the employee or of others, or puts [ENTITY A]’s reputation, will result in immediate job termination.

[ENTITY A] will prohibit the presence of any detectable amount of prohibited substances in employees’ urine while at work on the premises of [ENTITY A], or while on company business, such as deliveries. Prohibited substances will include all illegal drugs, alcohol, and prescription drugs not taken in accordance with a prescription given to the employee. [ENTITY A] reserves the right to randomly select employees for drug and/or alcohol testing at any interval determined by [ENTITY A]. [ENTITY A] may ask employees to submit to a drug and/or alcohol test at any time management feels that an employee may be under the influence of drugs or alcohol, including, but not limited to: evidence of drugs or alcohol on or about the employee’s person or in the employee’s vicinity; unusual conduct on the employee’s part that suggests impairment or influence of drugs or alcohol; negative performance patterns; or excessive and unexplained absenteeism or tardiness.

Any [ENTITY A] employee involved in an on-the-job accident or injury and the use or influence of drugs or alcohol is present, they may have to submit to a drug and/or alcohol test. Persons will be considered, “involved in an on-the-job accident or injury,” if they are the injured person or someone who potentially contributed to the accident or injury event in any way. If an employee is tested for drugs or alcohol outside of the employment context and the results indicate a violation of this policy, or if an employee refuses a request to submit to testing under this policy, the employee may be subject to appropriate disciplinary action, including discharge from employment. In such a case, the employee will
have an opportunity to explain the circumstances prior to any final employment action becoming effective.

**Employee Benefits**

[ENTITY A] will create employment terms and conditions that best pursue the interests of the company. Every employee will agree to an individualized salary or hourly-wage contract. [ENTITY A] will employ full time employees and part-time employees and accommodate employees’ preferred work availability to the best of its ability. [ENTITY A] executives believe deeply that the company’s responsibility is to take care of the people that take care of them. As such, employees will receive compensation for a determined amount of sick leave hours and paid time off (PTO), depending on the occupation. After a determined amount of tenure, employees will be available to enroll in employer-sponsored healthcare benefits. [ENTITY A] executives prefer to fill job vacancies for advanced positions within the cultivation facility with employees who have previous experience within the company’s facilities. [ENTITY A] will promote a culture of loyalty. As [ENTITY A] develops brand recognition and the Medical Marijuana Control Program matures, [ENTITY A] will offer employees expanded benefit packages to include 401k plans, dental insurance, and enhanced family healthcare plans.

**Employee Training**

Employees will receive training on Medical Marijuana Control Program compliance. The Director of Cultivation will be responsible for implementing training of cultivation facility employees. [ENTITY A] will have statutory training programs and encourage all employees to advance their own education as it pertains to specific job duties. [ENTITY A] will ensure the safe performance of job duties. [ENTITY A] will require employees to perform assigned tasks in accordance with written SOPs. [ENTITY A] will continually work to refine training programs. The Director of Cultivation will ensure that all employees receive regular feedback on their performance. The Director of Cultivation will conduct performance reviews to ensure that training methodologies are meeting objectives. [ENTITY A] will adapt training programs to include: new technologies, equipment, cultivation methodologies, and data systems. [ENTITY A] will employ up to three Type 1 Key Employees. [ENTITY A] will ensure all Type 1 Key Employees sufficiently execute responsibilities explained in Chapter 3796, Medical marijuana Control Program.

[ENTITY A] will provide resources to advance the knowledge of employees and improve the safety of company-operated facilities. [ENTITY A] will post safety precautions around the cultivation facility and keep all equipment instruction manuals handy for operational tasks. [ENTITY A] will store employee training records for no less than five years as specified in 3796:2-2-08 Cultivator records and reporting requirements.

**Learning Management System (LMS)**

[ENTITY A] will utilize a learning management system (LMS) to facilitate employee training. LMS will provide an online classroom where employees may interact and learn in a collaborative environment. Training instructors will upload coursework and educational materials to a central database. Training resources will include: videos, blogs, PowerPoint presentations, and .pdf files. Employees will use LMS to complete quizzes on job responsibilities and cultivation operations. Employees will have access to training materials from personal devices. LMS will be capable to wide variety of specialized roles within the cultivation facility. Employees will have access to online digital training materials that include videos, images, graphics, audio recordings, up-to-date copies of SOPs and
[ENTITY A] policies, as well as testing and evaluation tools. The Director of Cultivation will be able to monitor employee training compliance and access to the system to ensure a higher level of accountability for training programs. The system will also can provide reports and data to inform executive business decisions regarding the efficacy of SOPs, processes, and company policies.

Employment Terms and Conditions
Employees will sign written acknowledgments of [ENTITY A]’s employment terms and conditions. [ENTITY A] will print copies of terms and conditions of employment for every employee. [ENTITY A] will require each employee to agree to a nondisclosure agreement. Employees will agree to not compromise any intellectual property of [ENTITY A]. Employees will also agree to provisions that explain ownership rights of any product or material produced by employees during employment with [ENTITY A]. All products and materials pertaining to medical marijuana or [ENTITY A] activity while on the premises of the licensed facility will be the property of [ENTITY A], including: strain information, plant material, facility equipment, cultivation methodologies, written work, photographs, and social media engagements. [ENTITY A] will retain all publication, manufacturing, licensing, and distribution rights to these products and materials, as permitted by intellectual property laws. Employees will receive a quarterly review that measures job performance. Ohio is an “at-will employment” state, and as such, [ENTITY A] reserves the right to terminate the employment of any employee at any time and for any reason, so long as the reason does not violate Ohio or federal law.

Employee Records
As required in 3796:2-2-08 Cultivator records and reporting requirements, the company will maintain all records relating to the hiring and training of employees. [ENTITY A] will maintain the following information for every current and former employee: employee name, address, phone number and emergency contact information; department-issued identification number and access credential designation; date of hire; the date of separation from employment and the reason for the separation; training records; disciplinary records; salary and wages paid to each employee; and any executive compensation, bonus, benefit, or item of value paid to any individual affiliated with any medical marijuana entity. For more on record keeping, see Section 2C, Part VI “Record Keeping and Regulatory Compliance.”

Part VI (b) Diverse Workforce
Diverse Hiring Action Plan
[ENTITY A] will employ a diverse workforce and will act as an equal opportunity employer. [ENTITY A] strives to be an inclusive company comprised of talented and diverse individuals from many ethnicities and cultures. [ENTITY A] will prioritize Ohio residents in hiring cultivation facility positions. [ENTITY A] will develop an action plan to inform, hire, and educate minorities, women, veterans, Ohio residents, and disabled persons. [ENTITY A]’s executives are committed to building a company with fair treatment, access, opportunity and advancement for people of all demographic backgrounds. [ENTITY A] will continue to build this inclusive work environment throughout its operation.

Diversity Status of Company
[ENTITY A] will source, hire, and train local individuals without regard for their gender, sexual orientation, ethnicity, age, religion, or social status. From its foundation, [ENTITY A] has developed a diverse employee, advisory, executive, and ownership structure. As a family-owned small business, [ENTITY A] will engage with like-minded businesses. [ENTITY A] will always strive to hire from
within its own community. [ENTITY A] has sought out pre-licensure contracts with local women-owned, minority-owned, and veteran-owned small businesses to assist with [ENTITY A]’s staffing and operation. [ENTITY A] intends to expand the number of diverse participants as it employs people, such as: facility managers, sales directors, horticultural associates, trimming associates, packaging technicians, and accountants.

Diverse Employee Hiring Plan
[ENTITY A] seeks to become a proactive leader in the Ohio business community. Executives of [ENTITY A] believe that the assembly of a diverse team of people and businesses will open opportunities to share experience, knowledge, and expertise to help the company grow. [PERSON A] has managed several businesses in their career. The executive team of [ENTITY A] understand that inclusive workforces demonstrate higher productivity and morale.

[ENTITY A] has designed a hiring process to mitigate staffing bias in the medical marijuana industry. The HR director will remove names, addresses, and potentially identifying information from all resumes prior to review. Hiring managers will judge candidates solely on merit and potential, with no possibility for gender, ethnicity, sexual orientation, or disability to influence the selection process. Hiring plans will include specific diversity principles for sourcing, hiring, and training diverse individuals.

Internal Diversity Goals
[ENTITY A] has adopted the following diversity goals, and will prioritize them in its hiring practices. [ENTITY A] will make a good faith effort to be inclusive of women, veterans, disabled individuals, and people from all ethnicities in its business practices. [ENTITY A] will pursue inclusive hiring procedures because it will enhance the amount of skills, abilities, and experiences present within [ENTITY A]’s workforce. [ENTITY A] will actively seek a diverse pool of candidates to provide a broad and inclusive depth of experience that will enrich [ENTITY A]’s culture. [ENTITY A] will offer service opportunities to diverse groups of vendors, suppliers, and contractors whenever possible. [ENTITY A] will actively seek to match or exceed the diversity of the community where [ENTITY A] proposes cultivation operations. Moreover, [ENTITY A] will prioritize the hiring, training, and advancement of people from diverse socio-economic backgrounds.

Contracts with Diverse Groups
[ENTITY A] is pursuing pre-license contracts with veteran-owned businesses, minority-owned businesses and women-owned businesses that will support integral business operations, once [ENTITY A] receives a license. [ENTITY A] will support local, diverse organizations through an integrated philanthropic approach. [ENTITY A] will solicit advice and guidance from officials at the Ohio Department of Administrative Services Equal Opportunity Division to ensure their business practices meet the standards established by the Department.

[ENTITY A] will promote a culture of inclusion and diversity by giving employees an opportunity to improve the communities where they live and work. [ENTITY A] will provide grants and scholarships to children of veterans, and other historically disadvantaged students. [ENTITY A] will also provide technical expertise to local communities, schools, and businesses. [ENTITY A] encourages a sustainable and growing foundation of local, diverse employees through targeted support of vocational schools, high schools, community colleges, and state schools. The company will leverage its corporate knowledge to engage and empower the next generation of diverse groups to live, grow, and work in the Ohio communities where [ENTITY A] executives grew up. [ENTITY A] will promote community inclusion
by requesting networks of diverse groups to lead and assist expert-developed workplace training programs. Workplace diversity experts will facilitate greater sensitivity and awareness throughout [ENTITY A] operations.

**Sensitivity Training**

[ENTITY A] will implement sensitivity training programs. Sensitivity training will instruct employees on proper workplace conduct. Sensitivity training will educate participants about cultural differences in the workplace so that they can better understand and appreciate each other. The purpose of sensitivity training is to teach employees how to properly act and communicate in a multi-employee environment with diverse personnel. Topics covered in sensitivity training sessions will include: proper work etiquette, appropriate terminology, communication skills, anti-bullying management, and how to prevent, detect, and eliminate sexual harassment within the company.

To ensure inclusivity of the LGBTQ community, [ENTITY A] will display Safe Zone stickers and posters in public access areas, such as the lobbies, windows, and entrances to the facility. Safe Zones stickers placed on an exterior door or window will explain that individuals should feel safe from discrimination based on sexuality or gender identity. Safe Zone trainings will be company-wide programs committed to making [ENTITY A] a safer, more welcoming, and inclusive workplace for members of lesbian, gay, bisexual, transgender, queer, questioning, intersex, asexual, and pansexual communities. Not everybody fits a certain role in society, and [ENTITY A] will embrace gender and sexual identity as an expression of personal freedom.

**American Disability Act Compliance**

[ENTITY A]’s facility will be American Disabilities Act (ADA) compliant. The facility will adhere to the 2010 *ADA Standards for Accessible Design*. ADA compliance will ensure handicap accessibility and will promote a welcoming workplace environment for people with disabilities. ADA compliance will make [ENTITY A] a physically accommodating workplace environment for everyone. The following are a few benefits of ADA compliance that every employee [ENTITY A] will experience: Text with good color contrast will help people with and without visual impairments read content more clearly; captions for training videos developed by [ENTITY A] employees will help persons who are deaf or have hearing impairments and help improve English language skills; wheelchair ramps will allow easy movement of equipment; and keyboard-accessible controls on computer systems will help employees with dexterity impairments and provide all employees quick hotkey alternatives for optimized productivity.

**Notices of Equal Opportunity Employment**

[ENTITY A] will provide sufficient and continuous notice of employment opportunities in a manner that promotes the participation of minorities, women, veterans, disabled persons, and Ohio residents for the operation of the cultivation facility. [ENTITY A] will publish employment solicitations in a manner that reaches a diverse group of applicants, such as job postings in local newspapers, classifieds, and [ENTITY A]’s publicly accessible website. [ENTITY A] will post notices of employment opportunities with the intention of attracting applicants from a wide spectrum of life experiences, incomes, races, cultures, genders, ages, and sexual orientations.

**Conclusion**

[ENTITY A] will promote inclusivity and diversity in all cultivation facility operations. [ENTITY A] will maintain a diverse workforce and will appeal to a mixed group of applicants. The cultivation facility
will be a welcoming environment for minorities, women, veterans, disabled persons, and Ohio residents. [ENTITY A] has already begun community outreach efforts to best acquire diverse talent. [ENTITY A] will have internal diversity goals and will contract with minority-owned businesses, veteran-owned businesses, and women-owned businesses for services. [ENTITY A] will facilitate educational programs that promote inclusion and tolerance for diverse individuals in conjunction with operations training. [ENTITY A] will be active in decreasing incidents of harassment and prejudice in the workplace. To show visitors and employees that [ENTITY A] executives embrace diverse lifestyles, [ENTITY A] will display Safe Zone stickers at entryways. [ENTITY A] will construct a cultivation facility that is ADA compliant to best enable all employees to complete operational tasks and will facilitate a business that always promotes openness and tolerance for all people.
Quality Assurance Plan

Part I: Packaging and Labeling

Overview
[ENTITY A] will package, label, and deliver raw medical marijuana to processors, and if granted a plant-only processor license, to dispensaries ready for sale. The primary differences between these two types of packages will be the size of the packages, the type of packaging, and the size of the label. [ENTITY A] will register each stock-keeping unit (SKU) with the Department of Commerce (Department) in compliance with OAC 3796:5-8-01 Product registration and [ENTITY A] will only package and label medical marijuana for distribution if the Department registers it. [ENTITY A] will submit a label design for each product registration application. The Ohio Board of Pharmacy (Board) will assign a product identifier for each product. [ENTITY A] will pay the required $100 product identifier fee for each product, per OAC 3796:8-3-01 Product identifier fee. [ENTITY A]’s standard operating procedures (SOPs) will include the combined packaging and labeling process.

Packaging and Labeling Workflow
The packaging and labeling workflow will be as follows: package individual units for sale, apply tamper-evident seal, print labels, apply labels to individual units, apply laboratory test result labels, and finally, place packages into shipping containers for distribution. The Harvest and Processing Manager will ensure safe storage and fill orders for delivery.

The Harvest and Processing Manager will use a National Type Evaluation Program (NTEP)-approved 1200g balance to weigh medical marijuana. Employees responsible for packaging medical marijuana will wear nitrile gloves and prepare tools before beginning packaging tasks. The Harvest and Processing Manager will use a vacuum sealer and polyester bags to package all bulk trim and buds. Benefits of using these bags include its customizable size, and light-resistant, tamper-evident material. For medical marijuana bound for dispensaries, the Harvest and Processing Manager will package medical marijuana in individual units using a variety of child-resistant, opaque plastic jars. The jars will be recyclable. The Harvest and Processing Manager will label packages with the information required by OAC 3796:2-2-02 Cultivator and plant-only processor packaging and labeling.

The packaging manager will package medical marijuana to, “maintain the integrity and stability of the plant material,” as required by OAC 3796:2-2-02 Cultivator and plant-only processor packaging and labeling. The Harvest and Processing Manager will package medical marijuana in light-resistant, tamper-evident containers to meet this standard. After packaging and labeling, the Harvest and Processing Manager will place packages in locked storage containers that have separate keys or entry combinations. The Harvest and Processing Manager will move the storage containers to a secure storage area until they are ready for delivery.

Packaging for Processors
[ENTITY A] will package nearly all components of the medical marijuana plant. The harvest and processing manager will sort cured manicured buds, dry non-manicured buds, dry trim, kief (isolated trichomes that fall off during handling), frozen flowers, and fan leaves for packaging. The harvest and processing manager will sort plant material according to product demand.
The Harvest and Processing Manager will package dry flowers (buds), dry trim, and kief for processing. The harvest and processing manager will keep buds for processing apart from buds for dispensaries. Cultivation Associates will not manicure buds for processors. This technique minimizes labor and handling, while it maximizes the therapeutic potential of the flower extract. Cultivation Associates will create trim and kief as they manicure dry buds.

The packaging manager will assign unique identifications to every package and document their IDs and weights in the ITS. The Harvest and Processing Manager will never combine harvest batches to create a singular package. Packages will contain medical marijuana from only one harvest batch. This ensures traceability from each plant’s unique identifier to each package sold to processors and dispensaries. To comply with the Medical Marijuana Control Program, the Harvest and Processing Manager will limit flower package weights to less than 15 lbs. and trim packages to less than 25 lbs.

[ENTITY A] will also package fresh, frozen material for processing. Extracts and concentrates from fresh flowers possess greater volumes of therapeutic terpenes than dry buds. To prepare frozen material, the harvest and processing manager will fill a cooler with dry ice. The harvest and processing manager will remove buds from stalks and place it in the cooler immediately after chopping, weighing, and defoliating a harvested plant. Once filled, the harvest and processing manager will seal the cooler with tamper-evident tape and store it in a secure storage area. As a best practice, [ENTITY A] will transport frozen material within the same business day of preparation.

Packaging for dispensaries

If granted a plant-only processor license, the Harvest and Processing Manager will package individual units of dried, cured, and manicured buds to dispensaries. The Harvest and Processing Manager will package medical marijuana bound for dispensaries in tamper-evident, light-resistant, and child-resistant packages that meet ASTM D3475-17, Standard Classification of Child-Resistant Packages. SOPs will provide step-by-step packaging instructions to the Harvest and Processing Manager.

