



## Review

### Selected Account: Longleaf Extracts LLC

Your application has been filed with the Alabama Medical Cannabis Commission.  
Your reference code is **1646**.

File Date : **02/24/2023 3:08 PM**

Your transaction ID is : **89093684**

Transaction Token: **dc314340-2be1-4ecd-946f-89011a0e9645**

If you do not receive email notifications, please check your spam folder.

You must print or save this page as a PDF as part of your redacted filing.

## Request for Business Application Information

✓ Request Number: 0384

## General Applicant Information

✓ Applicant Name: Longleaf Extracts LLC

✓ Applying as: Business Entity

Trade Name (DBAs) :

✓ Identification Number Type : FEIN

✓ Federal Tax Identification Number : 884172995

✓ Business Entity Name : Longleaf Extracts LLC

✓ Business Entity Type : Limited Liability Company

✓ Secretary of State Entity ID Number : 001044075

✓ Federal Business Code No : 31-33

✓ Date of Qualification, Organization or Incorporation: 10/11/2022

## Applicant Street Address

✓ Street: 212 W TROY ST

✓ Unit No / Apt No: B

✓ City: DOTHAN

✓ County: 35-Houston

✓ State: Alabama

✓ Zip Code: 36303

✓ Address Verified?: Yes

## Applicant Mailing Address

✓ Street: 212 W TROY ST

✓ Unit No / Apt No: B

✓ City: DOTHAN

✓ State: Alabama

✓ Zip Code: 36303

✓ Address Verified?: Yes

✓ Applicant Website: www.longleafextracts.com

✓ Applicant Email Address : info@longleafextracts.com

✓ Applicant Phone Number : 2056143641

✓ Do you have a management service agreement in place?:

No

✓ Is the applicant: (1) at least 51% owned by (or, in the case of a corporation, 51% of the shares belong to) members of any minority group :No (as defined by 20-2A-51(b)), and (2) managed and controlled in its daily operations by members of any minority group?

## Primary Contact Person

✓ First Name: Jessica

✓ Last Name: Billingsley

✓ Title: Executive Chair

✓ Phone Number: 2056143641

✓ Email: info@longleafextract  
s.com

Unit No / Apt No:

✓ City: MILLPORT

✓ State: Alabama

✓ Zip Code: 35576

✓ Address Verified?: Yes

## License Information

✓ License Type: Processor

## Facility Information

## Facility Information

✓ Facility Type: Processing Facility

## Physical Address

✓ Street: 1562 County Road 12

Unit No / Apt No:

✓ City: Millport

✓ County: 38-Lamar

✓ State: Alabama

✓ Zip Code: 35576

✓ Address  
Verified? : Yes

## Facility Information Questions

✓ Applicant's interest in property : Owns  
where proposed facility is  
located

✓ Is this facility under  
construction? : Yes

✓ Estimated date of construction : 09/15/2023  
completion

✓ The number of days, if awarded a license, within which the Applicant  
reasonably projects it will commence operations at this facility : 120

- ✓

The number of days, if awarded a license, within which the Applicant reasonably projects it will reach full capacity at this facility

: 240
- ✓

Does the applicant verify that this proposed facility will be in a permissible location, if applicable, and will maintain compliance with all State and local laws, resolutions and ordinances?

: Yes

Ownership of Applicant

- ✓

Select type of record:

Individual
- ✓

Does the individual have an ownership interest in the applicant?

: Yes

Individual

- ✓

Legal First Name

: Janet
- ✓

Legal Middle Name

: Billingsley
- ✓

Legal Last Name:

Madison

n

- ✓

Ownership Percentage of the Applicant

: 51
- ✓

Role:

Shareholder , Director , Member

Residence Address

- Unit No / Apt No:

✓ City: MILLPORT
- ✓ State: Alabama

✓ Zip Code: 35576
- ✓ Address Verified?

: Yes

- ✓

Select type of record:

Individual
- ✓

Does the individual have an ownership interest in the applicant?

: Yes

Individual

- Legal First

: Jessica
- Legal Middle

: Lee
- Legal Last Name:

Billingsley

n

- Percentage of the Applicant

Member

Residence Address

City: DENVER

Verified?

Select type of record: Individual

Does the individual have an ownership interest in the applicant? : Yes

Individual

Legal First Name : Elizabeth

Legal Middle Name : Brown

Legal Last Name: Billingsley

igin

Ownership Percentage of the Applicant : 12

Role: Shareholder , Director , Member

Residence Address

City: ATLANTA

Verified?

Select type of record: Individual

Does the individual have an ownership interest in the applicant? : Yes

Individual

Legal First : Byron

Legal Middle : John

Legal Last Name: Billingsley

Ownership Percentage of the Applicant : 12

Role: Shareholder , Director , Member



## Residence Address

✓ City: ATLANTA

✓ Address Verified? : Yes

## Cannabis Industry Entities

✓ Is any individual or entity below connected to any entity that is directly or indirectly involved in the cannabis industry, including, but not limited to, the cultivation, processing, packaging, labeling, testing, transporting, or sale of cannabis or medical cannabis, either in Alabama or any other jurisdiction? :Yes  
(1) an individual with an ownership interest in the applicant;  
(2) the spouse, parent, or child of an individual with an ownership interest in the applicant; or  
(3) an entity with an ownership interest in the applicant.

✓ Select Individual : Individual or Entity:

### Individual

✓ Legal First Name : Jessica

✓ Legal Last Name: Billingsley

Suffix:

✓ Cannabis Entity Name : Akerna Corp.

✓ Entity Type: Incorporated or Unincorporated Business

✓ Connection to : Individual Cannabis Entity

✓ Role in Cannabis Entity : Equity interest owner

✓ Percentage of ownership in cannabis entity : 2

## Cannabis Entity's Physical Address

✓ Street: 1554 LARIMER ST

✓ Unit No / Apt No: # 246

✓ City: DENVER

✓ State: Colorado

✓ Zip Code: 80202

✓ Address Verified? : Yes

## Cannabis Entity's Primary Contact/Responsible Person

✓ First Name: Jessica

✓ Last Name: Billingsley

✓ Title: CEO & Chairman

✓ Email Address: jlb@akerna.com

✓ Street Address: 1554 LARIMER ST

✓ Unit No / Apt No: # 246

✓ City: DENVER

✓ State: Colorado

✓ Zip Code: 80202

✓ Address Verified? : Yes

## Questions and Attestations

✓ Has the applicant, any ownership entity, or any cannabis entity connected to any individual or entity with an ownership interest in the applicant ever applied for or been granted any commercial license or certificate (not related to cannabis industry) issued by a licensing board or commission, either in Alabama or any other jurisdiction? : NO

✓ Was any commercial license or certificate disclosed above denied, restricted, suspended, revoked, or non-renewed?: NO

✓ Has the applicant, any ownership entity, or any cannabis entity connected to any individual or entity with an ownership interest in the applicant, ever been authorized to participate in the cannabis or medical cannabis industry, licensed (i.e., a "licensee" as defined in Chapter 1 of the AMCC Rules), or provided similar status in any other jurisdiction? : NO

✓ During the last 5 years has there been any disciplinary measures taken regarding any cannabis or medical cannabis industry license of the applicant or any entity affiliated with the applicant? : NO

✓ Has the applicant, any ownership entity, or any cannabis entity connected to any individual or entity with an ownership interest in the applicant, within the last ten (10) years, filed or been served with a complaint or other notice by any governmental body, regarding a delinquency in the payment of, or a dispute over the filings concerning the payment of, any tax required under federal, state, or local law? : NO

✓ Has the applicant filed, or had filed against it, any proceeding for bankruptcy within the past 7 years?: NO

✓ Is the applicant currently, or has it been in the past 10 years, a defendant in litigation involving any of its business practices?: NO

✓ Is any public official of any unit of government: : NO  
(1) an owner (directly or indirectly) of any financial or beneficial interest in the applicant;  
(2) a creditor of the applicant;  
(3) a holder of any debt instrument issued by the applicant; or (4) a holder of, or interested party in, any contractual or service relationship with the applicant?

✓ Is the spouse, parent or child of a public official of any unit of government: : NO  
(1) an owner (directly or indirectly) of any financial or beneficial interest in the applicant;  
(2) a creditor of the applicant;  
(3) a holder of any debt instrument issued by the applicant; or  
(4) a holder of, or interested party in, any contractual or service relationship with the applicant?

✓ Has any owner, director, board member, or individual with a controlling interest in the applicant ever been indicted for, charged with, arrested for, convicted of, pled guilty or nolo contendere to, or forfeited bail concerning any felony or controlled substance-related misdemeanor, not including traffic violations, regardless of whether the offense has been reversed on appeal or otherwise? : NO

**What is the applicant's anticipated or actual number of employees (including all facilities) at the prospective commencement of operations and during the first five calendar years thereafter?**

✓ Commencement of: 7 Operation ✓ Year One: 10 ✓ Year Two: 16

✓ Year Three: 17 ✓ Year Four: 17 ✓ Year Five: 16

✓ Does the applicant verify that it has the ability to maintain adequate minimum levels (\$2,000,000) of liability and casualty insurance, as required by § 20-2A-53(a)(2), Code of Alabama 1975 (as amended)? :Yes

✓ Does the applicant consent as required by § 20-2A-55(d), Code of Alabama 1975 (as amended) to the inspections, examinations, searches, and seizures contemplated by § 20-2A-52(a)(3), Code of Alabama 1975 (as amended)? :Yes

✔ Does the applicant verify that neither it nor its leadership have any economic interest in any other license or applicant for license under : YES  
the Act? (See § 20-2A-55(e), Code of Alabama 1975 (as amended))

✔ I attest that this application is truthful and complete based on the best available information as of the date of filing.: YES

✔ Signature: Jessica Billingsley

✔ Signature Date: 12/29/2022

## Documents

✔ Resume or Curriculum Vitae of Individuals with Ownership Interest: Longleaf Exhibit 1 - Resume or Curriculum Vitae of Individuals with Ownership Inter...

✔ Residency of Owners: Longleaf Exhibit 2 - Residency of Owners.pdf (/api/documents/WK1-4f9c3/download)

✔ Criminal Background Check: Longleaf Exhibit 3 - Criminal Background Check.pdf (/api/documents/SNe0JvAP2...

✔ Demonstration of Sufficient Capital: Longleaf Exhibit 4 - Demonstration of Sufficient Capital.pdf (/api/documents/7PtH...

✔ Financial Statements: Longleaf Exhibit 5 - Financial Statements.pdf (/api/documents/qnPh45X09/download)

✔ Tax Plan: Longleaf Exhibit 6 - Tax Plan.pdf (/api/documents/b1Buf7Gur/download)

✔ Business Formation Documents: Longleaf Exhibit 7 - Business Formation Documents.pdf (/api/documents/y3rxk6Z...

✔ Business License and Authorization of Local Jurisdictions: Longleaf Exhibit 8 - Business License and Authorization of Local Authorities.pdf (/...

✔ Business Plan: Longleaf Exhibit 9 - Business Plan.pdf (/api/documents/ZXJWRRsXQ/download)

✔ Evidence of Business Relationship with other Licensees and Prospective Licensees: Longleaf Exhibit 10 - Evidence of Business Relationship with other Licensees and P...

✔ Standard Operating Plan and Procedures: Longleaf Exhibit 11 - Standard Operating Plan and Procedures.pdf (/api/document...

✔ Policies and Procedures Manual: Longleaf Exhibit 12 - Policies and Procedures Manual.pdf (/api/documents/m6os...

✔ Production and Manufacturing Process: Longleaf Exhibit 13 - Production and Manufacturing Process.pdf (/api/documents...

✔ Machinery and Equipment: Longleaf Exhibit 14 - Machinery and Equipment.pdf (/api/documents/fxvaifXO\_/do...

✔ Receiving and Shipping Plan: Longleaf Exhibit 15 \_ Receiving and Shipping Plan.pdf (/api/documents/0L9\_\_8cZ...

✔ Facilities: Longleaf Exhibit 16 - Facilities.pdf (/api/documents/7zIRxwcbc/download)

✔ Security Plan: Longleaf Exhibit 17 - Security Plan.pdf (/api/documents/gIUbsgev/download)

✔ Personnel: Longleaf Exhibit 18 \_ Personnel.pdf (/api/documents/njwthx3ok/download)

✔ Business Leadership Credentials: Longleaf Exhibit 19 - Business Leadership Credentials.pdf (/api/documents/82vr\_...

✔ <b>Employee Handbook:</b>	Longleaf Exhibit 20 - Employee Handbook.pdf (./api/documents/r7qGv5BEr/downl...
✔ <b>Quality Control and Quality Assurance Plan:</b>	Longleaf Exhibit 21 - Quality Control and Quality Assurance Plan.pdf (./api/docume...
✔ <b>Contamination and Recall Plan:</b>	Longleaf Exhibit 22 - Contamination and Recall Plan.pdf (./api/documents/eoiMm9...
✔ <b>Marketing and Advertising Plan:</b>	Longleaf Exhibit 23 - Marketing and Advertising Plan.pdf (./api/documents/qUq2B...
✔ <b>Website and Social Media:</b>	Longleaf Exhibit 24 - Website and Social Media.pdf (./api/documents/w8QCDZqjZ/...
<b>Ownership Entity Individuals (if applicable):</b>	No Document Present
✔ <b>Proof of Minimum Liability and Casualty Insurance:</b>	AL LOI Cannasure.pdf (./api/documents/b1zNL_Zlj/download)
✔ <b>Affidavit - Entity Applicant:</b>	Form Ks - Responsible Party and Contact Person - Notarized.pdf (./api/documents...

## Payments

✔ **Payment Options:** Credit Card

# Exhibit 1 – Resume or Curriculum Vitae of Individuals with Ownership Interest in Applicant

## Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

Printed Name of Verifying Individual

Executive Chair

Title of Verifying Individual



Signature of Verifying Individual

12/28/22

Verification Date

**FORM A: OWNERSHIP RESUME / CURRICULUM VITAE**

Longleaf Extracts LLC

Processor

Business License Applicant Name

License Type

Janet Billingsley Madison

51%

Individual with Ownership Interest in Applicant

Individual's Ownership Percentage in Applicant

**Residential History***Provide all residential addresses, in reverse chronological order, for 15 years prior to date of application; attach additional form(s) if necessary.*

572 Flamingo Lane

Residential Street Address

Millport

AL

35576

City

State

Zip

08/1982

present

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY)

Residential Street Address

City

State

Zip

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY).

Residential Street Address

City

State

Zip

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY)

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Date Resided To (MM/YYYY)

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Residential Street Address

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City

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State

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Zip

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Date Resided From (MM/YYYY)

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Date Resided To (MM/YYYY)

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**Education**

*Provide all institutions of higher education attended; attach additional form(s) if necessary.*

_____ Institution	_____ City	_____ State
_____ Date Attended From (MM/YYYY)	_____ Date Attended To (MM/YYYY)	_____ Degree Received

_____ Institution	_____ City	_____ State
_____ Date Attended From (MM/YYYY)	_____ Date Attended To (MM/YYYY)	_____ Degree Received

_____ Institution	_____ City	_____ State
_____ Date Attended From (MM/YYYY)	_____ Date Attended To (MM/YYYY)	_____ Degree Received

_____ Institution	_____ City	_____ State
_____ Date Attended From (MM/YYYY)	_____ Date Attended To (MM/YYYY)	_____ Degree Received

**Employment History**

*Provide all employers, in reverse chronological order, for 15 years prior to date of application; attach additional form(s) if necessary.*

**Retired**

_____ Employer	_____ Contact Person	_____ Telephone
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\_\_\_\_\_  
Business Address

_____ City	_____ State	_____ Zip
11/2009	present	
_____ Date Employed From (MM/YYYY)	_____ Date Employed To (MM/YYYY)	



<u>Georgia-Pacific</u>	<u></u>	<u>(800) 284-5347</u>
Employer	Contact Person	Telephone
<u>545 Co Rd 6</u>	<u></u>	<u></u>
Business Address		
<u>Belk</u>	<u>AL</u>	<u>35545</u>
City	State	Zip
<u>06/1990</u>	<u>11/2009</u>	<u></u>
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

<u></u>	<u></u>	<u></u>
Employer	Contact Person	Telephone
<u></u>	<u></u>	<u></u>
Business Address		
<u></u>	<u></u>	<u></u>
City	State	Zip
<u></u>	<u></u>	<u></u>
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

<u></u>	<u></u>	<u></u>
Employer	Contact Person	Telephone
<u></u>	<u></u>	<u></u>
Business Address		
<u></u>	<u></u>	<u></u>
City	State	Zip
<u></u>	<u></u>	<u></u>
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

<u></u>	<u></u>	<u></u>
Employer	Contact Person	Telephone
<u></u>	<u></u>	<u></u>
Business Address		
<u></u>	<u></u>	<u></u>
City	State	Zip
<u></u>	<u></u>	<u></u>
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

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Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

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Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

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Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

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**FORM A: OWNERSHIP RESUME / CURRICULUM VITAE**

Longleaf Extracts LLC

Processor

Business License Applicant Name

License Type

Jessica Billingsley

25%

Individual with Ownership Interest in Applicant

Individual's Ownership Percentage in Applicant

**Residential History***Provide all residential addresses, in reverse chronological order, for 15 years prior to date of application; attach additional form(s) if necessary.*

234 S. Downing St.

Residential Street Address

Denver

CO

80209

City

State

Zip

07/2015

present

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY)

502 N. Highland Ave. NE

Residential Street Address

Atlanta

GA

30307

City

State

Zip

04/2008

07/2015

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY).

305 Society Dr. Unit D1

Residential Street Address

Telluride

CO

81435

City

State

Zip

09/2003

04/2008

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY)

Residential Street Address

City

State

Zip

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY)

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Residential Street Address

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City

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State

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Zip

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Date Resided From (MM/YYYY)

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Date Resided To (MM/YYYY)

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Residential Street Address

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City

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State

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Zip

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Date Resided From (MM/YYYY)

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Date Resided To (MM/YYYY)

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**Education***Provide all institutions of higher education attended; attach additional form(s) if necessary.*

<u>Georgia Institute of Technology</u>	<u>Atlanta</u>	<u>GA</u>
Institution	City	State
<u>09/1994</u>	<u>06/1995</u>	<u>none</u>
Date Attended From (MM/YYYY)	Date Attended To (MM/YYYY)	Degree Received

---

<u>University of Georgia</u>	<u>Athens</u>	<u>GA</u>
Institution	City	State
<u>09/1995</u>	<u>02/1998</u>	<u>BFA</u>
Date Attended From (MM/YYYY)	Date Attended To (MM/YYYY)	Degree Received

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<u></u>	<u></u>	<u></u>
Institution	City	State
<u></u>	<u></u>	<u></u>
Date Attended From (MM/YYYY)	Date Attended To (MM/YYYY)	Degree Received

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<u></u>	<u></u>	<u></u>
Institution	City	State
<u></u>	<u></u>	<u></u>
Date Attended From (MM/YYYY)	Date Attended To (MM/YYYY)	Degree Received

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**Employment History***Provide all employers, in reverse chronological order, for 15 years prior to date of application; attach additional form(s) if necessary.*

<u>Akerna</u>	<u>Aimee Sample, HR</u>	<u>888.932.6537</u>
Employer	Contact Person	Telephone
<u>1550 Larimer Street #246</u>		
Business Address		
<u>Denver</u>	<u>CO</u>	<u>80202</u>
City	State	Zip
<u>01/2010</u>	<u>present</u>	
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

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Zoco LLC	Jessica Billingsley	9707290372
Employer	Contact Person	Telephone
502 N. Highland Ave. NE		
Business Address		
Atlanta	GA	30307
City	State	Zip
06/2001	07/2010	
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

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Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

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Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

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Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

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**FORM A: OWNERSHIP RESUME / CURRICULUM VITAE**

Longleaf Extracts LLC

Processor

Business License Applicant Name

License Type

Byron Billingsley

12%

Individual with Ownership Interest in Applicant

Individual's Ownership Percentage in Applicant

**Residential History***Provide all residential addresses, in reverse chronological order, for 15 years prior to date of application; attach additional form(s) if necessary.*

3059 W. Roxboro Rd. NE

Residential Street Address

Atlanta

GA

30324

City

State

Zip

04/2004

present

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY)

Residential Street Address

City

State

Zip

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY).

Residential Street Address

City

State

Zip

Date Resided From (MM/YYYY)

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Zip

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Date Resided From (MM/YYYY)

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Date Resided To (MM/YYYY)

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## Education

*Provide all institutions of higher education attended; attach additional form(s) if necessary.*

<u>Auburn University</u>	<u>Auburn</u>	<u>AL</u>
Institution	City	State
<u>09/1968</u>	<u>12/1967</u>	<u>none</u>
Date Attended From (MM/YYYY)	Date Attended To (MM/YYYY)	Degree Received
<u>Georgia State University</u>	<u>Atlanta</u>	<u>GA</u>
Institution	City	State
<u>03/1969</u>	<u>08/1973</u>	<u>Bachelor of Science</u>
Date Attended From (MM/YYYY)	Date Attended To (MM/YYYY)	Degree Received
<u>Georgia Institute of Technology</u>	<u>Atlanta</u>	<u>GA</u>
Institution	City	State
<u>03/1975</u>	<u>06/1976</u>	<u>Bachelor of Civil Engineering</u>
Date Attended From (MM/YYYY)	Date Attended To (MM/YYYY)	Degree Received
<u> </u>	<u> </u>	<u> </u>
Institution	City	State
<u> </u>	<u> </u>	<u> </u>
Date Attended From (MM/YYYY)	Date Attended To (MM/YYYY)	Degree Received

### Employment History

*Provide all employers, in reverse chronological order, for 15 years prior to date of application; attach additional form(s) if necessary.*

Site Engineering Inc.	Paxton Billingsley, President	770-263-7234
Employer	Contact Person	Telephone
7025 Best Friend Rd.		
Business Address		
Atlanta	GA	30340
City	State	Zip
01/1985	01/2020	
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

---

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

---

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

---

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

---

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

---

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

---

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

---

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

---

**FORM A: OWNERSHIP RESUME / CURRICULUM VITAE**

Longleaf Extracts LLC

Processor

Business License Applicant Name

License Type

Elizabeth Billingsley

12%

Individual with Ownership Interest in Applicant

Individual's Ownership Percentage in Applicant

**Residential History***Provide all residential addresses, in reverse chronological order, for 15 years prior to date of application; attach additional form(s) if necessary.*

3059 W. Roxboro Rd. NE

Residential Street Address

Atlanta

GA

30324

City

State

Zip

05/2004

present

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY)

Residential Street Address

City

State

Zip

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY).

Residential Street Address

City

State

Zip

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY)

Residential Street Address

City

State

Zip

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY)

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Residential Street Address

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State

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Date Resided From (MM/YYYY)

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Date Resided To (MM/YYYY)

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Residential Street Address

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City

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State

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Zip

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Date Resided From (MM/YYYY)

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Date Resided To (MM/YYYY)

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Residential Street Address

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City

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State

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Zip

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Date Resided From (MM/YYYY)

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Date Resided To (MM/YYYY)

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Residential Street Address

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City

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State

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Zip

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Date Resided From (MM/YYYY)

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Date Resided To (MM/YYYY)

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---

Residential Street Address

---

City

---

State

---

Zip

---

Date Resided From (MM/YYYY)

---

Date Resided To (MM/YYYY)

---

**Education**

*Provide all institutions of higher education attended; attach additional form(s) if necessary.*

<u>Mississippi State College for Women</u>	<u>Columbus</u>	<u>MS</u>
Institution	City	State
<u>09/1972</u>	<u>05/1973</u>	
Date Attended From (MM/YYYY)	Date Attended To (MM/YYYY)	Degree Received

<u>Georgia State University</u>	<u>Atlanta</u>	<u>GA</u>
Institution	City	State
<u>09/1976</u>	<u>12/1983</u>	<u>Master of Science</u>
Date Attended From (MM/YYYY)	Date Attended To (MM/YYYY)	Degree Received

<u></u>	<u></u>	<u></u>
Institution	City	State
<u></u>	<u></u>	<u></u>
Date Attended From (MM/YYYY)	Date Attended To (MM/YYYY)	Degree Received

<u></u>	<u></u>	<u></u>
Institution	City	State
<u></u>	<u></u>	<u></u>
Date Attended From (MM/YYYY)	Date Attended To (MM/YYYY)	Degree Received

**Employment History**

*Provide all employers, in reverse chronological order, for 15 years prior to date of application; attach additional form(s) if necessary.*

<u>Site Engineering Inc.</u>	<u>Paxton Billingsley, President</u>	<u>770-263-7234</u>
Employer	Contact Person	Telephone
<u>7025 Best Friend Rd.</u>		
Business Address		
<u>Atlanta</u>	<u>GA</u>	<u>30340</u>
City	State	Zip
<u>01/1985</u>	<u>present</u>	
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

---

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

---

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

---

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

---



Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

---

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

---

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

---

Employer	Contact Person	Telephone
Business Address		
City	State	Zip
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

---

## Exhibit 2 – Residency of Owners

### Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

Printed Name of Verifying Individual

Executive Chair

Title of Verifying Individual



Signature of Verifying Individual

12/28/22

Verification Date

## Registrant Information Card

Registrant # 400005469

Status ACTIVE

Status Reason ACTIVE REGISTRANT

Registration Date 05/20/1982

How Reg

MADISON, JANET B

MAILING ADDRESS

572 FLAMINGO LN  
MILLPORT, AL 35576

Precinct 2001.01

Birth Date 12/07/1952

Party PARTY NOT DESIGNATED

Gender FEMALE

Race WHITE

Reg Source BOARD OF REGISTRARS

Voter Needs Assistance

1

2

NVRA UPDATE

MOVED TO

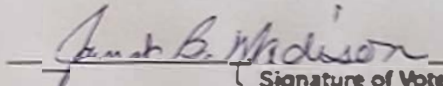
ORIGINAL NAME

FED. CERT NO.

DHR

MEDICAID

OPTIONAL FIELD 9

  
Signature of Voter

## Registrant Receipt

Registrant # 400005469

Status ACTIVE

Status Reason ACTIVE REGISTRANT

Registration Date 5/20/1982

How Reg

MADISON, JANET B

MAILING ADDRESS

572 FLAMINGO LN  
MILLPORT, AL 35576

Precinct 2001.01

Birth Date 12/7/1952

Party PARTY NOT DESIGNATED

Gender FEMALE

Race WHITE

Reg Source BOARD OF REGISTRARS

Voter Needs Assistance

1

2

NVRA UPDATE

MOVED TO

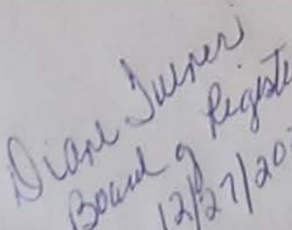
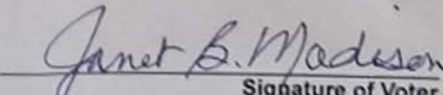
ORIGINAL NAME

FED. CERT NO.

DHR

MEDICAID

OPTIONAL FIELD 9

  
Board of Registrars  
12/27/2022  
Signature of Voter

# Exhibit 3 – Criminal Background Check

## Verification

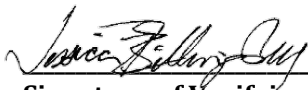
The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

Printed Name of Verifying Individual

Executive Chair

Title of Verifying Individual



Signature of Verifying Individual

12/28/22

Verification Date

**3.1 FORM B: BACKGROUND CHECK APPLICANT VERIFICATION**

The applicant has completed FORM B: BACKGROUND CHECK APPLICANT VERIFICATION. See the attached FORM B (identified as "FORM B: BACKGROUND CHECK APPLICANT VERIFICATION").

**3.2 FORM C: STATE BACKGROUND CHECK (ALEA)**

The applicant and each individual with an economic interest has; fully completed FORM C: STATE BACKGROUND CHECK (ALEA), obtained fingerprints, and returned all required items to the applicable agency mailing address, at the Applicant's expense. See Exhibit 3, Section 3.4 for each individual written consent to a state criminal background check.

