

SECURITY PROCEDURES

1. Identify the position(s) that will be responsible for implementing the Security Operating Procedures, including the positions role and responsibilities.

██████████ – Office / Security - is responsible for implementing and conducting the security operating procedures. His roles and responsibilities include, but are not limited to:

- Ensuring that access to the enclosed, locked facility is limited to our officers, board members, government officials, and authorized commercial cannabis business agents, except under limited circumstances in which licensed vendors may be present
- Ensuring that no odor will be detectable from the outside of the facility
- Ensuring that no cannabis products or order processing will be able to be observed from outside of the facility
- Monitoring the on-site security system
- Guaranteeing all emergency access is provided to the ██████████ ██████████ for all areas on the premises in case of emergency

2. Describe how the applicant will ensure all access points will be secured, which includes a description of all entrances and exits, windows, and doorways and the types of locks used.

The Security Manager is responsible for maintaining security of the premises on an ongoing basis. All points of ingress and egress to our facility and all areas that hold inventory or cash will be secured with commercial-grade, non-residential door locks. Our facility is closed to the public and only authorized personnel are granted access. Additionally the facility has ██████████

██████████ equipped with motion sensors and additional reinforcements, which are put in place, and activated, at the close of each day. The facility will also be equipped with a state-of-the-art video surveillance system that records ALL windows, entries, and exits.

3. Describe the procedures for allowing individuals access to the premises, which includes: (a) description of how the applicant will ensure only authorized persons have access to the licensed premises and its limited access areas, (b) description of how the applicant will maintain an accurate record of all non-employee authorized individuals allowed onsite, in conformance with Section 5042 of the Bureau of Cannabis Control regulations.

Below is a list of all authorized personnel and their roles/responsibilities

- ██████████ - CEO, Driver
- ██████████ - Operations manager, Security Manager, Driver
- ██████████ - QAP/Asst Manager, Driver
- ██████████ - Data Manager, Driver
- ██████████ - Warehouse Manager, Driver

- (a) The Security Manager will ensure only authorized persons have access into and around the licensed premises and all limited access areas and provide escort at all times to non-employees who have been screened, logged in and allowed access to licensed premises. The front door and all other doors providing ingress and egress to the premises will be securely locked (commercial grade locks) at all times. Only the Security Manager will have keys to door locks and other locked doors within the premises that constitute a limited access area to include [REDACTED]. All limited access areas will remain locked at all times. Interior areas (storage, warehouse) will also remain locked and only available to unauthorized personnel on a sign-in basis.
- (b) Until properly vetted any and all individuals are screened in a separate waiting area prior to being allowed in the remainder of our facility. Prior to entering the remainder of the facility and any limited access area, all non-employee individuals will complete the Limited-Access Log and provide their name, company name, number, and DOB. Their identification will also be checked prior to entry to ensure that are over 21 years of age and that their name matches the one they provide. Non employees are also shadowed whilst at the facility, sign the Limited-Access Log when they leave.

4. Describe how the applicant will comply with the employee badge requirement in section 5043 of the Bureau of Cannabis Control regulations, including how the applicant will assign employee numbers and what the procedures are when an employee changes responsibility or leaves the employment of the licensee.

We will ensure that all employees have a laminated badge that includes Applicant's DBA, license number, the employee's first name and unique employee number, and a color photograph of the employee that will clearly show the frontal face of the employee. The photograph on the badge will be 1 inch in width and 1.5 inches in height. Employee numbers will be assigned via a computerized system. When an employee changes responsibilities or ceases to be employed by Applicant, they will lose access to secured areas of the facility accordingly.

5. Provide a description of the video surveillance system, which includes: (a) description of the types of cameras and video storage equipment, (b) description of the camera placements and the number of cameras to be used, (c) description of the procedures for Marin-Cannabis-LicApp-SiteSubGuide(v1.0) the maintenance of the video surveillance equipment, (d) description of how the applicant will be notified of a video surveillance system-failure or malfunction, (e) description of how the video surveillance system will be monitored, (f) description of how the applicant will produce copies of video recordings at the licensed premises immediately upon request of the County, (g) description of how the applicant will share the video surveillance system with other licensees (when sharing services at the same location), if applicable.