To comply with OAC 3796:8-2-04 Quantity of medical marijuana that may be purchased by a patient or caregiver, [ENTITY A] will package individual units that are a minimum of a “whole day unit” or a one-day supply. [ENTITY A] will package individual units of medical marijuana in 3.54g, 7.09 g, 14.17g, and 28.35g quantities. [ENTITY A] will adhere to any published changes to the draft Medical Marijuana Form and Method Rules that specifically affect the definition of a “whole day unit.” Upon dispensary request, [ENTITY A] will package medical marijuana in other increments that best meet patient and caregiver needs, if the Board permits those increments.

Packaging Individual Units

To prepare individual-unit packages, the Harvest and Processing Manager will use a calibrated balance, sterilized tongs, and various sizes of opaque, light-resistant, child-resistant bottles. The Harvest and Processing Manager will package one-day supply increments in 13-dram bottles, 3.54g increments in 20-dram bottles, 7.09g increments in 30-dram bottles, 14.17g increments in 60-dram bottles, and 28.35g increments in 105-dram bottles. The packaging manager will tare the balance with a bottle on the balance. The Harvest and Processing Manager will fill the bottle ±0.10g and affix the lid. The Harvest and Processing Manager will then create a tamper-evident seal by applying a plastic band over the bottle-lid and using a heat gun to shrink the band over the lid. The packaging manager will then apply product labels to every bottle and place finished packages in locked storage containers that have separate keys or
entry combinations. The Harvest and Processing Manager will move the storage containers to a secure storage area until they are ready for delivery.

**Labeling for Processors & Dispensaries**

[ENTITY A] will purchase durable labels that are resistant to alteration. The Harvest and Processing Manager will apply labels to packages for processors and dispensaries. The Harvest and Processing Manager will use label management software to access Department-approved product labels and print labels. The Harvest and Processing Manager will apply sticker-labels to individual units by hand. The Harvest and Processing Manager will affix a separate label that details test results. The test result label will include the laboratory analysis, profile, and a list of all active ingredients and the percentage by weight of THC, THCA, CBD, and CBDA.

**Administration**

The Chief Compliance Officer will oversee labeling administration and compliance tasks, while the Harvest and Processing Manager will perform labeling duties. The Chief Compliance Officer will design and submit labels to the Department for approval. As a best practice, the Chief Compliance Officer will design labels are legible and include text that is a minimum of 1/16” or no less than 4.5 pt. in size. [ENTITY A] will redesign and resubmit labels, if necessary. Once the Department approves a label design, the Chief Compliance Officer will ensure the proper labels are used on the proper packages.

Labels will contain: [ENTITY A] and facility license number; receiving licensed entity name and license number; product identifier; and registered name of the product; harvest batch number; date of harvest final testing, and packaging; weight of medical marijuana in grams; identification of independent testing laboratory; laboratory analysis profile; a list of all active ingredients (including the percentage content by weight of THC, THCA, CBD, CBDA); expiration date (not to exceed one calendar year from the harvest date); and a statement that reads, “This product is for medical use and not for resale or transfer to another person. This product may cause impairment and may be habit-forming. This product may be unlawful outside of the State of Ohio.”

[ENTITY A] will provide contact information on labels and include instructions for proper storage for each product. The Chief Compliance Officer will use a quality assurance checklist to verify that products comply with OAC 3796:2-2-02 Cultivator and plant-only processor packaging and labeling. [ENTITY A] will implement training tools to ensure adherence to SOPs including: sorting aids, instructional signage diagrams, and video tutorials. The Harvest and Processing Manager will place labels on containers so that text is level, unobstructed and conspicuous.

**Batch Labeling**

The harvest and processing manager will separate and identify harvest batches to ensure traceability of raw material. Unique plant identifiers will follow the product from seed-to-sale. [ENTITY A] will use radio-frequency identification (RFID) to track plants and packages. The harvest and processing manager will create harvest batches to include only plants of one strain harvested on the same day. Every harvest batch will contain a four-digit strain code and a six-digit date code, such as “COOK-040217” or “BKSH-050117.” The Director of Cultivation will create a legend that identifies each strain’s four-digit strain code. The Harvest and Processing Manager will identify harvest batches on all labels. Barcodes will convey identifying information on product labels.

**Employee Training**
The Inventory Manager will train employees on packaging and labeling procedures and best practices. Instructors will train employees on how to report compliance issues and how to respond to recalls caused by mislabeled or incorrectly packaged product(s). The Harvest and Processing Manager will receive training on scale cleaning, calibration, use, and maintenance. Training sessions will also include topics such as, weighing products to the hundredth of a gram or two significant figures, for inventory accuracy. The Harvest and Processing Manager will train employees to use the label management software, including how to print a label and how to identify version numbers. Employee training will include refilling blank labels, label storage, ink storage, and ink replacement. The Inventory Manager will also train employees to securely store medical marijuana before and after packaging and labeling for distribution, as described in the Inventory Control Plan.

Version Control
Using label management software programs will enable the Harvest and Processing Manager to manage product labels. Each label will have a version number. The Harvest and Processing Manager will only use Department-approved labels. It will also aid the Chief Compliance Officer, [PERSON M], when performing random spot checks or regularly scheduled audits. For example, a version number such as “P01012018” will represent a strain that starts with the letter “P” and the date of label approval, January 01, 2018. Version number printed text will be at least 4 points smaller than product information text on the label, to prevent confusion with batch numbers, license numbers or other Department-required information.

Prohibitions
A tenet of [ENTITY A]’s operations plan is ongoing quality control checks to ensure compliance with the Medical Marijuana Control Program. The Harvest and Processing Manager will not include prohibited item(s) on medical marijuana labels. To comply with OAC 3796:2-2-02 (D) Cultivator and plant-only processor packaging and labeling, labels will not include: any false or misleading statement or design; depictions of the product, cartoons, or images that are not registered with the department, including any insignia related to a governmental entity; sum totals of cannabinoids or terpenes except THC content; cartoon characters; fictional characters targeted to children and youth; pop culture icons; implied endorsements by governmental agencies; anything that is false or misleading, unregistered names or slang terms, disparaging content about competitors; obscene or indecent content; or safety or efficacy claims. [ENTITY A] will not market to persons under 18 years old or advertise for non-medical, alternative or off-label uses for conditions the Department has not approved.

Recall Support & Identification Tools
Potential causes for recall include mislabeled or improperly packaged products. Employees responsible for mislabeling, improperly packaging, or other errors that cause a recall will be subject to corrective action, up to and including termination. The Harvest and Processing Manager will use the label software to identify when who printed labels and at what date and time.

Records Retention
The Harvest and Processing Manager will keep packaging and labeling records. The Harvest and Processing Manager will verify that the ITS reflects accurate package inventories. The Harvest and Processing Manager will keep accurate inventory records during packaging and labeling procedures. Employees will keep all production records or logs related to packaging and labeling tasks on file by employees for a minimum of five years, as required by OAC 3796 et sec. The Chief Compliance Officer will provide records to any requesting agency for official business.
Conclusion

[ENTITY A] will express its brand through packaging and labeling. [ENTITY A] will provide patients with durable, child-resistant packaging and informative labels. Labels will convey accurate information pertaining to the potency and purity of contained products. [ENTITY A] will use packaging that prevents children from accessing medical marijuana as required by OAC 3796:2-2-02 Cultivator and plant-only processor packaging and labeling. Labels will include instructions for use, laboratory analysis, registered product name, and batch tracking information. [ENTITY A] will apply equal care when packaging and labeling medical marijuana for processors and dispensaries. [ENTITY A] will comply with all local and state regulations. [ENTITY A] will also monitor the Register of Ohio, MMCP, and other government websites for updated directives related to packaging and labeling. [ENTITY A] will use advanced software with access controls to provide quality assurance.

Part II: Production Control

Overview

[ENTITY A] will maintain compliant use of pesticides, fertilizers, agricultural products, and production control factors in the cultivation of medical marijuana. [ENTITY A]’s standard operating procedures (SOPs) will define pesticides as “any substance or additive used for deterring or destroying insects, pathogens, bacteria, and molds harmful to cultivated medical marijuana.” [ENTITY A] will only select pesticides, fertilizers, fungicides, herbicides, and other control factors in accordance with the Ohio Medical Marijuana Control Program. [ENTITY A] will apply pesticides exempted under Federal Insecticide, Fungicide, and Rodenticide Act, 7 USC §136 (FIFRA) in a manner that is compliant with all Ohio laws and regulations.

[ENTITY A] will take safety precautions to protect employees while they are applying various chemical products. [ENTITY A] will require staff to participate in various workplace safety (WPS) training programs. The Director of Cultivation will seek certification by the Ohio Department of Agriculture to apply pesticides and other agricultural products to medical marijuana plants. In addition to following all required guidelines for pesticide use, [ENTITY A] will post a Pesticide Application Log on the outside of every cultivation room. The Log will list the name of any applied pesticide, the date of application, time of application, required personal protective equipment (PPE) and re-entry interval (REI) for each application. [ENTITY A] will adhere to USDA worker/handler safety standards and will train, monitor, and review employees for compliance. Training topics will include PPE, pesticide application, fertilizer application, chemical safe-use practices, unlawful product diversion prevention, and sanitation.

Pest Prevention

The Director of Cultivation will ensure a healthy cultivation environment to allow plants to best develop natural immunities to disease, pathogens, and insects. For the purposes of cultivating medical marijuana, [ENTITY A] defines pests as “any cultivation anomaly, including: plant disease, insect infestation, mold, fungus or any other unfavorable variable growing condition.” Pests happen if all three of the following disease triad criteria occur: 1) There is a pest; 2) The environment is conducive to pestilence; and 3) there is a host for pests. All three must be present for pests to occur. Taking away one of the three will prevent the possibility of infestation. The possibility of pestilence increases, if there is a vector for pests to enter cultivation areas. Therefore, [ENTITY A] will seal walls and ceilings, as well as use air filtration systems to prevent pests from entering cultivation areas.
[ENTITY A] will employ several tools to aid in the monitoring of cultivation conditions pursuant to preventing any infestation or pestilence. The Director of Cultivation will employ Integrated Pest Management (IPM) to enhance sustainable cultivation practices and ensure the successful operation of the cultivation facility. IPM is term given to the wide spectrum of preventative and response measures related to pest management. IPM includes numerous factors used to reduce or control the incidence of harmful pests. Such strategies include: environmental best practices, proper sanitation, and consistent plant maintenance. The most effective way to prevent pestilence is to provide a cultivation environment that inhibits the development of a problem. [ENTITY A] will provide sanitary environmental conditions to prevent pests in cultivation areas. Indicators of environmental health include: temperature, humidity, sanitation, airflow, light, nutrition, and water.

Pest Response Procedures
[ENTITY A] will develop response systems to pestilence. Cultivation employees will examine plants daily for problems caused by pests. The Director of Cultivation will develop response plans specific to each pest occurrence. The Director of Cultivation will immediately isolate, inspect, and remove pest-affected plant material and then transfer it to a waste disposal area.

If the problem is acute, and there is evidence that a treatment may improve the health and production of the plant without compromising therapeutic value of the medical marijuana, the Director of Cultivation will apply department-approved pesticides to plant roots during watering procedures or as a foliar application. [ENTITY A] will also use department-approved biological pest control methods, including predatory insects. Cultivators will use wasps, lady beetles, lacewings, predatory mites, and other beneficial organisms to control pest populations. [ENTITY A] train each employee in the application of pesticides.

[ENTITY A] will retain training documentation for the Director of Cultivation and Cultivation Associates during employment. Among other resources, employees that apply pesticides will read the Trained Service Person Manual: OSU bulletin 863. Trained Service Persons employed by [ENTITY A] can then apply pesticides under the direct supervision of a licensed commercial pesticide applicator employed by [ENTITY A]. [ENTITY A] will ensure that at least one employee is a licensed commercial pesticide applicator, as certified by the Category 5 – Industrial Vegetation pesticide applicator certification exam.

Pesticide Application Schedule and Practice
The Director of Cultivation will continually monitor pest response procedures. [ENTITY A] will prefer manual pest control methods over chemical applications. The Director of Cultivation and Cultivation Associates will spray bugs and eggs off plant stems and leaves with high-pressure water before considering spraying or applying any pesticide to plants infested with populations of insects. If acute insect infestations occur, staff will remove affected leaves and stems, and immediately dispose of the material to mitigate the spread of the pest.

If prevention and suppression prove to be inadequate, the Director of Cultivation may decide to implement pest eradication methods. Each eradication program will accompany a Pesticide Application Schedule. Pesticide Application Schedules are manually-created logs for each production control product. Each Pesticide Application Schedule will address when, how, and by whom pesticide application will occur, as well as specific details about which areas and crops require the pesticide application. Schedules will include the following data, as required by 3796:2-2-01 Cultivator operations and quality assurance plan: “the date and time of application; stage of cultivation process; date when the
plants in the application area were moved to the flowering stage, if applicable; United States EPA registration number, if applicable; analysis of the chemical applied; application site; name of the product being applied; amount applied; unique plant identifier or other information that identifies which plants received the application; size of the application area; name of in the individual making the application; and comments or special conditions related to the application” [ENTITY A] will retain these records for five years.

Pesticide applicators will apply all pesticides according to manufacturer recommendations. The Director of Cultivation will record all pesticide applications in a Crop Maintenance Log. Crop Maintenance Logs will include steps taken to protect and maintain crops, including records of all pesticides, herbicides, insecticides, or fungicides used on each crop. Cultivators will include re-entry intervals on all Crop Maintenance Logs. The Chief Compliance Officer will ensure the accuracy of Crop Maintenance Log entries by auditing all entries weekly, and investigating any unusual reports or patterns. The Director of Cultivation and Cultivation Associates will reference Pesticide Application Schedules when completing Crop Maintenance Logs and include all pesticide application activities. This technique will ensure employees follow schedules.

Safety Data Sheets (SDS)
Safety Data Sheets (SDS) will accompany all commercially-available products within the facility. The Director of Cultivation and Cultivation Associates will reference SDS for the intended use of chemicals and the directions for their usage. The Chief Compliance Officer will print SDS and keep them at facility entryways. Director of Cultivation will regularly examine and improve written pesticide response procedures to best comply with manufacturer recommendations.

Fertilizer and Product Control Factors Best Practices
[ENTITY A] will ensure use of appropriate nutrient practices. The Director of Cultivation will develop medical marijuana nutrient and growth processes to enhance the growth of medical marijuana plants in a manner that is environmentally conscious. Watering and nutrient applications will occur concurrently. The Director of Cultivation will monitor the rates of liquid fertilizer solution and adjust flows throughout the cultivation cycle. Nutrient practices will include research and development strategies, irrigation methodologies, nutrient selection, fertilization rates, schedules, and relevant troubleshooting procedures in the event of nutrient deficiencies or toxicities (burns).

Fertilizers and hydroponic solutions will be of a type, formulation, and a rate to support the healthy growth of plants. [ENTITY A] will utilize water soluble fertilizers that Cultivation Associates will combine at specific volumes and apply to plants via pulse irrigation. [ENTITY A] will utilize reverse osmosis (RO) to clean water. Cultivation Associates will administer different liquid fertilizers depending on cultivation phase and specific needs of various strains of medical marijuana plants. [ENTITY A] will maintain records of the types and amounts of fertilizers and growth additives used in the cultivation of medical marijuana and make those records available to the Department.

[ENTITY A] will implement training procedures relevant to the selection of nutrients and appropriate application, including required personal protective equipment (PPE) and facility equipment necessary for the successful cultivation of medical marijuana plants. [ENTITY A] will enhance the efficiency of nutrient applications through sanitation best practices and constantly monitoring cultivation environment conditions.
[ENTITY A] will designate a company to serve as a Nutrient Management Consultant (NMC) to develop a Nutrient Management Plan (NMP). [ENTITY A] will implement the NMP to cultivate medical marijuana at its facility. The Director of Cultivation will determine which products, among the countless nutrient solutions available on the market, to use. [ENTITY A] will select fertilizers based on scientific data and the combined experience between the Director of Cultivation, expert horticulturalists on [ENTITY A]’s advisory board, and cultivation experts partnered with [ENTITY A].

**Fertilizer Application**

Cultivation Associates will fertilize plants through gradual pulse irrigation, via controlled valves, pipes, tubing, and emitters. Staff will apply fertilizers to plants at varied concentrations and rates throughout the cultivation cycle. Cultivation Associates will cease nutrient applications two weeks prior to the scheduled harvest date to flush fertilizers from the mineral wool.

The Director of Cultivation will use variations of the Hoagland solution. Developed in the late 1930’s, the hydroponic fertilizer solution is comprised of essential elements for the basic nourishment of plants. The formula has been continually refined since its invention but still acts as a standard nourishment regimen. The original formula is as follows: N 210 ppm; K 235 ppm; Ca 200 ppm; P 31 ppm; S 64 ppm; Mg 48 ppm; B 0.5 ppm; Fe 1 to 5 ppm; Mn 0.5 ppm; Zn 0.05 ppm; Cu 0.02 ppm; and Mo 0.01 ppm. [ENTITY A] will utilize the Hoagland’s Solution in various modified schedules. The company plans to utilize commercially-available fertilizer preparations. Fertilizers prepared in bottled solutions will include the 15 essential elements necessary for plant growth. Hydrogen, carbon, and oxygen will be provided by air and water. Other essential nutrients include primary macronutrients (Nitrogen (N), Phosphorus (P), and Potassium (K)); secondary macronutrients: Calcium (Ca), Sulphur (S), Magnesium (Mg), Silicon (Si), and micronutrients Chlorine (Cl), Iron (Fe), Boron (B), Manganese (Mn), Sodium (Na), Zinc (Zn), Copper (Cu), Nickel (Ni), and Molybdenum (M).

The Hoagland solution is designed to be administered for seven days and then replaced. The Director of Cultivation will dilute or concentrate the basic formula according to plant-life phases such that it will not damage cuttings and will support the life of mature plants.

**Conclusion**

The Director of Cultivation will develop a production control plan that addresses the intended use of pesticides, fertilizers, and other agricultural production control factors in the cultivation of medical marijuana. Staff will follow SOPs for contamination mitigation and pest prevention best during all cultivation activities. The Director of Cultivation will maintain consistent and accessible recordkeeping procedures and Cultivation Associates will uphold workplace safety standards. The Director of Cultivation will select pesticides, herbicides, fungicides, nutrients, growth additives and other agriculture products in accordance with Medical Marijuana Control Program regulations. The Director of Cultivation will operate the facility with sustainability best practices. The Director of Cultivation will maintain Crop Maintenance Logs and Pesticide Application Schedules for activities involving cultivation products of any kind. The Director of Cultivation will document plant nutrient formulas and continually monitor the health of all plants within the facility.