**3.3 FORM D: NATIONAL BACKGROUND CHECK (FBI)**

The applicant and each individual with an economic interest has; fully completed FORM D: NATIONAL BACKGROUND CHECK (FBI), obtained fingerprints, and returned all required items to the applicable agency mailing address, at the Applicant's expense. See Exhibit 3, Section 3.4 for each individual written consent to a national criminal background check.

**3.4 FORM E**

The applicant and each individual with an economic interest has completed FORM E: BACKGROUND CHECK INDIVIDUAL VERIFICATION. See attachments (identified as;

- "FORM E: BACKGROUND CHECK INDIVIDUAL VERIFICATION" – Janet Billingsley Madison,
- "FORM E: BACKGROUND CHECK INDIVIDUAL VERIFICATION" – Jessica Lee Billingsley,
- "FORM E: BACKGROUND CHECK INDIVIDUAL VERIFICATION" – Byron John Billingsley, and
- "FORM E: BACKGROUND CHECK INDIVIDUAL VERIFICATION" – Elizabeth Brown Billingsley.)

**FORM B: BACKGROUND CHECK APPLICANT VERIFICATION****Longleaf Extracts LLC****Processor**

Business License Applicant Name

License Type

Provide the name and title of each individual identified by § 20-2A-55(b), Code of Alabama 1975 (as amended) (i.e., each owner, shareholder, director, board member, and individual with an economic interest in the Applicant). Attach additional forms if necessary.

NAME	ROLE (select all that apply)
Janet Billingsley Madison	<input checked="" type="checkbox"/> Owner <input checked="" type="checkbox"/> Shareholder <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> Board Member <input checked="" type="checkbox"/> Individual with Economic Interest in Applicant
Jessica Lee Billingsley	<input checked="" type="checkbox"/> Owner <input checked="" type="checkbox"/> Shareholder <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> Board Member <input checked="" type="checkbox"/> Individual with Economic Interest in Applicant
Byron John Billingsley	<input checked="" type="checkbox"/> Owner <input checked="" type="checkbox"/> Shareholder <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> Board Member <input checked="" type="checkbox"/> Individual with Economic Interest in Applicant
Elizabeth Brown Billingsley	<input checked="" type="checkbox"/> Owner <input checked="" type="checkbox"/> Shareholder <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> Board Member <input checked="" type="checkbox"/> Individual with Economic Interest in Applicant
	<input type="checkbox"/> Owner <input type="checkbox"/> Shareholder <input type="checkbox"/> Director <input type="checkbox"/> Board Member <input type="checkbox"/> Individual with Economic Interest in Applicant
	<input type="checkbox"/> Owner <input type="checkbox"/> Shareholder <input type="checkbox"/> Director <input type="checkbox"/> Board Member <input type="checkbox"/> Individual with Economic Interest in Applicant
	<input type="checkbox"/> Owner <input type="checkbox"/> Shareholder <input type="checkbox"/> Director <input type="checkbox"/> Board Member <input type="checkbox"/> Individual with Economic Interest in Applicant
	<input type="checkbox"/> Owner <input type="checkbox"/> Shareholder <input type="checkbox"/> Director <input type="checkbox"/> Board Member <input type="checkbox"/> Individual with Economic Interest in Applicant
	<input type="checkbox"/> Owner <input type="checkbox"/> Shareholder <input type="checkbox"/> Director <input type="checkbox"/> Board Member <input type="checkbox"/> Individual with Economic Interest in Applicant
	<input type="checkbox"/> Owner <input type="checkbox"/> Shareholder <input type="checkbox"/> Director <input type="checkbox"/> Board Member <input type="checkbox"/> Individual with Economic Interest in Applicant

**Applicant Verification:** The undersigned hereby verifies that the individuals listed hereinabove (and attached, as necessary) are all of the individuals identified by § 20-2A-55(b), Code of Alabama 1975 (as amended) with respect to the Applicant. The undersigned further verifies that each individual listed hereinabove (and attached, as necessary) has requested a state criminal background check from the Alabama Law Enforcement Agency (ALEA) and a national criminal background check from the FBI.

**Jessica Billingsley****Executive Chair**

Printed Name of Verifying Individual

Title of Verifying Individual


**12/27/22**

Signature of Verifying Individual

Verification Date

**FORM E: BACKGROUND CHECK INDIVIDUAL VERIFICATION**

*Each individual identified by § 20-2A-55(b), Code of Alabama 1975 (as amended) (i.e., each owner, shareholder, director, board member, and individual with an economic interest in the Applicant) must complete a separate form.*

**Longleaf Extracts LLC**

Business License Applicant Name

**Janet Billingsley Madison**

Individual's Name

**Processor**

License Type

Individual's Role (select all that apply): ☒ Owner ☒ Shareholder ☒ Director ☒ Board Member  
☒ Individual with Economic Interest in Applicant

**Verification**

The undersigned, as identified above, hereby verifies all of the following:

- That the individual's role(s) in the Applicant's business is one or more of the roles identified by § 20-2A-55(b), Code of Alabama 1975 (as amended).
- That the individual shall, as required by § 20-2A-55(b), Code of Alabama 1975 (as amended), submit to a state and national criminal background check, to be conducted and/or coordinated by the Alabama Law Enforcement Agency.
- That the individual has submitted its completed state criminal background check application form (ALEA SBI Form 46), and all other items required therewith, to ALEA
- That the individual has submitted its national criminal background check form (FBI Identity History Summary Request Form), and all other items required therewith, to the FBI.
- That the individual, on his/her state and national background check forms, has authorized ALEA and the FBI, as applicable, to release any and all criminal history information of the individual to the Alabama Medical Cannabis Commission.
- That the individual will promptly respond to any request from ALEA, the FBI, and/or the Alabama Medical Cannabis Commission regarding the processing of the individual's state and national criminal background checks.
- That the individual has confirmed that his/her name and role(s) have been included, by the Applicant, on the Background Check Applicant Verification Form.

*Janet Billingsley Madison*  
 Signature of Verifying Individual

**12/28/22**

Verification Date

**FORM E: BACKGROUND CHECK INDIVIDUAL VERIFICATION**

*Each individual identified by § 20-2A-55(b), Code of Alabama 1975 (as amended) (i.e., each owner, shareholder, director, board member, and individual with an economic interest in the Applicant) must complete a separate form.*

**Longleaf Extracts LLC**

Business License Applicant Name

**Jessica Lee Billingsley**

Individual's Name

**Processor**

License Type

Individual's Role (select all that apply): ☒ Owner ☒ Shareholder ☒ Director ☒ Board Member  
☒ Individual with Economic Interest in Applicant

**Verification**

The undersigned, as identified above, hereby verifies all of the following:

- That the individual's role(s) in the Applicant's business is one or more of the roles identified by § 20-2A-55(b), Code of Alabama 1975 (as amended).
- That the individual shall, as required by § 20-2A-55(b), Code of Alabama 1975 (as amended), submit to a state and national criminal background check, to be conducted and/or coordinated by the Alabama Law Enforcement Agency.
- That the individual has submitted its completed state criminal background check application form (ALEA SBI Form 46), and all other items required therewith, to ALEA
- That the individual has submitted its national criminal background check form (FBI Identity History Summary Request Form), and all other items required therewith, to the FBI.
- That the individual, on his/her state and national background check forms, has authorized ALEA and the FBI, as applicable, to release any and all criminal history information of the individual to the Alabama Medical Cannabis Commission.
- That the individual will promptly respond to any request from ALEA, the FBI, and/or the Alabama Medical Cannabis Commission regarding the processing of the individual's state and national criminal background checks.
- That the individual has confirmed that his/her name and role(s) have been included, by the Applicant, on the Background Check Applicant Verification Form.



Signature of Verifying Individual

**12/28/22**

Verification Date



**FORM E: BACKGROUND CHECK INDIVIDUAL VERIFICATION**

*Each individual identified by § 20-2A-55(b), Code of Alabama 1975 (as amended) (i.e., each owner, shareholder, director, board member, and individual with an economic interest in the Applicant) must complete a separate form.*

Longleaf Extracts LLC

Business License Applicant Name

Elizabeth Brown Billingsley

Individual's Name

Processor

License Type

Individual's Role (select all that apply): ☒ Owner ☒ Shareholder ☒ Director ☒ Board Member  
☒ Individual with Economic Interest in Applicant

**Verification**

The undersigned, as identified above, hereby verifies all of the following:

- That the individual's role(s) in the Applicant's business is one or more of the roles identified by § 20-2A-55(b), Code of Alabama 1975 (as amended).
- That the individual shall, as required by § 20-2A-55(b), Code of Alabama 1975 (as amended), submit to a state and national criminal background check, to be conducted and/or coordinated by the Alabama Law Enforcement Agency.
- That the individual has submitted its completed state criminal background check application form (ALEA SBI Form 46), and all other items required therewith, to ALEA
- That the individual has submitted its national criminal background check form (FBI Identity History Summary Request Form), and all other items required therewith, to the FBI.
- That the individual, on his/her state and national background check forms, has authorized ALEA and the FBI, as applicable, to release any and all criminal history information of the individual to the Alabama Medical Cannabis Commission.
- That the individual will promptly respond to any request from ALEA, the FBI, and/or the Alabama Medical Cannabis Commission regarding the processing of the individual's state and national criminal background checks.
- That the individual has confirmed that his/her name and role(s) have been included, by the Applicant, on the Background Check Applicant Verification Form.

Elizabeth Billingsley

Signature of Verifying Individual

12/28/22

Verification Date

**FORM E: BACKGROUND CHECK INDIVIDUAL VERIFICATION**

*Each individual identified by § 20-2A-55(b), Code of Alabama 1975 (as amended) (i.e., each owner, shareholder, director, board member, and individual with an economic interest in the Applicant) must complete a separate form.*

**Longleaf Extracts LLC**

Business License Applicant Name

**Byron John Billingsley**

Individual's Name

**Processor**

License Type

Individual's Role (select all that apply): ☒ Owner ☒ Shareholder ☒ Director ☒ Board Member  
☒ Individual with Economic Interest in Applicant

**Verification**

The undersigned, as identified above, hereby verifies all of the following:

- That the individual's role(s) in the Applicant's business is one or more of the roles identified by § 20-2A-55(b), Code of Alabama 1975 (as amended).
- That the individual shall, as required by § 20-2A-55(b), Code of Alabama 1975 (as amended), submit to a state and national criminal background check, to be conducted and/or coordinated by the Alabama Law Enforcement Agency.
- That the individual has submitted its completed state criminal background check application form (ALEA SBI Form 46), and all other items required therewith, to ALEA
- That the individual has submitted its national criminal background check form (FBI Identity History Summary Request Form), and all other items required therewith, to the FBI.
- That the individual, on his/her state and national background check forms, has authorized ALEA and the FBI, as applicable, to release any and all criminal history information of the individual to the Alabama Medical Cannabis Commission.
- That the individual will promptly respond to any request from ALEA, the FBI, and/or the Alabama Medical Cannabis Commission regarding the processing of the individual's state and national criminal background checks.
- That the individual has confirmed that his/her name and role(s) have been included, by the Applicant, on the Background Check Applicant Verification Form.

Byron Billingsley  
Signature of Verifying Individual

12/28/22  
Verification Date

# Exhibit 4 - Demonstration of Sufficient Capital

## Verification

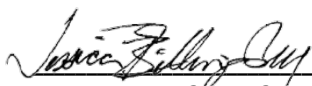
The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

Printed Name of Verifying Individual

Executive Chair

Title of Verifying Individual



Signature of Verifying Individual

12/28/22

Verification Date

February 15, 2023

Alabama Medical Cannabis Commission

RSA Dexter Avenue Building

Montgomery, AL 36104

Re: Longleaf Extracts, LLC, Exhibit 4 Demonstration of Sufficient Capital

Dear Sir or Madam:

I am the designated contact person for Longleaf Extracts, LLC. I am also providing the startup capital to fund Longleaf Extracts, LLC and certify that I have sufficient capital to do so for the first three full years after a license is issued to Longleaf.

Sincerely,

A handwritten signature in black ink, appearing to read "Jessica Billingsley", written in a cursive style.

Jessica Billingsley

February 15, 2023

Alabama Medical Cannabis Commission

RSA Dexter Avenue Building

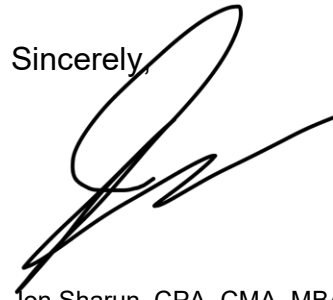
Montgomery, AL 36104

Re: Longleaf Extracts, LLC, Exhibit 4 Demonstration of Sufficient Capital

Dear Sir or Madam:

I am the responsible person designated by the applicant to review financial projections and adequate capital. I have examined the source of available capital as provided by Executive Chair, Jessica Billingsley. The funds provided are more than adequate to fund the first three full years after a license is issued to the Applicant.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jon Sharun', with a large, stylized loop at the end.

Jon Sharun, CPA, CMA, MBA, ICD.D, BComm, LEED AP

Venexo Capital  
778-846-5818  
PO Box 98125 Yaletown PO, Vancouver, BC V6Z2Z7  
[jon.sharun@venexocapital.com](mailto:jon.sharun@venexocapital.com)  
[www.venexo.com](http://www.venexo.com)  
<http://www.linkedin.com/in/jonsharun>



Member  
American Institute of  
Certified Public  
Accountants

Alabama Society of  
Certified Public  
Accountants

December 28, 2022

Alabama Medical Cannabis Commission  
RSA Dexter Avenue Building  
445 Dexter Avenue, Suite 8040  
Montgomery, AL 36104

Re: Longleaf Extracts, LLC  
Exhibit 4 Demonstration of Sufficient Capital

Dear Sir or Madam:

I am an independent Certified Public Accountant authorized to practice public accounting. I am licensed by the State Board of Public Accountancy and am a member of the Alabama Society of Certified Public Accountants and a member of the American Institute of Certified Public Accountants.

I have examined the source of available capital as provided by Ms. Jessica Billingsly. The funds are held in a brokerage account with in her name as of November 30, 2022. The funds provided are more than the amount needed to cover the SG&A expenses as set forth in the first full three years' budget.

Very truly yours,



Richard M. Mayers, CPA

1st Avenue North West • P.O. Box 1169 • Vernon, Alabama 35592 • (205)695-7199 FAX (205)695-9468

Statement Period: November 1, 2022 to November 30, 2022  
Page 1 of 6

Need help reading this statement?  
Visit [www.schwab.com/CompactStatement](http://www.schwab.com/CompactStatement) for more information.

**Your Independent\* Investment Advisor**

**Mail To**

JESSICA BILLINGSLEY

**Account Of**

JESSICA BILLINGSLEY

**Account Value Summary**

Cash, Bank Sweep, and Money Market	
Total Investments Long	
Total Investments Short	
Net Loan Balance	
<b>Total Account Value</b>	<b>\$</b>

**Change in Account Value**

Starting Account Value	
Transactions & Income	
Income Reinvested	
Change in Value of Investments	
<b>Ending Account Value</b>	

**Total Funds Available: Cash + Margin**

Available to Withdraw	\$
Securities Buying Power	\$
Margin Loan Rates Vary by Balance	

Please see "Endnotes For Your Account" section for an explanation of the endnote codes and symbols on this statement.

SIPC has taken the position that it will not cover the balances held in your deposit accounts maintained under programs like our Bank Sweep feature. Please see your Cash Feature Disclosure Statement for more information on insurance coverage.  
© 2016 All rights reserved. Member SIPC. This statement is furnished solely for your account at : \*Except as noted in this statement's Terms and Conditions, investment advisors or retirement plan providers whose names appear in this statement are not affiliated with. Please see Terms and Conditions. (0616-1204)  
11/30-00000-CSCB0903-214924 \*

# Exhibit 5 – Financial Statements

## Verification

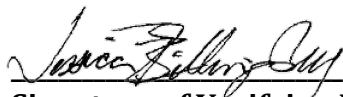
The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

Printed Name of Verifying Individual

Executive Chair

Title of Verifying Individual



Signature of Verifying Individual

12/28/22

Verification Date



### 5.1 – Balance sheet report, providing a snapshot of the value of assets, liabilities and equity at commencement, or for projections, as of December 31 of each year.

The estimated total cost to build the processing facility is approximately \$2.4 million. This takes into account the development cost per sq ft, equipment, IT security, and includes working capital and added contingency expenses. It was assumed the proposed Indoor Facility is a new build versus retrofit of an existing building on land owned by the family. Applicant has modeled a balance sheet forecast breakdown through 2026.

- \$1,570,000 -- Cost of construction of the processing facility including associated office space, research and development, utility hookups, etc.
- \$706,150 – Operational costs for 6 months including salaries, utilities, supplies,
- Applicant will be in compliance and assumes it will receive its certificate of operation in November 2023.
- The first harvest of medical marijuana will occur in October of 2023.

#### Balance Sheet

	\$	Commence	YEAR 1	YEAR 2	YEAR 3
<b>Assets</b>					
Current Assets					
Cash	50,807	67,179	69,638	468,034	
Receivables	106,564	300,050	330,055	345,058	
Inventory	156,613	473,983	504,981	513,382	
Total Current Assets	313,984	841,212	904,673	1,326,473	
<b>Long Term Assets</b>					
Property Plant & Equipment (PPE), gross	1,570,000	1,570,000	1,570,000	1,570,000	
Accumulated Depreciation of PPE	-5,767	-35,967	-66,167	-96,367	
PP&E, net	1,564,233	1,534,033	1,503,833	1,473,633	
<b>Total Assets</b>	<b>1,878,217</b>	<b>2,375,245</b>	<b>2,408,506</b>	<b>2,800,107</b>	
<b>Liabilities</b>					
Current Liabilities					
Accounts Payable	90,822	257,306	273,647	278,129	
<b>Total Current Liabilities</b>	156,706	1,012,063	553,753	278,129	
Long Term Liabilities	1,916,667	1,416,667	916,667	416,667	
<b>Total Liabilities</b>	<b>2,073,372</b>	<b>2,428,730</b>	<b>1,470,420</b>	<b>694,796</b>	
<b>Equity</b>					
Paid-in Capital/Drawings	400,000	400,000	400,000	400,000	
Retained Earnings	-595,155	-453,485	538,087	1,705,311	
Current Period Retained Earnings	-195,155	-53,485	938,087	2,105,311	
Total Equity	-195,155	-53,485	938,087	2,105,311	
<b>Total Liabilities and Equity</b>	<b>1,878,217</b>	<b>2,375,245</b>	<b>2,408,506</b>	<b>2,800,107</b>	

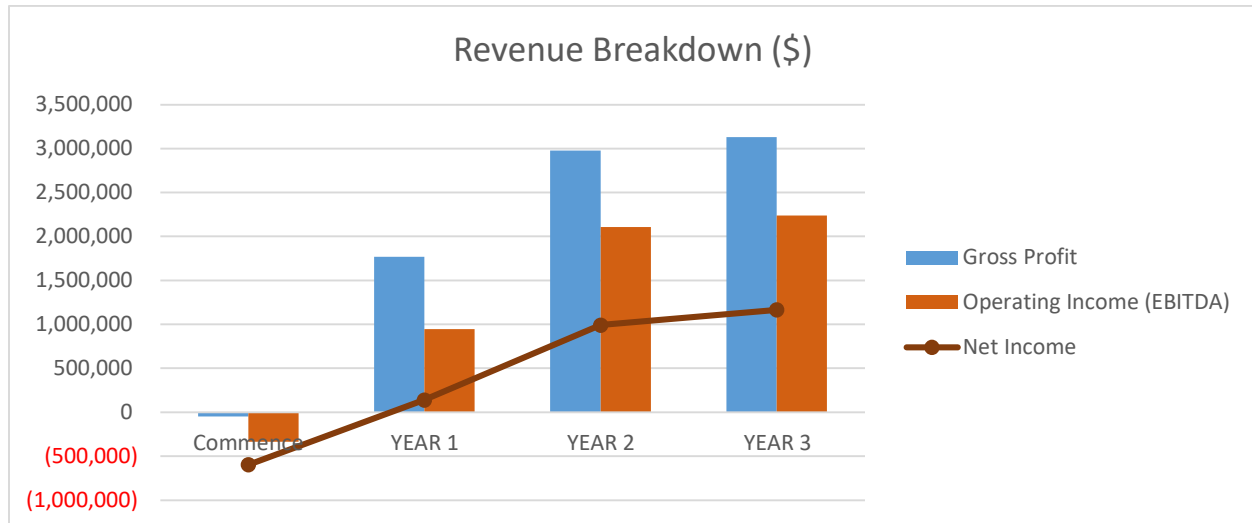
Applicant has the committed capital to build and operate the proposed processing facility up to when the Applicant is self-funded through revenue generation. Additional funds will be used to bridge any gap that may exist between the commissioning of the facility, start-up of operations, and actual sales of manufactured medical marijuana due to the lag time that exists between when cultivation licenses and dispensary facilities are operating.

Expenses	Quarter 1	Quarter 2	Quarter 3	Quarter 4
<b>CAPEX</b>				
Land & Development	0	0	1,000,000	0
Build-Out in Accordance with Regulations	0	0	78,000	0
Extraction Equipment	0	0	0	258,000
Post-Processing Lab/Refining Equipment	0	0	0	162,000
Vacuum Ovens	0	0	0	24,000
Automated Machines for Filling Pens and Cartridges	0	0	0	0
Freezer/Refrigerators	0	0	0	12,000
Alarm & Security System, Monitoring - Video & Camera System, Computer System	0	0	0	36,000
<b>OPEX</b>				
COGS - Cost of Goods Sold	0	0	12,382	405,635
G&A Expenses - Initial & General Costs	0	0	94,750	20,625
G&A Expenses - Extraction/Refining	20,000	0	0	31,442
SG&A - Marketing & Sales	0	0	5,675	61,381
Salaries & Benefits (non-direct)	0	6,688	20,064	24,191
SG&A Expenses - Misc.	600	0	413	2,304
<b>Total</b>	<b>20,600</b>	<b>6,688</b>	<b>1,211,284</b>	<b>1,037,578</b>

Required Investments= **2,400,000**

**5.2 – Profit and loss report, summarizing any income, expenses and net profit from the applicant’s inception to date of commencement and as projected over each calendar year thereafter, including the year of commencement.**

The Applicant feels these projections to be conservative in that they incorporate high-end estimates for expenses set against low-end estimates for revenue as part of a horizontal analysis. Based upon these findings, the Proponent will have sufficient capital under all projected circumstances. Applicant plans to break even of net profit by end of 2024.



The Proponent’s budget for operating expenses includes advertising/marketing, bank/merchant fees, bonding, community charitable giving, dues/subscriptions, employee training/continuing education, facilities, insurance, legal/professional fees, miscellaneous, offices supplies, postage/delivery, public safety/education plans, research funding, employee salaries, security systems, telephone/IT/IS, utilities. While these data are the forecast budget, the Proponent has secured sufficient resources to insure against possible delays, lower than expected sales, or higher than expected expenses. Forecast operating expenses are further detailed in the financial plan,

Forecasted revenue is broken down under the Revenue and Gross Profit proforma. This takes into account specific form factors for sale; tablets, tinctures, pure oil, capsules, gel cubes, topicals, suppositories, transdermal patch, nebulizer, inhaler oil. The respective manufacturing, labour, and packaging costs are all taken into account.

Applicant has also planned for 280 E payments along with a community payment based on percentage of gross receipts paid per quarter.

	Commence	Year 1	Year 2	Year 3
Federal Tax	0	361,180	625,112	657,410
State Tax	0	111,794	193,487	203,484
Community programs	3,692	54,318	79,213	82,814

## Profit &amp; Loss Statement

	\$	Commence	YEAR 1	YEAR 2	YEAR 3
Revenue		369,157	5,431,823	7,921,320	8,281,380
COGS - Cost of Goods Sold		418,018	3,663,058	4,944,597	5,150,855
<b>Gross Profit</b>		-48,860	1,768,765	2,976,723	3,130,525
% of revenue		-13%	33%	38%	38%
SG&A Expenses					
G&A Expenses - Initial & General Costs		115,375	144,300	146,100	147,900
<i>Legal Fees &amp; Licensing for setting up</i>		66,000	0	0	0
<i>Website/Ecommerce platform development</i>		10,000	0	0	0
<i>Other initial &amp; general expenses</i>		5,000	0	0	0
<i>Licensing, legal fees (from second year)</i>		0	61,800	63,600	65,400
<i>Professional Services, Commercial Insurance</i>		34,375	82,500	82,500	82,500
G&A Expenses - Extraction/Refining		51,442	246,413	276,903	286,099
<i>Building Renting</i>		8,000	49,440	50,880	52,320
<i>Building Maintenance, utilities</i>		3,000	18,540	19,080	19,620
<i>Equipment Maintenance</i>		1,750	10,815	11,130	11,445
<i>Admin expenses, phone and internet</i>		2,000	12,360	12,720	13,080
<i>Inventory Control, Security &amp; Software</i>		13,000	80,340	82,680	85,020
<i>Property Taxes</i>		20,000	20,600	21,200	21,800
<i>Community Programs (% of gross receipts)</i>		3,692	54,318	79,213	82,814
SG&A - Marketing & Sales		67,056	286,898	295,254	303,611
SG&A Expenses - Misc.		3,317	12,926	13,930	14,295
Senior Management Salaries & Benefits		46,815	82,663	85,070	87,478
IT Salaries & Benefits		4,127	51,015	52,501	53,986
Total SG&A Expenses		288,132	824,215	869,759	893,369
<b>Operating Income (EBITDA)</b>		-336,993	944,550	2,106,964	2,237,156
% of revenue		-91%	17%	27%	27%
Depreciation and Amortization		5,767	30,200	30,200	30,200
<b>Earnings Before Interest &amp; Taxes (EBIT)</b>		-342,759	914,350	2,076,764	2,206,956
Interest Expense		-252,396	-299,705	-266,594	-178,837
<b>Earnings Before Taxes (EBT)</b>		-595,155	614,644	1,810,170	2,028,119
Income Tax		0	472,974	818,599	860,894
<i>Federal Tax</i>		0	361,180	625,112	657,410
<i>State Tax</i>		0	111,794	193,487	203,484
<b>Net Income</b>		-595,155	141,671	991,571	1,167,224
% of revenue		-161%	3%	13%	14%

**Direct Costs**

	<b>Comm</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b>Extraction</b>				
Method 1 (Extracts)				
Materials (own product line)	2,676	24,060	32,499	33,848
Extraction Costs	1,309	11,771	15,900	16,560
Extraction Labor	1,418	12,752	17,225	17,940
Packaging Material	727	6,539	8,833	9,200
<b>Method 2 (crude oil)</b>				
Materials (own product line)	183,156	1,646,878	2,224,583	2,316,924
Extraction Costs	92,926	835,560	1,128,664	1,175,515
Extraction Labor	2,836	25,504	34,450	35,880
Post-Processing Lab				
Processing Costs	4,609	41,443	55,981	58,305
Processing Labor	5,673	51,007	68,900	71,760
<b>Manufacturing</b>				
Manufacturing Costs	7,093	63,779	86,152	89,728
Direct Labor Salaries	11,345	102,015	137,800	143,520
Packaging Material	5,402	48,570	65,607	68,331
<b>Other Direct Costs</b>				
Transport costs	1,818	16,348	22,083	23,000
Lab Testing costs	4,200	16,800	16,800	16,800
<b>Other Direct Costs for Other Products</b>				
Transdermal Patch	150	4,250	6,600	6,900
Nebulizers	300	8,500	13,200	13,800
Inhaler oil	1,350	38,250	59,400	62,100
<b>Taxes</b>				
<b>Cannabis Business Tax</b>	33,224	488,864	712,919	745,324
<b>Other Direct Labor Expenses</b>	57,805	220,168	237,000	245,420
<b>Total</b>	<b>418,018</b>	<b>3,663,058</b>	<b>4,944,597</b>	<b>5,150,855</b>

**Operational Costs**

	\$	Comm	Year 1	Year 2	Year 3
<b>G&amp;A Expenses - Initial &amp; General Costs</b>					
Legal Fees & Licensing for setting up		66,000	0	0	0
Website/Ecommerce platform development		10,000	0	0	0
Other initial & general expenses		5,000	0	0	0
Licensing, legal fees (from second year)		0	61,800	63,600	65,400
Professional Services, Commercial Insurance		34,375	82,500	82,500	82,500
<b>G&amp;A Expenses - Extraction/Refining</b>					
Building Renting		8,000	49,440	50,880	52,320
Building Maintenance, utilities		3,000	18,540	19,080	19,620
Equipment Maintenance		1,750	10,815	11,130	11,445
Admin expenses, phone and internet		2,000	12,360	12,720	13,080
Inventory Control, Security & Software		13,000	80,340	82,680	85,020
Property Taxes		20,000	20,600	21,200	21,800
Community Programs (% of gross receipts)		3,692	54,318	79,213	82,814
<b>SG&amp;A - Marketing &amp; Sales</b>					
Marketing, PR, Branding, Advertise		24,750	101,970	104,940	107,910
SG&A Expenses - Misc.		3,317	12,926	13,930	14,295
Salaries, excluding direct labor		93,249	318,605	327,885	337,165
<b>Total</b>		<b>288,132</b>	<b>824,215</b>	<b>869,759</b>	<b>893,369</b>

**Extracts Production Forecast**

	Crude oil, own gram line	Crude oil, service	Extracts, own line	Extracts service
<b>10m</b>	18,253	9,127	200	100
<b>11m</b>	22,125	11,063	242	121
<b>12m</b>	25,997	12,999	285	142

	Crude oil, own gram line	Crude oil, service	Extracts, own line	Extracts service
<b>Year 1</b>	66,376	33,188	727	3,270
<b>Year 2</b>	596,829	298,414	6,539	3,270
<b>Year 3</b>	806,189	403,094	8,833	4,417

<b>gram</b>	<b>Pure Oil (G)</b>
<b>Commence</b>	9,218
<b>Year 1</b>	82,887
<b>Year 2</b>	111,963
<b>Year 3</b>	116,610

**Manufacturing**

<b>unit</b>	<b>Pure Oil (G)</b>	<b>Capsules</b>	<b>Gel cubes</b>	<b>Topicals</b>	<b>Suppositories</b>
<b>Commence</b>	6,545	1,091	16,364	3,273	11
<b>Year 1</b>	58,855	9,809	147,136	29,427	98
<b>Year 2</b>	79,500	13,250	198,750	39,750	133
<b>Year 3</b>	82,800	13,800	207,000	41,400	138

**SALES FORECAST BY PRODUCT**

	<b>Tablet</b>	<b>Tincture</b>	<b>Pure Oil</b>	<b>Capsul</b>	<b>Gel cube</b>	<b>Topical</b>	<b>Supp</b>
<b>Com</b>	13,273	53,091	79,636	9,955	149,318	39,818	66
<b>Y 1</b>	182,727	730,909	1,096,364	137,045	2,055,682	548,182	914
<b>Y 2</b>	264,000	1,056,000	1,584,000	198,000	2,970,000	792,000	1,320
<b>Y 3</b>	276,000	1,104,000	1,656,000	207,000	3,105,000	828,000	1,380

	<b>Transdermal Patch</b>	<b>Nebulizers</b>	<b>Inhaler oil</b>
<b>Com</b>	3,000	3,000	18,000
<b>Y 1</b>	85,000	85,000	510,000
<b>Y 2</b>	132,000	132,000	792,000
<b>Y 3</b>	138,000	138,000	828,000

### 5.3 – Statement of cash flow, examining the cash flowing into and out of the Applicant’s business from inception to commencement and during each calendar year thereafter, including the year of commencement.