- a) The video surveillance system will be installed by [REDACTED]. The system is equipped with [REDACTED].
- b) [REDACTED] Cameras will have a minimum resolution of 1280 x 720 pixels and will be transmission control protocol capable of being accessed [REDACTED].
- c) Management will ensure all cameras will record continuously 24 hours per day and at a minimum of 15 frames per second. The physical media or storage device on which surveillance recordings are stored in a locked area to protect the recordings from tampering or theft. The cameras will continuously provide surveillance of all activity that occurs [REDACTED]. The equipment will be maintained in accordance with BCC regulations and serviced periodically or on demand by [REDACTED]. Surveillance recordings will be maintained for 90 days and will be available to the Bureau upon request. All recordings will have time and date stamps for easy reference.
- d) The surveillance system will include a failure notification system that will alert our Security Manager, President and the Police Department via [REDACTED] if there is any failure or interruption in our video surveillance or alarm system. The video surveillance and alarm system is equipped with [REDACTED].
- e) The video surveillance system will be monitored via [REDACTED].
- f) Surveillance recordings will be securely stored for 90 days as required by the BCC's regulations, and will be immediately made available to the Bureau upon request. All recordings will have time and date stamps for easy reference.
- g) This is not a shared location. Not applicable.

Additionally, we will ensure that the cameras are placed in a permanent fixture that will allow identification of any person and activities in the following areas: [REDACTED]

[REDACTED]

6. Provide information regarding any proposed onsite security personnel, which includes: (a) whether the security personnel will be employed by the applicant or contracted. If contracted, provide the name of the proposed security company, license numbers, contact person, and phone number, (b) where the security personnel will be stationed on the licensed premises and/or, which areas will be covered by roving security, (c) the hours security personnel will be onsite, and if they will be armed or unarmed, (d) description of how the applicant will share security personnel with other licensees (when sharing services at the same location), if applicable.

Since our facility is a non-storefront retail facility, we will [REDACTED]
[REDACTED] our facility will contain a state-of-the-art camera and alarm system that will be capable of alerting law enforcement officials immediately in the event of a breach.

7. Provide a description of the security alarm system, which includes: (a) the name, license number, address, phone number, and the contact person of the proposed alarm company that will install, maintain, and/or monitor the alarm system, (b) how the applicant will ensure the alarm system remains operational, including the frequency of maintenance checks by the alarm company, (c) the alarm system features, including whether it has a motion detection sensors inside the premises, (d) how an alarm will be responded to, including whether law enforcement personnel will be notified, (e) how licensees will be sharing the alarm system with other licensees (when sharing services at the same location), if applicable.

(a) The security alarm system is serviced by [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

(b) We will ensure the alarm system remains operational by monitoring the system through [REDACTED]
[REDACTED]
[REDACTED]

(c) [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

(d) The alarm system will alert Security Manager, President and the Police via [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

(e) Since our facility is not a shared site we will not be sharing an alarm system.

INVENTORY PROCEDURES

1. Describe the process for receiving new inventory of cannabis goods.

Cannabis goods are received by the company's operations manager in the loading and unloading area in [REDACTED]. Products are then logged into the company's web services inventory management system - [REDACTED] - and then binned by the Warehouse Manager in a secure/restricted access area located in [REDACTED]. Receiving new inventory only takes place through licensed distributors [REDACTED].

Cannabis good may also be rejected in whole or part by the operations manager at the time of intake. If the shipment contains cannabis goods that were not ordered that part of the shipment will be rejected. The remainder of the of the shipment is immediately logged into company's web services inventory management system – [REDACTED] – which works with State of CA Track & Trace system.