**Part III – Inventory Control**

**Overview**
[ENTITY A] will use digital and physical inventory control methods to comply with OAC 3796:2-2-04, Cultivator inventory control and storage. [ENTITY A] will use an ITS approved by the Department. The Chief Compliance Officer will train employees to use this system in compliance with OAC 3796:1-1-01(A)(20), Definitions. [ENTITY A] will use this system to monitor the receipt, movement, sale, transfer, recall, and destruction of medical marijuana within the facility. [ENTITY A] will use RFID tags in conjunction with the ITS to track plants and packages. Inventory SOPs will include instructions for the recall of medical marijuana and its destruction, in compliance with OAC 3796:2-2-03, Cultivator waste disposal.

Inventory Tracking System (ITS)
[ENTITY A] will use an industry-specific “seed-to-sale” ITS to manage inventory throughout each plant’s lifecycle including post-harvest transfer and sale. The system will track every plant within the facility, along with every gram of harvested medical marijuana, waste, and losses the facility produces. The ITS will allow [ENTITY A] to monitor changes in inventory levels, product movement, and sales as they occur. The ITS will assign staff access and editing abilities appropriate to their role within [ENTITY A].

The Chief Compliance Officer will train all employees to use the ITS before beginning cultivation and with every new hire. The Chief Compliance Officer will train staff to enter accurate data with every activity thereby ensuring that the ITS accurately reflects inventory. The Inventory Manager will analyze ITS information, such as purchase data, yields, and inventory trends to identify the company has met production goals in compliance with OAC 3796:2-1-07, Uninterrupted supply of medical marijuana. Cultivation Associates will use the ITS to create electronic transport manifests for each transfer or sale. Files within the ITS will be accessible to: the Harvest and Processing Manager, Chief Compliance Officer, Director of Cultivation, Chief Operations Officer, and Chief Executive Officer. The Chief Compliance Officer will audit the ITS to ensure digital inventory matches physical inventory, in compliance with OAC 3796:2-2-04(E), Cultivator inventory control and storage. Inventory SOPs and associated logs will also detail audit procedures and schedules within the facility, in compliance with OAC 3796:2-2-04, Cultivator inventory control and storage.

Plant Tracking
To accurately track medical marijuana within [ENTITY A]’s facility, Director of Cultivation will ensure all cultivation employees properly attach radio-frequency identification (RFID) tags to all plants exceeding clone/seedling height limits or transferred to full vegetative media. RFID tags will serve as the “unique plant identifier” as described in OAC 3796:1-1-01(A)(50), Definitions. RFID tags embedded into colored labels will have unique, consecutive, non-repeating serial numbers and barcodes. The RFID tag will be entered into the ITS with every detail of the plant and its history throughout growth and harvest. In the ITS, each tag will also have a “status” category denoting the plant’s current stage/location within the facility. RFID technology enables [ENTITY A] to trace the location of all plants and packaged medical marijuana within the facility at any given time by scanning them into the ITS. RFID technology, in conjunction with the ITS, will create a database to establish benchmarks for production. This data will help [ENTITY A] to ensure they produce an uninterrupted supply of medical marijuana in compliance with OAC 3796:2-1-07, Uninterrupted supply of medical marijuana.

Propagation Inventory
The Chief Compliance Officer, [PERSON M], will use the ITS to carefully track groups of seedlings and clones, which lack RFID tags. As Cultivation Associates create clones, they will group them by
strain. Individual clones will not have unique plant identifiers. The Director of Cultivation will document the number of clones in each group of clones and assign inventory levels in the ITS. Cultivation Associates will assign unique plant identifiers in the form of RFID tags, when plants are eight inches tall or when they transplanted in six in³ mineral wool blocks.

**Tagged Medical Marijuana Inventory**
The Director of Cultivation will assign unique RFID tags to each vegetative plant. To comply with [OAC 3796:2-2-04(A), Cultivator inventory control and storage], RFID tags will identify: license number, strain name, propagation date, and cultivation room. Cultivation Associates will attach water-resistant RFID tags to stalks of vegetative plants using zip ties. The Director of Cultivation and Cultivation Associates will organize all medical marijuana plants first by propagation date, then by strain. This technique ensures that harvests will occur in one cultivation area at a time. This practice further ensures [ENTITY A] will provide a steady, uninterrupted supply of medical marijuana.

**Harvested Medical Marijuana Inventory**
The harvest and processing manager will weigh every plant as they chop it and remove supportive trellis. The harvest and processing manager will document the weight of every plant and their corresponding unique identifier numbers on a Harvest Log. The harvest and processing manager will combine weights of plants of the same strain and document that weight as a harvest batch in the ITS. Harvest batches will contain only plants of one strain harvested on the same date. The ITS will identify harvest batches with a four-character strain code and a six-digit date code. The Director of Cultivation will create a legend that identifies each strain code. In the ITS, the harvest and processing manager and Harvest and Processing Manager will subtract waste, moisture loss, trim, and packaged buds from harvest batches. To prepare a sample for laboratory testing, the Harvest and Processing Manager will create a new RFID package tag in the ITS. The harvest and processing manager will assign a weight to the new RFID tag (package) and subtract that weight from the harvest batch. Upon certification from a testing laboratory, the Harvest and Processing Manager will repeat the ITS process for every package of medical marijuana bound for processors and dispensaries. The Harvest and Processing Manager will “finish” harvest batches in the ITS when no raw material remains in the facility. Every package label will contain the harvest batch identifier. The Director of Cultivation will document standards for moisture loss and the Chief Compliance Officer, [PERSON M], will monitor those thresholds to detect diversion. The harvest and processing manager will store test-certified medical marijuana separate from untested product. The harvest and processing manager will label test-certified product as “PASSED” or “FAILED” in the ITS and log detailed test results. In the case of the latter, a Level 1 Key Employee will oversee the destruction and disposal of the failed product.

**Chain of Custody and Transportation Tracking**
[ENTITY A] will also use the ITS to track each package and identify the contents of each package. The ITS will record sales, vendor information, purchase orders, transport manifests, and every RFID of every package in each transfer. The Director of Cultivation, Chief Compliance Officer, Harvest and Processing Manager will uphold full traceability and eliminate the risk of unlawful diversion. The ITS will time- and-date-stamp all inventory adjustments and monitor user access. Transport manifests will accompany all transfers of medical marijuana. Transfer manifests will contain data that satisfies the conditions in [OAC 3796:5-3-01 Transportation of medical marijuana and medical marijuana products]. The Harvest and Processing Manager will create two copies of every manifest to accompany packages in transport. Before shipping, the Harvest and Processing Manager will verify digital and physical inventories are accurate, assign a delivery route for the delivery, and verify the credentials of transportation team
members. The Harvest and Processing Manager will ensure the accuracy of this data on transport manifest. After a representative of the receiving entity signs the manifest, the driver of the transportation vehicle will retain one copy for [ENTITY A] records.

**Inventory Auditing**

Regular inventory audits will help the Inventory Manager correct errors and maintain the accuracy of records. The Chief Compliance Officer will design SOPs for all cultivation activities, in part, to maintain the accuracy of the ITS. The Inventory Manager will perform audits before plants are moved, harvested, transferred, sold, or destroyed. The Inventory Manager will also generate protocols for weekly inventory reports and yearly physical audits of medical marijuana in compliance with OAC 3796:2-2-04(C) & (D), Cultivator inventory control and storage. Inventory audits will include RFID identifiers for each harvest batch, dates of production, flower table location, and all packages created from each harvest batch. The Chief Compliance Officer will create written and electronic records of inventory reports and audits. To comply with OAC 3796:2-2-04(C), Cultivator inventory control and storage, records will include the date of inspection, amount of medical marijuana on hand, amount of medical marijuana sold since the previous audit, disposal records, applicable discrepancies, and inspecting-employee information. [ENTITY A] will maintain these records for five years and the Chief Compliance Officer will make them available to law enforcement and Department officials.

The Chief Compliance Officer, Harvest and Processing Manager, or Director of Cultivation may discover inventory discrepancies. Such instances will initiate an investigation. The Director of Cultivation will define acceptable losses for all aspects of cultivation, including: plant maintenance (pruning), waste, trim, moisture loss, and scale variance during packaging. If [ENTITY A] management cannot resolve an inventory discrepancy, the Chief Compliance Officer will report it to the Department. To determine the root cause of the discrepancy and avoid similar instances in the future, the Chief Compliance Officer will relay documentation and security camera footage to authorities.

To ensure accuracy of records and to generate useful data, the Inventory Manager will analyze and adjust packages in the ITS based on weekly inventory audits and annual physical inventory reviews. The Chief Compliance Officer will create and maintain records of all inventories in compliance with OAC 3796:2-2-04(E), Cultivator inventory control and storage. The Chief Compliance Officer will also audit all deliveries, exchanges, manifests, and other information regarding the sale of medical marijuana to other medical marijuana organizations weekly. The Chief Compliance Officer will conduct waste audits to ensure disposal procedures adequately prevent and deter diversion.

**Inventory Records**

Securing company inventory records and data is critical to successful business operations and compliance. [ENTITY A] will ensure that a back-up system is in place to retain all inventory data. [ENTITY A] will employ the financial industry standard of 256-bit encryption to prevent against catastrophic data loss. The Chief Compliance Officer, [PERSON M], will maintain all data gathering, logging and tracking systems. They will collect both physical and digital records and archive them when records are no longer relevant. The ITS will store digital records to which the Chief Compliance Officer, [PERSON M], will export to a secure cloud-based business management platform (BMP).

**Conclusion**

[ENTITY A] will use comprehensive inventory control methods to ensure successful cultivation and full accountability, in compliance with OAC 3796:2-2-04, Cultivator inventory control and storage.
[ENTITY A] management will control the ITS and use RFID tags to trace medical marijuana from seed-to-sale. [ENTITY A] will monitor every medical marijuana plant using RFID technology, harvest logs, the ITS, and BMPs. The Chief Compliance Officer, [PERSON M], Director of Cultivation, and Harvest and Processing Manager will maintain accurate physical and digital records of all operations. The Chief Compliance Officer, [PERSON M], will perform weekly and annual audits, in compliance with OAC 3796:2-2-04, Cultivator inventory control and storage. Inspection records will be available to law enforcement and Department officials. [ENTITY A] will maintain all records on the premises for at least five years, in compliance with OAC 3796:2-2-08, Cultivator records and reporting requirements. In addition to providing full-accountability within the facility, these practices will generate invaluable production and sales data for use by the chief operating officer and chief executive officer, all of which will help ensure the successful continued cultivation of medical marijuana.

**Part IV: Disposal and Waste Removal**

*Overview*

To prevent product diversion, [ENTITY A] will dispose of medical marijuana and other waste in a secure manner that complies with OAC 3796:2-2-03 Cultivator waste disposal. Waste management operations are founded on [ENTITY A]’s conservationist values, focusing on reducing waste and minimizing negative impacts to its host community. [ENTITY A] will execute these plans with special attention to Ohio regulations regarding the disposal of solid, liquid, and hazardous waste. Standard operating procedures (SOPs) will outline all waste management best practices, including dumpster management.

The Director of Cultivation will render all medical marijuana waste unusable before disposal through procedures specific to each type of medical marijuana waste. [ENTITY A] will dispose of waste with the intention of reducing landfill waste. When possible, the Director of Cultivation will compost waste on site, and reuse the compost on facility grounds. All processing, storage, and destruction of medical marijuana waste will occur in a limited access area. A Type 1 Key employee will oversee the disposal of medical marijuana. A local waste disposal company will remove non-compostable waste for disposal.

The Director of Cultivation will document the disposal of medical marijuana waste in the ITS and physically on Waste Disposal Logs. Cameras will record all waste disposal operations. [ENTITY A] will keep copies of video surveillance on a secure, cloud-based server and maintain records on premises for a period of at least five years. Only a Type 1 Key Employee will have access to the cloud-based surveillance server.

*Solid Waste Management*

Keeping plants healthy will help reduce waste. Optimal growing conditions will reduce stress on the plants and minimize the number of dead or unhealthy plants thus reducing overall plant waste. [ENTITY A] will “track, destroy, and dispose of all undesired, excess, obsolete, adulterated, misbranded, or deteriorated medical marijuana waste,” as required by OAC 3796:2-2-03 Cultivator waste disposal.

*Unused Plant Material and Grow Media*

Most solid waste will be grow media and unused plant material. Unusable plant material may include: pruned branches, flowers, stems, trim, leaves, seeds, roots, dead or unhealthy medical marijuana plants. The Director of Cultivation will dispose of any plant material that has been exposed to dangerous chemicals or is otherwise contaminated. The Director of Cultivation will dispose of plant material that
does not meet [ENTITY A]’s quality control standards. Products that fail laboratory testing, are adulterated by prohibited chemicals, have expired, are contaminated with pests, or have been exposed to adverse conditions will not meet quality control standards. Cultivation Associates will isolate waste material, and record its weight in the ITS. The Director of Cultivation will keep waste material away from cultivated plants.

**Miscellaneous Solid Waste**
The cultivation and processing facility will also generate miscellaneous waste. This form of waste will include items like office waste, breakroom waste, packaging materials, and corrugated cardboard. Miscellaneous waste will never come into contact with medical marijuana, and a waste disposal service will remove it weekly, without further processing.

**Liquid Waste Management**
All wastewater will drain to waste in accordance with all applicable laws, per *Chapter 3718: Sewage Treatment Systems*. [ENTITY A] addresses waste water handling in its Environmental Plan. [ENTITY A] will reduce nutrient pollution by incorporating waste reduction into cultivation methodologies. [ENTITY A] will work to decrease nutrient loads into the seven major watersheds within Ohio.

[ENTITY A] will reduce pollutants in wastewater as defined by the *Clean Water Act*. Cultivation Associates will monitor wastewater discharge of dissolved salts as well as pH using a handheld meter. [ENTITY A] will reclaim water from cultivation and dehumidification, purify it by reverse osmosis, and reuse it. Using reclaimed water will limit water consumption. Unfilterable wastewater will drain to the municipal waste system. The cultivation facility will not discharge directly into the waters of Ohio. Cultivators will use nutrients and pesticides that do not require special permitting for the disposal of wastewater.

**Waste Reduction Program**
[ENTITY A] will be a leader in sustainable waste practices. [ENTITY A] intends to surpass Ohio’s 66% recycling goal for industrial waste. One approach to accomplishing this goal is to prevent the production of wastes that require treatment. Another is to limit the use of unrecyclable materials and to reuse all materials to the fullest. [ENTITY A]’s waste management plan will address the environmental impacts of cultivating medical marijuana. [ENTITY A] will recycle paper, corrugated cardboard, plastics, glass, and metals through standard recycling services.

The company will use compost on facility grounds. Compost will contain decomposed, unusable plant material, grow media, and roots. [ENTITY A] will not use compost for cultivation. A Type-1 Key Employee will oversee all composting operations.

**Rendering Medical Waste Unusable**
Employees will weigh all waste created by [ENTITY A] using routinely calibrated scales and will catalogue it in the ITS and Waste Disposal Logs, in compliance with OAC 3796:2-201 Cultivator operations and quality assurance plan. [ENTITY A] will store plant waste in bins located in the waste disposal area until a sufficient quantity accumulates and it warrants disposal. To prevent fire hazards, [ENTITY A] will not store waste in hallways, stairways, or in front of exit doors. Instead, employees will store waste in a limited access area until the Inventory Manager, [PERSON N], orders its disposal. Cultivation Associates will use an electric plant chipper to shred leaves and stems under the supervision of a Type-1 Key Employee. The electric plant chipper will not create exhaust so employees may operate
it indoors. Cultivators will wear proper Personal Protective Equipment (PPE) while operating the chipper. PPE will include: thick leather gloves, long sleeves, full-legged pants, closed-toe shoes, earplugs/earphones, and eye protection.

Cultivation Associates will mix shredded plant material with at least 51% post-consumer waste to render it unusable. Applicable materials include, “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,” as required by 3796:2-2-03 Cultivator waste disposal. A Type 1 Key Employee will dispose of the waste mixture in opaque, unmarked garbage bags.

**Dumpster Management**

[ENTITY A] will store waste in a locked, fence-enclosed dumpster to prevent unauthorized entry to dumpsters and compost bins as required by 3796:2-2-05 Cultivator security. [ENTITY A] will ensure dumpsters are secured, monitored under video surveillance, and stored inside the facility until garbage pick-up dates. [ENTITY A] will place security cameras conspicuously to deter diversion.

**Hazardous Materials**

[ENTITY A] will safely manage all solid, liquid, and hazardous waste in accordance with the Medical Marijuana Control Program and municipality regulations. Some hazardous materials within the cultivation facility will include: light bulbs, electrical ballasts, fertilizers, pesticides, and other agricultural products utilized during the cultivation of medical marijuana. Cultivators will dispose of hazardous materials according to manufacturer recommendations found on product SDS. Cultivators will wear PPE while handling hazardous materials.

**Conclusion**

[ENTITY A]’s Waste Management Plan is founded on conservationist values with the goal of reducing environmental impact. A Type 1 Key Employee will supervise the disposal of medical marijuana waste. Employees will render medical marijuana unusable prior to composting or disposal. [ENTITY A] will reuse cultivation wastewater through reverse osmosis filtration and dispose of unfilterable wastewater. [ENTITY A] will reduce waste and recycle all applicable materials. Type 1 Key Employees will handle and dispose of hazardous materials as instructed by manufacturers. [ENTITY A] will store waste in locked dumpsters, enclosed by fencing, in a limited access area, on the exterior of the facility under video surveillance. These practices will help [ENTITY A] reduce waste and opportunity for diversion.