The Applicant has incorporated expected monthly cashflow into this financial model, basing these expectations on adoption rates in other recreational cannabis markets and matching them with data for the State of Alabama in particular. The Proponent has modeled standard profit margins of approximately 40% and has considered alternative sales scenarios ranging from 50% to 150% of the forecast. Forecast assumed to be average.

Applicant has prepared an extensive financial plan for the construction, commissioning, and initial operations of our processing facility. Our funds are committed, our team is in place, and we are ready to provide the absolute highest quality medical marijuana to patients in the state of Alabama.

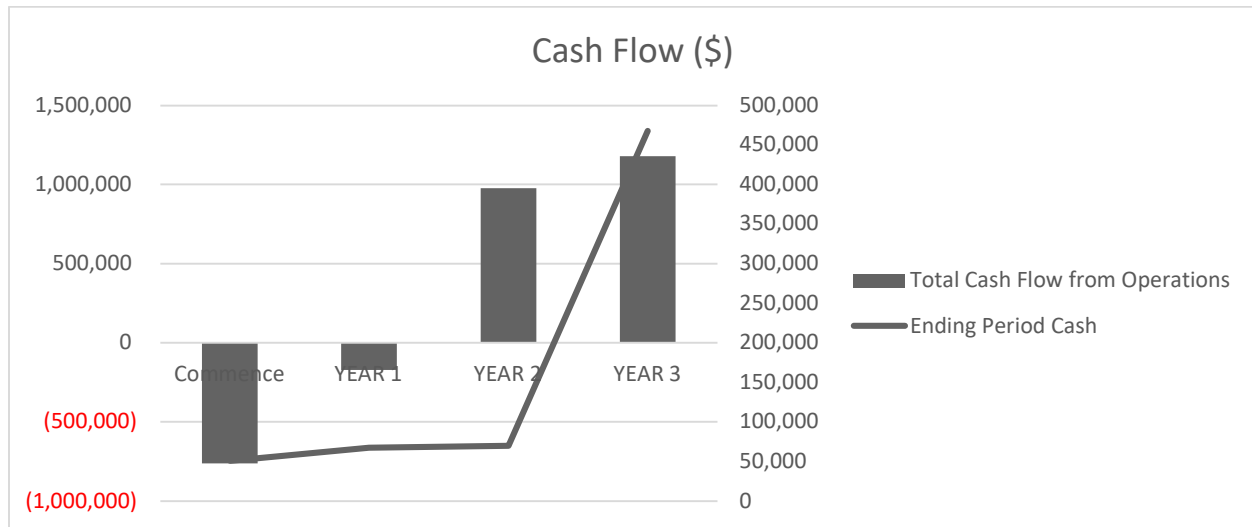
#### Cash Flows Statement

	\$	Commence	YEAR 1	YEAR 2	YEAR 3
<b>Net Income</b>		-595,155	141,671	991,571	1,167,224
<b>Cash Flow from Operations</b>					
Depreciation		5,767	30,200	30,200	30,200
Change in Receivables		-106,564	-193,486	-30,005	-15,003
Change in Inventory		-156,613	-317,370	-30,998	-8,401
Change in Accounts Payable		90,822	166,484	16,341	4,482
<b>Total Cash Flow from Operations</b>		-761,744	-172,501	977,110	1,178,503
<b>Cash Flow from Investing</b>					
Capital Expenditures (CAPEX)		-1,570,000	0	0	0
Other		0	0	0	0
<b>Total Cash Flow from Investing</b>		-1,570,000	0	0	0
<b>Cash Flow from Financing</b>					
Revolver Issuance / (Repayment)		65,884	688,873	-474,651	-280,106
Long-Term Debt Issuance / (Repayment)		1,916,667	-500,000	-500,000	-500,000
Paid in Capital		400,000	0	0	0
Drawings (profit share)		0	0	0	0
<b>Total Cash Flow from Financing</b>		2,382,551	188,873	-974,651	-780,106



<b>Total Change in Cash</b>	50,807	16,372	2,458	398,396
<b>Beginning Period Cash</b>	0	50,807	67,179	69,638
<b>Ending Period Cash</b>	50,807	67,179	69,638	468,034

Applicant is forecast to become permanently cash flow positive by Year 3 of operations. Additionally, the Applicant has access through its various partnerships to significant Balance Sheet strength to cover any cash flow challenges.



We have gone through several levels of review, both internally and with our consultants to ensure that all aspects of the financial plan for our processing facility have been accounted for.

Sales (\$)			Commence	YEAR 1	YEAR 2	YEAR 3
<b>Extracts</b>						
Tablets			13,273	182,727	264,000	276,000
Tinctures			53,091	730,909	1,056,000	1,104,000
<b>Concentrates</b>						
Pure Oil (G)			79,636	1,096,364	1,584,000	1,656,000
Other			-	-	-	-
<b>Infused Products</b>						
Capsules			9,955	137,045	198,000	207,000
Gel cubes			149,318	2,055,682	2,970,000	3,105,000
Topicals			39,818	548,182	792,000	828,000
Suppositories			66	914	1,320	1,380
<b>Other products</b>						
Transdermal Patch			3,000	85,000	132,000	138,000
Nebulizers			3,000	85,000	132,000	138,000
Inhaler oil			18,000	510,000	792,000	828,000
<b>TOTAL</b>			<b>369,157</b>	<b>5,431,823</b>	<b>7,921,320</b>	<b>8,281,380</b>
<b>Prices (\$)</b>			Price Index			
<b>Wholesale Channel I</b>						
Tablets	per gram	<b>20.0</b>				
Tinctures	per gram	<b>20.0</b>				
Pure Oil (G)	per unit	<b>20.0</b>				
Capsules	per unit	<b>15.0</b>				
Gel cubes	per unit	<b>15.0</b>				
Topicals	per unit	<b>20.0</b>				
Suppositories	per unit	<b>10.0</b>				
Transdermal Patch	per unit	<b>10.0</b>				
Nebulizers	per unit	<b>10.0</b>				
Inhaler oil	per unit	<b>20.0</b>				
<b>Sales</b>	first month -	<b>11</b>				
Sales Rate	<b>1</b>	<b>30%</b>				
Tablets	gram	<b>1000</b>	664	9,136	13,200	13,800
Tinctures	gram	<b>4000</b>	2,655	36,545	52,800	55,200
<b>Sales</b>	first month -	<b>11</b>				
Sales Rate	<b>1</b>	<b>30%</b>				
Pure Oil (G)	unit	<b>6000</b>	3,982	54,818	79,200	82,800
Other	unit	<b>0</b>	-	-	-	-
<b>Sales</b>	first month -	<b>11</b>				
Sales Rate	<b>1</b>	<b>30%</b>				
Capsules	unit	<b>1000</b>	664	9,136	13,200	13,800
Gel cubes	unit	<b>15000</b>	9,955	137,045	198,000	207,000
Topicals	unit	<b>3000</b>	1,991	27,409	39,600	41,400
Suppositories	unit	<b>1000</b>	7	91	132	138
<b>Sales</b>	first month -	<b>12</b>				
Sales Rate	<b>1</b>	<b>30%</b>				
Transdermal Patch	unit	<b>1000</b>	300	8,500	13,200	13,800
Nebulizers	unit	<b>1000</b>	300	8,500	13,200	13,800
Inhaler oil	unit	<b>3000</b>	900	25,500	39,600	41,400
<b>Extraction</b>						
<b>Method 1 (Extracts)</b>	<b>1.2</b>	<b>10</b>				
Capacity	<b>12</b>	<b>30%</b>				
Input	pound		27	241	325	338
Output	gram	<b>12%</b>	1,455	13,079	17,667	18,400
Extraction (own product line)	pound	<b>50%</b>	13	120	162	169
Extraction (service)	pound	<b>50%</b>	13	120	162	169
Extracts, own line	gram		727	6,539	8,833	9,200

Extracts service	gram	50%	364	3,270	4,417	4,600
Employees		1				
product line)	per pound	200	2,676	24,060	32,499	33,848
Extraction Costs	per gram	0.90	1,309	11,771	15,900	16,560
Extraction Labor	pp/per month	2,600	1,418	12,752	17,225	17,940
Packaging Material	per gram	0.50	727	6,539	8,833	9,200
<b>Method 2 (crude oil)</b>		111.9	10			
Capacity		12	30%			
Input	pound		2,442	21,958	29,661	30,892
Output	gram	12%	132,752	1,193,657	1,612,378	1,679,307
Extraction (own						
product line)	pound	50%	1,221	10,979	14,831	15,446
Extraction (service)	pound	50%	1,221	10,979	14,831	15,446
Crude oil, own line	gram		66,376	596,829	806,189	839,653
Crude oil, service	gram	50%	33,188	298,414	403,094	419,827
Employees		1				
product line)	per pound	150	183,156	1,646,878	2,224,583	2,316,924
Extraction Costs	per gram	0.70	92,926	835,560	1,128,664	1,175,515
Extraction Labor	pp/per month	2,600	2,836	25,504	34,450	35,880
<b>Post-Processing Lab</b>						
<b>Short Path WFE</b>		563	10			
Capacity		12	30%			
Input, own crude oil	gram	100%	12,291	110,516	149,283	155,480
Output	gram	75%	9,218	82,887	111,963	116,610
Processing employees,						
Packaging Employees		2				
Crude oil Costs	per gram	4.50	-	-	-	-
Processing Costs	per gram	0.50	4,609	41,443	55,981	58,305
Processing Labor	pp/per month	2,600	5,673	51,007	68,900	71,760
<b>Products, oil</b>						
Pure Oil (G)		71%	6,545	58,855	79,500	82,800
Capsules		1%	109	981	1,325	1,380
Gel cubes		18%	1,636	14,714	19,875	20,700
Topicals		9%	818	7,357	9,938	10,350
Suppositories		1%	109	981	1,325	1,380
<b>Manufacturing</b>						
<b>Pure Oil (G)</b>						
Input (extracts)	gram	1.00	6,545	58,855	79,500	82,800
Output	unit		6,545	58,855	79,500	82,800
Direct Labor		1				
<b>Direct Costs</b>						
Manufacturing Costs	per unit	0.20	1,309	11,771	15,900	16,560
Direct Labor Salaries	pp/per month	2,600	2,836	25,504	34,450	35,880
Packaging Material	per unit	0.25	1,636	14,714	19,875	20,700
<b>Gel cubes</b>						
Input (extracts)	gram	0.10	1,636	14,714	19,875	20,700
Output	unit		16,364	147,136	198,750	207,000
Direct Labor		1				
<b>Direct Costs</b>						
Manufacturing Costs	per unit	0.20	3,273	29,427	39,750	41,400
Direct Labor Salaries	pp/per month	2,600	2,836	25,504	34,450	35,880
Packaging Material	per unit	0.15	2,455	22,070	29,813	31,050
<b>Topicals</b>						

Input (extracts)	gram	<b>0.25</b>	818	7,357	9,938	10,350
Output	unit		3,273	29,427	39,750	41,400
Direct Labor		<b>1</b>				
<b>Direct Costs</b>						
Manufacturing Costs	per unit	<b>0.70</b>	2,291	20,599	27,825	28,980
Direct Labor Salaries	pp/per month	<b>2,600</b>	2,836	25,504	34,450	35,880
Packaging Material	per unit	<b>0.35</b>	1,145	10,300	13,913	14,490
<b>Suppositories</b>						
Input (extracts)	gram	<b>0.10</b>	109	981	1,325	1,380
Output	unit		11	98	133	138
Direct Labor		<b>1</b>				
<b>Direct Costs</b>						
Manufacturing Costs	per unit	<b>0.20</b>	2	20	27	28
Direct Labor Salaries	pp/per month	<b>2,600</b>	-	-	-	-
Packaging Material	per unit	<b>0.15</b>	2	15	20	21
<b>Other Direct Costs</b>						
Transport costs	per month	<b>500</b>	1,818	16,348	22,083	23,000
Lab Testing costs (the c	per sample	<b>700</b>	4,200	16,800	16,800	16,800
<b>Other Direct Costs for Other Products</b>						
Transdermal Patch	per unit	<b>0.5</b>	150	4,250	6,600	6,900
Nebulizers	per unit	<b>1.0</b>	300	8,500	13,200	13,800
Inhaler oil	per unit	<b>1.5</b>	1,350	38,250	59,400	62,100
<b>Taxes</b>						
Cannabis Business Tax			33,224	488,864	712,919	745,324
<b>TOTAL</b>			<b>360,213</b>	<b>3,442,890</b>	<b>4,707,597</b>	<b>4,905,435</b>
<b>Gross Margin</b>			-13%	33%	38%	38%

SG&A & Capital Expense Assumptions			Commence	YEAR 1	YEAR 2	YEAR 3
<b>G&amp;A Expenses - Initial &amp; General Costs</b>	<b>first month</b>	<b>8</b>				
Legal Fees & Licensing for setting up	first year	<b>66,000</b>	66,000	-	-	-
Website/Ecommerce platform development	first year	<b>10,000</b>	10,000	-	-	-
Other initial & general expenses	first year	<b>5,000</b>	5,000	-	-	-
Licensing, legal fees (from second year)	per year	<b>60,000</b>	-	61,800	63,600	65,400
Professional Services, Commercial Insurance	per month	<b>6,875</b>	34,375	82,500	82,500	82,500
<b>G&amp;A Expenses - Extraction/Refining</b>	<b>first month</b>	<b>11</b>				
Building Renting	<b>4,000</b>	<b>1.00</b>	8,000	49,440	50,880	52,320
Building Maintenance, utilities	per month	<b>1,500</b>	3,000	18,540	19,080	19,620
Equipment Maintenance	per month	<b>875</b>	1,750	10,815	11,130	11,445
Admin expenses, phone and internet	per month	<b>1,000</b>	2,000	12,360	12,720	13,080
Inventory Control, Security & Software	per month	<b>6,500</b>	13,000	80,340	82,680	85,020
Property Taxes	per year	<b>20,000</b>	20,000	20,600	21,200	21,800
Community Programs (% of gross receipts)	per quarter	<b>1.0%</b>	3,692	54,318	79,213	82,814
<b>SG&amp;A - Marketing &amp; Sales</b>	<b>first month</b>	<b>10</b>				
Marketing, PR, Branding, Advertise	per month	<b>8,250</b>	24,750	101,970	104,940	107,910
Other Marketing & Sales Expenses	per month	<b>0</b>	-	-	-	-
Brokers and Sellers Fees	%	<b>0%</b>	-	-	-	-
<b>SG&amp;A Expenses - Misc.</b>	%	<b>3%</b>	3,317	12,926	13,930	14,295
<b>TOTAL</b>			<b>194,884</b>	<b>505,610</b>	<b>541,873</b>	<b>556,204</b>
<b>CAPEX</b>						
Land & Development	<b>9</b>	<b>1,000,000</b>	1,000,000	-	-	-
Build-Out in Accordance with Regulations	<b>9</b>	<b>78,000</b>	78,000	-	-	-
Extraction Equipment	<b>11</b>	<b>258,000</b>	258,000	-	-	-
Post-Processing Lab/Refining Equipment	<b>11</b>	<b>162,000</b>	162,000	-	-	-
Vacuum Ovens	<b>11</b>	<b>24,000</b>	24,000	-	-	-
Freezer/Refrigerators	<b>10</b>	<b>12,000</b>	12,000	-	-	-
Alarm & Security System, Monitoring - Video & Camer	<b>10</b>	<b>36,000</b>	36,000	-	-	-
<b>TOTAL</b>		<b>1,570,000</b>	<b>1,570,000</b>	-	-	-
<b>Investments</b>						
	Useful Life (years)					
Land & Development			1,000,000	-	-	-
Build-Out in Accordance with Regulations	<b>39</b>		78,000	-	-	-
Extraction Equipment	<b>20</b>		258,000	-	-	-
Post-Processing Lab/Refining Equipment	<b>20</b>		162,000	-	-	-
Vacuum Ovens	<b>10</b>		24,000	-	-	-
Freezer/Refrigerators	<b>10</b>		12,000	-	-	-
Alarm & Security System, Monitoring - Video & Camera System, Computer System	<b>10</b>		36,000	-	-	-
<b>TOTAL</b>			<b>1,570,000</b>	-	-	-

<b>Revolver Issuance / (Repayment)</b>						
<b>Own Fundings/Investments</b>			400,000	-	-	-
<b>Long-term Debt</b>						
Long-Term Debt	repayments %	2%	2,000,000	-	-	-
Long-Term Debt Beginning Balance						
Long-Term Debt Repayment	1st month	11	83,333	500,000	500,000	500,000
Long-Term Debt Ending Balance	months to repay	48				
ROI		12%	252,396	241,369	208,569	171,608

# Exhibit 6 – Tax Plan

## Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

**Printed Name of Verifying Individual**

Executive Chair

**Title of Verifying Individual**



**Signature of Verifying Individual**

12/28/22

**Verification Date**

## **Exhibit 6 – Tax Plan**

**The Applicant's verified tax plan demonstrating understanding of, and plans for compliance with, all applicable tax laws, including but not limited to providing all information required for purposes of the taxes levied by Chapter 2A of Title 20, Code of Alabama 1975 (as amended), and payment of the same**

The Applicant's has a verified tax plan demonstrating understanding of, and plans for compliance with, all applicable tax laws, including but not limited to providing all information required for purposes of the taxes levied by Chapter 2A of Title 20, Code of Alabama 1975 (as amended), and payment of the same.

### **Specific Resources Reviewed:**

- Ala. Code § 20-2A-80: Taxation
- Article 1 - Sales Tax
- Ala. Code § 40-14A-23: Definition of Net Worth
- Chapter 18 - INCOME TAXES
- Ala. Code § 40-14A-22
- Chapter 14A - ALABAMA BUSINESS PRIVILEGE AND CORPORATION SHARES TAX OF 1999
- Ala. Code Sec. 40-17A-1

The proposed tax law is set to be an 9% of gross proceeds tax on medical cannabis retail sales. Cannabis patients will pay the medical excise tax of 9% on every purchase of medical marijuana.

Also, an annual privilege tax those doing business under the law will also be set. Currently licensing fee is \$40,000 for a successful processing applicant

### **Corporate Tax**

Alabama has a 6.50 percent corporate income tax rate.



### **Implications of 280E**

Section **280E** of the Internal Revenue Code states that no deduction or credit shall be allowed for any amount paid or incurred during the taxable year in carrying on any trade or business if such trade or business (or activities which comprise such trade or business) consists of trafficking in controlled substances. Currently medical cannabis, while soon to be legal in Alabama, is subject to 280E federal tax.

### **Controlled Substances Tax**

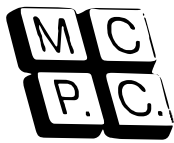
Alabama currently imposes a Controlled Substances Tax. As per Ala. Code Sec. 40-17A-1 through Ala. Code Sec. 40-17A-16, dealers must pay the tax if they possess, distribute, sell, transport, import, transfer or otherwise use any marihuana. The tax is imposed on marijuana and controlled substances at the rate of \$3.50 per gram of marijuana or portion of a gram. Official stamps, labels or other indicia to be affixed on marihuana or controlled substances must be bought from the Department of Revenue. Nothing in this chapter requires persons registered under Section 20-2-51, or otherwise lawfully in possession of marihuana or a controlled substance, to pay the tax required under this chapter

### **Tax Compliance**

Applicant has engaged Alabama based Mayers and Company PC who has reviewed all of these laws and has provided input on the Tax Plan and review drafts and proforma of the Tax Plan for compliance. Mayers and Company PC is a member of American Institute of Certified Public Accountants and a member of the Alabama Society of Certified Public Accountants.

### **Tax Payments**

Applicant plans to submit and pay all state and federal taxes on time and compliant.



Mayers  
& Company P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

Richard M. Mayers, C.P.A.

Member  
American Institute of  
Certified Public  
Accountants

Alabama Society of  
Certified Public  
Accountants

December 28, 2022

Alabama Medical Cannabis  
Commission RSA Dexter  
Avenue Building  
445 Dexter Avenue, Suite 8040  
Montgomery, AL 36104

Re:

Exhibit 6 Tax Plan

Dear Sir or Madam:

I am an independent Certified Public Accountant in the state of Alabama having worked with the federal and state and/or local tax laws for 47 years.

My firm and I have been engaged to provide tax planning, compliance and understanding with all applicable tax laws both federal, state, and local.

Very truly yours,

Richard M. Mayers, CPA

# Exhibit 7 – Business Formation Documents

## Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

Printed Name of Verifying Individual

Executive Chair

Title of Verifying Individual



Signature of Verifying Individual

12/28/22

Verification Date

## STATE OF ALABAMA

DOMESTIC LIMITED LIABILITY COMPANY (LLC)  
CERTIFICATE OF FORMATION

PURPOSE: In order to form a Limited Liability Company (LLC) under Section 10A-5A-2.01 of the Code of Alabama 1975, this Certificate of Formation and the appropriate filing fees must be filed with the Office of the Secretary of State. **The information required in this form is required by Title 10A.**

1. The name of the limited liability company (must contain the words "Limited Liability Company" or the abbreviation "L.L.C." or "LLC," and comply with Code of Alabama, Section 10A-1-5.06. You may use Professional or Series before Limited Liability Company or LLC (or PLLC or SLLC) if they apply:

Longleaf Extracts LLC

2. A copy of the Name Reservation Certificate from the Office of the Secretary of State must be attached.

3. The name of the registered agent (only one agent): Alabama Registered Agent LLC

Street (**no PO Boxes**) address of registered office (**must be located in Alabama**):

212 W Troy Street, Suite B Dothan, AL 36303

**\*COUNTY** of above address: HOUSTON

Mailing address **in Alabama** of registered office (if different from street address):

4. The undersigned certify that there is at least one member of the limited liability company.

## (For SOS Office Use Only)

Alabama	
Sec. Of State	
001-044-075	DLL
Date	10/11/2022
Time	16:00:00
File	\$100.00
County	\$100.00
	-----
Total	\$200.00

5. Check **only** if the type applies to the Limited Liability Company being formed:

☐ Series LLC complying with Title 10A, Chapter 5A, Article 11

☐ Professional LLC complying with Title 10A, Chapter 5A, Article 8

☐ Non-Profit LLC complying with Section 10A-5A-1.04(c)

6. The filing of the limited liability company is effective immediately on the date received by the office of the Secretary of State, Business Services Division or at the delayed filing date (cannot be prior to the filing date) specified in this filing complying with Section 10A-1-4.12

The undersigned specify 10 / 11 / 2022 as the effective date (must be on or after the date filed in the office of the Secretary of State, but no later than the 90th day after the date this instrument was signed) and the time of filing to be 4 : 0 ☐ AM or ☒ PM. (cannot be noon or midnight – 12:00)

☐ Attached are any other matters the members determine to include herein (if this item is checked there must be attachments with the filing).

10 / 11 / 2022  
Date (MM/DD/YYYY)

Andrea Trobradovic

Signature as required by 10A-5A-2.04

Organizer

Typed title (organizer or attorney-in-fact)

\*County of Registered Agent is requested in order to determine distribution of County filing fees.

John H. Merrill  
Secretary of State

P.O. Box 5616  
Montgomery, AL 36103-5616

# STATE OF ALABAMA

**I, John H. Merrill, Secretary of State of Alabama, having custody of the  
Great and Principal Seal of said State, do hereby certify that**

pursuant to the provisions of Title 10A, Chapter 1, Article 5, Code of Alabama  
1975, and upon an examination of the entity records on file in this office, the  
following entity name is reserved as available:

**Longleaf Extracts LLC**

This name reservation is for the exclusive use of Longleaf Extracts LLC, 212 W  
Troy Street, Suite B, Dothan, AL 36303 for a period of one year beginning  
October 11, 2022 and expiring October 11, 2023



RES050882

**In Testimony Whereof, I have hereunto set my  
hand and affixed the Great Seal of the State, at the  
Capitol, in the city of Montgomery, on this day.**

October 11, 2022

Date

A handwritten signature in black ink that reads 'J. H. Merrill'.