2. Describe how the cannabis goods are moved to the cannabis storage area.

Upon entry, the operations manager reconciles the distributors manifest with what is being dropped off. Payment is then made along with the exchange of invoices and receipts. Products are then unloaded on a designated table in [REDACTED]. After the cannabis goods are unpacked and verified, they are entered into the company's web services inventory management system and the State of CA Track & Trace system at the order processing and fulfillment station in [REDACTED] after which the products are then moved to the cannabis goods storage area and sorted into bins.

3. Describe who will have access to the areas in which cannabis goods are stored and the security measures proposed.

As a McDore permit applicant the company's warehouse, reception and storage areas within the office are all limited-access areas and are only accessible to authorized company personnel. In addition, access to the warehouse area is only granted by the warehouse and/or Operations manager/Security Manager. Requests to access the warehouse or storage area by other personnel must be cleared with the Operations/Security manager before entry, and only if sufficient and valid reason is given. All personnel entering the warehouse area must log date, time of entry, and time of exit. These records are then kept on file by management and reviewed when and if required. The storage area is a locked and restricted access area. The warehouse manager, Assistant Manager and the Operations Manager have access to this area; all others must be cleared by the Operations/Security Manager and then logged in as described in section 1. The storage area's exit and entry points are monitored by video surveillance system along with video archiving functionality that are in compliance with Section 4055 of the CA Bureau of Cannabis Controls guidelines.

4. Describe the systems used in the areas where the cannabis goods are stored, including environmental controls and order controls. Also describe the maintenance and servicing procedures of these systems.

All cannabis goods received from licensed distributors are packaged in sealed containers thereby prolonging the shelf life, particularly with degradable products such as flower, some extracts and so forth. Even so, the company maintains air purifiers and temperature controls at levels that would lesson degradation if product were exposed to the atmospheric environment in the storage area. The Warehouse Area where cannabis goods are located is temperature controlled at an ideal temperature range of 66-72 degrees at all times. Maintenance and servicing of these central systems is done per maintenance and servicing schedules provided by the manufacturer or property management company. Our Warehouse area is where batch sampling, order processing and cannabis storage occurs and thusly will be equipped with a HEPA clean tower air purifier. This unit is captures 99% of ALL airborne pollutants and odors, is verified AHAM (Association of Home Appliance Manufacturers), and is ideal for medium and large sized rooms. This unit also has a CADR (clean air delivery rate) of 110.

5. Described the methods used to avoid and/or deterioration and contamination, including pest control

Degradable products such as flower, pre-rolls, and extracts are packaged and received in sealed containers and therefore not subject to deterioration and contamination. Edibles also come pre-packaged/sealed and some are marked with sell-by dates. The warehouse manager is responsible for tracking products with sell-by dates and removing them from the shelves when sell-by dates have expired. The cannabis goods product storage [REDACTED] is in a clean office environment with no food, uncovered waste or open cannabis products allowed. Pest and rodent control has therefore not been a problem to date.

6. Describe the procedures for removing or returning cannabis goods from inventory including the types of records produced.

Removing cannabis goods from inventory can only be done by the operations or warehouse manager for the purposes of assembling a delivery. These deliveries are recorded in the BCC Track and Trace system pursuant to Rules and Regulations guidelines. Customer returns, defects, spoilage will not be returned to inventory but instead destroyed. With destroyed or disposed of goods, the licensee shall record in the track and trace system the name of the employee performing the destruction or disposal, the reason for destruction or disposal and the name of the entity being used to collect and process cannabis waste. Waste products are unpacked and rendered unrecognizable and then placed [REDACTED]
[REDACTED]
[REDACTED]

Returned cannabis goods are entered back into our POS system as returned and reconciled as unusable inventory. A quarantine log is kept where the returned cannabis goods are recorded. After being recorded, cannabis goods are placed in a separate area and in separate bins of the warehouse away from other merchandise and marked as quarantined goods. These goods are logged and destroyed per the destruction of cannabis waste protocols described above.