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

**Overview**

Medical marijuana may be subject to recall at any time during operations. The Chief Compliance Officer, [PERSON M], will enforce recall procedures with support from the Inventory Manager, [PERSON N], in compliance with OAC 3796:2-1-02(B)(4)(f), Cultivator provisional license application. It is [ENTITY A]’s duty to maximize recall efforts of affected medical marijuana and minimize any risks to public health and safety. [ENTITY A] has developed a recall plan for medical marijuana. Recalls may result from several factors, including: unclean growing conditions, a failed test result, an adverse patient reaction, or hold placed by the Department. In the case of a recall, the Director of Cultivation will identify affected medical marijuana by harvest batch and unique plant identifiers (RFID). The Director of Cultivation will identify plants in the ITS by their unique RFID tag number and
change the status of affected plants to “RECALLED.” The ITS, then, will forbid the transfer of the plant
until Department authorization. The chief operations officer will contact licensed entities impacted by
recalled medical marijuana that originates at [ENTITY A] and initiate the recall of affected materials.
The Director of Cultivation will store recalled medical marijuana in an area away from other inventory.
Once the Director of Cultivation collects all affected medical marijuana, they will notify the Department
for the need to dispose of contaminated material.

Process
The Director of Cultivation will train Cultivation Associates to identify contamination and pestilence.
The detection of insects or mildew will initiate pest response procedures. The Director of Cultivation
will determine the scope of the contamination and may order plant disposal. Director of Cultivation will
determine the total amount of affected medical marijuana according to strain, propagation date, and
unique RFID tag. The Director of Cultivation will use the ITS to trace affected medical marijuana from
cultivation area to cultivation area. This technique may lend clues to the vector, or path to which pests
entered the facility. Using this data, the Director of Cultivation will plan corrective actions and
determine if affected material has been harvested or sold to dispensaries or processors. If contaminated
material is actively being processed or dispensed to patients, the Chief Operations Officer will contact
the affected entities. The chief operations officer will direct those entities to immediately cease sales of
recalled inventory and to broadcast a warning to patients/caregivers to not consume the product. The
Chief Compliance Officer, [PERSON M], will maintain records of the transfer, storage, and destruction
of all recalled medical marijuana. All activity and documents associated with these activities will be
recorded via video surveillance and made available to the Department, state and local law enforcement,
and other applicable parties.

Storage
The Director of Cultivation and Harvest and Processing Manager will secure recalled inventory in a
quarantine area. Cultivation, harvesting and packaging management will isolate quarantined medical
marijuana products in an area away from other inventory and healthy plants. The isolated product will
require separate monitoring procedures. The Director of Cultivation will clearly mark areas specific to
quarantined product with signs at entryways limiting access and required PPE. [ENTITY A] is
committed to preventing unlawful diversion and all activity related to identifying, isolating, and cameras
will continually surveil recalled inventory. Facility managers will document the storage location of
affected material in the ITS. The Chief Compliance Officer, [PERSON M], will submit inventory data to
the Department prior to the destruction of any quarantined medical marijuana products.

Retesting or Destruction
Before any recalled product is sold to dispensaries or processors, facility managers will collect samples
of medical marijuana and submit them to licensed testing facilities in compliance with OAC 3796:2-2-
06, Laboratory testing. If the recall is irreparable, a Type 1 Key Employee will oversee the disposal of
affected product. Cultivators responsible for disposing recalled material will take precautions to mitigate
the spread of contamination. Cultivators will dispose inventory in an onsite, locked dumpster, accessible
only to [ENTITY A] employees and the waste disposal company, unless circumstances particular to the
recall dictate cultivators observe more stringent methods of disposal.

Communication and Documentation
Beyond alerting affected licensed entities of a recall, [ENTITY A] will broadcast a statement describing
the scope of a recall and any associated health risks. The chief operations officer will prepare a
statement to include [ENTITY A] contact information so that patients and caregivers may address concerns. The Chief Compliance Officer, [PERSON M], will post a Frequently Asked Questions (FAQ) page on [ENTITY A]’s website to address concerns relating to the recall. Information available to patients/caregivers online will contain corrective actions [ENTITY A] is taking to respond to and prevent incidents.

The Harvest and Processing Manager will prepare transport manifests and arrange the pickup of recalled medical marijuana from affected entities. The Chief Compliance Officer, [PERSON M], will verify that all recalled product is reflected in the ITS and disposed of in compliance with OAC 3796:2-2-03 Cultivator waste disposal. The Chief Compliance Officer, [PERSON M], will inform the Department of all recalled product transfers. The Chief Compliance Officer, [PERSON M], will keep a paper copy of all transport manifests and other recall documentation onsite for no less than five years, in compliance with OAC 3796:2-2-08, Cultivator records and reporting requirements. The Chief Compliance Officer, [PERSON M], will make all recall documents available to the Department.

Conclusion
[ENTITY A] will operate transparently to protect public health. [ENTITY A] is committed to public safety and open communication with regard to its products and will ensure that the highest standards are met when executing a recall. This includes: the initiation of recalls, storage of recalled medical marijuana, destruction of recalled medical marijuana, and open communication and documentation of all steps involved in the recall in compliance with OAC 3796:2-1-02(B)(4)(f), Cultivator provisional license application. [ENTITY A] will maintain records of all recalls for a minimum of five years in compliance with OAC 3796:2-2-08, Cultivator records and reporting requirements.

Part VI: Record Keeping and Regulatory Compliance

Overview
[ENTITY A] believes strict recordkeeping enhances the Medical Marijuana Control Program in its goals to alleviate patient suffering. The Chief Compliance Officer, [PERSON M], will keep detailed, accurate records in a secure storage area for no less than five years, as required by OAC 3796:2-2-08 Cultivator records. The Chief Compliance Officer, [PERSON M], will store records digitally and physically. As part of the Quality Assurance Plan, the Chief Compliance Officer, [PERSON M], will ensure that records reflect facility activity. The Chief Compliance Officer, [PERSON M], will train employees in record keeping best practices.

Inventory Tracking System
[ENTITY A] will use the ITS to manage inventory from seed-to-sale. All functions of the software will have records associated with them. The ITS will allow the Director of Cultivation, harvest and processing manager, and Harvest and Processing Manager to monitor inventory levels, product movement, and sales in real time. Employees will have differing access restrictions within the ITS. Type 1 Key Employees will have administrative access and Type 2 Employees will have basic user access. User access logs will track which employees adjust inventory data. BMPs will work in conjunction with the ITS to gather data and maintain records. The Chief Compliance Officer, [PERSON M], will train operational mangers to match digital inventories on the ITS and BMPs.

Business Management Platforms (BMPs)
[ENTITY A] will use BMPs to collect and analyze data. Examples include: point of sales systems, accounting software, and automated environmental control modules. BMPs will integrate with the ITS and will allow facility managers to monitor all medical marijuana within the facility. The ITS and BMPs will allow managers to track sales trends. This will help the Director of Cultivation predict demand and plan future harvests. Use of the ITS and BMPs will ensure that the company has access to every data point necessary to make informed business decisions.

**Records Retention**
Retaining records is key to their usefulness. The Chief Compliance Officer, [PERSON M], will keep all records for a minimum of five years, as required by *OAC 3796:2-2-08 (A) Cultivator records and reporting requirements*. The Chief Compliance Officer, [PERSON M], will collect, and file records, then archive them using cloud-based BMPs using 256-bit encryption when they are no longer relevant. The Chief Compliance Officer, [PERSON M], will back-up data and records in cloud-based BMPs. [ENTITY A] will back-up data and records. This further enhances records security.

**Employee Records**
In compliance with *OAC 3796:2-1-02 Cultivator provisional license application*, the chief executive officer will create and maintain a current organizational chart that includes: “name, address, and date of birth of each principal officer, board member and any other individual associated with the business.” The HR director will maintain accurate personnel records for a minimum of five years for each employee. Employee records include: registration identification card (and application, if applicable), tax verification forms, job descriptions, contract terms, training documents, certifications, performance evaluations, driver’s license, car insurance (for deliveries), and any disciplinary actions. The HR Director will keep employee logs and hiring records. Logs will include: emergency contact information, registration number, access credentials, hire date, separation date, reason for separation, resume, references and background check findings. Hiring records will also include salary and wage data.

**Training, Education & Disciplinary Records**
[ENTITY A] will utilize a Learning Management System (LMS) to facilitate, track, and monitor employee training. This information will be used promote and discipline employees, based on demonstrated competencies related to medical marijuana cultivation. The Director of Cultivation will use LMS to examine employees for core competencies. Staff will use LMS to access training materials, SOPs, best practices, and pertinent federal regulations, such as those published by the EPA and OSHA, specific to each job description.

**Visitor Logs**
[ENTITY A] will designate any person on facility grounds that is not employed by [ENTITY A] as visitors. In compliance with *OAC 3796:5-2-01 (I) Employee identification cards*, all visitors must provide a valid, government-issued identification with photograph to facility managers before entering restricted areas. Every visitor will fill out a visitor log. The log will show the name, duration, and purpose of each visitor, as well as the escorting [ENTITY A] employee. After completing the visitor log, the Director of Cultivation will give visitors a visitor’s badge. [ENTITY A] will require visitors to display the badge throughout the duration of the visit. A Level 1 Key Employee will escort visitors for the duration of their visit.

**Cultivation Records**
Automated systems will monitor, record and regulate many environmental variables in the facility. The system will log the data for the Director of Cultivation to review. Based on the data, the Director of Cultivation will optimize conditions to manage plant health. The Director of Cultivation will keep records of cultivation practices, including: pesticide application schedules, crop maintenance logs, propagation logs, harvest logs, waste logs, RFID tags, laboratory test results, transport manifests, equipment maintenance logs, and sales receipts. The Director of Cultivation will analyze cultivation systems data to improve operational efficiency. Cultivation records will help employees identify tasks needing improvement. Facility managers will use cultivation data to amend SOPs. To comply with OSHA, the Department, and local regulations, the Director of Cultivation will also keep records on equipment cleaning and maintenance, ITS, and other business records. The Chief Compliance Officer, [PERSON M], will keep facility and operation inspection records.

[ENTITY A] will utilize crop management systems to regulate cultivation environments. Monitors will auto-log temperature, humidity, ventilation, water supply, and lighting in each cultivation area. The equipment will integrate with the facility’s infrastructure, including: HVAC, RO water filtration, irrigation systems, and light timers. Each monitor will transmit data to BMPs for record keeping. The Director of Cultivation will use BMP records to compare environmental conditions to production output. If data suggests SOPs are obsolete, the Director of Cultivation will update them.

[ENTITY A] will keep records for all strains in the facility. To comply with OAC 3796:2-2-08 (A)(7)(a) Cultivator records and reporting requirements, ITS and BMP records will include cannabinoid potency, the Department-registered name for each strain, unique plant identifier (RFID tag) of every plant, the location of every plant in the facility, the stage of growth of every plant, and time stamps for each plant activity (moving cultivation rooms or facilities).

Pesticide Application Records
[ENTITY A] will keep records for all fertilizers, pesticides, and other chemicals in the cultivation facility. As a best practice, [ENTITY A] will meet or exceed regulatory standards for pesticide application record keeping. The Director of Cultivation will ensure that pesticide application records adhere to Department regulations, EPA worker protection standard (WPS), and the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §136 et seq.). The Director of Cultivation will also manage commercial applicator use recordkeeping forms, SDS, and equipment user manuals. As specified by OAC 3796:2-2-01 Cultivator operations and quality assurance plan, application records will include: “date and time of application; stage of cultivation process; date when the plants in the application area were moved to the flowering stage, if applicable; EPA registration, if applicable; analysis of the fertilizer applied; application site, which shall be identified by the location legend maintained by the Director of Cultivation; name of the product being applied; amount applied; unique plant identifier or other information that identifies which plants received the application; size of the application area; name of the individual making the application; and comments or special conditions related to the application.”

Cultivators will only use approved pesticides, fungicides and other chemicals in a way that pursues environmental best practices. The Director of Cultivation will only select pesticides listed on the Medical Marijuana Control Program’s Approved Pesticides for Use in the Cultivation of Medical Marijuana. The Director of Cultivation will monitor regulations related to pesticides. For recordkeeping, the Director of Cultivation will use specific terminology to refer to pesticide applications, including: defoliant, desiccant, pesticide, and plant regulator.
In compliance with the WPS, [ENTITY A] will maintain thorough records of pesticide handler and pesticide worker training. [ENTITY A] employees will be “private applicators,” as defined by the Department of Agriculture. As a best practice, the company will adhere to OAC 901:5-11-10 (B) Record keeping requirements, which lists recordkeeping requirements for commercial applicators. [ENTITY A] will also adhere to OAC 901:5-11-11 Storage, handling, disposal and distribution of pesticides, custom mixes and blends, which lists storage and handling requirements for pesticides. Consistent with best practices and Department standards, [ENTITY A] will retain training records for five years.

Waste Disposal Records
To comply with OAC 3796:2-2-03 Cultivator waste disposal, Waste records will include: “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”.

Transportation Records
The packaging manager will retain all transportation records, including: transport manifests, invoices, payment receipts, drivers’ licenses, vehicle registrations, vehicle insurance, vehicle maintenance history, and mileage. The Harvest and Processing Manager will perpetually retain transportation records and provide them to the Department, upon request.

Licensed Testing Laboratory Records
The harvest and processing manager will record all activities related to testing, including: transport manifests to testing facilities, tested harvest batches, sample sizes, testing types (potency, contaminant, and/or pesticide), invoices and payment receipts. The harvest and processing manager will upload and reference testing records in BMPs.

Financial Records
To comply with OAC 3796:2-2-08 (C) Cultivator records and reporting requirements, the chief financial officer will maintain financial records for the facility. The Harvest and Processing Manager will record invoices, transport manifests, and payment records in the ITS. The chief financial officer will review production costs, production outputs and maintain contracts with vendors. Information pertaining to third-party vendors and other licensed entities will include: bills of lading, bills of sale, and vendor contact information. The chief financial officer will retain all transaction and sales records for five years.

The Chief Financial Officer will retain [ENTITY A]’s financial institution records. [ENTITY A] is committed to transparency in accounting data and will use Generally Accepted Accounting Principles (GAAP) to prepare financial reports. [ENTITY A] will use a certified public accountant (CPA) to manage company financial information and reporting. The chief financial officer will keep financial records on secure, internal computer networks and use an electronic records backup system.

Records Storage/Management System
The Chief Compliance Officer, [PERSON M], will ensure that electronic records storage systems adhere to OAC 3796:2-2-08(B) Cultivator records and reporting requirements. Electronic storage systems will
include confidentiality protections, and erasure safeguard, access controls, ability to place a litigation hold, and the ability to restore records in the event of a computer malfunction or other data loss.

**Workplace Safety Records**

[ENTITY A] is committed to protecting its workers from injury in the workplace. [ENTITY A] is committed to meeting OSHA requirements by using the *OSHA Form 300 Log of Work-Related Injury and Illness*, the primary compliance document from that agency. The Chief Compliance Officer, [PERSON M], will maintain compliance records, including: inspection records, regulatory agency corrective action plans, and supporting records showing resolution of warnings or violations. The Chief Compliance Officer, [PERSON M], will retain these records for no less than five years.

**Inventory Auditing Records**

Beyond keeping records in the ITS and BMPs, [ENTITY A] will create and maintain records of all inventory audits. Auditing product inventory ensures that items are being properly handled and managed. It also prevents loss and diversion by providing a visual cue to staff that inventory is closely monitored. Records of regular physical counts of medical marijuana will include: the date products were counted, a summary of the findings, employee identification numbers, and titles of the staff who participated. The harvest and processing manager, Harvest and Processing Manager and Director of Cultivation will periodically count physical inventory levels and reconcile ITS and BMP inventory levels. The Chief Compliance Officer, [PERSON M], will analyze these metrics and use them during monthly, quarterly, and annual audits. To ensure consistent, compliant recordkeeping, the Chief Compliance Officer, [PERSON M], will train operational managers on daily ITS and BMPs operations.

**Security Records**

The director of security will retain security records, including: visitor logs, security daily activity logs, and security incident reports. The director of security will maintain digital video recorders (DVR) in a security storage room. In the event of diversion or criminal activity on facility premises, the director of security will isolate surveillance records applicable to an investigation. The director of security will keep records pertaining to police or Department investigations for five years or until [ENTITY A] receives notice from the Department that the records are no longer needed.

**Conclusion**

[ENTITY A] will maintain records for all employees and all segments of production. The Director of Cultivation will keep records relevant to maintaining healthy plants, cultivator training, production schedules, and production controls. [ENTITY A] will satisfy all Department regulations for record keeping by utilizing tools such as the ITS and BMPs, which will provide real-time operating information to management. [ENTITY A] will use BMPs to streamline recordkeeping and to analyze data from the ITS. Operational managers (Director of Cultivation, harvesting and processing manager, and Harvest and Processing Manager) will use the ITS to document the strain, location, and stage of growth of every plant within the facility, as well as waste, trim, and packages from each harvest batch. [ENTITY A]’s recordkeeping policies will ensure business transparency and complete regulatory compliance. [ENTITY A] will protect its data using backup systems and encryption technologies. Good record keeping will help ensure safe operations. By creating a high standard and expectation for record keeping, [ENTITY A] is committed to the successful implementation of the Medical Marijuana Control Program.
Security Plan

2D Part I: Surveillance Technology and Physical Security

Security, Policy, and Access Control

Asset

Central to the concept of security is the asset—some object or piece of information that must protected from loss, for any number of reasons. In fact, the asset is dispositive—security is meaningless without a valuable asset to protect against a threat or attack. An object that is of low value does not need security. An asset is of high value—like, a precious gem, cash, or marijuana; it poses a danger to the public if it escapes (as in a dangerous criminal) or is entrusted to the wrong people—guns, fissile material, or scheduled drugs. Our understanding of how to protect assets has evolved in response to the increase in sophistication in which attempts to seize or attack assets has grown.

Fortresses and Barriers

Medieval European castles are examples of fortresses. The fortress model—one super-hard-to-penetrate barrier and nothing more—was the favored means of securing assets until the year 1270 when concentric castles began being built. The problem with the fortress model is that there is usually a weak spot or vulnerability that can be exploited. (We have all seen the movies where the angry hoards storm the castle by ramming the drawbridge.) Furthermore, once the single barrier is breached, it cannot easily be restored—certainly not in time to entrap the intruder—and forget defending the asset. To defend against attacks, defense tools (limited because resources inside the fortress are limited in comparison to the outside world) became increasingly more complicated (but not complex—that is, there was no interrelation between defense tools).