**John H. Merrill**

**Secretary of State**

# Exhibit 8 – Business License and Authorization of Local Jurisdictions

## Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

Printed Name of Verifying Individual

Executive Chair

Title of Verifying Individual



Signature of Verifying Individual

12/28/22

Verification Date

**8.1 – As applicable, certified copies of Applicant’s business license.**



## STATE OF ALABAMA

DOMESTIC LIMITED LIABILITY COMPANY (LLC)  
CERTIFICATE OF FORMATION

PURPOSE: In order to form a Limited Liability Company (LLC) under Section 10A-5A-2.01 of the Code of Alabama 1975, this Certificate of Formation and the appropriate filing fees must be filed with the Office of the Secretary of State. **The information required in this form is required by Title 10A.**

1. The name of the limited liability company (must contain the words "Limited Liability Company" or the abbreviation "L.L.C." or "LLC," and comply with Code of Alabama, Section 10A-1-5.06. You may use Professional or Series before Limited Liability Company or LLC (or PLLC or SLLC) if they apply:

Longleaf Extracts LLC

2. A copy of the Name Reservation Certificate from the Office of the Secretary of State must be attached.

3. The name of the registered agent (only one agent): Alabama Registered Agent LLC

Street (**no PO Boxes**) address of registered office (**must be located in Alabama**):

212 W Troy Street, Suite B Dothan, AL 36303

**\*COUNTY** of above address: HOUSTON

Mailing address **in Alabama** of registered office (if different from street address):

4. The undersigned certify that there is at least one member of the limited liability company.

## (For SOS Office Use Only)

Alabama	
Sec. Of State	
001-044-075	DLL
Date	10/11/2022
Time	16:00:00
File	\$100.00
County	\$100.00
	-----
Total	\$200.00

5. Check **only** if the type applies to the Limited Liability Company being formed:

☐ Series LLC complying with Title 10A, Chapter 5A, Article 11

☐ Professional LLC complying with Title 10A, Chapter 5A, Article 8

☐ Non-Profit LLC complying with Section 10A-5A-1.04(c)

6. The filing of the limited liability company is effective immediately on the date received by the office of the Secretary of State, Business Services Division or at the delayed filing date (cannot be prior to the filing date) specified in this filing complying with Section 10A-1-4.12

The undersigned specify 10 / 11 / 2022 as the effective date (must be on or after the date filed in the office of the Secretary of State, but no later than the 90th day after the date this instrument was signed) and the time of filing to be 4 : 0 ☐ AM or ☒ PM. (cannot be noon or midnight – 12:00)

☐ Attached are any other matters the members determine to include herein (if this item is checked there must be attachments with the filing).

10 / 11 / 2022  
Date (MM/DD/YYYY)

Andrea Trobradovic

Signature as required by 10A-5A-2.04

Organizer

Typed title (organizer or attorney-in-fact)

\*County of Registered Agent is requested in order to determine distribution of County filing fees.

John H. Merrill  
Secretary of State

P.O. Box 5616  
Montgomery, AL 36103-5616

# STATE OF ALABAMA

**I, John H. Merrill, Secretary of State of Alabama, having custody of the  
Great and Principal Seal of said State, do hereby certify that**

pursuant to the provisions of Title 10A, Chapter 1, Article 5, Code of Alabama  
1975, and upon an examination of the entity records on file in this office, the  
following entity name is reserved as available:

**Longleaf Extracts LLC**

This name reservation is for the exclusive use of Longleaf Extracts LLC, 212 W  
Troy Street, Suite B, Dothan, AL 36303 for a period of one year beginning  
October 11, 2022 and expiring October 11, 2023



RES050882

**In Testimony Whereof, I have hereunto set my  
hand and affixed the Great Seal of the State, at the  
Capitol, in the city of Montgomery, on this day.**

October 11, 2022

Date

A handwritten signature in black ink that reads 'J. H. Merrill'.

**John H. Merrill**

**Secretary of State**

**8.2 – As applicable, resolution(s) or ordinance(s) by local jurisdiction(s) (County or Municipality, as appropriate) approving the Applicant’s business presence in each applicable local jurisdiction.**



OFFICE OF THE COUNTY ENGINEER  
LAMAR COUNTY

MATTHEW ROUSE  
COUNTY ENGINEER  
POST OFFICE BOX 738  
VERNON, ALABAMA 35592  
PHONE (205) 695-7136  
FAX (205) 695-7157

December 12, 2022

Byron Billingsley  
Owens Billingsley LLC

Zoning Regulations

Dear Mr. Billingsley:

Please let this letter confirm there are no zoning restrictions or regulations or building permit requirements for property located outside municipal boundaries in Lamar County.

This does not include, however, requirements by the Health Department in regards to sewage disposal and septic tank requirements or construction in areas determined to be located in a flood hazard area.

If additional information is required, please feel free to contact this office.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Matthew Rouse'.

Matthew Rouse, P.E.  
County Engineer  
Lamar County

# Exhibit 9 – Business Plan

## Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

**Printed Name of Verifying Individual**

Executive Chair

**Title of Verifying Individual**



**Signature of Verifying Individual**

12/28/22

**Verification Date**

## **9.1 Business Structure & Adherence to Corporate Conventions**

**Requirement:** A clearly defined business structure and plan for adherence to applicable corporate convention.

**Plan:**

The business structure for Applicant is a registered and certified Alabama Limited Liability Company ("LLC") pursuant to AL Code § 10A-5A-1.01 *et seq.* AL Code § 10A-5A-1.08. The Applicant understands the importance of the specific legal duties. AL Code § 10A-5A-4.08. The Applicant also understands the records that must be kept and the demands that can be made on those records. AL Code § 10A-5A-4.09. Finally, Applicant understands the taxation and annual reporting requirements related to the Business Privilege Tax and will comply with this and all other laws that pertain to LLCs in Alabama.

Member Janet Billingsley Madison of the LLC is a citizen and resident of the State of Alabama. The remaining members are from Georgia and Colorado.

## **9.2 Business Goals and 3 and 5 Year Plans**

**Requirement:** Clearly defined business goals, including a 3-year and a 5-year plan.

**Plan:**

### **Executive Summary**

Applicant seeks an Alabama Medical Cannabis Commission Processor License. Our goal is to process medical marijuana securely, efficiently, and effectively; to provide access to clean and safe medical marijuana for Alabama patients; and to foster an inclusive and professional environment in which our employees can develop their skills and create a fulfilling career to be proud of.

In addition, as one of our goals that we provide jobs to Lamar County. Lamar County has a civilian labor force of 5,887 people. Approximately 17% of people in Lamar County live in poverty. We will bring quality jobs to the region that not only employs people but provides a living wage and exciting career opportunities.

Throughout our lifespan, Applicant will work with Alabama cultivators and our regional farmers to provide high-quality and effective products to the people of Alabama. Our plan is to target sales to dispensary owners in locations surrounding our facility to reduce the risk for diversion and minimize logistical expense and concerns. Applicant has 32 acres of land on which it will build a new, state of the art processing facility – a facility the entire county can be proud of.

Our roots are in Lamar County and we will bring a special business to our community. Our proposed location, which is on a county road, is an ideal site for our facility because it is accessible to Millport, Vernon, and other Lamar County communities to participate in, learn from, and economically and personally grow. Applicant will ensure compliance with all applicable state and local laws and regulations and will become a valuable member of the local business communities and surrounding areas. Indeed, Applicant has already spoken with business and government leaders in Lamar County, and they welcome this exciting business opportunity.

These are the important foundations by which we will build our business. Over the course of the next 3-years and 5-years, we will continue to build on this foundation of quality, community, and inclusion to become the premier medical cannabis processor in the State of Alabama.

### **Company Strengths and Core Competencies**

A strong foundation is the cornerstone by which longer range plans can be built upon. One of the pillars of Applicant's foundation is Applicant's international-level expertise in and connection to the national cannabis industry, with many years of experience and leadership in this space. Applicant understands and has the appropriate contracts to ensure the successful processing protocols and techniques will be utilized by Applicant, along with the cannabis-related operational and leadership experience of the core team, as identified above in Part I. Additionally, Applicant's facility will likely exceed anything else offered by any other processor license holder in terms of the dedicated space for not only personnel and



processing, but also quality assurance, sustainability, environmental controls, packaging, facility security, and employee comfort. We look forward to developing our employees to also be leaders in the cannabis industry, not only in Alabama, but nationally. Our objective is to be a leading processor in Alabama as measured by patient, compliance and regulator, employee, and community feedback.

### **Applicant Processing Facility**

Another strength in Applicant's foundation is Applicant's processing location and its design. The goals for the facility will focus on quality, compliance, innovation, employee interaction and development, and efficiency of process. Applicant will start with 3,000 square feet of newly constructed processing space consisting of an environmentally sustainable, advanced technology facility, as well as additional office and support space for a total facility size of approximately 4000 square feet after construction. If additional processing space is permitted by the state of Alabama, Applicant has already planned for a Phase II of construction that could potentially expand the processing area up to 6000 square feet. The processing site sits on 32 acres of property and the Applicant does not anticipate facing any obstacles building out the facility if demand requires and the state of Alabama authorizes it. Indeed, the Lamar County Engineer has already provided feedback and is excited to engage in this process. There is currently ample additional space for parking on site as well as any utility or other land use needs.

### **Education and Training**

All foundations require regular maintenance. There is no difference with Applicant's business. A priority to ensure our foundation is strong requires constant education and training. Prior to beginning work within the facility, all processing facility employees will receive training on operations, legal compliance, and security protocols. Applicant is currently developing a continuing education program that will aid in developing staff members and preparing them for further advancement within the company. It is the responsibility of the facility manager to ensure training takes place for all team members

prior to commencing work within the facility. Education and Training are more detailed in the Applicant's SOP's and Cultivation Training Manual.

In addition, Applicant will host biannual community trainings on cannabis, cannabis regulations, and cannabis use, cultivation, and processing. Applicant believes a strong community presence requires community interaction and training. An AMCC poll revealed that 79% of Alabama residents support medical cannabis. It is important to continue education and outreach to maintain that support.

Finally, Applicant understands the importance of creating inclusive work environments in which all employees are valued as their authentic selves. Applicant will facilitate quarterly trainings and conversations with all of its employees about inclusion and belonging and will conduct annual stay interviews to ensure employee voices are being heard and everyone can be their authentic self.

### **Sales Procedures**

Few businesses succeed without a strong and smart foundation in sales processes. The sales procedure needs to be completely accurate for every sales transaction. If sales records are not perfectly accurate inventory records may show discrepancies and could result in compliance issues and possibly diversion. Before commencing operations, all processing team members will go through extensive training on the selected "seed to sale" system as it relates to cultivation/inventory management, sales/distribution and transportation/logistics. In fact, one of Applicant's managers is the inventor of the "seed to sale" concept and a national leader in this space. That knowledge will come to bear on Applicant's operations, which Applicant anticipates will be a leader in Alabama.

### **Inventory Management**

Another aspect of Applicant's business foundation is inventory management. Inventory management is a critical factor for processing. The tracking of all medical marijuana from

seed to sale will be handled with the inventory management system and through the use of template log sheets. Physical inventory counts will be done on a daily, weekly, and monthly basis. All information will be entered into our computer database, which will be backed up daily. Inventory management is explained in more detail in the SOP's. Processing Inventory shall consist of both end product and supplies, including: marijuana plants and saleable material in all phases of production. Additionally, all non-consumable capital equipment shall be maintained in the company's asset list. Valuation of on-hand inventories will be based on current fair market value for said inventories.

### **Substance Abuse and Prevention**

Another aspect of Applicant's business foundation is understanding the potential for employee substance abuse and prevention. Applicant intends to be pro-active in recognizing and preventing substance abuse. In the event that, based on data collected or observation, a potential substance abuse problem is identified, Applicant will immediately refer the patient to one of the local providers for patient assistance with which Applicant has established a referral agreement for addiction or mental health treatment.

These are the important foundations of Applicant's business. Not only in the first year, but through the next 3-to-5 years, these foundational areas will continue to be strengthened. Based on Applicant's significant experience in multiple states, Applicant also understands that this process in a state developing its cannabis program is iterative and interactive. Given the fluctuations that can be expected, it is incredibly important for any cannabis entity to have a strong foundation, as described above.

Applicant has reviewed (and has extensive experience) in several existing states in which medical marijuana is legal. While each state has different conditions that are allowed to be treated, we focused on two mature medical marijuana markets for our comparison. These states are Oregon and Colorado. Oregon (4.25M), Colorado (5.8M), and Alabama (5.07M) are similar in population. Total patient base for those 3 states as a percentage of total population are as follows: Oregon – 2.44%; and Colorado – 2.56%. We predict that by year 4, Alabama

will be a mature medical marijuana market with a total patient adoption rate of approximately 2% of the eligible population. This data assists Applicant in its 3-5 year financial plans.

### **Financial Methodology and Planning**

Applicant created a 7 year financial model and cash flow forecast to understand how this new business will operate and obtain insight into the entity's future financial, operational, and capital needs. Applicant collaborated with its industry-expert consultants to identify key assumptions, scenarios, and industry standards and analyzed various scenarios by adjusting these assumptions. Applicant concluded that the biggest factor and unknown driver of the business is the patient adoption rate. This is the number of patients anticipated to obtain physician recommendations and become a medical marijuana patient.

The number of patients was estimated by applying a *patient adoption rate* to Applicant's applicable population base; the estimated number of patients was then multiplied by a *consumption rate* to determine the quantity of medicine needed to meet patient demand. This quantity of medicine was then multiplied by a *price per pound* to derive the market size in terms of revenue. The *adoption rate* is the percentage of the total state population which is forecasted to adopt medical marijuana, and is based on data from other states where medical marijuana is legal under state law and from patient data related to conditions treatable with medical marijuana.

In order to gain an understanding of the number of patients to expect, Applicant examined the percent of total state population in two states with mature, state regulated medical marijuana programs: Colorado, and Oregon. Despite any differences between these programs and the program in Alabama, Alabama recognition of chronic pain as a qualifying condition minimizes the distinctions between states because a majority of patients in other jurisdictions identify chronic pain as their qualifying condition.

<b>Table 1: Mature Market Patient Adoption Rate</b>	
Colorado	2.56%
Oregon	2.44%
<b>Average</b>	<b>2.50%</b>

## Population Assumptions

Alabama has an estimated population of 5.07M people. Roughly 74.7% of the population is over the age of 18, or roughly 3,323,678 people. We can also assume an annual population growth rate of approximately 0.26%. If we conservatively assume 2% of the eligible population, or roughly 66,474, become patients in Alabama, and assuming the four processor licenses divide patients equally, each processor will be responsible for roughly 16,618 patients in Alabama. This number will grow as Alabama develops into a mature market.

We believe adoption rates for medical marijuana in Alabama will follow a similar growth pattern as other mature markets. In addition, Applicant anticipates similar patient consumption and an average usage rate of one ounce equivalent per month per patient.

The following table is Applicant's model for the adoption rate of patients in the state of Alabama under three different scenarios – low, mid, and high rates of adoption of the usage of medical marijuana.

<b>Table 2: Summary of Pro-Forma Adoption Rate Assumptions</b>				
	<u><b>2022</b></u>	<u><b>2023</b></u>	<u><b>2024</b></u>	<u><b>2025</b></u>
Estimated Eligible Population Base*	3,323,678	3,332,320	3,340,984	3,349,671
Low Adoption Rate	0.20%	0.50%	0.70%	1.00%
Mid Adoption Rate	0.30%	0.60%	0.90%	1.30%
High Adoption Rate	0.40%	0.80%	1.40%	1.90%

Low No. of Patients	6,668	16,662	23,387	33,497
Mid No. of Patients	9,971	19,994	30,069	43,546
High No. of Patients	13,295	26,659	46,774	63,644

\*U.S. Census Bureau Estimates | Alabama

Residents Above the Age of 18

The low, mid, and high conservative assumptions demonstrated above assume the current conditions allowed, adoption of medical marijuana as an accepted treatment method by the medical community, and price stability of marijuana, among several other potential factors that could affect the actual adoption rate of medical marijuana. Applicant has used the mid adoption rate numbers as the base assumption for its financial model. These projections also allow for conservative, planned, iterative, and natural business growth.

### **Consumption Rate Assumptions**

Applicant assumes, that on a *monthly basis* each patient will consume one ounce of medical marijuana either as plant material or in the form of processed products. Applicant further assumes an initial wholesale market price of \$1,800/lb., or \$112/ounce. The monthly consumption rate will vary depending upon the patient, the severity and nature of the patient's condition, and the method of administration.

### **Pricing of Medical Marijuana**

Applicant has modeled a price of \$1,800 per pound (or \$112/oz.) for wholesale medical marijuana i.e. medical marijuana sold to processors in bulk. Applicant believes this is an affordable price point both for retailers and patients of all income levels. Indeed, Applicant believes treatment forms should be available to people across all socio-economic backgrounds. From Applicant's research of other markets with state regulated programs, and per cannabis benchmarks, Applicant also believes this number to be a realistic market based sales figure.

In its process of identifying the price point assumption used for the purposes of the financial models, Applicant took the following factors into consideration:

- Pricing of comparable products of similar quantities of medicinal grade marijuana in other states with state-regulated medical programs.
- Attractive price point to encourage patients currently purchasing from the black market to obtain their medicine from a safe, state-licensed and regulated facility for an affordable price.
- Cost to produce medicine, cost to maintain business, funds necessary to fund expansion of business, and reinvestment into research and development to further the medicinal uses of medical marijuana.
- The quality of medicine that Applicant will provide as compared to anticipated competitors based on experiences in other markets. Applicant will be producing high quality organic medication based on scientific research by its top-notch scientists and researchers.
- Ability to offer discounted or compassionate priced medicine to veterans, seniors or lower income patients.
- Maintenance of top of the line facilities, researchers, and partnerships with key educational institutions and staff to offer our patients the best medicine on the market.

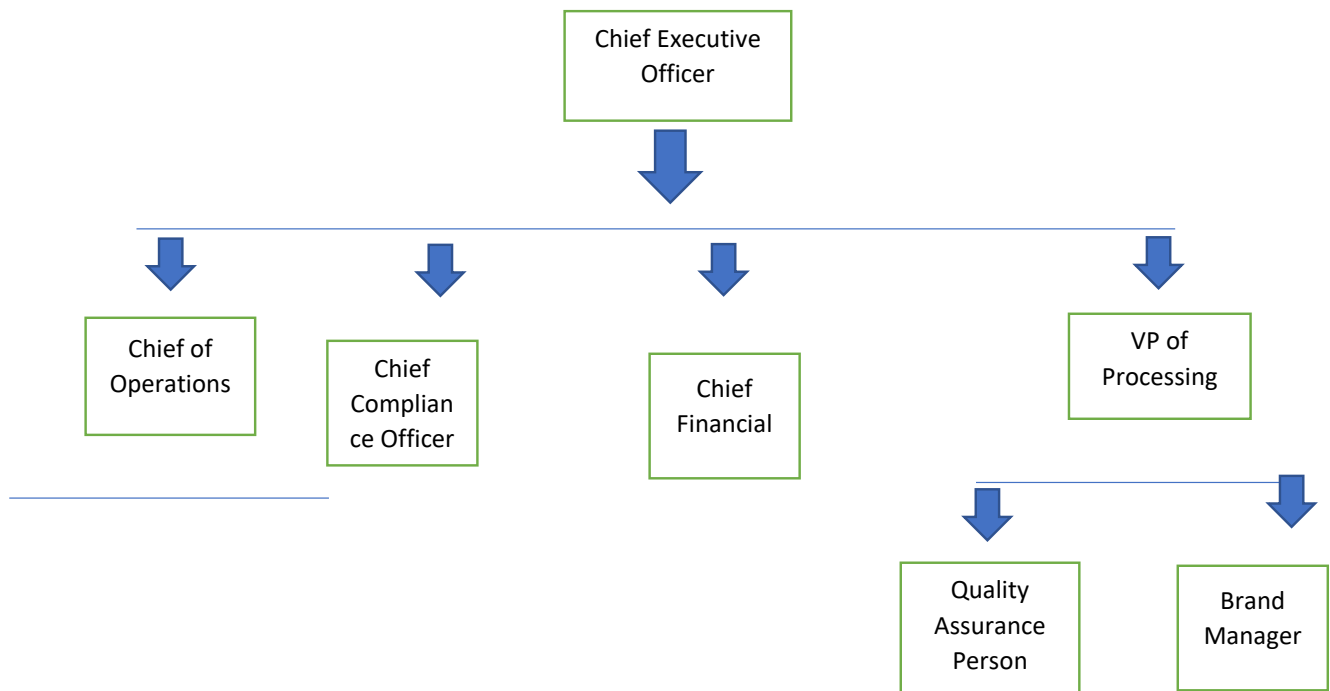
While this represents intelligent and data-driven analysis through 2025, Applicant will continuously monitor the various factors that impact consumption, prescription, need, use, and demand on medical cannabis in Alabama to drive its projections and production moving forward. While Applicant will always seek to provide top quality medicinal products to the people of Alabama, it will also respond to market demands and use cases.

### **9.3 Organizational Chart**

**Requirement:** An Organization Chart – a diagram that visually conveys the Applicant’s internal structure by detailing the roles, responsibilities, and relationships between individuals within an entity.

**Plan:**

Below please find an organizational flow chart that indicates the relationships between the different organizational functions. The job descriptions and responsibilities are discussed in more detail below in Section 9.4.



#### **9.4 Managerial Job Descriptions**

**Requirement:** Job descriptions of all managerial positions, showing clear delineation of authority, qualifications and duties.

**Plan:** These job descriptions align with the organizational chart detailed above in Section 9.3.



## **Job Descriptions**

### *Chief Executive Officer – CEO*

Responsible for providing direction for the business as well as manage, audit, and improve the performance of all company employees. The CEO will drive process improvements, quality control initiatives, customer relations, employee satisfaction, and facility maintenance, among many tasks.

### *Chief Compliance Officer*

Provides leadership, direction, and integration of compliance activities to fulfill university needs and state and federal regulations. Directs the formulation of strategic compliance planning in support of the university's vision, mission and values. Directs integrated implementation and evaluation of compliance initiatives and on-going activities for compliance units including the Office of Equal Opportunity (OEO), Dispute Resolution, and Internal Audit and other compliance partners as may be identified to serve future needs. Interfaces with senior administration, faculty, staff and government agency officials in the representation and development of various strategic compliance programs, policies, services and initiatives. Serves as the University's chief representative and advocate for excellence in compliance functions.

### *Chief Financial Officer*

The Chief Financial Officer will direct and oversee the financial activities of the corporation, direct the preparation of current financial reports and summaries, and create forecasts predicting future growth.

### *Chief of Operations*

The Chief of Operations (“COO”) is leader of the operations team under the current makeup of the Applicant, given the organizational size and cost considerations for staffing. This

person's responsibilities will extend throughout all phases of operations. The COO will ensure all human resource functions are followed, along with the CFO. The COO will ensure compliance with all contracting requirements, oversee legal functions, ensure compliance with all state and federal business regulations, including taxation, and ensure all business functions are followed.

#### VP of Processing

The VP of Processing ("VOP") will design and manage our processing operations and manage all external processing vendors and suppliers. The VOP will work and collaborate with the efforts of the Chief of Operations and will be the principal employee charged with ensuring that SOP's are followed throughout all phases of the processor process. Along with the QAP, the DOP will ensure that all medical marijuana is properly tested, tracked, weighed, packaged, labeled, and delivered to customers. The specific responsibilities of the VP of Processing will include: (1) Site Start-Up and personnel training; (2) Processing Management; (3) Inspection; (4) Testing; and (5) Packaging.

The specific, day-day-day responsibilities will include:

- Implement of quality control procedures.
- Monitoring all activities that take place in the processing facility including handling, packaging, labeling, testing, tracking, and transportation of medical marijuana.
- Compliance with AL Code § 20-2A-63(d) and all packaging and labeling laws and regulations
- Will supervise all processing personnel and contractors
- Manage and ensure satisfactory performance of processing staff
- Ensure proper care of plant materials during processing phases
- Ensure proper maintenance of processor facility and equipment
- Maintain inventory management and interface with CFO and COO
- Trouble-shoot as needed to keep the operation running smoothly

*Brand Manager*

The Brand Manager is responsible for ensuring that the products, services and product lines that resonate with current and potential customers. The Brand Manager will monitor marketing trends and keep a close eye on competitive products in the marketplace. He will also regularly meet with clients and senior management and oversee a team of junior marketers as the Applicant scales.

*Quality Assurance Person*

The Quality Assurance Person (“QAP”) is arguably the most important position in Applicant’s organization. Without the QAP doing their job, medical marijuana cannot and will not be released. The QAP is accountable for the development, implementation and ongoing monitoring of the quality assurance and control systems in strict compliance with rules of the state of Alabama. The QAP must continuously maintain quality control of medical marijuana through reinforcement of product quality and food safety programs, creation of specifications, and performance and oversight of various auditing and investigation actions.

Additional responsibilities for the QAP will include:

- Developing, updating, and maintaining Standard Operating Procedures (SOP’s) and Quality Manuals
- Supervising and being accountable for a team of Quality Assurance Technicians
- Supporting operations while maintaining independence from business concerns that conflict with the mission of quality assurance as defined in SOP’s and by the rules of the state of Alabama
- Ability to apply technical knowledge to troubleshoot production issues
- Reviewing certificates of analysis and results of laboratory tests for compliance to specification
- Ensure compliance with regulations through auditing and quality systems

- Investigating product non-conformances; conduct material reviews for complaints, and document findings and responses. Manage product holds, reprocessing actions, and final disposition processes for noncompliant resources
- Create responses, corrective and preventive action reports for customers, Consumer Relations or other internal departments as needed
- Manage procedures and processes pertaining to incidents, complaints, deviations and recalls

#### **9.5 Non-Managerial Job Descriptions**

**Requirement:** Job descriptions of all non-managerial employee positions, showing clear delineation of qualifications and duties.

**Plan:** Plan to hire skilled local manufacturing team members as the business completes its build out and enters its operations phase.

#### **9.6 Executive Summary, Mission Statement, Leadership Background, and Qualifications**

**Requirement:** An executive summary, including mission statement, leadership background and qualifications, business style and philosophy, key personnel, identification of facility location(s) and function(s)

**Plan:**

##### **Applicant's Mission Statement:**

Provide an inclusive community environment in which medical cannabis is processed with extreme quality, attention to detail, and in compliance with all applicable laws and regulations in order to provide the best possible medical cannabis product for all Alabama patients.

##### **Executive Summary:**

Consistent with our mission statement, our goal is to process medical marijuana securely, efficiently, and effectively; to provide access to clean and safe medical marijuana for Alabama

patients; and to foster an inclusive and professional environment in which our employees can develop their skills and create a fulfilling career to be proud of.

We are community-minded and are proud to be part of Lamar County. We have deep family roots to Lamar County and its agricultural history. Our founders have owned land and been involved in the local timber industry for many years. In fact, Owen Billingsley LLC, the family farm which is providing the site location for our facility has been in the family for over 200 years and carries the designation as an Alabama Treasure Forest. Treasure forests are committed to sustainable forestry and managing forests in a way so as to ensure the next generation will receive the same benefits received today. We are excited to begin writing the next chapter of Lamar County's rich agricultural history by processing medical cannabis for the region and the entire State of Alabama. We particularly look forward to community engagement, education, and job creation that will benefit the entire region. Work at our facility will not be just a job, but a career that provides a living wage and work to be proud of.

Our leaders also have extensive experience in the cannabis industry. In fact, one of our founders is one of the only women CEO's in the cannabis industry, was the first person to lead a cannabis company to be publicly traded on NASDAQ, and serves as the current President of the United States Cannabis Council ("USCC"). USCC is a coalition of leading cannabis companies and advocates working to end federal cannabis prohibition in the US and provides industry-leading advocacy on behalf of the cannabis industry. The USCC is a collection of the most prominent leaders in the cannabis industry nationally and because of her involvement, Applicant will have instant access to a national network of leading cannabis companies and leaders. This will be a huge benefit for both Applicant and Lamar County, but also the entire cannabis industry in Alabama.