7. Describe the process for inventory reconciliation and the types of records that are produced

Once an order is taken and logged into the company's CRM system (██████████) a ticket is generated which is given to the warehouse manager for picking and packing. The order is then removed from the storage area and logged onto a manifest. Information on the manifest is inputted into the Inventory Management system at that time or at the end of each working day. This is done at the order processing and fulfillment station in ██████████. The Inventory Management system then automatically reconciles inventory once this data is received. Inventory data is uploaded into the BCC Track and Trace system every 24 hours.

Physical inventory is reconciled on an ongoing basis every 14 days. The company maintains the result of inventory reconciliation that can be made available to the Bureau of Cannabis Control upon request. Moreover and pursuant to section 5424 of the Bureau of Cannabis Controls Rules and Regulation, if the company finds a discrepancy in inventory rising to the levels as defined in section 5036 or theft, diversion or loss rising to the levels as defined in section 5036, the company will immediately provide the Bureau of Cannabis Control records of such instances.

Additionally, and pursuant to section 5037 of the Bureau of Cannabis Controls Rules and Regulation, all financial records, personnel records, training records, contracts with other licensees, local authorizations, security records, records relating to the composting or destruction of cannabis goods, documentation for data or information entered into the track & trace system, and all other documents executed in connection with licensed commercial cannabis as records will be maintained at all times.

NON-LABORATORY QUALITY CONTROL PROCEDURES

- 1. Describe the procedures for verifying labeling requirements of cannabis goods for retail sale, including: (a) primary panel labeling, (b) informational panel labeling, (c) government warning statements, (d) universal symbol (if applicable), (e) unique identifier (UID), (f) for medical use only statement.**

All contents for all cannabis products are verified first upon reception by Operations or Warehouse Manager, and then subsequently by our Quality Assurance Person "QAP" to check that proper labeling is in place. The Managers on duty will again verify all compliant labeling before being packed for delivery order. The QAP on duty will always be trained to "spot check" for all forms of labeling including final form, primary panel, and informational panel labeling, UID labeling, government warning, medical use only etc.

- 2. Describe the procedures for verifying label contents of cannabis goods for retail sale, including: (a) product description, (b) net weight or volume, (c) manufacture name and contact information, (d) date of manufacturer/packaging or date of packaging for retail sale, (e) list of all ingredients, (f) allergen warning (if applicable), (g) county of origin (if applicable), (h) expiration or use-by date (if applicable), (i) cannabinoid content.**

The QAP, Warehouse Manager and Operations Manager on duty will be proficient in establishing records within our POS system for each cannabis product as they are received. New shipments are received each Friday and each and every cannabis product is verified for correct net weight or volume, manufacturer name/contact info, source/date of cultivation, type of product and list of corresponding ingredients, date of packaging, county of origin, allergen warning, cannabinoid content, expiration date and any unique identifier. If anything does not match at the time of delivery that product will be rejected. A second verification is done on the day of sale when the item(s) is packaged for delivery. If anything does not match at any point in the process that product is set aside/recorded for return to the vendor.

- 3. Describe the procedures for verifying packaging requirements of cannabis goods for retail sale, including: (a) tamper-evident, (b) child-resistant, (c) resealable, and (d) opaque packaging.**

The QAP and Operations Manager have joint responsibility to insure packaging is compliant with State and local guidelines. This would include making sure that product packaging is tamper evident, child resistant, resealable and delivered in opaque packaging.

DELIVERY PROCEDURES

- 1. Provide a list of each vehicle proposed to be used in the delivery of cannabis goods, including make and model.**



- 2. Provide a description of the vehicle alarm system for each vehicle.**

Transportation vehicle will have a standard factory alarm system

- 3. Describe the complete process for accepting new delivery orders. If a technology platform is used, describe how customers place orders, how orders are received, and who at the retailer receives the orders through the platform.**

Currently, patients can only order by calling the company directly. Patients will call a posted company phone number and speak with one of our Inbound Call Dispatch Operators. This Dispatch Operator will receive the patients order and input the order into [REDACTED] our CRM platform. In addition, the company will not solicit customers through advertising or marketing placed in broadcast, cable, radio, print, and digital communications shall only be displayed where at least 71.6 percent of the audience is reasonably expected to be 21 years of age or older, as determined by reliable up-to-date audience composition data.