Eventually, the methods of fortress defense had become sufficiently complicated for a new strategy to emerge: it became apparent that one barrier between an asset and the outside world was insufficient—no matter how difficult the barrier was to overcome. The concentric castle represented a change in thinking about how to defend assets. With the concentric castle, there was more than one complication for an invader to surmount—an outer wall and an inner curtain wall, and each had its own defense tools. The moat, for example, functions as a barrier. Fill it with vicious dogs and you have a fourth barrier. Post archers atop the parapets and you have a fifth barrier. This insight—expanded from the concept that a multiplicity of tools can be used to defend one barrier into the idea that there needs to be more than one barrier to protect an asset—is a tremendous improvement over the single-barrier model. It is called the “concentric circles of protection” or “protection-in-depth” model and is the standard today.

There are different types of barriers, too. Each barrier will perform one or more of the following six functions: Prevention, deterrence, detection, delay, assessment and response.

Prevention barriers work to stop an attack on the asset before it is attempted. Examples include visible security guards, signs notifying the potential attacker that alarms systems are involved and so forth. They stop an attack as it is contemplated and before it occurs. Deterrence barriers function to back up the prevention layer. Deterrence barriers have consequences for the attacker: a lock that will not budge, an alarm that sounds, a fence that gives an electric shock or snags the intruder in barbed wire are examples. Detection barriers, as the name suggests, alert those protecting the asset to attempts of attack. Delay barriers function to slow attackers down (most barriers serve this function, but a particularly good example is the time-delay safe). Assessment barriers (CCTV) function to provide information about the attack as it is ongoing or in incident review after an attack, and response barriers (security guards, automated call systems, central monitoring station) function to initiate new action as a result of the
attack detection. With current security technologies, many security tools work together or trigger other equipment. This adds complexity to any attack scenario, diminishing the likelihood of its success.

Concentric Circles
The concentric circles model of barriers-arranged-as-layers works for two reasons: 1) because each layer, equipped with defense tools, provides another barrier to attack; and 2) because policy reinforces the integrity of each barrier. Note that the overall level of security can be enhanced by either adding a new barrier layer, or by strengthening an existing barrier layer. Policy works to strengthen each barrier layer, while a policy of awareness functions as a barrier layer in itself. Moreover, defense tools and barriers are now much more complex—that is, they have interrelated functions (e.g., video surveillance technology can trip an audible alarm, thus it can deter, detect and assess).

Policy
Policy establishes the integrity of each barrier. For example, an intrusion detection system is useless if power can be cut, if the equipment is left unpowered at the end of the day, if the equipment is left powered but unmonitored, or alarms are ignored when tripped. There must be a policy in place that establishes that the intrusion detection system is to remain powered up, that the power supply is redundant and that appointed personnel are monitoring the intrusion detection system and have scripted responses ready to enact in the event of an intrusion. Most importantly, policy informs vested people (company personnel, police, security) of their roles in the function of each barrier, on a need-to-know basis, and what to do in the event of an attack on the asset. Therefore, policy, by establishing what people do, also establishes the first (awareness) and last (response) layers of asset security.

Our Plan
[ENTITY A] based its security plan for the proposed site on the concentric circles design metaphor and designed it in consultation with experienced and distinguished security experts. Under this paradigm, nested layers of security will be designed in a most-secure-location-outward fashion, with the most central layer consisting of the location where the assets (cash, marijuana and marijuana products) are stored. The outermost security ring is the site lot line, which will be fenced off. Proceeding inward, another ring of access control is maintained at the perimeter of the building and then again at all areas within the building, with especially high levels of security at asset production (nursery) and asset storage areas. This approach, in combination with partition access logging, provides controlled access that allows for easy auditing.

The plan includes all regulatory requirements from the Department to ensure that the security and safety of the people, property and products are preserved. All equipment will meet the standards set forth by ORC 3796:2-2-05 Cultivator security, to prevent and detect diversion, theft, or loss of medical marijuana and other property.

All security layers also include physical barriers, signage, various surveillance tools and employee policies which differ based on location and function. Physical barriers are identified per-layer below, as are signage (prevention barrier), surveillance (detection and assessment barriers), and other security tools (deterrence, delay, and response barriers) such as biometric locks and auto-dialers.

Notably, the intrusion detection system and CCVE surveillance system will provide a means of communication and awareness to first responders such as on-site personnel and local law enforcement (response barriers). Real-time CCVE remote access will be available to all jurisdictional law enforcement agencies that request this feature.
[ENTITY A] will store all finished marijuana products in a vault built to meet drug storage standards established by the DEA. [ENTITY A] will keep the vaults, and any other equipment or areas used for the production, cultivation, harvesting, processing, or storage of marijuana and marijuana products locked and secured from entry, except for the time required to remove or replace marijuana. Lastly, all facility security systems will be tied into the on-site emergency generator, and will have required battery backup for the time period of transfer from normal to emergency (generator) power. Power redundancy will be supported for a minimum of 48 hours.

[ENTITY A] believes that its security plan will mitigate and deter unauthorized entrance into areas where marijuana is located. It will address all security regulations and requirements per Ohio Medical Marijuana Control Program regulations. The security plan will provide a safe environment for the public and employees, and deter unauthorized access and loss of marijuana products.

Standards and Technology Overview
While each security layer will have its own set of barriers, there are a number of tools, policies, installation standards and technological features that apply to the entire facility. There will be two independent security systems installed—an intrusion detection system and a surveillance system. The systems include burglary-deterrent measures, an emergency police call function, electronic access control and CCVE surveillance/recording/retrieval systems. Technical highlights of the systems are as follows:

**Intrusion Detection**
As indicated on the Site Plan, both the building itself and the perimeter fence will be outfitted with intrusion detection technology. Intrusion sensors include, door/gate contacts, glass break sensors, volumetric-motion sensors, heat/smoke detectors and environmental sensors. The perimeter will also be outfitted at entry points with annunciator panels and biometric access technology. The perimeter detection devices will integrate intrusion detection and control systems with other systems such as fire, intercom, Access Control, CCVE and building environmental systems. Some highlights of the technology to be used include:

- UL-listed premises burglary protection systems with a dual-path communication system: a continuously-polled IP off-premises connection and a backup cellular transmitter if IP should fail.
- The ability to remain in operation during a power outage utilizing interim battery backup and medium-term gas generator backup able to power the system for a minimum of 48 hours.
- Continuous monitoring and logging of openings/closings of office, cultivation area, and vault alarm system partitions.
- High-security, balanced, biased magnetic contact protection on all exterior doors, roof hatch, and selected interior doors.
- Passive infrared intrusion sensors and verified combination passive infrared/microwave intrusion sensors located throughout sensitive building areas (excludes lavatories).
- Daytime annunciation of all perimeter entrance doors, roll-up doors, fire exit doors, and roof hatch
- Provide the ability to configure a distinct alert sound for each alarm or alarm type.
- Provide ability to show instructions, on a per alarm basis, for how to handle the alarm. This is extremely useful as alarms induce panic and panicked minds benefit from guidance created in advance of stressful situations.
- Provide ability to automatically show live video from a camera associated with an alarm.
- Provide option that requires the operator to enter a response to an alarm when clearing it from the alarm view window.
- Provide mode of operation where un-acknowledged events will cause the computer to continuously emit their assigned alert sounds until the un-acknowledged alarms are acknowledged.
- The Alarm window will display the date, time, priority, alarm state, count, event name, source of the event (reader, alarm point, access point or system alarm), and card number and cardholder name (if card event).
- Provide ability to display when a card holder who uses a reader has accessed (opened) the door or if the card was used but the door was not opened.
- Provide a card “Watch” function. The Watch function will allow normal access control, but will highlight the access grant event at the system monitor for cards specifically configured to be watched (e.g., for employee under suspicion).

**Video Surveillance**
All areas of the property will be covered by continuously operating surveillance cameras and include license plate recognition technology for the front gate access point. As indicated on the site plan, pan/zoom and tilt cameras will cover all areas of the facility, both inside and out and provide the ability to:

- Perimeter lighting sufficient to illuminate the area for video recording.
- IR perimeter cameras capable of recording in darkness should perimeter lighting fail or be cut.
- Program descriptions and camera titles for all system cameras.
- Show live or recorded video manually or automatically based on an alarm trigger.
- Interface to a matrix video switcher via a serial communication port or LAN connection.
- Switch any camera in the system to any monitor in the system manually or automatically based on an alarm trigger.
- Video monitoring screens greater-than-12” in size.

**Related Digital Video Server**
- Provides ability to interface to a network of digital video servers.
- Camera functions such as pan/tilt, lens control, limits, and home position will be supported by the system. An operator will be able to control these functions for all cameras so equipped.
- A live view from the Digital Video Server will be displayed on the system computer.
- Upon recognition of an alarm, the system will be capable of switching and displaying a view from either the CCTV camera or video from the digital video server camera that is associated with the alarm point.

**Camera Specification**
- Security cameras providing motion and clear color still photo (9600 dpi or better) records that include a date and time stamp
- A video surveillance/recording/retrieval system with IP and high-resolution analog surveillance cameras monitoring all: exterior doors, building grounds, perimeter parking areas, employee main entrance door, shipping/receiving areas, doors accessing limited access building areas where marijuana is handled, processed, or stored and in the vicinity of the vault.
- Exterior cameras will be of a type that can record at a minimum resolution of 600 lines per inch (analog) or D1 (720 x 480) (IP) and a minimum light factor of 0.7 LUX.
- Surveillance footage will be exportable in industry-standard formats (MPEG, JPEG, GIF, BMP etc.) and be of D1 (720 x 480) resolution or greater and a frame rate of 30FPS or greater.

**Automated Caller Systems**
- Auto voice dialers (USP AVD-2005) will be located near entrances and exits, inside the vault, and other strategic locations throughout the facility. The voice dialers will be capable of storing four different 40-second recorded messages and up to eight different phone numbers. The dialers will deploy prerecorded messages to immediately notify law enforcement, public safety, or emergency services agencies of emergencies.
- Hardwired, silent “hold-up” emergency police call devices will be strategically located throughout the facility.
- Employee-worn wireless, portable emergency police call transmitters which can be either belt-clipped or carried by means of a lanyard.
- Hardwired panic alarm buttons strategically placed throughout the facility triggering an audible alarm and automated call to police.
- Failure notification system that sends security failure message by text, email and phone call to specified personnel within five minutes of security equipment failure.

**CCVE and Security System Redundancy**
The security system equipment and recording devices will be kept in a secured room to prevent theft, loss, destruction, or tampering. This room will be monitored by a separate and independent system, using a fixed security camera with dedicated off-site storage and any Type 1 Key employee who legitimately gains access to the security closet, for any reason, must sign a log sheet stating name, date, time, and reason for entry the act of which will be witnessed by the security cameras.

- The secured room will also be protected by biometric key technology.
- Overlap of security camera field of view (no dead zones in camera field of view) will ensure that any work or tampering done to a camera will be recorded by at least one other camera.
- The intrusion detection system and CCVE surveillance system will provide a means of communication and awareness to first responders such as on-site personnel and local law enforcement.
- CCVE remote (internet) access will be available to all jurisdictional law enforcement agencies that request it.
- Incident video records are to be kept for a period of four years in a secure location and made available to jurisdictional law enforcement agencies that request them.

**Alarm Redundancy**
- Triple power supplies (grid electricity, battery backup and generator backup) will power the intrusion alarm system.
- Similarly, alarm calls will be both land-line and cellular capable.

**Power Redundancy**
All electrical systems will be backed up with both battery and generator-provided power. This ensures that battery backup systems can be relieved quickly. The backup power will be sufficient for a minimum of 72 hours operation. In addition to on-site video surveillance storage, video feeds will be streamed to off-site servers for safekeeping for a period of the trailing forty-five days.

**Drill-Down of Concentric Circles**
As described in the introduction, the best way to secure an asset is by containing it within several layers of protection—concentric circles—each layer representing a series of barriers. This section describes the layers of security that are part of our security plan. Layers are underlined and then each barrier described:
Security Layer One: Site Perimeter
This is the lot line boundary of the cultivation and processing site. The perimeter of the licensed site will be visually monitored at all times by visual recording devices to detect any attempted or successful unauthorized access.

Physical Barriers
- Site surrounded by barrier fencing equipped with barbed deterrence wire.
- Sliding access gates that are triggered by access card and either code punch or biometric keys such as fingerprint or palm scan. Both card swipe plus keypunch or card swipe plus biometric scan will be necessary to enter the property.
- Exterior gate video monitored.
- Signage
- Unauthorized Access Prohibited.
- Area Under 24-Hour Video Surveillance.
- Trespassers Will Be Prosecuted to the Fullest Extent of the Law.
- Other Barriers and Security Tools
- Site is to be well-lit.
- Site perimeter under continual CCVE surveillance.
- Site outfitted with 24-hour tamper-proof intrusion detection system.
- Duress and panic buttons will be installed in key locations (e.g. from CCVE monitoring station).

Security Layer Two: Physical Plant Exterior
The entire building, including all mechanicals, exterior and interior walls, vents, conduits, ducts, drains, and so forth, will be constructed or altered to prevent unauthorized ingress and egress. This includes the building itself and the interior portions of the building. It also periodically includes transportation vehicles and personnel. The physical plant will be secured with the tools and according to the policies and procedures listed below.

Physical Barriers
- Steel frame walls.
- No windows/steel-barring for existing windows (if applicable).
- Steel personnel doors.
- Steel bollards positioned in front of overhead doors to prevent ramming and/or
- Concrete pad loading dock to prevent ramming of overhead doors.
- Signage
- Unauthorized Access Prohibited.
- Area Under 24-Hour Video Surveillance.
- Trespassers Will Be Prosecuted to the Fullest Extent of the Law.
- Other Deterents and Security Tools
- Under continual CCVE surveillance.
- Patrolled by security guards.
- Glass break detectors.
- Door ajar detectors.
- Perimeter motion detectors.
- Infrared camera monitoring (records in all lighting situations).
- Well-lit building perimeter.
- Buzzer-locked (remote open) front door.
- Alarm and CCVE Access Codes Policies.
- Access will be limited to the minimum number of authorized personnel necessary and tracked by card key.
- Access codes will be irregularly updated at the discretion of the top-level executive, so as to introduce an element of randomness.
- Access code sharing forbidden.

Security Layer Three: Common Interior Areas
The areas within the building that are accessible to all employees with the lowest security clearance level—offices, hallways, bathrooms, office and cleaning supply storage areas and the like. This does not include the security equipment closet or security suite.

Physical Barriers
- Steel doors.
- Walls constructed with steel mesh sheets attached to the underside of structural joists to separate the common interior areas from cultivation, production and vault rooms.
- Key card/biometric access locks that record personnel entry and exit of each area.
- Reception room/lobby will be constructed with a ballistic window with a small opening at the bottom to pass documents, identification and to communicate.
- The walls around the lobby will be ballistic in nature, including the wall surrounding the ballistic window.
- Signage
  - Visitors Must Be Accompanied by Staff.
  - Other Deterrents and Security Tools.
  - CCVE surveillance.
- Access limited to assigned personnel.
- Entry Procedure (Policy Barrier):
  - Employees will use key cards to open the secure outermost door.
  - Each employee must open the door leading beyond this area with his/her key card, and only one employee may pass through the door at any given time (no tailgating policy). Entry and exit are recorded.
  - Vetted and registered contractors may only enter the facility under the constant supervision of an employee after they have been photo ID verified, logged-in and issued a temporary ID in exchange for their driver’s license.
  - All deliveries must be verified and logged in at the front entrance prior to being granted access to the loading areas.
  - Visitor Escorts (Policy Barrier):
    - Visitors will be escorted by approved personnel from the time they enter the site until the time they are escorted out of the building and observed leaving the property.
    - Visitors must first be identified by intercom before being buzzed through outermost door.
    - Visitors must exchange driver’s license for visitor pass.
  - Mobile phones prohibited in interior areas of facility.
  - Photography and motion video recording is prohibited.
  - Only the employee being visited may permit a visitor to enter after security screening, and the employee being visited must accompany the visitor.

Fourth Security Layer: Nursery and Processing Areas
The areas within the building where cultivation, trimming, drying/curing, and processing activities take place. Drying/curing will take place inside separate, access-controlled rooms inside the cultivation area, providing yet another layer of security during this stage.

**Physical and Deterrent Barriers**
- Steel doors.
- Walls constructed with steel mesh sheets attached to the underside of structural joists to separate the common interior areas from cultivation, production and vault rooms.
- Key card/biometric access locks that record personnel entry and exit of each area.
- Authorized personnel will be equipped with personal panic buttons which are worn around the neck and can be deployed discreetly.
- Policy/Staff Barriers
  - Access to areas where plants are grown or handled are limited to nursery personnel.
  - These areas are under continual video surveillance.
  - Product logging protocols prevent loss of product.
  - Picture or video recording on the premises is strictly prohibited.
  - Access is allowed only by access credentials provided to workers as they are assigned tasks in specific areas.
  - No-tailgating policy.
  - Access by credentials is granted and assigned to the minimum number of authorized personnel needed in areas where marijuana is kept.
  - A clear schedule of who should be in what room, at what time, that will be monitored by the facility manager and/or director of security.
  - A minimum of two employees will be required to work together when there is marijuana present.
  - Cultivation, shipping and receiving will be:
    - Locked and controlled electronically.
    - Monitored at all times.
    - Closed and locked when not in use.
    - Equipped with sufficient CCTV to cover all working areas.

**Security Layer Five: Product Storage Areas**
The area where raw materials (feedstock), flower, processed-waiting, and processed-finished and stocked products are kept before delivery. This vault is constructed to store high-value assets and is the most-restricted space in the facility. As such, it does not abut outside walls, and is covered inside and out by video surveillance cameras. This area has detailed SOPs for addition and removal of product.

**Physical Barriers**
- Vault specifications:
  - Meets or exceeds DEA requirements for Schedule I & II pharmaceuticals.
  - 6 sided or 5 sided secured to floor.
  - GSA AA-D-600 vault door to meet DEA CFR 1301.72.
  - Managed racking and storage requirements.
  - Alarm contacts.
  - Tie-in with electronic security response.
- Steel door.
- Key card/biometric access locks.
- Signage
- Other Deterrents and Security Tools
- Access is limited to designated transport and accounting personnel.
- Access is only allowed in the presence of the General Manager.
- Logging of product stored and removed for transport prevents loss.
- Under continual CCVE surveillance.