Ultimately, Applicant is committed to the industry, to this important work, and to the region in which it is located. Applicant cannot wait to continue to form deep roots in Lamar County and provide leadership at both the state and federal level.

**Management/Leadership Background:**

The management and ownership team for Applicant for a Processor License includes many knowledgeable industry and business leaders and professionals. Our managers, owners, and consultants have extensive international-level experience and national leadership in regulated industries, all of which provide ample industry and technical expertise as it relates to medical marijuana specifically. Our team also brings their experience managing successful businesses locally and internationally that will ensure that this Applicant will operate as an ethical member of the Alabama and Lamar County business community. Indeed, the national stature of this management team will absolutely bring instant national credibility and exposure to Applicant, but also to the Alabama Medical Cannabis Commission's (the "Commission") efforts throughout Alabama. The management team looks forward to identifying ways in which they can assist the Commission and its licensees throughout Alabama.

The Applicant team includes professionals with extensive backgrounds in medical marijuana cultivation, processing, plant biology, addiction and mental health treatment, pharmaceutical security and management, manufacturing, law, logistics, materials management, sales, quality assurance and quality control, engineering, finance, facility management, software and software processes to ensure efficiency and compliance, and security. Our team of qualified professionals will be immediately ready to operate in full compliance with Alabama regulations and ensure that patient and public safety is well protected and quality and fulfilling careers are created in Lamar County.

More specifically, and as identified in Exhibits 1 and 2, our management teams consists of the follow:

**Janet Billingsley Madison**, who currently lives in Millport, Alabama, will serve as CEO of the Applicant. Janet began her career in business management and led thriving organizations prior to returning to her hometown of Millport, Alabama. In addition to managing the cultivation, milling, and production of her timber farm, she managed lumber manufacturing teams for Georgia Pacific in Belk, AL for a couple decades. Lumber manufacturing relies on

specialty equipment to turn raw product into finished products and skilled labor to manage and work each step of the process, and Janet has vast experience overseeing literally each step of the commercial manufacturing process to timeline, plan, and budget. She brings a wide array of industrial and manufacturing experience which includes operations management, quality control, sales, marketing, distribution, state and federal regulatory compliance, and a host of other skill sets that make her a perfect fit to lead the Applicant's overall operation.

She will be responsible for providing direction for the business as well as managing, auditing, and improving the performance of all company employees. The CEO will drive process improvements, quality control initiatives, regulatory compliance, customer relations, and facility maintenance, among many tasks. Janet is a current and long-time Alabama resident.

**Jessica Billingsley** will serve as the Executive Chair and Chief Compliance Officer of Longleaf Extracts LLC

Jessica has over 20 years of experience as an innovator, executive, and board member of both public and private companies. She currently serves as Chairman of the Board and CEO of Akerna (Nasdaq: KERN), a Software as a Service agtech company running the compliance technology ecosystem that serves the cannabis, hemp, and CBD industry. The cannabis economy runs on Akerna, enabling compliance, regulation, taxation, and payments. Jessica co-founded MJ Freeway, Akerna's wholly owned subsidiary, in 2010 and served as President for eight years prior to assuming the role of CEO in May 2018. As an early investor in one of Colorado's first legal cannabis businesses, Jessica created a new market for seed-to-sale technology. Under Jessica's leadership, Akerna has gone public, completed multiple accretive acquisitions, and sustained market leadership for over a decade. Jessica currently serves on the board and audit committee of Bhang Corp (CSE:BHNG) and as the elected chair of the US Cannabis Council, the industry trade association combining the collective resources of many of the largest cannabis companies, prominent advocacy organizations, and hundreds of thousands of individuals. Jessica is the recipient of numerous recognitions and awards. She has been named a Titan 100 CEO, outstanding woman in business, Inc. Top 100 female founder, and Fortune's most promising woman entrepreneur. She has received two Balanced

Board awards and Entrepreneur's 360 Best Of award. Jessica will be instrumental in helping the business with connections and contracts in the cannabis industry as well as initially serving as the business's Chief Compliance Officer

**Elizabeth(Libby) Billingsley, RN, Clinical Nurse Specialist**, retired will serve as CFO of Longleaf Extracts LLC. Libby Billingsley received a prestigious National Merit Scholarship and began her career in nursing. She subsequently obtained the professional designation, Clinical Nurse Specialist and wrote her master's thesis on alternative natural medicine. Her interest in plant-based medicine has sparked a lifelong study and led her to pursue a cannabis license as she believes it is in the community's best interest to provide responsibly and compliantly produced cannabis for its health and wellness benefits. She was a professor of nursing at Crawford Long University prior to joining Byron Billingsley to co-found Site Engineering in 1983 where she served as CFO until 2020 and currently serves as Chair of the Audit Committee and as Director at Large for the board. Libby serves as Managing Partner of Owen Billingsley LLC, actively managing responsible and sustainable cultivation, harvest, and planting cycles. She responsibly financially manages multi-year forecasting and production cycles. Libby will oversee all the day to day financial operations for the business and advise on medical aspects of brand formulation and creation.

**Byron Billingsley, P.E., retired** will serve as the Chief of Operations for the Applicant. He is a seasoned leader with many years of experience in materials distribution, recycling operations and planning, sales, business management, and logistics. His responsibilities with the Applicant will extend throughout all phases of operations. He will oversee the efforts of the VP of Processing, and he will work alongside the QAP to ensure that all medical marijuana is properly tested, tracked, weighed, packaged, labeled, and delivered to customers. Byron will have a sales role along with the CEO to ensure that all finished medical marijuana is sold and all documentation and record keeping is up to date and accurate. Byron holds a civil engineering undergraduate degree from the Georgia Institute of Technology.

**Seth Dewberry** will serve as our VP of Processing. For more than the past decade, he has held multiple leadership roles for Akerna, most recently VP of Product and has created tools



for and trained, supported, and consulted for thousands of cannabis operators worldwide. He has created and implemented tools and built processes to support all phases of the chain of custody while maintaining compliance and optimizing business operations. He has extensive experience in quality assurance across multiple industries, and is also highly knowledgeable in business management, complex systems engineering, product design, sales, and marketing. He has led the implementation and audit reviews for numerous third-party quality certifications

His technical skills are numerous, and include acid/base extraction, chemical hygiene, distillation, elemental analysis, enzymatic hydrolysis, horticultural lighting and irrigation, isoperibol (oxygen-bomb) calorimetry, the preparation and maintenance of microbial cultures, agricultural quality assurance, plant inventory management, and spectrophotometry. Seth holds undergraduate degree from the University of Western Michigan where he graduated magna cum laude.

**John Van Horn** will serve as brand manager for the Applicant. John is an U.S. Airforce veteran and experienced brand creator. John is well versed in brand creation, sales, and marketing. He is well versed in compliance issues across many industries, but continues to remain flexible, entrepreneurial, and highly project focused. John received a prestigious Tillman Scholarship and currently serves the foundation as a Tillman Scholar Regional Captain. He holds an MBA degree and is a registered Real Estate Broker.

**Jon Sharun** will serve as a third-party financial consultant for the Applicant. Jon is a private equity specialist with international real estate, hospitality, and healthcare industry experience. He holds titles of board chairman, chief financial officer, bid manager and client lead, portfolio investment, development, and asset manager at several of the portfolio companies for his firm, including those in the medical marijuana industry. He is a natural at leading and researching key business relationships using strong negotiation, financial, sales, and marketing skills. He is well versed in compliance issues across many industries, but continues to remain flexible, entrepreneurial, and highly project focused. He holds an MBA degree and is a CPA.

**David Daniels** is working as a third-party security consultant for Applicant. He has nearly 20 years of experience working as a security professional, with much of that time as the owner and founder of his own private security firm providing physical security analysis and design services to financial institutions, primarily banks.

In his years of experience, David has performed services such as annual security risk evaluations and training for retail banks. He has provided physical security and risk evaluation of non-banking locations, and served as project manager of new and large-scale bank remodel projects. He has designed and implemented security plans for banks in several states, from original security design with architects to implementation to security auditing. He has also worked internally for a large regional bank performing detection and resolution of fraud cases, client resolution of security related issues, internal and external fraud investigation, security training of corporate and retail personnel, CCTV evaluation and monitoring for corporate wide locations, and risk evaluations on all levels of facility and operational security.

Ability to Operate a Business Criterion	Applicant Team Members and Consultants								
	David Daniels	Jon Sharun	John Van Horn	Seth	Elizabeth (Libby)	Byron Billingsley	Jessica Billingsley	Janet Billingsley	Madison
(a) Regulated Industry	✓	✓	✓	✓	✓	✓	✓	✓	✓
(b) Agriculture or Horticulture		✓		✓	✓	✓		✓	
(c) Commercial Manufacturing		✓	✓	✓	✓	✓	✓	✓	
(d) Pharmaceutical Experience					✓				

(e) Operating or working in MMJ Markets		✓			✓		✓	✓
(f) Creating and implementing a business plan	✓	✓	✓	✓	✓	✓	✓	✓
(g) Creating and implementing a financial plan	✓	✓	✓	✓	✓	✓	✓	✓
(h) Research and Development		✓		✓	✓	✓	✓	
(i) Secure inventory tracking and control	✓	✓	✓	✓	✓	✓	✓	✓
(j) Protecting confidential customer information	✓	✓	✓	✓	✓	✓	✓	✓
(k) Owning or managing a business that required 24 hour security monitoring	✓	✓	✓	✓	✓		✓	✓
Born or Raised in Alabama	✓		✓					

**Business Style and Philosophy:**

Applicant's business philosophy is that employees come first and community engagement is of the utmost importance. Belonging, inclusion, and authenticity are critical to the success of our business. In addition, in this industry attention to detail matters. Our ultimate goal is

to provide the best and safest products to our Alabama patients. To do so, we will lead by example and ensure our employees are properly and frequently trained on cutting-edge industry best practices. Indeed, it is our goal that our facility and our employees will be state and national leaders in medical cannabis processing.

**Location:**

The facility will be located on Country Road 12 in unincorporated Lamar County.

**9.7 Description of Services and Products to be Processed**

**Requirement:** A description of services and/or products to be cultivated, processed, transported, dispensed, or tested at each facility, as applicable, including:

- actual (or projected) pricing data, if applicable;
- actual (or projected) product lifespan, if applicable;
- projected benefits to consumers;
- patents, if any; and
- proprietary technology, if any.

**Plan:**

Our analysis shows that extraction quality trim and flower used for extraction should sell between \$2270 and \$2724 per pound or below. Even though the Alabama market will not be as large as the other states with similar programs, we expect the pricing to remain at these levels, if not increase, as demand rises significantly until supply can catch up.

We propose to be an ultra-efficient low-cost operator so as to be able to offer competitively priced top-quality product. Because of our relationship with various cultivators, we will be able to supply attractively priced value-driven product to the market.

In terms of products, we will produce a variety of cannabis products, including oil, wax, shatter, rosin, edibles, and topicals, taking advantage of differing properties of the Sativa and Indica plants. Sativas can have the following therapeutic effects: increased sense of well-

being; focus; creativity; reduced depression; elevated mood; relief from headaches/migraines/nausea; and, increased appetite. Indicas tend to produce sedated feelings, and many refer it for nighttime use. Some therapeutic effects include: relaxation/reduces stress; relaxed muscles/spasms; reduced pain/inflammation/headaches/migraines; help with sleep; reduced anxiety; reduced nausea; and stimulated appetite.

Individual strains have differing cannabinoid and terpene content that will produce noticeably different effects. There are more than 100 cannabinoids found in cannabis. Cannabinoids like THC and CBD are usually present in the highest concentrations and are therefore the most recognized and studied. CBD and THC levels tend to vary among different plants and they each have their own unique benefits. Terpenes are the aromatic oils secreted in cannabis resin that impact the effects of the cannabinoids. They have their own set of benefits as well. We plan to highlight terpene ratios on our packaging, allowing consumers and providers to see all percentages and ratios.

To produce a high-quality product and to get maximum yields we will source raw material with great genetics. Many times genetics will determine total yield as certain cultivars tend to produce more yield than others, just as various strains produce different levels of THCA and CBD than others. We will produce products with a variety of THC and CBD strains. All products produced and sold by Applicant will also be compliant with AL Code § 20-2A-63, including all packaging and marketing restrictions.

## **9.8 Advertising & Marketing Analysis and Strategy**

***Requirement:*** An advertising/marketing analysis and strategy, if any.

***Plan:***

**Marketing**

While medicinal cannabis has a favorable approval rating in Alabama, we do believe continued education and community engagement is critical. To that end, our marketing efforts will focus on community engagement and education and providing the Alabama population with critical information in order to make informed medical choices. In addition, we will ensure Alabama providers have the appropriate information in order to advise their patients properly. Applicant will also develop a top-quality and easily searchable web and social media presence coupled with direct sales by our sales agents towards licensed dispensaries in Alabama. Applicant will at all times comply with Alabama Code § 20-2A-63, *et seq.*, and all other rules that regulate packaging and marketing for medical marijuana processors.

#### *Social Media*

Social media outlets such as Facebook and Twitter will serve as effective tools to disseminate information about our company and also communicate with customers and the general public. The goal of our social media presence will be to educate eligible patients and providers so that they may make the best health care-related decisions for themselves and their patients.

#### *Web Development*

Applicant has established a web presence at [www.longleafextracts.com](http://www.longleafextracts.com). Obviously, this will be anchored by the website, but will also include building relationships with other groups in the state that have an interest in seeing this industry succeed in Alabama. We will have news links on the status of our operations development published on our own and other websites, and also spend time and effort developing backlinks from relevant cannabis related sites to our own. This will ultimately serve to maximize publicity for the business.

*The website will contain no images, statements, designs, or representations that encourage or represent the use of marijuana for any purpose other than to treat a debilitating medical condition. No media platform will market toward children or anyone who is not a eligible*

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*medicinal cannabis patient in Alabama. The website will not contain images of people administering marijuana in any fashion.*

### *Strategic Communications*

The CEO will coordinate with staff to develop press releases on the activity of the group on an ongoing basis and updating the website with new developments as the operations development progresses. We also intend to explore with local community leaders the most effective methods of getting the message out, holding informational seminars and community events, round tables, speaking events with leaders from the Alabama Medical Cannabis Council, state and local leaders, and so on. These outreach events will serve a dual purpose – they will inform interested parties about our activities, but they will also help our business with public outreach to hopefully assuage some of the fears that may exist in the communities we serve. Most importantly, however, these events will help the people of Alabama, including medical providers, make the best possible choices for the health of our people.

### **9.9 Community Engagement Plan**

***Requirement:*** A Community Engagement Plan describing all efforts that have been or will be made to foster the Applicant’s relationship with, involvement in, and commitment to any community (including municipality or county) in which the Applicant intends to locate a facility within the next three years.

#### ***Plan:***

As you can tell from the balance of this business plan, community engagement is at the core of Applicant’s business model. Applicant has deep family ties to Alabama, particularly the Lamar County region, and seeks to provide a quality place for a career in that region. In addition, because of these deep ties, Applicant will be a business that is part of Lamar County and its community. It is Applicant’s goal to not only be a source of pride for the region, but a catalyst for future economic growth and quality job creation – something desperately needed in Lamar County.

In addition, bringing greater diversity, equity and inclusion to the cannabis industry is a central mission of our company. Any company can promise to give back to the community through donations and/or charitable work. Our goal is to impact the local community through meaningful employment opportunities that provide our employees with valuable training and skills that put them on a career path that can lift families out of poverty and even create generational wealth. Considering Lamar County has 17% of its population living in poverty, the creation of better jobs is a top priority for the region.

We accomplish this with a culture of inclusion. We believe that diversity standing alone is not enough. The creation of a culture of belonging, inclusion, and equity for those to be their authentic selves at work betters us in every way and we welcome the wealth of new ideas, growth, and added value that come naturally when everyone has a seat at the table. We also do our part to remedy the harm done to individuals disproportionately impacted by the grossly uneven enforcement of drug laws. As detailed below, we put these bedrock beliefs to work in our hiring and business practices.

Our Hiring Philosophy: When it comes to hiring, we think and act locally. Our model is to recruit and train local workers, rather than simply importing a professional processing team. While we have experts from around the county to help us establish best practices, we have developed an internal training program designed to educate new workers on our operating procedures, the detection and prevention of diversion, Alabama state law and regulations, and certain safety and security procedures. The program lasts six months and is designed to transform a novice employee with no exposure to the cannabis world into a useful, knowledgeable employee able to contribute value in multiple areas of our operations. Because the program starts from scratch with cultivation and industry basics, potential employees are not required to have prior experience. Consequently, we are able to offer opportunities to a larger and more diverse local applicant pool.

We view our company's benefit to the local community as twofold: (1) we provide education and access for patients and caregivers who have been prescribed medical cannabis by a healthcare providers, and (2) we work to enhance opportunity for socioeconomically



disadvantaged communities and to heal those who have been disproportionately impacted by the historically biased enforcement of cannabis laws – in part by providing steady, skilled, rewarding, profitable work. Underlying our workforce and job-creation plan is our desire to ensure equal opportunity and to promote inclusion in a manner that serves the people of Alabama, including those from socioeconomically disadvantaged communities. We embrace the opportunity to be a diversity and inclusion leader in the local business community. Below is a discussion of the concrete measures we hope to implement to advance the cause of belonging, diversity, and inclusion in serving the people of Alabama.

Our Diversity Mission: Bringing greater diversity and inclusion to the cannabis industry is a central mission of our company. We do so by creating an environment of authenticity and belonging, by reaching out to and forming relationships of trust with traditionally marginalized and impacted communities, and by amplifying the voices of those most greatly impacted by generations of marginalization as leaders in the cannabis space. Our mission statement, which will be posted in prominent places throughout the facility, communicates the nature of our diversity mission to employees, business partners, and our community:

- We are devoted to building and nurturing an environment of belonging and authenticity and are committed to equal opportunity employment and participation by a diverse group of employees in all employment classifications throughout the organization, including vendors, suppliers, and contractors.
- We are committed to recruiting, employing, training, and advancing talented people of any race, sex, age, culture, religion, sexual orientation, gender identity, socioeconomic background, veteran status, or ability.
- We actively search for a diverse pool of candidates to provide us with a depth of talent, skills, and potential to meet our goals in all employment levels of our operation.
- We celebrate our heterogeneous employee base and appreciate its cooperative power as a means to achieve our business goals.

- We are dedicated to searching for and utilizing diverse local vendors, suppliers, contractors, and other service providers to enhance their participation in the success of our facility and to encourage the ownership and advancement of such firms.
- We require that our contractors and vendors practice equal opportunity policies when they deal with others who provide goods or services to us.

In keeping with our belief in inclusivity and stated Diversity Mission, our workforce and job-creation plan is built around three broad areas of focus: (1) intentional recruitment, hiring, and workplace authenticity policies; (2) tailored professional development and retention; and (3) vendor partnerships. This plan contains multiple action-oriented objectives with corresponding measures to ensure that the company involves women, racial minorities, the LGBTQ+ community, veterans, and individuals with disabilities in the ownership, management, staffing, and consultation of the proposed facility. These objectives are reflected in the company's internal diversity goals, set forth below.

An integral part of the Company's success in reaching our diversity goals will be the implementation of a Belonging Task Force ("BTF"), to include key members of leadership, including our CEO, a dedicated Diversity Business Executive, and our Director of Business Development. The BTF will be responsible for: implementing this workforce and job-creation plan and policies; ensuring each employee can be their authentic self at work; evaluating its effectiveness on an annual basis; reviewing and revising the plan and our employment policies as needed to attract, retain, and promote a diverse and inclusive workforce; introducing and overseeing belonging initiatives to promote the company's Diversity Mission; developing training and professional development programs to educate managers and employees on our workforce plan and employment policies; determining effectiveness of community engagement and leadership on belonging, authenticity, and inclusion; reporting to and advising the executive team; and reviewing retention rates across demographics and taking action accordingly. In this way, we will ensure that our belonging initiatives result in the meaningful involvement of women, racial minorities, the LGBTQ+

community, and veterans in the ownership, management, staffing, and consultation of our cultivation operation.

Goal No. 1: Identify, Recruit and Hire Diverse Candidates

Our first diversity goal is to hire and place qualified diverse local applicants, including women, minorities, LGBT+ community, veterans, and individuals with disabilities. We have identified several recruitment strategies aimed at generating a broad and diverse applicant pool. Key to these outreach efforts are our partnerships with local organizations, which allow us to focus recruitment efforts on populations experiencing disenfranchisement in the labor market.

The plan includes the following:

- Job Requisition: When a position at the company becomes available, including board and ownership positions, the BTF will first evaluate whether the position falls within a job category where diverse participants are underrepresented. If so, the BTF will create a plan to address the underrepresentation of diverse participants. The BTF will also review all recruitment materials for: 1) Absence of language that could discourage application by diverse candidates, including those from diverse racial, ethnic, and cultural backgrounds/communities, women, veterans, and individuals with disabilities; 2) Names and diversity representation, including gender, race, and ethnicity, of the members of the search committee; 3) Inclusion of our EEO/Affirmative Action statement: "The company is an equal opportunity employer. All qualified applicants are encouraged to apply and will receive consideration for employment free from discrimination on the basis of race, creed, color, national origin, age, sex, pregnancy, sexual orientation, gender identity, genetic information, religion, associational preference, status as a qualified individual with a disability, or status as a protected veteran."; and 4) Inclusion of qualifications for management and leadership positions that include experience with and/or commitment to diversity.
- Job Recruitment: When we identify the need to actively target diverse participants for an open position, the BTF will first investigate and develop a deep

understanding of the local workforce to determine where to focus the search in order to yield a diverse applicant pool. Next, they will identify the distribution networks most likely to be seen or sought out by diverse participants. Recruitment efforts will be both broad and targeted and will include electronic media, print advertisement, and word-of-mouth, including the following: 1) Job openings will be distributed to community-based recruitment sources, including workforce development agencies and community organizations with experience recruiting diverse candidates; 2) Job openings will be advertised in a variety of local publications and with organizations that reach diverse populations, as well as broadly online; 3) Employees will be encouraged to nominate or personally invite qualified diverse applicants to apply for the position and to solicit nominations from friends and colleagues in applicable fields; 4) We will seek contact with qualified diverse applicants from relevant local or regional professional associations and review our pool of previous applicants; 5) We will post and maintain employment information on our website promoting our Diversity Mission together with available job openings.

#### Goal No. 2: Invest in Our People

Recruiting and hiring a diverse workforce is only one part of the equation. We are also mindful of our responsibility to develop and retain our existing team members and to create an environment of belonging and authenticity. Once an employee becomes part of our company, we are committed to both their professional development and personal growth and success. We place emphasis on skills development, promoting from within, mobility options, and equal opportunity for advancement, as set forth below.

- Internal Recruiting: Prior to soliciting external job applicants, the BTF will encourage the advancement of any existing qualified employees who are diverse applicants. Internal recruitment not only streamlines company operations but also increases employee morale. Our internal recruitment efforts may include job postings in employee areas, directly requesting nominations from supervisors and

managers, and consulting human resources files for employees with the necessary knowledge, skills, and abilities.

- **Mobility Options:** Demonstrating our commitment to develop and retain our local workforce, our mobility programs enable our employees to grow and advance within the company. Programs will be available for line-level employees who aspire to management positions. And, for our supervisors and managers who aspire advance and become more skilled in their current positions, we will provide advanced management skill-related courses. In addition, programs are being developed through the succession-planning process to ensure that our management teams are focused on development at all levels of the organization. For instance, the BTF will publish a biweekly “Hot Sheet” detailing all openings to our existing managers to enable them to directly encourage high-potential employees to apply. All available positions, including those on the “Hot Sheet,” will be posted in the workplace, in order to give employees the opportunity to apply for advancement opportunities or lateral positions in other areas of interest.
- **Inclusion Training:** we are committed to: (1) providing diversity training to all employees; (2) providing manager training to management-level employees to reinforce the company’s Diversity Mission; (3) developing an onboarding process to orient new employees to the company; (4) developing a mentoring program to partner new employees with existing employees and provide interaction with company leadership; and (5) developing leadership promotion programs aimed at helping employees grow and advance within the company.

Additionally, prior to beginning employment, all employees will receive in-depth training regarding our policies designed to ensure a discrimination-free and respectful workplace.

### Goal No. 3: Foster Diversity Among Our Vendors

We consider quality, service, and price to be the main components of any vendor relationship. As a socially responsible organization, we pledge to partner wherever possible with certified Alabama minority and woman vendors, as well as veteran-owned businesses and other diverse groups, to create a mutually beneficial business climate. Our goal is to ensure that all qualified vendors are given equal access to bid on our business, and we strive to build relationships within the community to raise awareness and connect with qualified vendors.

In an effort to meet this goal, we will abide by the following guidelines:

- Identify certified minority-, women-, and veteran-owned enterprises offering relevant goods and services.
- Develop and maintain a database of minority-, women-, and veteran-owned businesses to serve our contracting needs.
- Include information on our website describing our procurement needs, processes, and general contracting information and will invite minority-, women-, and veteran- owned businesses to contact us about contracting opportunities.
- Assist diverse vendors and suppliers by providing information and feedback concerning our procurement needs so they can compete on price, service, and quality.
- Develop a competitive bidding process that maximizes participation by diverse vendors. We will require all vendors who do business with us have equal employment opportunity (EEO) policies in place and will request this information as part of our competitive bidding process.
- Participate in events throughout Alabama such as seminars, trade shows, and training sessions to expand awareness of our minority vendor and employee program.

We expect that our extensive efforts to partner with and support minority-, women-, and veteran-owned businesses and other local vendors will result in a vendor roster that maximizes diversity and is reflective and inclusive of the community we serve. We have identified several areas of opportunity for partnering with minority-, women-, and veteran-owned businesses, including goods procurement (e.g., cultivation supplies, office supplies, computer equipment, cleaning and

janitorial supplies) and services procurement (e.g., IT and network services/support, staffing and recruitment services, maintenance services, payroll processing, janitorial, and security services).

Our Commitment to Accountability: A strategic objective is only meaningful if it produces measurable results. Therefore, our workforce and job-creation plan provides that the BTF will evaluate the plan's effectiveness on an annual basis and includes a framework for measurement.

The Plan's effectiveness will be measured in five key areas:

- Representation – comparing the representation of diverse groups in the our workforce with labor market statistics for the community we serve. A workforce report will be prepared annually to assess the representation of women, minorities, and veterans in our workforce.
- Recruitment – comparing representation of diverse groups in our applicant pool with labor market statistics for the local community.
- Staffing/Placement – comparing representation of diverse groups hired or placed with labor market statistics for the local community.
- Retention – comparing our retention and advancement rates to labor market statistics for the local community.
- Contracting – comparing the number and value of contracts awarded to minority-, women-and veteran-owned businesses with the total number and value of all contracts awarded for goods and services.

The facility management team is committed to building and maintaining good relationships with all of its neighbors including local business improvement districts, building owners, small businesses, and residents alike. The facility team shall make every effort to respect the perspectives of our neighbors and to address their concerns. The following steps shall be made to ensure any concerns within the community are addressed: (1) Introduction meetings with all surrounding businesses, building owners, and residents; (2) Educational information sessions to discuss the benefits of marijuana and the company's overall mission and goals; (3) Open feedback channels so any new concerns can be immediately addressed through our website, telephone, or mail; (4) Complete compliance with all state and local ordinances; (5) Non-obtrusive business practices shall ensure

our business is discrete and operates like any other business; (6) No blatant signage with offensive symbols or verbiage; (7) Unmarked, discrete transportation vehicles.

This project represents a substantial opportunity for new dollars and economic activity to come into Alabama. Applicant further commits to hiring Alabama residents and graduates of Alabama schools to fill out the remainder of its positions as the company grows and transitions into a fully mature medical marijuana business in Alabama.