- 4. Describe the process for preparing orders of cannabis goods for delivery, including the process that the delivery employee goes through prior to leaving the retail premises to conduct deliveries.**

The company will only sell cannabis goods, cannabis accessories, and branded merchandise and will not sell food products as defined in the BCC Code of Regulations.

A receipt is generated from the CRM platform located at the Order Processing and Fulfillment Station located in [REDACTED] of our Floor Plan. The receipt is given to the Warehouse Manager who then Picks and Packs inventory for delivery located in [REDACTED] in the Cannabis Goods Product Storage area. The packed order is moved to the Loading for Delivery area located in [REDACTED]. The delivery driver is granted access to [REDACTED] A to pick up packed orders for delivery. Prior to leaving, the delivery driver will be [REDACTED] as defined by state regulations. The delivery driver will be given address and packaged orders as assigned to them by our POS /Mobile Application system. The delivery driver will have an application in their phone provided by [REDACTED]. Through this application the Delivery Driver will be given the address, contact information, and order content information. In addition each

delivery driver will bring a Delivery Inventory Ledger which shall include the type of good, the brand, the retail value, the track & trace identifier and the weight, volume, or other accurate measure of the cannabis good. Each order will be accompanied by a printed receipt that will be included with the patients order.

The delivery request receipt shall contain the following; the name and address of the retailer, the first name and employee number of the retailer's delivery employee who delivered the order, the first name and employee number of the retailer's employee who prepared the order for delivery. The first name of the customer and a retailer assigned customer number for the person who requested the delivery, the date and time the delivery request was made, the delivery address, a detailed description of all cannabis goods requested for delivery. The description shall include the weight, volume, or any other accurate measure of the amount of any cannabis goods requested, the total amount paid for the delivery, including any taxes, fees, the cost of the cannabis goods, and any other charges related to the delivery.

All cannabis goods purchased by a patient shall not leave the licensed premises unless the cannabis goods are placed in a resealable child-resistant opaque packaging, pursuant to section 5413 of the Bureau of Cannabis Controls Rules and Regulations.

Further ,the driver will log the date and time of the delivery and get the signature of the customer who received the delivery.

At the time of the delivery, the delivery employee of the retailer shall provide the customer who placed the order, a copy of the delivery request receipt. The delivery employee shall retain a signed copy of the delivery request receipt for the retailer's records.

5. Describe how cannabis goods will be stored in the delivery vehicle while deliveries are being conducted. Include the quantity of cannabis goods that will be carried by each delivery vehicle.

Cannabis Goods will be individually sealed with receipt attachment in the company's warehouse area- a limited access area. Once packed and sealed the orders will be placed in a locked container. [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED].

6. Describe the process for tracking the location of delivery employees who are conducting deliveries, including the methods used to communicate with the delivery employees.

Delivery vehicles will be equipped with the [REDACTED] system that will utilize the [REDACTED] GPS system installed by an authorized retailer. This dedicated, in car GPS device allows the vehicle to be tracked and traced in real time on [REDACTED] application. Additionally, drivers are able to communicate to company headquarters through the mobile application software on their phone, to the company headquarters where a dispatch operator manages the driver's delivery routing and manages any problems that may occur. Moreover, the company can locate each driver in real time on a live time GPS map via [REDACTED] to track their movement and the driver and dispatcher are also able to communicate via [REDACTED] during stops.

7. Describe the methods of route guidance used by delivery employees while conducting deliveries and the procedures if delivery employees receive new orders while in the process of conducting deliveries.