**Sixth Security Layer: Inter-vault Safe**

This is the safe that is located inside the vault, used for keeping cash and other highest-value items.

- Inter-vault safe: UL rated safe with "TXTL-60X6" rating. This rating means that the safe can survive sixty minutes of attack from hand tools, picking tools, mechanical or portable electric tools, grinding points, carbide drills, pressure-applying devices, oxy-fuel and gas-cutting or welding torches on all six sides as well as survive for two hours at 350°F in the event of fire.
- Equipped with an Underwriters Laboratories (UL) listed Group 1 ESL20 Digital Lock that will be protected by a drill shattering hard plate and two additional spring-loaded pick-foiling devices.
- Safe-door electronic combination lock will have a time delay, which will delay the unlocking of the lock by the manager. This time delay feature is commonly used by businesses that engage in the transfer and storage of high volumes of cash or valuable items.
- Safe access limited only to certain personnel.

**Policy Features**

Every activity in the facility follows strict standard operating procedures, which function to strengthen each barrier and a policy of awareness functions as a barrier in itself. These SOPs are delivered, updated and monitored by way of an electronic tablet system that requires each employee to login and use “check-the-box-as-you-go” type activity reporting to ensure that crucial steps are not omitted. When audits turn up flaws in the procedures, the SOP can be updated and pushed out to the tablets, creating a virtuous cycle of ever-improving operations. While the details of each procedure would put this plan way over the 30-page limit, the following features are worth review here:

- A limited-access surveillance room with login sheet, biometric auto-logging access and a video camera directed on the entry door.
- Weekly checks for proper working order of the security system and the back-up system.
- Thorough event response training, rehearsing coupled with on-screen what-to-do guides that pop up upon alarm triggers.
- Video surveillance activity archived for a minimum of trailing 45 days, and specific video needed in conjunction with a criminal incident or workplace injury will be archived indefinitely by means of a DVD or flash memory device and “watermarked” to ensure integrity of the video recording.
- On-site, employee-monitored video surveillance of facility during regular business hours.
- 24-hour repair/replace policy in force for any security equipment needing attention.
- Strict no-tailgating policy for entry/exit through all partitions, prohibiting more than one person to pass a partition at any one time, and prohibiting the propping open of doors or leaving keys in doorknobs.
- Access to areas within a site where cannabis is will be restricted to persons whose presence in those areas is required by their work responsibilities.
- Records of entry and exit into every room are auto-logged for every person in the company. In addition to electronic records kept by the Access Control system, sign-in/out sheets will be kept and required to be used by every employee as they move about the building performing tasks throughout the day. All activity is recorded by CCVE and stored on-site for trailing 45 days.
- Sensitive areas will include physical barriers that prevent unauthorized access. Please see the Site and Floor Plan drawings for a visual representation of the barriers.
- There is no portion of the building, save the bathroom facilities, that will not be under continual CCVE surveillance.
- The use of a Web-hosted access control system throughout the premises allows management to cancel any Photo ID immediately (including remotely) upon employee termination.
- Backup alarm system.

**Inspection/Servicing/Alteration Protocols**

Security and surveillance systems will be serviced only by qualified, Department-approved security vendors. The procedure will be:

1. [ENTITY A] will notify the Department in advance of any maintenance procedure requiring a discontinuation of surveillance or monitoring.
2. The security contractor will provide a statement of service to be performed and [ENTITY A] will submit this statement to the Department.
3. Planned maintenance will be conducted as quickly as possible and include additional security guards posted as needed.
4. When the service is completed, [ENTITY A] will provide a service contractor statement indicating what operations were performed, their outcome and the operational status of the security systems.

**Secure Waste Area**

The facility will feature a main waste storage and disposal area, where all of the above-mentioned individual waste receptacles will be brought and emptied into separate dumpsters by Type 1 Key employees. This area will be limited access. The receptacles will be emptied throughout the day, and one last time at the end of each work day so that no waste sits inside the various production rooms overnight. This will prevent the invitation of mold in the facility. The main waste storage area will be outdoors and locked within 8-foot tall fencing. The dumpsters for any kind of medical marijuana waste will remain securely locked at all times. At designated waste pickup times, the main disposal area will be unlocked by an onsite manager so that the waste management company has access to the dumpsters. Dumpsters will be emptied no less than one time per week.

**Employee Access Policy**

Every employee will carry a photo ID card key badge that will be programmed to provide authorized access to various spaces within the building and record access events. Security personnel will staff the key points of entry. A third-party security company will oversee the building, which includes 24-hour monitoring through the security company’s system.

Security policies to ensure that the facility is limited only to employees and escorted visitors are:

- The facility is to be locked when vacant.
- Once inside the reception area, access to the cultivation area is granted by an employee key card or by the front desk receptionist/security guard.
- All locks and security equipment will be maintained in good working condition.
- All card keys, access codes, access cards, passwords, etc., are to be kept secure and accessible only to specifically authorized personnel.
- When the facility is open, surveillance rooms will remain locked and will not be used for any other function.

**Opening Procedure:**

- Each morning, security personnel will traverse the perimeter of the building to conduct a visual inspection of the exterior of the building. The purpose of this initial exterior inspection is to look
for signs of possible forced entry. Signs of forced entry could include broken windows, doors pried open, etc.

- Security personnel will then conduct an interior search of the facility.
- Any on site employees will remain in their vehicles in a position to view the facility, until security personnel have cleared the building for entry.
- Employees will not enter the facility until security personnel have finished the interior search and indicated that entry is permitted (“all-clear”).
- Closing Procedure:
  - Check the facility for persons hiding inside (bathrooms, stairwells, offices, etc.).
  - All marijuana products are accounted for and are returned to the vault.
  - Ensure that all sensitive documents and unfinished products have been secured.
  - Check that all items of value been locked away in their proper safe or vault.
  - Check that the vault door has been closed and securely locked.
  - Check that all the machines, terminals, etc. have been turned off.
  - Check that all the doors, windows, and other entrances have been secured.
  - Check CCTV for suspicious persons loitering around the exits and parking areas.
  - Activate alarm systems.
  - Security personnel will escort final employees out of the facility.

**Continuous Monitoring**
The system will be monitored at all times by trained personnel who will be able to take the appropriate steps in response to the detection of any adverse event. If any such occurrence is detected, the personnel will make a record of (a) the date and time of the occurrence; and (b) the measures taken in response to it and the date and time when they were taken.

**Air Filtration and Odor Detection**
Air moves in and out of the building and therefore its presence can be detected by smell outside the building. Additionally, outside contaminants can enter the building and create pest problems for plants. Therefore, air must be filtered appropriately in both directions. HEPA filtration will be used for incoming air, while exiting air will be carbon filtered and ozone treated to prevent the escape of unwanted odor. Cultivation, processing and storage areas will be equipped with a system that filters air to prevent the escape of odors.

**Smoke and Fire Detection**
Obviously, an evacuation occurring as a result of smoke or fire presents a security concern, as such a diversion could conceivably be intentional. Therefore, smoke, fire and harmful gas detectors, in addition to sprinkler systems and fire handheld extinguishers will be installed as required by law. In addition, the facility will keep material safety data sheets (MSDS) posted on the outside of the closet in an easy-to-locate area helping to ensure the safety of first responders.

**Incidents Requiring Report**
In cases in which suspected, attempted or actual violation of local, state or applicable federal law(s) have occurred or have been detected or suspected to have occurred, whether indicated by CCVE, intrusion detection alarm, or personnel, employees will:
  - Assess the situation for safety of fellow employees—if present, do not confront the offender if it is suspected that the offender may be or may become violent.
  - STOP. Do not move, touch or relocate anything that may be useful as evidence.
  - Immediately contact on-site security personnel.
- Immediately contact local law enforcement and request a police report, or remain present while on-site security personnel do so.
- Contact the supervising manager.
- Make sure that the responding officer knows that video surveillance is available for investigative purposes.
- Fill out a company Incident Report including date, time, nature of incident, and measures taken in response to the incident.
- Contact the marijuana authority and report the incident according to state law.

2D Part II: Security and Transportation Policies and Procedures

[ENTITY A] will provide in-house transport service. The transportation plan described in our Standard Operating Procedures (SOPs) provides a method for transportation that leaves no questions as to the timeline or chain of custody at any given point. Every contingency has, to the best of our ability, been considered and procedures put in place to address them. Of course, no plan can account for the unforeseeable, but a well-trained staff who are versed in key procedural details and principles are in a much better position to address unusual circumstances when they arise. As with all of the procedures that [ENTITY A] has developed, this plan was drawn up in consultation with marijuana industry experts, security professionals and armored vehicle transport veterans. These procedures represent the best possible approach to the transfer of high-value assets and take into consideration first and foremost, the safety of the general public, the patients that the company serves, and company employees.

Motor Vehicle Laws
The transportation division of the company will comply with all state laws that apply to operating a motor vehicle within the State of Ohio. All individuals employed by the organization will be required to read and sign a waiver stating that he or she understands Ohio Title 45 XLV MOTOR VEHICLES - AERONAUTICS - WATERCRAFT. Listed in the standard operating procedures manual is a link to Title 45 at codes.ohio.gov. Of course, a valid, current driver’s license will be required as will a driver’s history background check. A history of unsafe driving practices will disqualify the driver. [ENTITY A] will give hiring preference to experienced armored vehicle drivers and others who have a history of professional driving services.

Best Practices
The organization will adhere to existing cannabis industry best practices while developing its best practices within the regulatory framework provided by the State of Ohio’s Department of Commerce. For example, all transport team members, in addition to having completed the marijuana employee training requirements, will also be required to obtain a security guard certification through the State of Ohio. (These transport team members may also be scheduled to provide support for overnight security at the grow facility when not performing transport duties.) All of our employees will pass an initial screening to determine that they are:

- At least 21 years old.
- Reside in Ohio.
- Are mentally competent.
- Are of good moral character.
- Have no drug or alcohol use or dependence.
- Have no record of felony conviction.

Defensive Driver and Security Guard Training
All employees assigned to transport duty will be trained in security best practices, security guard training and armored vehicle/defensive driver practices. Security guard training will ensure that safety
standards meet the requirement regarding the transport and delivery of marijuana and marijuana products under Chapter 3796 of the Revised Code. All transport personnel will also be required to attend a state-approved defensive-driver training course.

**Driver's Licenses and Marijuana Employee Identification Card**
All transport team drivers must carry at all times a valid Ohio driver's license and a state-issued employee identification card when delivering marijuana or marijuana products. Transport team members must comply with police authorities and Department of Commerce officials. They will carry proof of identification, driving privileges, and marijuana employee identification card (issued by the company). To ensure the safety of the team and the cargo, all transport team members will receive training on how to identify an authority of Federal, State, county or local level or a representative of the Department of Commerce.

**Authorized Transport Vehicles Specification**
[ENTITY A] intends to put two panel vans into service for transport purposes. This detail, in addition to model year, color and license plate number will be included on the transport manifest. At no point will the marijuana or marijuana products be visible from outside the transport, as this would represent a security risk and would be grounds for immediate termination of transport personnel. With the same safety risk in mind, no vehicle will have any distinguishing markings, stickers, logos, or symbols that might indicate that the vehicle is being used for the transportation of marijuana or marijuana products.

**Secure Container Equipment**
All transport vehicles will be equipped with a lock box or locking cargo area to ensure the safety of the marijuana and marijuana products. The container will be constructed of a suitable metal and of sufficient thickness and durability so as to prevent prying, cutting and other attacks. This container will be bolted or welded to the floor of the vehicle and be fitted with a lockable hasp or other suitable locking apparatus (combination, fingerprint scanner). In addition to the locking cargo box, the vehicle will be outfitted with a cash drop safe, which will be bolted or welded to the floor of the vehicle, and the combination or key to which will not be in possession of the drivers. This will enable payments made in cash for products delivered may be transported back to the originating facility with an extra layer of protection against loss of asset to theft or armed robbery.

**Climate Control**
Each transport vehicle will be equipped with climate control features to ensure the quality of perishable product is maintained during the transport period. An appropriate climate-controlling container (cooler, packed as required, for example) will be provided for transporting marijuana products to ensure the quality of the products during a range of temperatures anticipated to be experienced during transport.

**Global Positioning Systems**
Two global positioning systems (GPS) will be in place at all times and in operating mode. The first GPS will be a unit mounted to the dash, and capable of monitoring not only location, but idle time, fast braking, fast acceleration, safety performance, time driving, route adherence and efficiency, and other statistics. A second unit concealed in the product packaging will assist in recovery in the event of adverse loss. This unit will be removed by the recipient of the marijuana products and returned to the seller company with the delivery drivers.

**Dashboard Cameras**
All vehicles will be equipped with dashboard cameras to record activity during transport of marijuana and marijuana products. These cameras will record activity in front of and around vehicles during
transport, during delivery, and during return of the transport vehicle after delivery. In the event of more than one delivery destination, cameras will remain in operation during the entire duration of the transport. The cameras will also record audio. The recordings from each delivery trip will be backed up and stored offsite as a final step in the delivery process.

**Transport Vehicle Inspections**
In addition to the required State Vehicle Inspection, transport vehicles will be available to the Department of Commerce, to law enforcement, Federal, state or local government officials for special inspections. Transport team members will be trained to comply with any stops and inspection initiated while on a delivery route or when stopped at a medical marijuana facility or laboratory. If a delivery vehicle is stopped and inspected, drivers are to remain non-confrontational, compliant and polite, and cooperate with the official(s) initiating and conducting the stop/inspection. In such an event, the transport team members will be required to immediately notify the General Manager using the secure line provided. A record of the stop, including the name and badge number(s) of the official(s) initiating and conducting the stop/inspection, location of stop, reason for inspection and outcome of inspection should be made as soon as practically possible.

**Loading Area**
Loading and unloading will take place in a designated, restricted area within the cultivation facility premises. The facility perimeter will be secured by an 8-foot-high steel or chain link fence, preventing access to the facility exterior, and the loading area will be out of sight of the public. Employees will be trained to be aware of the surroundings and identify any unusual persons who may attempt to observe loading/unloading activities.

Transport team members will be prohibited from loading a vehicle alone, and at least two people must be present during loading and unloading duties. Following the Standards of the Department of Commerce, a surveillance system using fixed cameras will provide clear and certain identification of all persons and activities that occur within limited access areas or restricted access areas relating to loading, unloading and transport tasks. This will ensure that products, employees and the facility remain secure during preparation for transportation.

**SOP Overview**
Paired Support Teams
All transports will use a team of two or more people. One person shall be responsible for driving and another will assume responsibility for navigation. Should more than two hours be required for the transport, the team can switch roles so that no single individual is responsible for longer than two hours for the same task. This prevents fatigue and reduces incidence of driver error/accident. Transports taking longer than two hours are rare, so if a change of role between or among the team members is to occur, prior approval should be obtained.

Communication and Cell Phone Use
Communication between drivers and the facility is crucial for timely and safe delivery. However, manual cell phone use is prohibited while driving. The vehicle will be outfitted with a dedicated hands-free mobile telephone system permitting the drivers to communicate with both grower/processor (shipper) and recipient facilities in order to communicate details regarding transport. The use of personal cell phones is prohibited during the entirety of the transport, except as needed in an emergency or if the primary line fails.

Vehicle Malfunction
Transport vehicle maintenance checks will be conducted on a monthly basis. It is a top safety concern that the organization maintains these vehicles to the highest standards. If, during the course of a transport, the transport team experiences a vehicle malfunction, their first task will be to determine whether to head for a designated fueling station, or whether the malfunction can be rectified while in transit. Once that determination has been made, the drivers will communicate the circumstances to the Department of Commerce. All transport vehicles will be equipped with a car battery charger, jumper cables, run-flat tires, AAA-certified roadside safety kit, fire extinguisher, flares, fuses, emergency escape tool, spare tire, car jack, lug wrench, coolant, water, tire chains and so forth. Transport team members are required to walk around the transport vehicle and do a short visual inspection of the vehicle before starting transport. The purpose of the inspection is to ensure nothing looks suspicious, unsafe or out of the ordinary before the team begins transport. Both transport team members along with the transport coordinator will sign off on the inspections which are included as section of the transportation manifest.

Delivery Times
For safety and security reasons the delivery of marijuana or marijuana products will occur between the hours of 7 a.m. and 9 p.m. This includes loading and unloading of the delivery of products. The transportation manifest will note the loading time and unloading time of each delivery. In the case of unforeseen circumstances and the transport vehicle cannot reach the drop-off location by 9 p.m., the transportation team will contact the operations and transport manager immediately. A call to the Department of Commerce will also be placed in order to establish an appropriate and approved plan of action.

Delivery Routes
The federal government controls drugs through the Controlled Substances Act (CSA) (21 U.S.C. § 811). The federal law does not contain any provision distinguishing marijuana or marijuana products from recreational marijuana. Under federal law marijuana is still a Scheduled I drug. With this federal policy in place, marijuana and marijuana products cannot under any circumstances be transported out of the state of the State of Ohio. There are no exceptions to this; to cross the state line with any medical marijuana or marijuana product would be considered a violation of the Controlled Substances Act (CSA) (21 U.S.C. § 811) and be grounds for immediate dismissal, not to mention arrest and prosecution.

Fueling Policy
Any stop during the transport of marijuana or marijuana products is considered a safety concern. Therefore, all vehicles used for transport will be fueled the day before transport. Safety is our number one concern and certain fueling stations located near the facilities that are deemed safe will be designated as approved fueling stations. There will be a fuel card system in place; there will never be any cash or credit card transactions as all fueling will be paid for using the fuel card system. Examples include Fuelman, Fleet, and others.

Transport Team Lunch/Break Policy
Per the Department of Commerce, the transport vehicle should never be left unattended. One member of the transport team must stay with the vehicle at all times. Transport teams are allowed to stop only at designated locations that are on the approved transport route. Not at any point during or after the delivery of marijuana or marijuana products will any transport vehicle stray from the designated route. The entirety of the transport pre- and post-delivery is considered to be a safety concern, and the transport team will follow the route and times specifically provided on the transport manifest. Due to the need to maintain the transport schedule and to travel times rarely exceeding two hours, only under the most unusual circumstances would a transport team require more than two 30-minute breaks.
Accident Report
In the rare case that an accident occurs during the transport of marijuana or marijuana products, a transport team member must immediately call the Department of Commerce on a secure line or through electronic communication provided by the Department of Commerce. Following the call to the Department of Commerce, a transport team member must immediately call the General Manager and/or Transport Coordinator. It is the General Manager of Transport Coordinator's job to monitor the transport team’s progress by using the GPS tracking device.