Applicant will also be an equal-opportunity employer, and will implement specific hiring policies which will encourage and enable Alabama veterans and Alabama residents who are members of historically disadvantaged groups to gain employment with the Applicant.

#### **9.10 Environmental Impact Statement**

**Requirement:** An Environmental Impact Statement outlining the anticipated impact of each of the Applicant's proposed operations, per facility, on the local environment; the applicant's efforts or plans, if any, to build a relationship to foster cooperation and compliance with federal, state and local agencies providing environmental oversight; and any steps the Applicant has taken or will take to reduce or eliminate its carbon footprint and/or to achieve and maintain a positive environmental profile in each community where the Applicant intends to locate and operate a facility within the next three years.

#### ***Plan:***

##### **Environmental Control Program**

Conservation and the reduction of our carbon footprint is a central objective of the organization. This will be implemented throughout the entire organization. Applicant will continually look for new and innovative ways to be sustainable and reduce our carbon footprint within every aspect of the facility. 'Reduce, Reuse and Recycle' will be implemented on an organization-wide scale. Paperless business practices, to the extent possible, will be required. Environmental sustainability is of the highest priority in order to promote a sustainable community and ensure the impact of our business is positive and influential in achieving future environmental goals. Various factors will be



considered when planning equipment, procedures, and methodology: Air quality, climate, ecological health, energy efficiency, water quality, transportation, and waste.

Applicant's holistic approach to sustainability was an integral driver in the architectural design process and an inherent element of the cultivation facility's building aesthetic. It is approached from three distinct vantage points:

- Ecological Sustainability – Achieved through a comprehensive strategy with LEED and other ecological standards, development of low energy consumption with the potential to be net-zero or carbon-neutral. We also include strategies for environmentally sensitive material usage and water efficiency.
- Social Sustainability - Achieved through understanding the necessity of community interactions, responding to existing urban fabric, and creating human-scale relationships.
- Economic Sustainability - Achieved through reduction of construction-, operation- and maintenance-related costs due to material durability, energy and water efficiencies, and financial infusion into the community through locally sourced materials and construction activity.

Through multiple elements of emphasis, the facility design attains several significant goals. Water efficiencies will be achieved through a substantial rainwater harvesting system that will provide the facility with a majority of its water needs. This will reduce the impact the facility has on the local sanitary and storm sewer systems. Any potential overflow of the rainwater harvesting system will be used in the restoration of a local wetland and as irrigation for site landscaping. In addition to the robust rainwater system, the facility is equipped with several usage reduction technologies, such as low-flow fixtures, a drip irrigation system, and a water reclamation system. Filtration technology will be applied to all intake and outgoing water flow.

Facility energy performance is optimized in multiple ways: passive solar design strategies; full-facility LED lighting, including cultivation lamps; an Energy Recovery Ventilator system with fresh air supply passing through pre-heating/cooling earth-air tubes; use of materials with a high thermal mass; and extensive thermally broken insulation. These systems will provide well-regulated temperature and humidity levels throughout the facility based on specific zoned needs. With a

reduced energy load compared to similar facilities, it enables the facility's primary energy source to be through a grid-tied photovoltaic panel system. A secondary source of electricity will be sought through a renewable energy provider, and a potential tertiary energy source under consideration is the use of co-generated electricity through the incineration of the operational byproducts.

The construction of the facility will be detailed with an intense focus on air sealing. This will provide for both control of energy usage, as well as air infiltration and exhaust. Both the air intake and exhaust will be fully controlled through mechanical ventilation, and the system will employ a dual filtration system of carbon and MERV 18 HEPA filters. This filtration system will provide fresh air to the facility with significantly reduced potential for contamination similar to pharmaceutical facilities. The exhaust filtration will operate at the same level of distillation, and will remove any potential negative odor effects to the surrounding area.

Material selections throughout the facility focus on aesthetics and sustainability in addition to the inherent need for security given business operations. Concrete walls, steel mesh and insulated steel panel cladding, dual layer polycarbonate panels, frost-protected shallow foundations, and a roof system fabricated of structural insulated panels will merge with the surrounding community's fabric and offer sustainable incentives, while resulting in a high security facility. The use of locally sourced materials for construction will provide a significant financial impact to the surrounding community as well as mitigate carbon production throughout that process. The design's use of high albedo exterior materials reduces the local heat island effect while assisting in the control of passive solar heat gain on the interior of the facility. In addition to the facility itself, team members will be encouraged to recycle all paper and plastic waste products. We will also create programs within the organization that will encourage and reward employees for their personal conservation efforts.

#### **9.11 Insurance Plan**

**Requirement:** An insurance plan, including declarations pages and letters of intent, if any, from an A-rated insurer as to, at a minimum, casualty, workers' compensation, liability, and (as applicable) auto or fleet policy.

**Plan:**

The insurance shall include, at a minimum, but not be limited to, Commercial Liability insurance against loss, damage or injury to any non-employee while on the premises; loss, damage or injury to the body or personal property of any third party as a proximate result of the acts of the Facility or its personnel; and loss, damage or injury to any foreseeable person as the result of any products derived from cannabis that had once been in the custody or control of the Facility. The Facility shall also insure its contents and other commercial property against fire, theft, flood, wind, or other acts of God.

This insurance will be provided by Canasure Insurance Services. Canasure has provided a Letter of Commitment to Provide Commercial Insurance for Applicant. This can be found in attached Exhibit. Canasure is a leading provider of insurance solutions to licensed US-based cannabis businesses. Canasure acts as a Managing General Agency to issue insurance policies and offer risk mitigation services for licensed cannabis operations on behalf of Topa Insurance Group (“Topa”) and its subsidiary insurance carriers, Topa Insurance Company and Dorchester Insurance Company. Canasure/Topa can satisfy the insurance requirements for Applicant. Canasure Commitment ensures that Applicant will satisfy the requirements of AL Code § 20-2A-53 via SB46.

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# Exhibit 10 – Evidence of Business Relationship with other Licensees and Prospective Licensees

## Verification

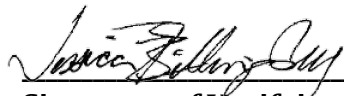
The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

Printed Name of Verifying Individual

Executive Chair

Title of Verifying Individual



Signature of Verifying Individual

12/28/22

Verification Date

**10.1 – Any Cultivator or prospective Cultivator.**

n/a

**10.2 – Any Secure Transporter or prospective Secure  
Transporter.**

n/a

**10.3 – Any Dispensary or prospective Dispensary.**

n/a

**10.4 – Any Integrated Facility or prospective Integrated  
Facility.**

Subject: Commitment to Provide Plant Material for extraction for Longleaf Extracts LLC.and to purchase Longleaf Extracts products for retail sale

To Whom It May Concern,

This letter is to formally confirm to the Alabama Medical Cannabis Commission that Yellow Hammer Holistics, LLC is committed to providing applicable raw plant material suitable for processing to Longleaf Extracts LLC in order to meet the unique needs of the proposed Processing Facility and to satisfy the requirements set forth by the Alabama Administrative Code§ 20-2A-53 via S846 and the rules and regulations promulgated thereunder with regards to commercial manufacturing for cannabis businesses.

Additionally, Yellowhammer Holistics, LLC plans to purchase Longleaf finished products for sale in its retail dispensary locations. Longleaf's proximity to Tuscaloosa and Birmingham major metropolitan areas is desirable and convenient for Yellowhammer Holistics's distribution.

Yellowhammer Holistics, LLC is a leading Integrated Facility medical cannabis applicant in the State of Alabama. The Yellowhammer Holistics, LLC team has been cultivating medical cannabis for a number of years in a number of states. Their team has the expertise necessary to provide Longleaf with an adequate supply of high quality medical cannabis.

Regards,

A handwritten signature in blue ink, appearing to read 'Chanda Macias', with a stylized flourish at the end.

Dr. Chanda  
Macias CEO

**10.5 – Any State Testing Laboratory or prospective State Testing  
Laboratory.**

n/a

# Exhibit 11 – Standard Operating Plan and Procedures

## Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

Printed Name of Verifying Individual

Executive Chair

Title of Verifying Individual



Signature of Verifying Individual

12/28/22

Verification Date



### **11.1 Recordkeeping Plan**

**Requirement:** *IT plan for ensuring accurate recordkeeping, compliance with inventory protocols, and coordination of information and systems with vendors, customers and others, as applicable, through the Alabama Medical Cannabis Patient Registry System (§ 20-2A-35, Code of Alabama 1975 (as amended)); the Statewide Seed-to-Sale Tracking System (§ 20-2A-54, Code of Alabama 1975 (as amended)), access to and coordination of which shall be paid for and maintained by the licensee; and, as applicable, a third-party inventory control and tracking system (§ 20-2A-60, Code of Alabama 1975 (as amended), also to be paid for and maintained by the licensee.*

The applicant will use digital and physical inventory control methods to comply with AL Code § 20-2A-63. The applicant will use the Seed-to-Sale Tracking System (SSTS) approved by the Department, and any business management platforms (BMPs) that the applicant uses will comply and integrate with the state's SSTS. The Chief Compliance Officer will train employees to use this system in compliance with AL Code § 20-2A-63. The applicant will use this system to trace the receipt, movement, sale, transfer, recall, and destruction of medical marijuana into, through and out of the facility to SSTS next disposition. Applicant will use the SSTS to identify all received and shipped material is correctly labeled and matches the system.

### **11.2 Cannabis Storage**

**Requirement:** *Plan for maintenance and storage of cannabis and medical cannabis at all times while in possession and control of licensee, including the limitation of access to cannabis and medical cannabis to essential personnel by position.*

Medical marijuana products will be packaged in child-resistant, vacuum-sealed, and tamper-proof or tamper evident bags. For deliveries from the processing facility to a dispensing facility, single-use identification coding will be used to secure containers. All packaging and labeling must be in accordance with the Applicant's policies and procedures for packaging,

labeling, product storage, and delivery. All medical marijuana awaiting disposal will be stored in a locked container, recorded, and disposed of in accordance with the waste disposal policies and procedures. Additionally, the Applicant will keep all approved safes, approved vaults, or any other approved equipment or areas used for cultivating, harvesting, or storing of medical marijuana, securely locked and protected from unauthorized access to medical marijuana.

### **11.3 Quality Control/Quality Assurance Plan**

***Requirement:*** Quality Control/Quality Assurance Plan. *Provide at Exhibit 21.*

### **11.4 Contamination and Recall Plan**

***Requirement:*** Contamination and Recall Plan. *Provide at Exhibit 22.*

### **11.5 Criminal Activity Plan**

***Requirement:*** *The Applicant must provide a clear written criminal activity plan, detailing the steps to be undertaken in the event of discovery of criminal activity related to cannabis or medical cannabis within the possession and control of the licensee. The plan must account for the safety of employees and others on the premises, reporting the criminal activity to proper authorities, steps to be taken for the preservation of cannabis or medical cannabis, and the reasonable efforts to maintain access to medical cannabis by those who depend on it.*

In addition to the regulatory requirements to which Applicant must comply, there are valid and appropriate guidelines and industry best practices that merit consideration in the development of the security program. The guidelines developed by the various Federal Agencies are especially helpful, because they prescribe security measures for facilities with similar risk profiles. The guidelines that proved most useful for this project include:  
U.S. Department of Justice – Drug Enforcement Administration, Controlled Substance Security Manual, GSA Security Reference Manual: Part 3 Design and Assessment Guidelines, U.S. General Services Administration - Site Security Design Guide

Applicant readily recognizes that marijuana is a controlled substance with many incentives for diversion. Supply chain security is a top priority of Applicant and a primary job duty of all employees, reinforcing a company-wide culture of responsibility. The Chief of Operations will be responsible for the development and implementation of the anti-diversion policies and procedures, with the unit managers and security officers responsible for oversight at the processing facility. Diversion includes, and is not limited to, employee or third-party theft or transfer of medical marijuana by an employee, patient, or caregiver to an unqualified individual. Applicant will implement security industry best practices and maintain 24-hour security monitoring over its controlled substances inventory. Specific considerations regarding anti-diversion measures include methods for increased employee accountability along with methods for identifying, recording, and reporting diversion, theft, or loss, and for correcting all errors and inaccuracies in inventories.

#### **11.6 Emergency Procedures and Disaster Plan**

***Requirement:*** *The Applicant must provide a clear written Emergency Procedures and Disaster Plan, detailing the steps the Applicant will take to ensure the safety of employees and others on the premises, the preservation of cannabis or medical cannabis, and the reasonable efforts to maintain access to medical cannabis by those who depend on it, in the event of any reasonably foreseeable emergency, or natural disaster that may affect the licensee, its facilities, personnel, products or customers.*

The company's emergency response plan will be developed based on the specific requirements of the physical facility and following the template provided below. The major elements of the plan include evacuation, severe weather, lockdown, medical emergency, fire emergency, and threat specific information. Specific emergency response forms follow.

## Emergency Response Forms

Company Name

Address

Telephone

Contact Name

Title

Last Revision Date

**Policy and Organizational Statements**

I Identify the goals and objectives for the emergency response plan.

Define what your emergency response team is expected to do during an emergency (e.g., evacuate employees and visitors, provide first aid, etc.)

**Evacuation Plan**

Evacuation may be required if there is a fire in the building or other hazard. The evacuation team will direct the evacuation of the building and account for all employees outside at a safe location.

Employees will be warned to evacuate the building using the following system:	
Employees should assemble at the following location for accounting by the evacuation team:	

(Post a map showing the location(s) in a conspicuous location for all employees to see.)

Person who will bring the employee roster and visitor log to the evacuation assembly area to account for all evacuees. The evacuation team leader will be informed if anyone is missing or injured.	
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Evacuation Team	Name / Location
Evacuation Team Leader	
Floor Wardens (one for each floor)	
Searchers (one per floor)	
Stairwell and Elevator Monitors	
Aides for Persons with Disabilities	
Assembly Area Monitors (account for evacuees at the assembly area and inform incident	

## Severe Weather/Tornado Sheltering Plan

**Severe Weather/Tornado Sheltering Plan**

If a tornado warning is issued, broadcast a warning throughout all buildings instructing everyone to move to shelter.

Shelter-In-Place Team Assignments	Name / Location
Team Leader	
Person to monitor weather sources for updated emergency instructions and broadcast warning if issued by weather services	
Persons to direct personnel outside to enter the building	
Persons to direct employees to designated tornado shelter(s)	

**Tornado Warning System & Tornado Shelter Locations**

Location of tornado warning system controls	
Location of tornado shelters	

**Shelter-In-Place Plan**

If warned to "shelter-in-place" from an outside airborne hazard, a warning should be broadcast and all employees should move to shelter.

Shelter-In-Place Team Assignments	Name / Location
Team Leader	
Direct personnel outside to enter the building; then close exterior doors	
Shutdown ventilation system and close air intakes	
Move employees to interior spaces above the first floor (if possible)	
Person to monitor news sources for updated emergency instructions	
Assembly Area Monitors (to account for evacuees at the assembly area)	

**Shelter-In-Place Shutdown of Ventilation System**

Location of controls to shutdown ventilation system:	
Location of air handling units, fan rooms, or air intakes:	

**Lockdown Plan**

Persons trained to use the warning system to warn persons to "lockdown"

Name	Location

## Medical Emergency Plan

### Medical Emergency Plan

If a medical emergency is reported, dial 9-1-1 and request an ambulance. Provide the following information:

- Number and location of victim(s)
- Nature of injury or illness
- Hazards involved
- Nearest entrance (emergency access point)

Alert trained employees (members of the medical response team) to respond to the victim's location and bring a first aid kit or AED.

#### Personnel Trained to Administer First Aid, CPR, or use Automated External Defibrillator (AED)

Name	Location / Telephone

#### Locations of First Aid Kits and Automated External Defibrillator(s)

Locations of First Aid Kits and "Universal Precautions" kit (used to prevent exposure to body fluids)	
Locations of Automated External Defibrillator(s) (AEDs)	

#### Procedures

- Only trained responders should provide first aid assistance.
- Do not move the victim unless the victim's location is unsafe.
- Control access to the scene.
- Take "universal precautions" to prevent contact with body fluids and exposure to bloodborne pathogens.
- Meet the ambulance at the nearest entrance or emergency access point; direct them to victim(s).

## Fire Emergency Plan

### Fire Emergency Plan

If a fire is reported, pull the fire alarm, (if available and not already activated) to warn occupants to evacuate. Then Dial 911 to alert Fire Department. Provide the following information:

- Business name and street address
- Nature of fire
- Fire location (building and floor or)
- Type of fire alarm (detector, pull station, sprinkler waterflow)
- Location of fire alarm (building and floor)
- Name of person reporting fire
- Telephone number for return call

Evacuation team to direct evacuation of employees and visitors.

#### Procedures

- Evacuate building occupants along evacuation routes to primary assembly areas outside.
- Redirect building occupants to stairs and exits away from the fire.
- Prohibit use of elevators.
- Evacuation team to account for all employees and visitors at the assembly area.
- Meet Fire Department Incident Commander (IC). Inform the IC if everyone has been accounted for and if there are any injuries. Provide an update on the nature of the emergency and actions taken. Provide building floor plans, keys and other assistance as requested.
- Assign personnel to verify that fire protection systems are operating normally and to operate building utility and protection systems as directed by the fire department.

### Property Conservation

Identify preparations before a forecast event such as severe weather.

Identify how you will assess damage; salvage undamaged goods; and cleanup the building following an incident.

Identify the contractors, equipment, and materials that would be needed. Update the resource table at the end of this plan.

## Hazard or Threat Specific

### Annexes

#### Hazard or Threat-specific

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## Emergency Response Teams

## Appendices

## Emergency Response Teams

Identify the members of emergency response teams not identified elsewhere.

- Facilities or building management staff familiar with building utility and protection systems and those who may assist with property conservation activities.
- Security
- Others trained to use fire extinguishers, clean up small spills of hazardous materials.

[illegible]

### Public Emergency Services & Contractors

Emergency Service	Name	Emergency Telephone	Business Telephone
Fire Department			
Emergency Medical Services			
Police Department			



## Fire Protection Systems

**Fire Protection Systems**

Document the fire protection systems including the types of systems, location, area, or hazard protected, and instructions.

System Type	Location	Access Point / Instructions
Sprinkler System	Control Valve	
	Control Valve	
	Control Valve	
Fire Pump		
Special Extinguishing Systems	Computer Room	
	Kitchen	
	Manufacturing Area	

**Revision History**

Revision No.	Date	Description of Changes	Authorization

**Plan Distribution & Access**

The Plan will be distributed to members of the emergency response team and department heads. A master copy of the document should be maintained by the emergency response team leader. The plan will be available for review by all employees.

Provide print copies of this plan within the room designated as the emergency operations center (EOC). Multiple copies should be stored within the facility EOC to ensure that team members can quickly review roles, responsibilities, tasks, and reference information when the team is activated.

An electronic copy of this Plan should be stored on a secure and accessible website that would allow team member access if company servers are down.

Electronic copies should also be stored on a secured USB flash drive for printing on demand.

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### **11.7 – Alcohol, Smoke, and Drug Free Workplace Policy.**

***Requirement:*** *The Applicant must provide a clear written Alcohol, Smoke and Drug Free Workplace Policy, which shall be included in the Employee Handbook and/or the Policies and Procedures Manual.*

#### **DRUG AND ALCOHOL POLICY**

##### *Purpose*

The Company recognizes that the health and well-being of its employees are vital to its success. The Company has both the right and the obligation to provide a safe, healthy, and efficient work environment, to protect its equipment and property, and to protect the public. For these reasons, the Company has established this policy.

The purpose of this policy is to protect the public and the Company's employees and property from the risk posed by the misuse of alcohol and use of prohibited drugs. This policy is also intended to comply with all applicable laws and regulations governing anti-drug and alcohol programs and the Alabama Drug-Free Workplace Program (Ala. Code § 25-5-330, et seq.). This policy does not represent an expressed or implied contract, and it does not affect employees' status as at-will employees.

##### *Prohibited Conduct*

All employees are prohibited from manufacturing, distributing, dispensing, possessing, using, or having a detectable presence of any prohibited drugs or alcohol in the body while at work or on duty. Further, all drivers are prohibited from using alcohol within four hours prior to reporting for driving duty, or during the hours that they are on call. Prohibited drugs shall include any substance declared illegal by state or federal law, including, but not limited to, marijuana, amphetamines, opiates, phencyclidine (PCP), and cocaine; any drug not approved for medical use by the U.S. Drug Enforcement Administration or the U.S. Food and Drug Administration; and any prescription or over-the-counter medication which is being

misused or is illegally obtained. Employees who engage in any prohibited conduct will be subject to dismissal.

#### *Reporting Requirements*

All employees are required to notify the Company of any criminal drug statute conviction for a violation occurring in the workplace or while conducting company business within five days after such conviction. Prior to reporting to work or performing any job duties, all employees must report to their immediate supervisor the use of any over-the-counter or prescription drug which may present a safety risk. The Company reserves the right to reassign or to take other action to accommodate an employee whose use of such medication would otherwise create a safety risk. If an employee's use of such medication cannot be reasonably accommodated, the Company reserves the right to place that individual on leave or to separate the employee from employment. Employees who fail to comply with these reporting requirements will be subject to dismissal.

#### *Drug & Alcohol Testing of Applicants for Employment*

After the decision has been made to hire an applicant for employment, an offer of employment will be extended contingent upon the candidate successfully passing a preemployment test for prohibited drugs and alcohol. The applicant must report to the collection site with a valid picture ID within twenty-four (24) hours of being instructed to do so. If the applicant fails to follow the requisite procedures or otherwise fails to submit to or cooperate with the drug test, consideration for employment or transfer shall be withdrawn. If an applicant tests positive for the use of prohibited drugs, the applicant must submit to a confirmation test. The applicant has five working days to contest or explain a verified positive test after written notification of such result from the Company. Consideration for employment or transfer will be withdrawn if the applicant cannot satisfactorily explain a verified positive test or refuses to submit to any required tests, initial or confirmation. Any current employee who cannot satisfactorily explain a verified positive test will be subject to dismissal.

### *Drug & Alcohol Testing of Current Employees*

The Company requires that all employees submit, at any time an employee is on duty or at any time an employee may be called to be on duty, to drug and/or alcohol testing to determine the presence of prohibited substances. Employees may be required to submit to the following types of testing (as further discussed below): Reasonable Suspicion, Post Accident, Return-to-Duty & Post Rehabilitation (Follow-up) and Random. An employee's refusal to submit to a requested specific substance use test or failure to cooperate with such testing shall constitute an act of insubordination and may subject the employee to disciplinary action up to and including termination.

If an employee tests positive for the use of prohibited drugs or alcohol, the applicant must submit to a confirmation test. The employee has five working days to contest or explain a verified positive test after written notification of such result from the Company. Any current employee who cannot satisfactorily explain a verified positive test will be subject to dismissal. If a physician, official, or lab personnel has reasonable suspicion to believe that the employee or an applicant has tampered with the specimen (including the use of masking agents, providing a sample not your own, or otherwise not complying with procedure), the employee is subject to disciplinary action up to and including termination; an applicant's consideration for employment or transfer may be withdrawn.

### *Reasonable Suspicion Testing*

All employees may be subject to testing when the Company has a reasonable suspicion that the employee has violated the provisions of this policy. A reasonable suspicion referral for testing will be made on the basis of specific, objective observations concerning the appearance, behavior, speech or body odors of the employee which are consistent with the use of prohibited drugs or alcohol; possession of paraphernalia; and/or information from a source deemed to be reliable. Reasonable suspicion referrals will be made by a supervisor who is trained to detect the signs and symptoms of drug and alcohol use. The reason for the

testing will be documented. Any employee who is reasonably suspected of being under the influence of prohibited drugs or alcohol will not be allowed to perform any other safety-sensitive functions until the employee passes a drug and alcohol test.

#### *Random Testing*

All employees will be subject to random, unannounced urine testing for drugs at any time the Company deems necessary.

#### *Post-Accident Testing*

The Company will require all employees to submit to post-accident testing following any occurrence in which the employee is involved in (1) an on-the-job injury which results in a loss of work time, or (2) substantial damage to company property.

#### *Return-To-Duty Testing & Post-Rehabilitation Testing*

Although employees are subject to dismissal for any violation of this policy, the Company may, in its discretion, allow an employee to return to duty under some circumstances. In the event that an employee is allowed to return to duty, the Company will require return-to-duty testing in the following circumstances. Compliance with the following process does not guarantee an employee reinstatement with the Company.

If any employee returns to duty after a positive test or otherwise violating a regulation concerning the use of drugs and alcohol, the Company will require that employee to undergo frequent unannounced testing following their return to duty. The follow-up testing will be performed for a period of two to five years with a minimum of six tests to be performed the first year. The frequency and duration of the follow-up tests beyond the minimum will be determined by a qualified Substance Abuse Professional.

#### *Information Disclosure*

All information received by the Company or its agents through this drug and alcohol testing program will be maintained in a confidential and secure manner. Information will be released to a third party only in the following circumstances:

- Pursuant to the specific, written, voluntary consent of the employee,
- As permitted by law in a lawsuit or administrative proceeding, or
- As otherwise legally compelled by an agency of the government or a court of competent jurisdiction.

#### *Employee Assistance Programs*

The Company strongly encourages employees experiencing alcohol or drug abuse, or other personal or family problems, to seek help. The Company maintains a resource file with information regarding local organizations that are available to assist employees with personal or behavioral problems, including drug and alcohol abuse and mental health problems.

#### *Effect on Workers' Compensation and Unemployment Benefits*

An employee may be denied unemployment benefits if the employee is terminated for violating this policy. If the employee's intoxication or impairment from the use of alcohol or prohibited drugs caused or contributed to an accident, workers' compensation may be disallowed. Likewise, workers' compensation may be disallowed if the employee refuses to submit to or cooperate with a post-accident blood or urine test.

### **11.8 Employee Safety Plan**

**Requirement:** *Employee Safety Plan in compliance with parallel OSHA standards applicable in workplaces similar to the type(s) proposed by the Applicant.*

## CORE ELEMENTS THE SAFETY AND HEALTH PROGRAMS

### MANAGEMENT LEADERSHIP

1. Top management demonstrates its commitment to eliminating hazards and to continuously improving workplace safety and health, communicates that commitment to workers, and sets program expectations and responsibilities.
2. Managers at all levels make safety and health a core organizational value, establish safety and health goals and objectives, provide adequate resources and support for the program, and set a good example.

### WORKER PARTICIPATION

1. Workers and their representatives are involved in all aspects of the program—including setting goals, identifying and reporting hazards, investigating incidents, and tracking progress.
2. All workers, including contractors and temporary workers, understand their roles and responsibilities under the program and what they need to do to effectively carry them out.
3. Workers are encouraged and have means to communicate openly with management and to report safety and health concerns or suggest improvements, without fear of retaliation.
4. Any potential barriers or obstacles to worker participation in the program (for example, language, lack of information, or disincentives) are removed or addressed.

### HAZARD IDENTIFICATION AND ASSESSMENT

1. Procedures are put in place to continually identify workplace hazards and evaluate risks.
2. Safety and health hazards from routine, nonroutine, and emergency situations are identified and assessed.
3. An initial assessment of existing hazards, exposures, and control measures is followed by periodic inspections and reassessments, to identify new hazards.
4. Any incidents are investigated with the goal of identifying the root causes.
5. Identified hazards are prioritized for control.

### HAZARD PREVENTION AND CONTROL

1. Employers and workers cooperate to identify and select methods for eliminating, preventing, or controlling workplace hazards.
2. Controls are selected according to a hierarchy that uses engineering solutions first, followed by safe work practices, administrative controls, and finally personal protective equipment (PPE).
3. A plan is developed that ensures controls are implemented, interim protection is provided, progress is tracked, and the effectiveness of controls is verified.