The dispatch operator can track the driver's real time position through GPS function on the [REDACTED] or through the GPS device dedicated to the vehicle. Route guidance help can be given by the dispatch operator however primary guidance will be available to the driver through the mobile delivery application. Delivery employees will not receive new orders while in the process of conducting deliveries

8. Describe the policies for delivery employees taking breaks and making stops while conducting deliveries.

Drivers will be given breaks as defined by state guidelines. Breaks will not be allowed either in route to or back from field deliveries. Drivers will be allowed to stop to get gas, or for other contingencies as defined by state guidelines.

9. Describe the process each delivery employee goes through upon arriving at the delivery location and providing the cannabis goods to the customer, including the types of records or receipts produced.

The POS system automatically communicates delivery time to the patient 5 minutes in advance of the delivery, based on GPS tracking. Upon arriving at a physical address the driver communicates via [REDACTED]. The driver checks the physical address to make sure that it is not a school, daycare or youth center of any kind. In addition the driver will not deliver to any location on publicly owned land or any address on land or in a building leased by a public agency or land held in trust by the United States for a tribe or an individual tribal member unless the delivery is authorized by and consistent with applicable tribal law.

At arrival, the driver checks patient identification for age and identity, verifies physician recommendation information, then [REDACTED]. If the patient is under 21 the patient must provide to the driver a valid State Identification Card. Upon payment driver issues a receipt to

patient, and completes the transaction in the mobile delivery application on their phone, that is connected to our POS system.

10. Describe the process that a delivery employee goes through upon returning to the retail premises after conducting deliveries, including auditing procedures.

Delivery driver will check back in, time stamp their arrival, present Delivery Inventory Ledger to operations manager for review. At the close of business inventory will be audited and compared against receipts to insure that no inventory is missing over the course of the workday. Patient will have access to a dedicated service line in the event that their order was incomplete or inaccurate [REDACTED]. Upon returning to premises, all undelivered cannabis goods will be returned to inventory and all necessary inventory and track and trace records shall be updated as appropriate that same day.

TRAINING PROCEDURES

1. Describe the training provided to employees, including security, inventory, quality control, and delivery procedures. Also describe how the applicant will regularly verify that the procedures are being followed.

Management's main focus regarding employees is making sure that individual responsibility includes keeping the company compliant with BCC and local rules and regulations with respect to their duties performed on behalf of the company.

The company conducts intensive initial and ongoing training for its delivery employees. After resume submission and review, initial and subsequent interviews are conducted by management. If the candidate is qualified for employment the onboarding process begins; work contracts are issued, NDA's are signed, and the new driver is issued an employee handbook. On the first day of onboarding the new employee is introduced to legal and security protocols. They are given an intensive overview of their legal obligations as a driver as defined by prop 64, and the BCC. The driver is also made aware of the company's set of delivery protocols, most importantly driver safety. Day two of onboarding consists of training in picking and packing of orders for delivery, retrieving proper paperwork to validate an order, logging the delivery order, getting directions for the delivery, handling cash, and logging of receipts and generating receipts for patients. The new driver will then shadow a driver and be briefed on expectations regarding customer interaction and service standards. Day 3 (final training day) consists of another half day of supervised driving, and then doing a delivery run on their own.

The company's Warehouse and QAP Manager are in charge of inventory, quality control, order packing and fulfillment, storage and removal, and monitoring all activity in the storage area. The Warehouse Manager is trained in inventory management protocols as defined by the BCC. The Warehouse Manager reports to the Operations Manager and will be made aware of any changes in State or Local regulations that would require some modification in inventory management to maintain compliance.

The company's Operations Manager will be "Track & Trace" certified. As such shipping and receiving, reporting, Track & Trace systems management, inventory reconciliation and all issues associated with "Track & Trace" compliance are under his control. Further, the Operating Manager is in charge of making sure procedures are being followed by other departments and employees. The Operating Manager reports directly to the CEO of the company and on a regular basis, informing him on compliance status and, if shortcomings are discovered or "Track & Trace" procedures have been modified, making recommendations on steps to reestablish complete conformity.

The Operations Manager and CEO are in charge of establishing and maintaining all security protocols with respect to all areas of Security as defined by the BCC in their Rules and Regulations.