Inclement Weather Policy
The organization will follow any warnings or advisories issued by the Department of Transportation and react according to most-prudent policy. If the transport team becomes aware of the issuance of a Department of Transportation advisory during the course of a transport that would prevent or make inadvisable continuance of the delivery, the remainder of the transport will be cancelled and appropriate notices given as soon as practicable. These notices will be one of four types:
1) Return to base immediately.
2) Complete delivery and return to base.
3) Complete delivery and take nearby shelter.
4) Shelter in place and return/continue when danger/weather has passed and conditions permit.

Evidence of adverse loss during transport
The transport team members or transportation coordinator will be trained to immediately report any discrepancy on the transportation manifest, invoice, or receipt. This same training standard will apply to reporting of any suspicion of theft or adverse diversion from the transport manifest. The transport team members will report this information on a secure phone or by electronic communication, as required by the Department of Commerce.

In the occurrence of such a discrepancy, the organization will provide an initial written report to the Department of Commerce immediately upon discovery, and within ten (10) day, issue a final investigation report including all discoveries during the internal investigation including a personnel report indicating all of the employees at the facility at the time of the diversion, the measures taken to determine the cause of loss, theft or diversion, inventory of what was lost and a revision to the Inventory Plan, including the measures taken to ensure against future loss, theft or diversion.

Recordkeeping
Department Daily Notification
Before each delivery, the transport coordinator will notify the Department of Commerce of the route, delivery schedule, and an estimated time of arrival for all deliveries scheduled that day. This information will be conveyed using an approved method of communication that has been established by the Department of Commerce. [ENTITY A] anticipates that this will be by email, website submission or fax.

Transport Documents & Recordkeeping
As required by the Department of Commerce, the organization will acquire copies of the transport team's Driver's Licenses and will keep a copy of the transport vehicles' registration. A transportation manifest, along with an invoice or itemized list of all products shipped, will be retained for the period specified by the Department of Commerce.

Transportation Manifest
The transport team members will travel with all required transport documents. These required documents will include a valid Ohio driver’s license for each team member, state-issued employee identification card for each team member, proof of insurance, vehicle inspection documents, and vehicle inspection sticker. As noted, there will be no unauthorized stops or alterations to the route approved on the transportation manifest. In some cases, the transport team members may be routed to make multiple stops during a single delivery. Each stop will have a separate manifest, accurate invoice, and receipts for each drop-off location. Any deviation from the approved route listed on the manifest will be reported. Depending on the cause of the deviation the transportation team will determine the appropriate authorities to contact. In all cases, the transport team must check in with the General Manager or Transport Coordinator—even in the event of road construction or a simple detour from an accident site.

As required by the Department of Commerce, ORC 3796:5-3-01 Transportation of medical marijuana and medical marijuana products, the organization will provide a manifest to the Department and receiving entity containing the information listed below. The manifest will be transmitted to the Department in electronic form, and drivers will carry paper copies. The manifest will include:
- Name, Address & Permit Number of the Cultivator.
- Name and contact information of employees responsible for delivery/transport.
- Name, Address & Permit Number of the medical marijuana organizations or approved laboratory receiving the delivery.
- Name and contact information of the organization or laboratory representative responsible for receipt of the delivery.
- Quantity by weight or unit of each.
- Harvest Batch with identification number or
- Harvest Lot with identification number or
- Process Lot with identification number.
- Date and approximate departure time.
- Date and approximate arrival time.
- Transport vehicle make, model and license plate number.
- Employee ID number of each delivery team member making the delivery.
- Specific delivery route including street names and distances.

Cash Handling
The handling of cash payments for product upon delivery will be conducted in the same manner as for marijuana products. All of the protocols delineated for the handling of marijuana hereof apply equally to cash, with one important exception: When transferring cash, the cash is to be deposited into a drop safe (welded to the vehicle body or frame). Only the General Manager or other designated employee or employees will know the combination (or possess the key) to the drop safe. This will enable payments made in cash for products delivered may be transported back to the originating facility with an extra layer of protection against loss of asset to theft or armed robbery.

Armed Robbery
Because an armed robbery is such a stressful situation, all employees (not just drivers) will be trained in how to handle an armed robbery situation and will have rehearsed the procedure so as to help prepare them for the unlikely event it occurs. The rehearsed mock-armed-robbery will include instructions about what to do during an armed robbery and what to do after the robbery. Armed hold-up or robbery procedure for drivers is as follows:
1. Remain still in the vehicle, moving slowly when directed by the offender. Keep hands in a place that is visible to the offender. Do not make sudden movements or attempt heroic actions. Only actuate distress signals or phone calls if it is absolutely safe to do so.
2. Obey the offender’s instructions. Speak only when spoken to and do not make provocative statements. Explain any action you intend to take in advance of taking it. For example, “I am going to open the car door and exit the vehicle now.”

3. Stay calm, remain submissive and avoid eye contact with the offender.

4. Take in detail as much as is possible. Note the offender’s height, sex, appearance, dress, etc. Note the type of weapon being used. Try to recall anything unusual or identifying.

5. Stay as far away from the offender as possible. If asked to open the safe, explain that you do not have the combination/key to the drop safe, only to the products safe. Open the products safe as instructed. Ask the offender to leave after he is in possession of the products or is satisfied that no products are in the vehicle or that access to the drop safe is not possible.

6. Note the direction of travel of the offender when he leaves.

7. Do not disturb evidence.

8. When it is safe, call 911. Then call the originating facility and call the Department. Wait for the police to arrive and take a report of the incident.

9. Afterwards, employees are not to be judged or criticized for their behavior during a holdup. Employees will be offered post-trauma counseling, time off, and, if possible, the opportunity to return to work in a different position if they prefer.

**Delivery Protocol**

**Loading**

1. Observe the loading area for suspicious persons or activity (hole in fencing, or doors ajar, etc.).

2. Establish drivers.

3. Pre-departure check: Driver inspects vehicle for suspicious or unusual circumstances, ensures vehicle systems are functioning (cameras in cargo area, mirrors, alarms, tires inflated, etc.) signs off on manifest in appropriate area.

4. Delivery Driver Two watches while vehicle is backed up to the loading dock.

5. Delivery Driver Two accepts packaging and signs off on delivery manifest, ensuring that she has loaded all products to be delivered.

6. Drivers confirm delivery route and destinations, note time of departure.

7. Driver or manager calls ahead to destinations before Drivers leave loading area.

**Driving the Route**

1. Using GPS navigation and taking consideration for traffic volume, road construction and drive times, select the best route.

2. Driving commences with two drivers.

3. If a stop is required:
   a. Fueling is to be conducted PRIOR to delivery, however, if a long delivery requires refueling, the stop will be noted on the delivery route and manifest and the process is as follows:
      i. Stop is called in to General Manager.
      ii. One driver remains in vehicle behind the wheel, the other exits and refuels.
      iii. Refueling should take place concomitantly with break times to reduce the number of stops.
      iv. Fuel is paid for with fuel-only credit card, never cash, and always at the pump, close to the vehicle.
      v. Resumption of route is called into General Manager.

4. Accident or vehicle breakdown:
   a. Assess the safety of occupants.
   b. Call emergency services as required.
c. Attend to first aid as required, taking care to secure the vehicle as much as practicable, prioritizing human health and safety.

d. Issue report to General Manager, the Department, and medical marijuana entities involved.

e. Make a police report and retain a copy.

f. Determine if the vehicle is drivable:
   i. If the vehicle is not drivable, set up safety devices to alert oncoming traffic, call for a tow.
   ii. If the vehicle is drivable and is legal to drive (lights intact) and fully functional (i.e., this is a fender-bender), continue driving the delivery route as planned.
   iii. If vehicle is drivable, but not legal, move to side of road and call for a tow. Set up safety devices to alert oncoming traffic. Wait with vehicle.

_Delivering Cargo_

1. Notify destination facility of ETA 15 minutes out, and again upon moment of arrival.
2. Observe the loading area for suspicious persons or activity.
3. Remain in vehicle until greeted at delivery area.
4. Identify receiving facility employee by name and identification card number.
5. Delivery accepted: Have authorized employee of receiving facility sign and date the Delivery Manifest.
6. Cargo rejected: Have authorized employee of receiving facility sign and date the Delivery Manifest, noting reason for rejection.
7. Call in result of delivery attempt to General Manager.
8. Return to base or continue scheduled delivery stops.
2D Part III: Facility Plot and Specifications
**2D Part IV: Emergency Notification Procedures**

**ENTITY A** has developed comprehensive plans that contain procedures to be followed in the event of several emergency situations. **ENTITY A** will include emergency preparedness modules in its employee training program. Employees will rehearse emergency notification procedures through periodic drills.

**ENTITY A** has developed emergency notification plans for a number of emergency situations, including medical emergencies, fires, weather, floods, lockdowns, and computer hacking. Each employee, whether involved in the handling of medical marijuana or otherwise, will be required to understand the spectrum of emergency situations that may arise in a medical industrial environment. **ENTITY A** will rely on both its own SOPs, and resources developed by local, state, and federal authorities. Emergency preparedness guidelines published by federal agencies, such as those established by the Center for Disease Control (CDC), Occupational Safety and Health Administration (OSHA), United States Computer Emergency Readiness Team (US-CERT), and the Department of Homeland Security (DHS), will be incorporated into company-developed emergency protocols.

**ENTITY A** will stress scripted emergency action plans, providing employees with clear guidance to assist them in their response to emergencies when such situations arise. The action plans will include reporting protocols that alert **ENTITY A** management and appropriate first responders. In the event of a non-emergency adverse event such as non-violent crime, or suspicious activity, employees will immediately notify management and involve local law enforcement if appropriate.

Severe weather common to **ENTITY A**’s proposed location in Ohio includes heavy snow, severe thunderstorm and tornadoes. Severe weather occasionally poses a threat to the smooth operation of the company. Employees will have rehearsed severe weather response plans to ensure the safety of all personnel, patients, and **ENTITY A** property. Due to the threat of severe weather, **ENTITY A** facility will have a backup power generator sufficient to supply electricity necessary for security systems and basic facility functionality.

**Crisis Management**

Emergency contact lists will be posted throughout **ENTITY A** facility and include contact information for the following agencies: 911, poison control center, fire department, nonemergency police department, paramedics, hazmat response, Ohio Department of Commerce, Chief Executive Officer, and utility service providers.

Building maps will be posted throughout the facility with emergency exits, primary and secondary emergency evacuation routes, locations of all fire extinguishers, and emergency meeting assembly points clearly marked.

Safety data sheets (SDS) will be in conspicuous locations throughout the facility for use by fire department personnel. SDS will identify each chemical, pesticide, cleaning agent, and any other substance present at the facility. To further comply with National Fire Protection Agency (NFPA) emergency protocols, drums, buckets, and other containers on premises for the sole purpose of containing water, will be clearly marked “H₂O”.

**Medical Emergency**

All employees will be versed in basic first aid. In the event of a life- or limb-threatening medical emergency, including incidents resulting in the loss of consciousness, bone fracture, or excessive blood
loss, employees will contact 911 and provide detailed information about the nature and location of the emergency. To best facilitate medical emergency procedures, employees will carry on their person an emergency contact form, which will identify the employee’s name, phone number and home address; phone numbers and names of two (2) emergency contacts; the relationship of emergency contacts to the employee, any medical allergies, and any special medical instructions.

**Fire Emergency Management**

[ENTITY A] SOPs will minimize the risk of fire, however, in the event of such an emergency, employees will evacuate [ENTITY A] facility. To facilitate swift evacuation of the facility, an emergency escape plan will be drafted and include a floor plan identifying all doors and windows in the facility. Additionally, evacuation route direction arrows will be posted to guide personnel out of the facility. Emergency beacon lights (“frog eyes”) and auditory signals will demarcate exits. A pre-designated meetup point will also be indicated on the fire escape floor plan. Employees will have rehearsed these routes and know exit and meetup procedures. Unannounced fire escape drills will be held at least two times yearly. Company executives will evaluate drill success and administer any needed changes to fire emergency SOPs. In addition to workplace safety procedures, [ENTITY A] will train employees on escape maneuvers (e.g. smoky hallway escape).

**Tornado Emergency Management**

Tornadoes are a possibility in Ohio, and may strike at any time of the year. Since 1950, more than 1,000 tornadoes have touched down in Ohio, and a portion of them had sustained wind speeds of over 200 mph. [ENTITY A] will take tornado hazards seriously. Management will monitor the National Weather Service for severe storm warnings. During a tornado, a distinct alarm will sound to notify employees to move to a predesignated area in a structurally fortified portion of the facility, such as the center of a small interior room, away from corners, windows, doors, and outside walls. Preplanning, drills and posted floor plans will all help facilitate emergency navigation. During a tornado, employees will sit against a wall in a safe location of the facility with their heads between their knees and arms covering their heads to minimize exposure to falling or flying debris. On-duty delivery drivers will be directed to remain in the vehicle and drive directly to the closest shelter. Tornado drills will be rehearsed at least two times yearly, unannounced to participating employees.

**Flood Emergency Management**

[ENTITY A] will check the flood rating before purchasing the proposed property and determine the likelihood of severe flooding to be low. However, flood preparedness is integral to [ENTITY A]’s comprehensive emergency notification plan. [ENTITY A] employees will be trained to respond to flood situations. Management will monitor the National Weather Service forecasts and communicate severe weather alerts to staff. Groundskeepers will monitor facility grounds to help prevent flood, including ridding debris from ditches, swales or retention ponds around the exterior of the facility to avoid impeding water drainage. When confronted with standing or rushing water of unusual volume, employees will adhere to the “turn around, don’t drown!” protocol that is promoted by DHS’ Ready.gov emergency preparedness website. Employees will cease work operations and, if necessary, evacuate the premises upon flood or severe flood warning administered by the National Weather Service. On-duty delivery personnel located inside a vehicle during a flood warning will be instructed to move to high ground, abandoning the vehicle if necessary, until further notice.

**Lockdown Emergency Management**

[ENTITY A] will be prepared for lockdowns and active shooter incidents. Lockdown protocols will be initiated when the evacuation of [ENTITY A] facility is deemed unsafe. Emergency preparedness drills will be conducted regularly to familiarize staff with lockdown procedures and to normalize the
experience of rapid emergency responsiveness. Lockdown procedures drills will be conducted at least two (2) times yearly, unannounced to participants. Employees and other individuals under lockdown will be notified to sit flat against a wall, out of sight of any door or window. Employees will lock windows and doors as soon as safely possible and establish communication with local law enforcement. If no evacuation instruction is provided by law enforcement, it will be protocol to shelter in place until directed by law enforcement to end lockdown procedures. [ENTITY A] will designate safe rooms and safe places within the facility, and employees will have rehearsed how to access those locations in an emergency.

**Computer Emergencies**

Computer hacking and digital data compromising has become an increasingly common threat, even within regulated medical marijuana markets. Patient data, protected under the Health Insurance Portability and Accountability Act (HIPAA), will be kept on encrypted servers and only accessible by cleared personnel using two-factor authentication. Still, data networks may prove vulnerable to cyber-attack. Thus, [ENTITY A] will prepare for computer emergencies and respond to them according to USCERT recommendations. [ENTITY A] will train all employees on basic network security hygiene. Independent information and technology (IT) experts will conduct computer security audits regularly to ensure privacy and operational integrity. [ENTITY A] will vet cloud computing systems, and business management platforms and inventory tracking systems will be kept up-to-date.
Sources of Funds

[ENTITY A] will be funded exclusively through the personal savings of the principals, evidence of which is provided in Section 1B, and equity investments in [ENTITY A] by the accredited investors already secured.

Investor 1: $250,000, equity investment into [ENTITY A].
Investor 2: $250,000, equity investment into [ENTITY A].
Investor 3: $250,000, equity investment into [ENTITY A].
Investor 4: $250,000, equity investment into [ENTITY A].

For a total of $1,000,000.

Additionally, [ENTITY A] has also established relationships with private equity lenders who are willing to take convertible debt positions secured against the land, building and equipment, if it should become necessary in the future. The potential loan amounts would be:

- LOAN 1: $100,000 at 6% on a 240 month term.
- LOAN 2: $200,000 at 8% on a 48 month term.
- LOAN 3: $450,000 at 8% on a 48 month term.

[ENTITY A] intends to utilize PACE (Property Assessed Clean Energy) financing to fund sustainable building improvements outlined in the attached energy and sustainability plan. PACE is a low interest financing vehicle that allows residential and commercial property to spread the cost of energy efficiency and clean power generation upgrades to the building across 20+ years. [ENTITY A] team members have strong backgrounds in renewable energy and PACE financing and will coordinate the building upgrades and financing aspects of this loan.

All construction and pre-operational costs will be covered by the equity investments, which will be closed prior to the application submission. [ENTITY A] will draw down on LOAN 2 in the first quarter of 2018 to ensure that it has sufficient working capital to fund the increase in staffing and costs to cultivate its first crop. However this debt facility may not be required if market conditions meet or exceed those projected in our model. [ENTITY A] is currently projected to reach cash flow positive in 3Q 2018.

[ENTITY A] also anticipates drawing on a combination of retained earnings or loans in the amount of $450,000 in the future to finance the cultivation area expansion from 3,000 ft² up to 9,000 ft² with state approval. This loan will only be drawn on if expansion is merited by market conditions and state approval is granted. Should the company experience any financial shortcomings, [PERSON A] has a reserve of personal finances to supplement capital and ensure the business is able to complete buildout and continue to operate. Based on financial projections, it is not needed. Company revenues will provide an additional source of capital and are addressed below.