#### EDUCATION AND TRAINING

1. All workers are trained to understand how the program works and how to carry out the responsibilities assigned to them under the program.
2. Employers, managers, and supervisors receive training on safety concepts and their responsibility for protecting workers' rights and responding to workers' reports and concerns.
3. All workers are trained to recognize workplace hazards and to understand the control measures that have been implemented.

#### PROGRAM EVALUATION AND IMPROVEMENT

1. Control measures are periodically evaluated for effectiveness.
2. Processes are established to monitor program performance, verify program implementation, and identify program shortcomings and opportunities for improvement.
3. Necessary actions are taken to improve the program and overall safety and health performance.

### **11.9 Confidential Information and Cybersecurity Plan**

***Requirement:*** *The Applicant's plan for maintaining confidential information and any records required to be confidentially maintained.*



## Electronic Systems Security

### Patient Privacy

The Company will use a business management system (BMS) to store all patient records. The BMS follows HIPAA security guidelines, which include maintaining stringent physical security of servers, maintaining access control restrictions to the data and servers, and protecting patient identifiable information through encryption. BMS restricts access to patient information based on the user role. Username/password access is required for each user accessing the system, and the passwords are tested for strength and are required to be changed regularly. In addition, users are automatically logged out of BMS after a period of inactivity, preventing unauthorized access.

### Data Encryption

In addition to encrypting all information as it is being transmitted, BMS also encrypts sensitive patient data while it is in storage on the servers. Patient reports referencing only patient number, not name, are also available so that demographic or other information can be analyzed internally without compromising patient privacy.

### Data Security

BMS servers are protected by world-class security. The state-of-the-art server bank is housed in a biometric protected access, temperature controlled, Class 4 Data facility with a SAS 70 type II certification. The product software and infrastructure is updated regularly with the latest security patches. The server bank network is protected by an enterprise-class firewall and intrusion detection system. In addition, the servers are constantly scanned for any potential intrusion and twenty-four hours a day/seven days a week/three hundred sixty-five days a year (24/7/365) support is immediately notified of any performance or security issues. BMS also conducts nightly co-located backups. Additionally, user access controls within BMS to prevent unauthorized access to patient records, cultivation, or inventory records and other data. Time/date stamps and usernames are attached to every activity recorded in the system, creating an electronic paper trail of all data changes.

### Network Security

The facilities will be equipped with high speed internet access of at least 1.5Mbps as well as a backup internet access method such as an additional business connection or a 4G hotspot, a business grade firewall with 128 bit encryption, and a 128 bit network key secured wireless network. The facilities' computers, tablets, and smart-phone devices will all be maintained professionally by a third-party IT firm, which will ensure they are kept up to date with virus protection, spam-filtering software, operating system updates, and robust system passwords. Because the Company's primary business software system, BMS, is a hosted solution, the facility will not need its own data server.

### Data Access

BMS provides login configuration tools to prevent non-administrator users from logging in from devices that have not been pre-approved. This functionality also allows an administrator to de-authorize all devices at any moment, as well as logging out all users. With this enabled, if the Company workstations or devices are stolen or lost, data can be protected with the push of two simple buttons.

## **11.10 Cannabis Disposal**

***Requirement:*** *A plan for tracking and proper disposal of waste cannabis or medical cannabis, as necessary.*

***Plan:***

### **Disposal and Waste Removal**

#### Overview

To prevent product diversion, the Applicant will dispose of medical marijuana and other waste in a secure manner that complies with the Medical Marijuana Control Program. Waste management operations are founded on the Applicant's conservationist values, focusing on

reducing waste and minimizing negative impacts to its host community. The Applicant will execute these plans with special attention to state 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 Applicant is familiar with laboratory best practices for the disposal of chemical waste, and will implement rigid protocols to ensure all chemicals are disposed of ethically and safely. These protocols are compliant with the *Resource Conservation and Recovery Act (RCRA)*, 42 USC § 6901 et seq, OAC §3796:3-2-03 and ORC §3734, 3745-57, 65-69, 205, 256, 266, 270, 273 and 279. SOPs also meet guidelines issued by the U.S. Environmental Protection Agency (EPA) and the Occupational Safety and Health Administration (OSHA). No process will begin until a plan for waste disposal has been formulated and approved.

Extraction Technicians (ETs) will dispose of undesired, excess, unauthorized, obsolete, adulterated, or deteriorated medical marijuana waste in accordance with the disposal plan under the supervision of a Type 1 Key Employee, and in such a manner as to render the medical marijuana waste unusable. OAC §3796:3-2-03(A). The Applicant has developed specific procedures for rendering each type of medical marijuana waste unusable. OAC §3796:3-2-03(B). The Applicant will dispose of waste with the intention of reducing landfill contributions. All processing, storage, and destruction of medical marijuana waste will occur in a limited access designated destruction area identified in the plans and specifications submitted to the department. OAC §3796:3-2-03(C). Waste will be hauled by a licensed local waste disposal company familiar with chemical disposal procedures, as selected by the Applicant.

The Lead Extraction Technician (LET) will document the disposal of medical marijuana waste in the inventory tracking system (ITS) and physically on the Lab Log. OAC §3796:3-2-03(D). Staff will perform all disposal procedures under video surveillance from the time the destruction begins to when it is placed in a locked dumpster and removed from the facility. OAC §3796:3-2-03(C). The Applicant 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. OAC §3796:3-2-08.

#### Solid Waste Management

The Applicant's waste management plan includes dividing solid waste into the four following categories: Plant material, medical marijuana products, hazardous solid waste, and miscellaneous solid waste.

*Plant Material*

Solid waste will include used and unused plant material. Used plant waste will be comprised of spent plant material that remains after the extraction of medicinal oils. Unused plant material may include flowers, stems, trim, leaves, seeds, and any plant material that has been exposed to dangerous chemicals or is otherwise contaminated or ordered for disposal. The LET will dispose of plant material that does not meet the Applicant's quality control standards. The LET will quarantine the plant waste material in a designated area until it is ready to be destroyed, and record it in the ITS and the Lab Log.

*Medical Marijuana Products*

Undesired, excess, unauthorized, obsolete, adulterated, or deteriorated medical marijuana products will be segregated from the Applicant's inventory stock, quarantined for disposal, and updated in the ITS and business management platform (BMP). Any medical marijuana product that does not meet the Applicant's strict quality control standards will be destroyed if it is unable to be reworked. Products will not meet quality control standards if: they fail laboratory testing, are adulterated by prohibited chemicals, have expired, are contaminated with pests, are the subject of a recall, or have been exposed to adverse conditions. The LET will quarantine the waste material in a designated area until it is ready to be destroyed, and record it in the ITS and Lab Log.

*Hazardous Solid Waste*

ETs will take care to safely use chemical agents, including disposing hazardous solid waste (e.g., solvent-contaminated wipes or clothing). Though the RCRA conditionally excludes solvent-contaminated wipes and clothing from hazardous waste, the Applicant will be dispose of or launder this waste in accordance with state EPA guidelines. The Applicant will store all wipes contaminated with excluded solvents, F001-F005 listed solvents listed in *OAC §3745-51-31*, P- or U- listed solvents found in *OAC §3745-51-33*, or solvents found in *OAC §3745-51-31*, in appropriately labeled, closed, non-leaking containers capable of holding free

solvents, for up to 180 days until collected by an approved waste management provider, or professional launderer. *OAC §3745-51-04(A)(26) and (B)(18)*. Each time contaminated wipes are sent for disposal or laundering they will be accompanied by a Department of Transportation Hazardous Waste Manifest.

#### *Miscellaneous Solid Waste*

Miscellaneous waste will also be generated at the processing facility. This form of waste will include office waste, breakroom waste, packaging materials, and corrugated cardboard. Miscellaneous waste will never come into contact with medical marijuana, and therefore may be handled through traditional, weekly scheduled waste disposal services without further processing.

#### Liquid Waste Management

##### *Liquid Medical Marijuana Product Waste*

The Applicant will be producing extracted medical marijuana oils which will be disposed of if they become contaminated, adulterated, deteriorated, obsolete, or are otherwise undesired. The LET will quarantine the waste material in a designated area until it is ready to be destroyed, and record it in the ITS and Lab Log.

##### *Solvent/Chemical Waste*

Chemical waste will be carefully overseen by the LET to verify disposal is in accordance with all state and federal regulations. *OAC §3796:3-2-03(E)*. The Applicant will dispose of all chemicals materials according to manufacturer recommendations found on product safety data sheets (SDS). Staff will wear personal protective equipment(PPE) while handling chemicals. Most chemical waste produced at the processing facility will fall under the EPA's 'F list' as they will be spent solvents from the manufacturing process, or spent cleaning agents, and will be disposed of following guidelines for 'F list' chemicals.

All chemical waste that is regulated as hazardous waste under *RCRA 40 CFR Parts 260-272* will be disposed of following guidelines for hazardous waste. As the Applicant believes that all waste must be handled safely, however, any waste that is not regulated as a hazardous

waste – but poses an occupational or environmental risk – will be afforded special handling. This includes chemicals that are ignitable, corrosive, reactive, or toxic.

The processing center will be equipped with a fume hood, located near the extraction equipment, for the collection of chemical waste. The fume hood will contain plastic and galvanized metal safety containers and secondary containment trays. Each container will be kept sealed, except when in use, and will be appropriately labeled with each chemical contained within. Onboarding training will ensure all processing staff understand how to properly utilize these waste containers to prevent mistakes from occurring, and must ask for assistance if there is any doubt as to the proper disposal method for any chemical. PPE will be kept on hand near the fume hood, along with SDS. The LET will be responsible for monitoring the waste containers, and will determine when each container is sent for disposal. The LET will be responsible for ensuring the safety and compliance of chemical disposal procedures.

#### *Wastewater*

All wastewater will drain to waste in accordance with all applicable laws, per *Chapter 3718: Sewage Treatment Systems*. Chemicals will not be disposed of with wastewater. The Applicant addresses wastewater handling in its Environmental Plan.

#### Medical Marijuana Waste Procedures

##### *Waste Reduction Program*

The Applicant is committed to being a leader in sustainable waste practices. The Applicant intends to surpass the state'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. The Applicant's waste management plan will address the environmental impacts of processing medical marijuana. The Applicant will recycle paper, corrugated cardboard, plastics, glass, and metals through standard recycling services. When possible, chemicals will be sent for reclamation rather than disposal.

##### *Rendering Medical Waste Unusable*

All waste created by the Applicant will be weighed using routinely calibrated scales and catalogued in the ITS and the waste disposal section of the Lab Log. *OAC §3796:3-2-03(D)*. The Applicant will store plant and product waste in locked bins located in the waste disposal area until a sufficient quantity is accumulated to warrant disposal. The LET will access unique identifiers on labels of products that need destroyed, and under video surveillance access the products. Prior to rendering waste unusable, the LET will notify the Department of the proposed activity. To prevent fire hazards, the Applicant will not store waste in hallways, stairways, or in front of exit doors. Instead, staff will store waste in the designated limited access area until the LET orders its disposal. To render waste unusable, ETs will use an electric plant chipper to shred plant matter and solid products under the supervision of a Type-1 Key Employee. *OAC §3796:3-2-03(B)(C)*. The electric plant chipper will not create exhaust, so staff may operate it indoors. Staff will wear proper PPE while operating the chipper. PPE will include: thick leather gloves, long sleeves, full-legged pants, closed-toe shoes, earplugs/earphones, and eye protection.

ETs will mix shredded waste with at least 51% non-consumable, solid waste so as to render it unusable. Applicable materials include, paper, cardboard, food, yard waste, soil, or other wastes approved by the Department. *OAC §3796:3-2-03(B)*. A Type 1 Key Employee will dispose of the waste mixture in opaque, unmarked garbage bags. Destruction will be recorded in the ITS and physically on the Waste Disposal Log by the Type 1 Key Employee supervising the destruction. *OAC §3796:3-2-03(D)*.

If approved by the Department, the Applicant will mix liquid medical marijuana waste with an EPA-approved powdered oil-absorbent. This will occur prior to mixing the waste with non-consumable, solid waste.

#### *Dumpster Management*

The Applicant will store waste in a locked, fence-enclosed dumpster to prevent unauthorized entry to dumpsters. *OAC §3796:3-2-05*. The Applicant will ensure dumpsters are secured, monitored under video surveillance, and stored inside the facility until garbage pick-up dates. The Applicant will place security cameras conspicuously to deter diversion.

#### Conclusion

The Applicant'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. Staff will render medical marijuana unusable prior to disposal. The Applicant will follow laboratory best practices, OSHA guidelines, EPA guidelines, and RCRA regulations for the handling and disposal of all chemicals. The Applicant will reduce waste and recycle all applicable materials. Type-1 Key Employee will handle and dispose of hazardous materials as instructed by manufacturers. The Applicant will store waste in locked dumpsters which will be enclosed by fencing in a limited access area on the exterior of the facility under video surveillance. These practices will help the Applicant reduce waste and opportunities for diversion.

*11.11 – Security Plan. Provide at Exhibit 17*



# Exhibit 12 – Policies and Procedures Manual

## Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

Printed Name of Verifying Individual

Executive Chair

Title of Verifying Individual



Signature of Verifying Individual

12/28/22

Verification Date

Exhibit 12 – Policies and Procedures Manual.

- **A verified copy of the Applicant’s proposed Policies and Procedures Manual, if available. If the Applicant’s proposed Policies and Procedures Manual is unavailable, then the Applicant must provide an explanation as to why it is unavailable and when the Applicant expects it to be available.**

The following is a verified copy of Longleaf Extracts Policies and Procedures Manual

***Policies and Procedure Handbook***  
***The Longleaf Extracts Group***  
***CONFIDENTIAL***

**WELCOME**

Welcome to the Longleaf Extracts team! We wish you success, and sincerely hope you will find a great deal of personal growth and success in your position. This Employee Handbook represents the latest benefits and policies of our company. It is designed to acquaint you with the company, and to help you effectively and efficiently operate within The Longleaf Extracts Group’s policies, by explaining the rules, regulations, and employment benefits of the company.

**Confidentiality**

Information that pertains to The Longleaf Extracts Group’s business, including all nonpublic information concerning its clients, vendors and suppliers, is strictly confidential and must not be given to people who are not employed by the company. Your cooperation is particularly important because of our obligation to protect the security of The Longleaf Extracts Group and our own confidential information. Use your own sound judgment and good common sense, but if at any time you are uncertain as to whether you can properly divulge information or answer questions, please consult a company officer.

### **Conflict of Interest**

Employees must avoid any interest, influence or relationship which might conflict or appear to conflict with the best interests of the company. You must avoid any situation in which your loyalty may be divided and promptly disclose any situation where an actual or potential conflict may exist. Anyone with a conflict of interest must disclose it to management and remove themselves from negotiations, deliberations or votes involving the conflict. You may, however, state your position and answer questions when your knowledge may be of assistance to the company.

### **Immigration Reform and Control Act**

In compliance with the federal Immigration and Control Act of 1986 (IRCA), as amended, and any state law requirements, if applicable, Longleaf Extracts Group is committed to only employing individuals who are authorized to work in the United States. Each new employee, as a condition of employment, must complete the Employment Eligibility Verification and present documentation establishing identity and employment eligibility. If an employee is authorized to work in this country for a limited time period, the individual will be required to submit proof of renewed employment eligibility prior to expiration of that period to remain employed by Longleaf Extracts Group.

### **Outside Employment**

Because of The Longleaf Extracts Group's obligations to its customers, Longleaf Extracts Group must be aware of any concurrent employment you may have to determine whether or not it presents a potential conflict. Before beginning or continuing outside employment, employees are required to provide notification to their manager. Employees who are on leave of absence, including FMLA leave or Workers' Compensation leave are prohibited from having outside employment during their leave.

## Employee Benefits

. A number of the benefit programs such as Social Security, workers' compensation, state disability and unemployment insurance cover all employees as required by law. Some benefit programs require contributions from employees, but many are fully paid by The Longleaf Extracts Group. We reserve the right to add, amend, modify or terminate any employee benefit plans or programs.

### Paid Time Off

#### Vacation

Employees are encouraged to use available paid vacation time for rest, relaxation, and personal pursuits. Vacation will begin to accrue 3 months following an employee's hire date but is not available for use until one full year of employment is complete. Vacation time is allotted based on the employment anniversary. Employees are permitted to carry over 40 hours of unused PTO from one calendar year to the next.

Accrual is computed as follows:

<b><u>Full Time Employees</u></b>	<b><u># of hours</u></b>
At 1 <sup>st</sup> Year	40
At 2 <sup>nd</sup> Year	60
At 3 <sup>rd</sup> Year	80

#### Sick Time

All full-time employees are eligible to accrue paid sick time after 3 months of employment. Sick time is not available for use until the benefits eligibility date. Sick time is allotted based on the employment anniversary. Accrual is computed as 40 hours annually and does not roll over from one year to the next, it must be used or it will be forfeited. Sick time may be used for the following:

- Medical and dental appointments for yourself or family members;

- Your personal illness or that of a member of your family

To be eligible for a sick day, you must personally notify your immediate supervisor or manager as soon as you are aware that you will be late or unable to report to work. Leaving a voicemail, or a message with another staff member, does not qualify as notifying your supervisor – you must personally speak with him/her. When absence is due to illness, the Company reserves the right to require appropriate medical documentation. Excessive absenteeism or tardiness can result in discipline, up to and including discharge.

### **Holidays**

The Longleaf Extracts Group observes the following paid holidays; New Year's Day, Easter, Independence Day, Thanksgiving Day, Christmas Eve and Day. Due to business needs, some employees may be required to work on Longleaf Extracts Group observed holidays. Your supervisor or manager will notify you if this may apply to you. In the event that you are required to work on a holiday, your supervisor will make arrangements for an additional vacation day.

### **Anti-Discrimination and Harassment**

#### **Americans with Disabilities Act (ADA), Reasonable Accommodation Policy**

The Longleaf Extracts Group is committed to the fair and equal employment of individuals with disabilities. It is The Longleaf Extracts Group's policy to reasonably accommodate qualified individuals with disabilities unless the accommodation would impose an undue hardship on the organization. In accordance with the Americans with Disabilities Act (ADA) as amended, reasonable accommodations will be provided to qualified individuals with disabilities when such accommodations are necessary to enable them to perform the essential functions of their jobs, or to enjoy the equal benefits and privileges of employment. This policy applies to all applicants for employment, and all employees.

#### **Requesting a Reasonable Accommodation**

An employee with a disability is responsible for requesting an accommodation from the

Personnel Contact or his or her supervisor, and providing medical documentation regarding the disability when requested. Once medical documentation is received, the Personnel Contact will confidentially work with the employee to identify possible reasonable accommodations and to assess the effectiveness of each in allowing the employee to perform the essential functions of the job.

#### Anti-Harassment Policy

It is the policy of The Longleaf Extracts Group to maintain a working environment which encourages mutual respect, promotes respectful and congenial relationships between employees and is free from all forms of harassment of any employee or applicant for employment by anyone, including supervisors, co-workers, vendors, or customers. Harassment in any manner or form is expressly prohibited and will not be tolerated by The Longleaf Extracts Group. Accordingly, Longleaf Extracts Groups Management is committed to vigorously enforcing this policy against harassment, including but not limited to sexual harassment, at all levels within the Company. All reported or suspected occurrences of harassment will be promptly and thoroughly investigated. Where harassment is determined to have occurred, Longleaf Extracts Group Management will immediately take appropriate corrective action, including written warnings and possible suspension, transfer and/or termination. The Longleaf Extracts Group will not permit or condone any acts of retaliation against anyone who files harassment complaints or cooperates in the investigation of same.

#### Policy Prohibiting Harassment and Discrimination

The Longleaf Extracts Group strives to maintain an environment free from discrimination and harassment, where employees treat each other with respect, dignity and courtesy. This policy applies to all phases of employment, including but not limited to recruiting, testing, hiring, promoting, demoting, transferring, layoffs, terminating, paying, granting benefits and training.

## **Prohibited Behavior**

The Longleaf Extracts Group does not and will not tolerate any type of harassment of our employees, applicants for employment, or our customers. Discriminatory conduct or conduct characterized as harassment as defined below is prohibited. Harassment includes, but is not limited to, slurs, jokes, and other verbal or physical conduct relating to a person's gender, ethnicity, race, color, creed, religion, sexual orientation, national origin, age, disability, marital status, military status or any other protected classification that unreasonably interferes with a person's work performance or creates an intimidating, hostile work environment.

Sexually harassing behavior in particular includes unwelcome conduct such as: sexual advances, requests for sexual favors, offensive touching, or other verbal or physical conduct of a sexual nature. Such conduct may constitute sexual harassment when it:

- is made an explicit or implicit condition of employment
- is used as the basis for employment decisions
- unreasonably interferes with an individual's work performance
- creates an intimidating, hostile or offensive working environment

Longleaf Extracts Group will also endeavor to protect employees, to the extent possible, from reported harassment by non-employees in the workplace, including customers, clients and suppliers.

## **Complaint Procedure**

Any employee who wishes to report a possible incident of sexual harassment or other unlawful harassment or discrimination should promptly report the matter to Longleaf Extracts Groups Human Resources Manager. If that person is not available, or you believe it would be inappropriate to contact that person, contact the Human Resources Department at National PEO. Any employee who becomes aware of possible sexual harassment or other illegal discrimination against others should promptly advise Longleaf Extracts Groups

Human Resources Manager, and/or any other appropriate member of the management team. Anyone found to have engaged in such wrongful behavior will be subject to appropriate corrective action, which may include termination.

#### Retaliation

Any employee who files a complaint of sexual harassment or other discrimination in good faith will not be adversely affected in terms and conditions of employment and will not be retaliated against or discharged because of the complaint. In addition, we will not tolerate retaliation against any employee who, in good faith, cooperates in the investigation of a complaint. Anyone who engages in such retaliatory behavior will be subject to appropriate corrective action, up to and including termination.

#### Training

The Longleaf Extracts Group will establish proper training for all employees concerning their rights to be free from sexual harassment and other discrimination and steps they can take to stop it. All reports of harassment will be treated seriously. However, absolute confidentiality is not promised nor can it be assured. The Longleaf Extracts Group will conduct an investigation of any complaint, which will require limited disclosure of pertinent information to certain parties, including the alleged harasser.

#### Duties of Employees and Supervisors

All employees of The Longleaf Extracts Group, both management and non-management, are responsible for assuring that a workplace free of harassment is maintained. Any employee may file a harassment complaint regarding incidents experienced personally or incidents observed in the workplace. The Longleaf Extracts Group strives to maintain a lawful, pleasant work environment where all employees are able to effectively perform their work without interference of any type and requests the assistance of all employees in this effort.



All Longleaf Extracts Group supervisors and managers are expected to adhere to The Longleaf Extracts Group's anti-harassment policy. Supervisors' evaluations will include an assessment of the supervisor's efforts in following and enforcing this policy. All managers and supervisors are responsible for doing all they can to prevent and discourage harassment from occurring. If a complaint is raised, supervisors and managers are to act promptly to notify National PEO's Human Resources Department of the complaint so that Human Resources may proceed with an investigation. If a supervisor or manager fails to follow this policy, they will be subject to corrective action. Such corrective action may include termination.

#### Equal Opportunity Policy

The Longleaf Extracts Group provides equal opportunity in all of our employment practices to all qualified employees and applicants without regard to race, color, religion, gender, national origin, age, disability, genetic information, marital status, military status or any other category protected by federal, state and local laws. This policy applies to all aspects of the employment relationship, including recruitment, hiring, compensation, promotion, transfer, corrective action, layoff, return from layoff, training, and recreational programs. All such employment decisions will be made without unlawfully discriminating on any prohibited basis.

#### Complaint Procedure

Any employee who wishes to report a possible incident of discrimination should promptly report the matter to the Longleaf Extracts Groups Human Resources Manager. If that person is not available, or you believe it would be inappropriate to contact that person, contact the Human Resources Department at National PEO.

#### **Compensation and Work Schedule**

### Attendance & Punctuality

Every employee is expected to attend work regularly and report to work on time. If you are unable to report to work on time for any reason, telephone your supervisor as far in advance as possible. If you do not call in an absence in advance, it will be unexcused.

### General Pay Information

Certain deductions will be made in accordance with federal and state laws.

### Overtime

Because of the nature of work, employees may be asked to work overtime on weekends or holidays or additional hours during the regular workday and are expected to comply with such requests. Overtime compensation is paid to all non-exempt employees at one and one-half times their straight time rate for all hours worked in excess of 40 hours per week

### Pay Schedule

Employees will be paid bi-weekly. Additionally, lag time between when the services are performed and when the employee will be paid is five days after the pay period. If the regular payday falls on a holiday, payday will be the last regular workday before the holiday or first regular workday after the holiday. If a paycheck is lost or stolen, notify your manager or the Payroll Department at National PEO immediately. Note: employees may be financially responsible for voiding lost checks.

### Performance Evaluations

Supervisors and employees are strongly encouraged to discuss job performance and goals informally at any time. The Longleaf Extracts Group will hold formal performance evaluations after employee has been with The Longleaf Extracts Group for 30 days. Additional formal performance reviews may be conducted to provide both supervisors and employees with the opportunity to discuss job tasks, identify and correct weaknesses,

encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals. These formal reviews will generally be conducted annually.

#### Time Records

All non-exempt employees must keep accurate time records by punching a time clock when entering or leaving the building, including coming and going during lunch periods. Tampering with, falsifying or altering time cards or punching another employee's time card may result in corrective action, up to and including termination. Failing to record work time may also result in corrective action. Employees are allowed two 10-minute paid breaks during an 8-hour workday, as well as a 30 minute unpaid lunch time.

#### **Conduct Standards**

##### Longleaf Extracts Group Equipment and Vehicles

When using the Longleaf Extracts Groups property, including computer equipment or hardware, exercise care, perform required maintenance and follow all operating instructions, safety standards and guidelines. Notify your supervisor if any equipment or machines appear to be damaged, defective or in need of repair. This prompt reporting could prevent the equipment's deterioration and could also help prevent injury to you or others. If you use or operate equipment improperly, carelessly, negligently or unsafely, you may be subject to corrective action up to and including termination.

##### Company Property

Please keep your work area neat and clean and use normal care in handling the Longleaf Extracts Group's property. Report any broken or damaged equipment to your manager at once so that proper repairs can be made. You may not use any of the Longleaf Extracts Group's property for personal purposes or remove any company property from the premises without prior written permission from your immediate supervisor.

### Conduct Standards & Corrective Action

The Longleaf Extracts Group expects every employee to adhere to the highest standards of job performance and of personal conduct, including individual involvement with company personnel and outside business contacts. Longleaf Extracts Group reserves the right to correct or terminate any employee for violating any Longleaf Extracts Group policy, practice or rule of conduct. The following list is intended to give you notice of Longleaf Extracts Groups expectations and standards. However, it does not include every type of unacceptable behavior that may result in corrective action. Be aware that The Longleaf Extracts Group retains the discretion to determine the nature and extent of any corrective action based upon the circumstances of each individual case. Employees may be subject to corrective action or terminated for poor job performance, including, but not limited to the following:

- failing to follow instructions or Longleaf Extracts Group's procedures
- failing to follow established safety regulations
- disorderly conduct, fighting or other acts of violence
- possessing, selling, using or reporting to work with alcohol, controlled substances or illegal drugs present in the employee's system, on company property or company time

### Conduct Outside of Work

All employees of The Longleaf Extracts Group are expected to represent the company with integrity and professionalism at all times. This includes time spent on and off of the clock. The Longleaf Extracts Group believes that what employees do with their personal time is their own business. However, please be mindful of how your actions may reflect back on the Longleaf Extracts.

### Dress Policy and Personal Care

Appropriate attire is required. Suppliers and customers visit our work place and we wish to put forth an image that will make us all proud to be employees of The Longleaf Extracts

Group. Be guided by common sense and good taste. The Longleaf Extracts Group would like all management employees to dress business casual, using good judgment. Staff will dress in uniforms that will be provided and kept in their locker. Perfumes, colognes, and other strong scents should not be worn while at work, as others may have sensitivity to these products. All employees must wash their hands and exposed portions of their arms with warm water and anti-bacterial soap at the designated hand washing sink:

- When starting a shift or upon returning to work after a break; after using the restroom;
- After eating;
- Before handling medical marijuana including equipment and utensils;
- During handling of medical marijuana, as often as necessary to maintain clean hands and prevent contamination when changing tasks;
- After handling soiled equipment or utensils; and
- After touching bare human body parts other than employee's clean hands and exposed portions of arms.