Startup Capital and Operating Expenses

Although the Financial Plan application section subtitle asks for “Operating Expense Breakdown,” the detail below it asks for both startup capital (“cost breakdown of the applicant’s anticipated costs in building the facility…”) and operating expense costs breakdown (“…and implementing the policies and procedures submitted as part of the application.”) Both are provided in this narrative.
Also, because the application asks for an analysis of both actual and anticipated sources of funds, this narrative also goes beyond the second question of operating expenses by not only addressing costs of (initial) implementation, but also by projecting those figures three years into the future and accounting for anticipated revenues (because revenues are additional funding). [ENTITY A] has done this because, although a company may have sufficient capital to build and commence operations, the history of the marijuana industry is replete with stories of businesses failing as a result of inadequate capitalization and overly optimistic revenue projections. [ENTITY A] wishes to demonstrate that it has sufficient capital to succeed after operations begin and to demonstrate, through conservative projections, that the company is viable long-term.

The narrative is broken down into the three broader categories of pre-application activities, which have little or low cost, or are mandatory (such as the application fee and license escrow/surety bond); post-permit/pre-operational activities, which comprise the bulk of the spending plan; and, finally, operational activities until cash-flow positive, as based on a thorough cash-flow pro forma (tables from which are cited herein).

**Derivation of Cost Figures**

[ENTITY A] has not only developed detailed startup capital and operating expense projections, but also developed detailed subsections for personnel costs, equipment costs, income (profit and loss), three-year cash-flow, and balance sheets (also three years out). All of these projections proceed from historical analyses and assumptions about the industry in general and about the details of Ohio’s program in particular. For that reason, [ENTITY A] went to great lengths to find experts in these fields to hone its assumptions.

[ENTITY A] has consulted with marijuana industry advisors and financial modeling experts to help develop its numbers. These sources include people who have designed and built many cultivation, processing and dispensary facilities; done company valuations for numerous existing marijuana companies (and therefore have intimate knowledge of actual operating costs); pooled, analyzed and averaged numerous financial statements from operating marijuana companies nationwide; and who hold financial advisory positions. Nearly all are previous owner-operators of marijuana companies.

The following cost narrative proceeds in chronological order, and is further subcategorized by Capital Expense (fixed assets) or Operating Expense.

**Section 1: Pre-Application Activities**

**Capital Expenses**

*Site Selection and Building Acquisition*

Applicant has acquired a building of suitable size and nature to begin its cultivation operations, located in an area that is zoned correctly. The building is owned by a separate asset company and will be leased to [ENTITY A] until Year 2, when the company will have an option to purchase the building. The company anticipates cash reserves will be sufficient to exercise this option when it becomes available at the end of Year 2. Tenant finishes are expected to cost the applicant $408,000 and Furniture, Fixtures and Equipment (FFE) and security system equipment and installation are projected to cost $365,000.
Because [ENTITY A] has chosen an already-existing building, it has been spared the time and costs associated with building new. No site design, architectural work or town engineering is needed. [ENTITY A] does not need to account for any associated costs such as soil tests, surveying, mapping, grading, etc.

**Interior Design and Security Concept**

[ENTITY A] will be consulting with industry experts, [ENTITY C], to select its architect, contractor, and security firm. These vendors will provide the drawings and estimates needed to outfit the building for cultivation. The security company will develop its security schematic and provide an estimate for the installation and monitoring of the facility. These costs will be negligible.

**Permits**

The permit for building modifications is ready to be submitted and the building permit will be issued upon completion of the review. No utility upgrades or construction permits are required, as the building already exists. No cost is associated with this preliminary work.

**Bids and Contracts**

[ENTITY A] is in the process of putting out bids and deciding on contracts. [ENTITY A] has good estimates for the costs of the building refit. The bids have been provided at no cost and [ENTITY A] considers this process to be ongoing. The information acquired in this process is used to address the spending post-license/pre-operation, as detailed in the next section.

**Application Fee**

We are budgeting an application fee of $2,000, per Department instructions.

**Cash on Deposit**

[ENTITY A] has $50,000 liquid assets, as required by the Department.

**Escrow/Surety Bond**

[ENTITY A] has $75,000 to be established and maintained as an escrow account or surety bond, as required by the Department.

**Operating Expenses**

The rent to the proposed operating company is $40,500 per year for year one, however, rent will only begin three months prior to the anticipated date of commencement of operations. Therefore, no rent is needed pre-license and the cash outlay for rent is $0 during this period.

**Executive Team**

The executive team has been assembled and all have agreed to work through the pre-application process without pay. The cost for the executive team is $85,000 for the first year post-license. Background checks have been conducted for all of the team members. The costs associated with this are negligible.

**Section 2: Post-Permit, Pre-Operational Activities**

**Capital Expenses**
**Medical Marijuana Cultivator License Fee**

[ENTITY A] has allocated $18,000 for the Level II Cultivator license of the Ohio Medical Marijuana Control Program, should it be awarded.

**Site Work**

Site work for [ENTITY A] is limited to fencing. The applicant has included the cost to fence the property with barbed-wire-topped chain-link fence, including a mechanized sliding entrance gate in the "Security System" cost of $175,000.

**Construction**

Framing to break out various rooms, wall finishes, and doors and frames have been estimated at $58,500. Floor and ceiling finishes, including concrete sealer are estimated at $49,500. Mechanical, electrical and plumbing (MEP) is estimated to cost $189,000. Additionally, $81,000 has been budgeted for general conditions of the tenant finish. The building does not need a power upgrade as the existing electrical supply is sufficient. All associated inspections of the work performed are included in the aforementioned numbers. Total construction costs for the refitting of [ENTITY A] building are projected to be $378,000.

**Equipment Purchase and Installation**

[ENTITY A] has already selected its suite of equipment for cultivation operations, based on recommendations from its expert consultants. Once [ENTITY A] has been awarded its license, various installations and upgrades will begin. This includes the lighting, HVAC, cultivation and fertigation equipment, office FFE, computer equipment, and so forth.

[ENTITY A] estimates all of the equipment and installation to cost approximately $365,000. This includes cultivation lighting and fixtures of $180,000 and all security elements which are anticipated to cost $175,000. Additionally, [ENTITY A] will purchase one panel van for a total of $50,000. The cost of upgrading the HVAC system is included in the above Construction budget.

**Inspections**

Inspections costs will be included in permitting costs. These include: final building inspection, fire inspection, public works inspection, and department of health inspection. [ENTITY A] has allocated no monies for inspections, but has built-in costs for time associated with the inspection process. In other words, [ENTITY A] recognizes that it may not commence operations until such time as inspections have been completed and a certificate of occupancy issued, therefore it has allocated one month of wait time for this process to be completed.

**Operating Expenses**

**Hiring**

[ENTITY A] has commenced mid-level management scouting already, and in some cases has verbal agreements with employees. After the license is issued, [ENTITY A] will commence hiring in earnest. Accounting for the hiring of the following personnel at the corresponding times indicated, [ENTITY A] has budgeted for mid-level management and staff. In the chart below, note that the Start Month indicates the number of months from date that operations commence.
<table>
<thead>
<tr>
<th>Position</th>
<th>Start Month</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO/CFO/CMO</td>
<td>1</td>
<td>$85,000</td>
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<tr>
<td>Wholesale Sales Director</td>
<td>6</td>
<td>$60,000</td>
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<tr>
<td>Accountant</td>
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</tr>
<tr>
<td>Compliance / QA Manager</td>
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<tr>
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</tr>
<tr>
<td>Trim and Packaging Technician #3</td>
<td>9</td>
<td>$30,000</td>
</tr>
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</table>

**Procure Outside Vendors**

[ENTITY A] will procure third-party vendors, which includes plant supplies (fertilizers, plastics, tags, etc.), waste contractor, third-party compliance auditors, packaging and labeling suppliers, consultants, and office supplies providers. Pre-operation, the company anticipates spending $105,406 with outside vendors, as detailed in the operating expense chart below.

**Employee Training Begins**

[ENTITY A] has contracted with Elevated Standards [CONSULTANT 2] to assist with the setup and opening of the cultivation facility. As part of the engagement, the consultant will assist in the hiring and development of cultivation staff. [ENTITY A] plans to begin providing training as it hires its employees. This training is comprehensive, as indicated throughout the rest of the application.

**Advertising, Packaging and Marketing Materials**

[ENTITY A] ’s plan for advertising, packaging and marketing materials includes a total budget of $31,100 through the pre-operational period and 6 months of operation. This includes website development and hosting, package materials, print and website advertisement, business documents, and so forth.

**Property Taxes**

[ENTITY A] also estimate property taxes of $0, as [ENTITY A] will be renting its facility, and the tenant's property tax responsibility is included in the rent figure quoted herein.

**Insurance**

[ENTITY A] has planned for the following types of insurance during its first six months:

- General Liability
- Workers’ Compensation
- All Risk Property
- Crime
- Fire and Casualty
These insurance premiums total $9,000 through the pre-operational period and 6 months of operation. [ENTITY A] will not buy crop loss insurance until the start of the second six months, as there won’t be much concern to insure until that time. Likewise, product liability insurance can wait until there is product to insure, which will be around month 8 or 9, and auto insurance will not be needed until the delivery vehicles are purchased. Worker’s compensation insurance can be purchased at about month 2-3.

**Financing Costs**
Financing costs for the first six months total $23,658, for interest and principal.

**Contingency Fund**
The founding members have committed providing up to $250,000 in additional capital in either debt or equity at market terms should the company experience a shortfall in working capital due to market conditions.

**Section 3: Operational Activities Until Cash-flow Positive**
[ENTITY A] has budgeted the appropriate capital and operating expenditures to take the enterprise from the post-permit phase to positive cash-flow and eventual financial self-sufficiency. [ENTITY A] is assuming a flowering canopy of 1,792 square feet, 5 crops per year, 0.070 pounds of flower per square foot of flowering canopy per turn (in the first year, increasing as cultivation staff skills improve, to 0.085 and 0.10 lbs in years two and three, respectively), and an additional 20% of the flower weight in useful proximal flower and stem (trim).

[ENTITY A] further assumes a ramp-up in canopy from zero to 100% of capacity occurs over a period of nine months, with the first three at 0% (because plants are in vegetative growth for that period), and that the fourth month is at 25% of capacity, followed by 37.5% in the fifth month, 50% in the sixth, 70% in the seventh, 90% in the eight and 100% in the ninth month. [ENTITY A] plans to be cash-flow positive in the 7th month of operations.

[ENTITY A] estimates total operating expenses associated with the first 12 months to be $744,641. This includes personnel expenses of $404,680, easily the biggest line item in the OpEx category. For the first 6 months, the period before the company achieves permanent positive cash flow, personnel expense will be $166,100, and all other operating expenses are anticipated to total $181,698, for a 6-month total of $347,798.

**Operating Expenses**
[ENTITY A] has accounted for the following operating expenses (per month, once operational) for the first 6 months:

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<tr>
<th></th>
<th>Pre-Operatio n Totals</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>
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<td>$26,67</td>
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<tr>
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<td>----------</td>
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<td>Auto/Truck Expenses</td>
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<td>$500</td>
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<td>Dues and Subscriptions</td>
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<td>Insurance (Liability and Property)</td>
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<td>Legal and Professional Fees</td>
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<td>$2,000</td>
<td>$2,000</td>
<td>$2,000</td>
<td>$-</td>
<td></td>
</tr>
<tr>
<td>Licenses/Fees/Permits</td>
<td>$20,000</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
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</tr>
<tr>
<td>Miscellaneous</td>
<td>$6,000</td>
<td>$1,000</td>
<td>$1,000</td>
<td>$1,000</td>
<td>$1,000</td>
<td>$1,000</td>
<td></td>
</tr>
<tr>
<td>Office Expenses &amp; Supplies</td>
<td>$-</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
<td></td>
</tr>
<tr>
<td>Postage and Delivery</td>
<td>$-</td>
<td>$200</td>
<td>$200</td>
<td>$200</td>
<td>$200</td>
<td>$200</td>
<td></td>
</tr>
<tr>
<td>Telephone &amp; IT/IS</td>
<td>$-</td>
<td>$200</td>
<td>$200</td>
<td>$200</td>
<td>$200</td>
<td>$200</td>
<td></td>
</tr>
<tr>
<td>Security</td>
<td>$-</td>
<td>$1,700</td>
<td>$1,700</td>
<td>$1,700</td>
<td>$1,700</td>
<td>$1,700</td>
<td></td>
</tr>
<tr>
<td>Travel &amp; Meals</td>
<td>$-</td>
<td>$250</td>
<td>$250</td>
<td>$250</td>
<td>$250</td>
<td>$250</td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td>$-</td>
<td>$3,327</td>
<td>$3,327</td>
<td>$3,327</td>
<td>$3,327</td>
<td>$3,327</td>
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</tr>
<tr>
<td>Total Salaries and Fixed Business Expenses</td>
<td>$58,44</td>
<td>$49,44</td>
<td>$52,46</td>
<td>$52,46</td>
<td>$55,48</td>
<td>$59,52</td>
<td></td>
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<tr>
<td><strong>Total</strong></td>
<td>$125,406</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

Because [ENTITY A] estimates that it will achieve permanent positive cash flow in its 7th month of operations, it has accounted for 6 months of operating expenses, which including the pre-operational expenses of $125,406, totals $453,203, plus debt service of $23,658.

**Putting It All Together**

[ENTITY A] has taken a conservative and data-driven approach to financial planning and modeling. [ENTITY A]’s revenue projections are founded on rigorous distribution models, conservative patient volume projections accounting for the Ohio cannabis market size, and the average monthly demand for medical cannabis products, as determined by historical data from other medical marijuana states with similar qualifying patient conditions. Given those expected demands, [ENTITY A] can extrapolate anticipated production requirements, and in turn, the approximate required size of cultivation.

[ENTITY A] understands that although it has used the best available data to develop its projections, its financial models are just that: models. Applicant by no means expects each one of its assumptions to be entirely correct. However, [ENTITY A]’s overall approach to financial modeling is a conservative one and when unsure has estimated high on cash outflows, and low on incomes. As such, [ENTITY A]
believes its financial model is not only rooted in good data and figures where possible, but is a conservative estimate where assumptions have been made.

[ENTITY A]’s costs of goods sold (COGS) and revenue projections are driven largely by industry-average metrics. For instance, [ENTITY A] knows state-by-state the average flower cost of production, sales price, and volume. If [ENTITY A] assumes its product sales will reflect those of most other medical marijuana markets, [ENTITY A] can project demand and can reliably estimate production (cultivation and packaging) costs per month on an ongoing basis. [ENTITY A] has much more granular data, too, but these industry averages are useful as a checksum against which it can compare its internal models.

[ENTITY A] intends to use the funds from company principals, as delineated below, to develop a medical cannabis cultivation facility. The table below summarizes the total spending plan, indicating the source and use of funds as outlined above. Again, [ENTITY A]’s modeling has been informed by professional industry consultants and is conservative.

<table>
<thead>
<tr>
<th>Source of Funds Until Cash-Flow Positive</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equity</strong></td>
</tr>
<tr>
<td>Investor 1</td>
</tr>
<tr>
<td>Investor 2</td>
</tr>
<tr>
<td>Investor 3</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
</tr>
<tr>
<td><strong>Debt</strong></td>
</tr>
<tr>
<td>Promissory Note - Phase 1 Build/OpEx</td>
</tr>
<tr>
<td>PACE financing</td>
</tr>
<tr>
<td>Promissory Note - Phase 2 Build-out, if applicable</td>
</tr>
<tr>
<td>Additional Secured Loan Commitment, if needed</td>
</tr>
<tr>
<td><strong>Total Debt Available</strong></td>
</tr>
<tr>
<td><strong>Gross Profit, until Cash-flow Positive (Months 1-6)</strong></td>
</tr>
<tr>
<td><strong>Total Sources Funds</strong></td>
</tr>
<tr>
<td><strong>Use of Funds Until Cash-flow Positive</strong></td>
</tr>
<tr>
<td>Application and License Fees</td>
</tr>
<tr>
<td>Escrow/Surety Bond</td>
</tr>
<tr>
<td>Pre-License Legal and Professional Fees</td>
</tr>
<tr>
<td>Build-Out and Equipment</td>
</tr>
<tr>
<td>Security System</td>
</tr>
<tr>
<td>Category</td>
</tr>
<tr>
<td>----------------------------------------------</td>
</tr>
<tr>
<td>Vehicles (1)</td>
</tr>
<tr>
<td>Personnel (salary, wages, payroll taxes &amp; benefits)</td>
</tr>
<tr>
<td>Advertising/Marketing</td>
</tr>
<tr>
<td>Auto/Truck Expenses</td>
</tr>
<tr>
<td>Bank &amp; Merchant Fees</td>
</tr>
<tr>
<td>Dues and Subscriptions</td>
</tr>
<tr>
<td>Facilities (incl rent, maintenance)</td>
</tr>
<tr>
<td>Cultivation Supplies</td>
</tr>
<tr>
<td>Insurance (Liability and Property)</td>
</tr>
<tr>
<td>Legal and Professional Fees</td>
</tr>
<tr>
<td>Licenses/Fees/Permits</td>
</tr>
<tr>
<td>Miscellaneous</td>
</tr>
<tr>
<td>Office Expenses &amp; Supplies</td>
</tr>
<tr>
<td>Postage and Delivery</td>
</tr>
<tr>
<td>Telephone &amp; IT/IS</td>
</tr>
<tr>
<td>Security</td>
</tr>
<tr>
<td>Travel &amp; Meals</td>
</tr>
<tr>
<td>Utilities</td>
</tr>
<tr>
<td>Financing</td>
</tr>
<tr>
<td><strong>Sub-Total, Operating Expenses:</strong></td>
</tr>
<tr>
<td><strong>Phase 2 Build out costs, if applicable</strong></td>
</tr>
<tr>
<td><strong>Total Use of Funds</strong></td>
</tr>
<tr>
<td><strong>Excess Funds</strong></td>
</tr>
</tbody>
</table>

[ENTITY A] takes seriously its opportunity to participate in the marijuana industry under the Ohio Medical Marijuana Control Program, and recognizes that, should it be granted a license, its participation is a privilege. As with the other aspects of its operations, [ENTITY A] has given thoughtful consideration to its financial feasibility. Conservative modeling shows that there is approximately 15% excess source funds beyond the projected capital used.

[ENTITY A] is committed to transparent and ethical operations. [ENTITY A] thanks the Department for its consideration of its application for a cultivator license under Ohio’s Medical Marijuana Control Program.