All employees who work directly with preparation of medical marijuana must:

- Keep fingernails trimmed, filed, and maintained so that surfaces are cleanable;
- Refrain from wearing fingernail polish or artificial nails unless wearing intact gloves;
- Wear Longleaf Extracts Group provided scrub outfits to prevent contamination.
- Wear Longleaf Extracts Group provided nitrile gloves.

#### Ethical and Legal Business Practices

The Longleaf Extracts Group expects the highest standard of ethical conduct and fair dealing from each employee, officer, director, volunteer and all others associated with The Longleaf Extracts Group. Our reputation is a valuable asset, and we must continually earn the trust, confidence and respect of our suppliers, our members, our customers and our community. You are expected to promptly disclose to the management of The Longleaf Extracts Group anything that may violate this policy. We will not tolerate retaliation or

retribution against anyone who brings violations to management's attention.

#### Complying With Laws and Regulations

All our activities are to be conducted in compliance with the letter and spirit of all laws and regulations. You are charged with the responsibility of understanding the applicable laws, recognizing potential dangers and knowing when to seek legal advice.

#### Giving and Receiving Gifts

You may not give or receive money or any gift to or from a supplier, government official or other organization. Exceptions may be made for gifts that are customary and lawful, are of nominal value and are authorized in advance.

#### Employee Privacy and Other Confidential Information

The Longleaf Extracts Group collects only personal information about employees that relates to their employment. Only people with a business-related need to know are given access to this information, and National PEO must authorize any release of the information to others. Personal information, other than that required to verify employment or to satisfy legitimate investigatory or legal requirements, will be released outside the Longleaf Extracts Group only with employee approval. If you have access to any confidential information, including private employee information, you are responsible for acting with integrity. Unauthorized disclosure or inappropriate use of confidential information will not be tolerated.

#### Accounting and Financial Reports

The Longleaf Extracts Group's financial statements and all books and records on which they are based must accurately reflect transactions. All disbursements and receipts must be properly authorized and recorded. You must record and report financial information accurately. Reimbursable business expenses must be reasonable, accurately reported and

supported by receipts. Those responsible for handling or disbursing funds must assure that all transactions are executed as authorized and recorded to permit financial statements in accord with Generally Accepted Accounting Principles.

#### Account and Customer Information

Employees are prohibited from distributing account, client, and/or customer information to anyone, in any form, except the named account holder, The Longleaf Extracts Group or customer.

#### Compliance

Employees who fail to comply with this policy will be subject to corrective action, which may include a demand for reimbursement of any losses or damages, termination of employment and referral for criminal prosecution. Action appropriate to the circumstances will also be taken against supervisors or others who fail to report a violation or withhold relevant information concerning a violation of this policy.

#### Grievances

Employees are encouraged to bring concerns, problems and grievances to management's attention. You are also obligated to report any wrongdoing of which you become aware to your manager or, if the situation warrants, to any member of the management team.

#### Progressive Corrective Action

The Longleaf Extracts Group retains the discretion to correct the behavior of its employees. Oral and written warnings and progressive corrective action up to and including discharge may be administered as appropriate under the circumstances. Please note that The Longleaf Extracts Group reserves the right to terminate any employee whose conduct merits immediate dismissal without resorting to any aspect of the progressive corrective action process.

## **Safety**

### **Fire Safety**

Employees are required to observe all Occupational Safety and Health Act (OSHA) safety requirements and regulations. Flammable materials are to be stored in covered metal containers. Employees should not block any fire doors, fire exits, fire extinguishers, windows or doorways. Review the fire escape routes posted in each work area.

### **Safety**

The Longleaf Extracts Group is committed to maintaining a safe and healthy environment for all employees. Report all accidents, injuries, potential safety hazards, safety suggestions and health and safety related issues immediately to your manager. If you or another employee is injured, contact your supervisor or manager immediately. Seek help from outside emergency response agencies, if needed. You must complete an Employee's Claim for Worker's Compensation Benefits Form if you have an injury that requires medical attention. If your injury does not require medical attention, you must still complete a Supervisor and Employee Report of Accident Form in case medical treatment is later needed and to ensure that any existing safety hazards are corrected. You can obtain the required forms from National PEO.

A federal law, OSHA, requires that we keep records of all illnesses and accidents that occur on the job. OSHA also provides for your right to know about any health hazards which might be present on the job. In addition, the state Workers' Compensation Act also requires that you report any illness or injury caused by the workplace, no matter how slight. If you do not report an injury, you may jeopardize your right to collect workers' compensation payments as well as health benefits. You can get the required reporting paperwork from National PEO.



### Reporting Illness to the Medical Director

The State requires that you, as a medical marijuana agent, report to the Medical Director any health condition experienced that may adversely affect the safety or quality of any medical marijuana with which you may come into contact. If the Medical Director determines that you have a health condition that may adversely affect the safety or quality of the medical marijuana, you will be prohibited from direct contact with any medical marijuana or equipment or materials for processing medical marijuana until the Medical Director determines that your health condition will not adversely affect the medical marijuana.

### Zero Tolerance for Workplace Violence

The Longleaf Extracts Group has a zero-tolerance policy concerning threats, intimidation and violence of any kind in the workplace either committed by or directed to our employees. Employees who engage in such conduct will be subject to corrective action, up to and including immediate termination of employment

### Smoke-Free Workplace

It is the policy of The Longleaf Extracts Group to prohibit smoking on all company premises in order to provide and maintain a safe and healthy work environment for all employees.

### Drug and Alcohol Policy

The Longleaf Extracts Group strives to maintain a workplace free of drugs and alcohol and to discourage drug and alcohol abuse by its employees. Misuse of alcohol or drugs by employees can impair the ability of employees to perform their duties, as well as adversely affect our customers and customers' confidence in our company.

### Alcohol

Employees are prohibited from using or being under the influence of alcohol while

performing company business for The Longleaf Extracts Group, while operating a motor vehicle in the course of business or for any job-related purpose. Consuming alcohol on Longleaf Extracts Group's premises or a worksite is prohibited.

#### Illegal Drugs

Longleaf Extracts Group employees are prohibited from using or being under the influence of illegal drugs while performing company business or while at a company facility or worksite. You may not use, manufacture, distribute, purchase, transfer or possess an illegal drug while in company facilities, while operating a motor vehicle for any job-related purpose, while on the job, or while performing Longleaf Extracts Group business. This policy does not prohibit the proper use of medication under the direction of a physician; however, misuse of such medications is prohibited, and if a prescribed medication has the potential of impacting your ability to do your job or of compromising your safety and the safety of others, you must report it to management.

#### Corrective Action

Employees who violate this policy may be subject to corrective action or terminated, even for a first offense. Violations include refusal to consent to and comply with testing and search procedures as described.

#### Searches

The Longleaf Extracts Group may conduct searches for illegal drugs or alcohol on company facilities or worksites without prior notice to employees. Such searches may be conducted at any time. Employees are expected to cooperate fully. Searches of employees and their personal property may be conducted when there is reasonable suspicion to believe that the employee has violated this policy or when circumstances or workplace conditions justify such a search. Personal property may include, but is not limited to, purses, boxes, briefcases, as well as any Longleaf Extracts Group property that is provided for employees'

personal use, such as desks, lockers, and files. An employee's consent to a search is required as a condition of employment and the employee's refusal to consent may result in corrective action, including termination.

#### Drug Testing

The Longleaf Extracts Group may require a urinalysis, hair test or other drug or alcohol screening of employees suspected of using or being under the influence of drugs or alcohol or where other circumstances or workplace conditions justify such testing. The refusal to consent to testing may result in corrective action, including termination. Drug testing may be administered pre-employment, post-accident, randomly, or for reasonable suspicion.

#### Legalized Drugs/Medications

The Alabama Medical Marijuana Act, recognizes marijuana, if obtained in certain limited amounts and used for authorized medical purposes, is a legal drug in our state. This testing policy is intended to follow the requirements of the Alabama Medical Marijuana Act. However, even if an employee's use of marijuana may be otherwise permissible under the Alabama Medical Marijuana Act, the possession, smoking or consumption of marijuana on or in Longleaf Extracts Group property or while engaged in Longleaf Extracts Group business is strictly prohibited under this policy. Also, notwithstanding otherwise permissible use of marijuana under the Alabama Medical Marijuana Act, being impaired by marijuana, or any other drug, while on or in The Longleaf Extracts Group's property, equipment, machinery, and vehicles or while engaged in Longleaf Extracts Group business is strictly prohibited.

The term "impairment" or "impaired" means symptoms that a prospective employee or employee may be under the influence of drugs or alcohol that may decrease or lessen the employee's performance of the duties or tasks of the employee's job position, including, but not limited to, symptoms of the employee's speech, walking, standing, physical dexterity, agility, coordination, actions, movement, demeanor, appearance, clothing, odor, irrational,

or unusual behavior, negligence or carelessness in operating equipment, machinery or production or manufacturing processes, disregard for the safety of the employee or others, involvement in an accident that results in serious damage to equipment, machinery or property, disruption of a production or manufacturing process, any injury to the employee or others or other symptoms causing a reasonable suspicion of the use of drugs or alcohol.

Certain “safety sensitive” positions, for both safety and insurance reasons, are deemed inappropriate for employees whose use of marijuana may be otherwise considered legal in our state. The term “Safety Sensitive” means any job designated by the Longleaf Extracts Group as a Safety Sensitive position or any job that includes tasks or duties that The Longleaf Extracts Group in good faith believes could affect the safety or health of the employee performing the task or others. The Longleaf Extracts Group reserves the right to preclude such persons from holding such Safety Sensitive positions. Exercise of that right does not create an obligation on The Longleaf Extracts Group’s part to provide alternative employment.

#### Medicating in the Workplace

State Law prohibits the consumption of marijuana in any form on the property of a nonprofit medical marijuana facility. Medicating on the premises may be grounds for termination, and The Longleaf Extracts Group will be forced to report this violation to the Department of Health Services, potentially resulting in the revocation of the employee's Patient and Agent Registry ID Cards.

#### Workers’ Compensation

The Longleaf Extracts Group provides insurance to compensate for any illness or injury an employee might suffer while working on Longleaf Extracts Group’s premises, traveling on official Longleaf Extracts Group business, or attending an activity officially sponsored by the Longleaf Extracts Group. If you become ill or injured, please get medical attention at once.

You must also report the details to your supervisor immediately. And you must complete a report for every injury, no matter how small, to keep the coverage in force and to get any benefits or other compensation to which you may be entitled.

## **Leaves of Absence**

### **Rehabilitation Leave**

The Longleaf Extracts Group is committed to providing assistance to our employees. Any employee who wishes to voluntarily enter and participate in an alcohol and/or drug rehabilitation program may be granted a reasonable accommodation. This accommodation may include time off without pay and/or an adjusted work schedule provided the accommodation does not impose an undue hardship on The Longleaf Extracts Group. In general, it is your responsibility to notify the Longleaf Extracts Groups Human Resources Manager of the need for accommodation. Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

### **Military Leave**

Pursuant to the Uniformed Services Employment and Reemployment Rights Act (USERRA), the company prohibits discrimination against persons because of their service in the Armed Forces, the Army National Guard and the Air Force National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty, the commissioned corps of the Public Health Service, and any other category of persons designated by the President in time of war or emergency. Employees who are members of the National Guard can take up to 30 days of paid leave in a two-year period when called for training.

### **Jury Duty**

The Longleaf Extracts Group supports employees in fulfilling their civic responsibilities by serving jury duty when required. However, employees will not be compensated for the

time they are required to serve. The Longleaf Extracts Group will allow one day for jury duty. Employees will also be paid in accordance with applicable state laws. You must inform your supervisor as soon as possible after receiving a jury summons so that arrangements can be made to accommodate your absence. And you will be expected to report for work during your jury service whenever the court schedule permits.

#### Time Off From Work In Connection With Court Cases

We recognize that an employee might be subpoenaed or otherwise required to serve as a witness in court cases or arbitrations. Absence as a result of participation in a court case or arbitration will be treated the same as absence for any other reason and employees must comply with The Longleaf Extracts Group's policy regarding attendance. If you are called to serve as a witness, notify your manager as soon as possible. The Longleaf Extracts Group will generally allow for one non- compensated day for court cases.

#### Time Off To Vote

Extended voting booth hours generally makes it unnecessary to miss work in order to vote, but employees who are eligible to vote but do not have sufficient time outside of regular working hours to vote in a statewide election, may request time off to do so; proof is required. Please contact the Human Resources Department at National PEO regarding pay for time missed due to voting.

#### Bereavement Policy

The Bereavement Leave Policy establishes guidelines for providing time off to employees for absences related to the death of immediate family members. This time off is unpaid but employees may use any available vacation for time off as necessary. All full-time, active employees are eligible for benefits under this policy. An employee who wishes to take time off due to the death of an immediate family member should notify his or her supervisor immediately. Bereavement leave will normally be granted unless there are unusual business

needs or staffing requirements.

## **General Employment**

### **Employee Classifications**

Employees at The Longleaf Extracts Group are either exempt or non-exempt. Exempt employees are not entitled to overtime pay, yet generally receive a salary based on knowledge, skills and ability. Non-exempt employees are entitled to overtime pay in accordance with the Fair Labor Standards Act. Your supervisor will verify whether you are a full-time or part-time employee, and also whether you are exempt or non-exempt.

### **Employee Records**

An employee's personnel file consists of the employee's employment application, withholding forms, reference checks, emergency information and any performance appraisals, benefits data or other appropriate employment-related documents. It is the employee's responsibility to notify the Payroll Department or Human Resources of any changes in name, address, telephone number, marital status, number of dependents, military service status, beneficiaries or person to notify in case of an emergency.

## **Communication and Technology**

### **Communication with Press or Media**

Media inquiries in relation to The Longleaf Extracts Group must be handled in accordance with the following guidelines: Inquiries regarding a specific transaction should be referred to the individual or individuals in charge of the matter; if they are not available, then to a Manager or to Executive management. All other inquiries should be referred to your manager, who will respond directly or designate another spokesperson and who will also help draft or direct an appropriate response if necessary. Please do not disclose Longleaf Extracts Group information without authorization. If you are unsure, notify your manager as soon as possible before disclosing anything.

This policy covers all forms of responses to the media, including off-the-record and anonymous statements.

#### Use of Company Communication Systems

Because The Longleaf Extracts Group reserves the right to access any personal communication without prior notice, employees should not use company systems to transmit any messages or to access any information that they would not want a third party to hear or see.

#### **Secure System Access & Accountability**

Every Agent position within the Longleaf Extracts Group will require access to our secure Inventory Control system (Metrc /LeafLink). Access to the secure system requires a unique password ID chosen by the Longleaf Extracts Group Agent at the start of employment and known only to the Longleaf Extracts Group Agent. As a condition of employment, Longleaf Extracts Group Agents acknowledge that they are accountable for any and all activities and tasks completed under their secure login. A Longleaf Extracts Group Agent's password ID constitutes an electronic signature and will accompany all of the Longleaf Extracts Group Agent's activities and tasks per the requirements by AZDHS. It is the sole responsibility of each Agent to keep his or her password ID secure.

#### **Telephone Usage**

The telephone system (including voicemail) at The Longleaf Extracts Group is the property of The Longleaf Extracts Group and is provided for business purposes. The Longleaf Extracts Group may periodically monitor the usage of the telephone systems to ensure compliance with this policy. Therefore, employees should not consider their conversations on The Longleaf Extracts Group's telephone system to be private.

#### **Personal Cellular Phones / Personal Mail / Electronic Mail**



While at work employees are not allowed to use personal cell phones on the work floor. Phones are to be kept in lockers on silent, except during lunch and/or breaks. Phones are never to leave the locker room/break room. If there is an emergency, there are phones throughout the building (to dial out press "9" followed by the number).

### **Acknowledgement of Receipt of Handbook**

I acknowledge that I have received The Longleaf Extracts Group's Employee Handbook and that I have read and understand the policies The Longleaf Extracts Group retains the right to change these policies and benefits, as the business necessitates. Unless expressly proscribed by statute or contract, my employment is "at-will." I understand that I have the right to terminate my employment at any time, with or without cause or notice, and that the Company has the same right. I further understand that my status as an "at-will" employee may not be changed except in writing and signed by the President or Owner of the Company.

I understand that the information I come into contact with during my employment is proprietary to The Longleaf Extracts Group and accordingly, I agree to keep it confidential. I understand that I must comply with all of the provisions of The Longleaf Extracts Group's Employee Handbook to have access to and use The Longleaf Extracts Groups resources. I also understand that if I do not comply with all provisions of The Longleaf Extracts Group's Employee Handbook, my access to The Longleaf Extracts Group's resources may be revoked, and I may be subject to corrective action up to and including discharge.

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Signature

Date

A signed copy of this form is to be placed in the employee's personnel file.

# Exhibit 13 – Production and Manufacturing Process

## Verification

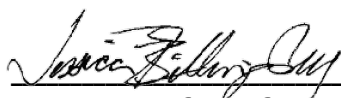
The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

Printed Name of Verifying Individual

Executive Chair

Title of Verifying Individual



Signature of Verifying Individual

12/28/22

Verification Date

**Exhibit 13 – Production and Manufacturing Process.**

**13.1 – Identify which of the approved types of medical cannabis will be produced at each facility where cannabis is to be processed.**

In terms of products, we will originally produce a variety of cannabis products, including tablets, tinctures, pure oil, capsules, gel cubes, and topicals, taking advantage of differing properties of the Sativa and Indica plants. Suppositories, transdermal patch, nebulizers, and inhaler oil will be available for sale in early 2024.

Sativas can have the following therapeutic effects: increased sense of well-being; focus; creativity; reduced depression; elevated mood; relief from headaches/migraines/nausea; and, increased appetite. Indicas tend to produce sedated feelings, and many refer it for nighttime use. Some therapeutic effects include: relaxation/reduces stress; relaxed muscles/spasms; reduced pain/inflammation/headaches/migraines; help with sleep; reduced anxiety; reduced nausea; and stimulated appetite.

Individual strains have differing cannabinoid and terpene content that will produce noticeably different effects. There are more than 100 cannabinoids found in cannabis. Cannabinoids like THC and CBD are usually present in the highest concentrations and are therefore the most recognized and studied. CBD and THC levels tend to vary among different plants and they each have their own unique benefits. Terpenes are the aromatic oils secreted in cannabis resin that impact the effects of the cannabinoids. They have their own set of benefits as well. We plan to highlight terpene ratios on our packaging, allowing consumers and providers to see all percentages and ratios.

To produce a high-quality product and to get maximum yields we will source raw material with great genetics. Many times genetics will determine total yield as certain cultivars tend to produce more yield than others, just as various strains produce different levels of THCA and CBD than others. We will produce products with a variety of THC and CBD strains. All products produced and sold by Applicant will also be compliant with AL Code § 20-2A-63,

including all packaging and marketing restrictions.

**13.2 – Provide a summary of the manufacturing processes and methods to be utilized to produce each product, including the machinery, equipment, materials, and personnel necessary to produce each product.**

Extraction Equipment Use and Sourcing

The Applicant's quality assurance plan will establish policies and procedures for a safe, consistent supply of medical marijuana, and it will include the intended use and sourcing of extraction equipment and associated solvents for the extraction of medical marijuana. The Applicant intends to manufacture medical marijuana products using CO<sub>2</sub> as a solvent to extract critical compounds from raw plant material that originates from licensed cultivation facilities.

The Applicant will use CO<sub>2</sub> extraction methods using food grade CO<sub>2</sub> at a minimum of 99% purity in a professional grade, closed-loop system in which each vessel will be rated to a minimum pressure to accommodate supercritical extraction protocols. AL Code § 20-2A-63. The Applicant will source closed loop extraction equipment (CLEE), vacuum distillers, and winterizing equipment from an Extraction Equipment Provider (EEP).

The supercritical CO<sub>2</sub> process creates phase changes in CO<sub>2</sub> by utilizing temperature and pressure. CO<sub>2</sub> is known as a "tunable solvent," making it extremely versatile for creating a multitude of end products. Changes in temperature and pressure create phase changes, enabling a controlled environment for extracting specific components in the plant material. The design of the CLEE will allow for separation of these compounds during a single extraction. This enables staff to collect light essential oils separately from other desirable constituents and heavier lipids.

The CLEE will have a 10-20lb. dry flower capacity. The CLEE will efficiently strip 70-80% of plant oils from plant material after a given timeframe. The amount of oil that the CLEE yields will depend on how much oil is in the plant material and how long Extraction

Technicians expose the flower to CO<sub>2</sub>. Production yields will be contingent upon each strain's potency profile, though the Applicant will uphold a production standard of 10%. Some strains will prove to produce much greater yields of critical compounds.

The Applicant will source a benchtop vacuum oven complete with dry and wet vacuum pumps, connection kits, and a variety of replacement door gaskets that suit the Applicant's needs. The vacuum oven will be temperature-controlled via a programmable ramp and soak controller. The vacuum oven also will include a fully integrated digital overtemperature protection controller. Staff will read the pressure of the ovens in inches of Mercury via a bourdon tube. The purge hand valve, conveniently located on the front control panel, will enable staff to efficiently monitor dehydration operations. The vacuum ovens will have three adjustable aluminum shelves, so staff may organize oils according to strains and production lots. Water molecules have a pressure level at which they change from a liquid to a vapor. Using vacuum ovens, staff will control the pressure to decrease the temperature at which vaporization occurs. Then, the pumping speed of the vacuum pumps will remove the vapor from the vacuum ovens.

#### Extraction Solvent Use and Sourcing

The Applicant will source CO<sub>2</sub> from a local Gas Provider. CO<sub>2</sub> is relatively easy to acquire, since it is used widely across multiple industries. The Gas Provider will have the capability to provide a continual and reliable supply of industrial gas to the Applicant. The Gas Provider will work with the Applicant to design gas delivery systems optimized for medical marijuana extract production. The company will offer safe and reliable bulk supply systems in a range of sizes and flow capacities, thereby eliminating the risk and cost of interruptions to supply. In addition to CO<sub>2</sub>, the Gas Provider will also supply: detailed process analyses; telemetry; rental of related equipment, including storage vessels, equipment installation, inspection, preventative maintenance, and repair; gas sensor calibration; safety awareness training; and, certificates of analyses (COA).

In addition, the Applicant will use ethanol at a minimum of 99% purity to produce extracts for the use in the manufacture of medical marijuana products. AL Code § 20-2A-63.

The Applicant will source bulk ethanol in drums from an ethanol supplier. Because ethanol is an extremely flammable material, staff will have sufficient training on how to access ethanol and maintain a spark-free environment for its use. Staff will also exercise appropriate storage protocols, including not storing ethanol above 120°F. Staff will store ethanol in a fireproof closet specific for ethanol alone. All staff will execute operations related to extraction equipment and associated solvents with sanitation best practices. Extraction standard operating procedures (SOPs) will outline specific parameters for the use of all chemicals on site, and the process flow of using the chemicals will provide safeguards against misuse. Staff will sanitize all equipment after every use. This technique will ensure equipment runs at its full potential to create maximum yields of therapeutic medical marijuana extracts.

#### Personnel

Applicant will hire initially 2 skilled manufacturing technicians to oversee the extraction and then infusion processes. Over the first 12 months of production, the applicant will scale and continue to hire skilled labor including managerial staff to oversee the operations. 1 manager will be hired for each 8 skilled labor technicians.

#### **13.4 – Identify specific plans to ensure safety of personnel and facilities based on the types of processes proposed to be utilized.**

The Applicant will use a series of proprietary processing techniques, which the Extraction Manager (EM) will document to support staff in providing a steady, uninterrupted supply of medical marijuana products to dispensaries. The EM will teach methods and standards relating to manufacturing medical marijuana products and keep physical copies of educational materials onsite in applicable production areas.

The Applicant will create therapeutic and medically efficacious extracts using third-party testing-laboratory-verified, premium quality medical marijuana. Extraction Technicians (ETs) will use a closed loop supercritical CO<sub>2</sub> extraction machine to strip critical compounds from the raw plant material. CO<sub>2</sub> is a nonflammable and naturally occurring substance. The

machine will have a capacity of 10-20 lbs. of dry plant material, have an approximate run time of 2-6 hrs., and will be able to produce a 15-20% return yield of extract. The multi-vessel unit will feature a cascading mode, which will give ETs the ability to operate the machine continuously. The feature eliminates turn-over time in between runs as the operator does not have to depressurize the vessels to load/unload the extractor and liquid-gas-solid separators. The extraction machine contains CO<sub>2</sub> solvent in one chamber, while another vessel recaptures the solvent during extraction procedures. This technique ensures that the solvent never contacts the environment external to the machine (hence, the term closed loop). The extraction system has three main components: the accumulator, extraction vessel, and separator. First, ETs fill the extraction vessel with dry plant material. Then, ETs will charge the accumulator with liquid CO<sub>2</sub> until it reaches a temperature and pressure sufficient to complete extraction. Once ETs set the correct temperature and pressure, the system can extract the essential oils from the plant material and recapture the CO<sub>2</sub> in between its liquid and gas state, also called its supercritical state. Due to the temperature and pressure of the vessel, the CO<sub>2</sub> simultaneously acts as both a liquid and a gas – the environment allows the solvent to pass through solute plant material like a gas, while it dissolves solid material like a liquid. The solution of medical marijuana and solvent then pass through the extraction vessel to the separator with a lower pressure. Due to the change in pressure, the medical marijuana extract separates from the less dense CO<sub>2</sub>, the latter of which recirculates through the closed loop system while ETs remove the extract and transfer it to the next stage of production. A digital monitor on the machine will provide ETs a readout of the system's operating parameters, data for each run, and a comprehensive report on system performance. Using this data, the EM will gauge the effectiveness of extraction techniques to produce maximum yields and adjust variables if necessary (e.g., temperature of solute, vessel load, time of solvent exposure, etc.).

To calculate doses applicable for infused medical marijuana products, staff will access conversion tables, flowcharts, and SOPs related to each Department-approved product. Using specific amounts of extracted oil, staff will mix food and other ingredients according to recipes and product formulations. To maintain the consistency of finished medical marijuana products, the Applicant will designate staff whose duties include rigorous quality

assurance checks. Staff will use in-house potency, contaminant, and microbial testing equipment and the Applicant will have quality assurance checklists and formulation guidelines to gauge the integrity of every lot of finished medical marijuana products.

Staff will maintain the purity of products by limiting exposure to possible contaminating environments during transfer – ETs will move products in and out of storage, and between different segments of operation using aseptic technique. Staff will also use sanitation best practices to prevent pests from entering the facility or accumulating on work surfaces. Staff will always wear applicable personal protective equipment (PPE) during operations and they will keep all contaminated utensils separate from clean ones. ETs will sanitize the closed loop CO<sub>2</sub> extraction machine after each use. This practice, although time consuming, maximizes the longevity of processing equipment and enhances production yields. Other sanitation best practices that staff will regularly engage in are keeping personal items compartmentalized outside of operations areas, washing hands after each entry into the facility, and washing hands before donning PPE. The facility will feature handwashing sinks, sinks specific for extraction/post-extraction refinement equipment, and separate sinks for equipment related to food (edible and liquid product) preparation.

*Research Proposal: The Use of Cannabis Preparations in Treatment of Childhood Epilepsy*

Background and Aims

Epilepsy and related seizure disorders are among the most disruptive medical problems a person can suffer. People suffering from these disorders have severely diminished quality of life. While approximately 70% of patients are able to control their symptoms with medication or surgery<sup>1</sup>, that still leaves 30% unable to control their symptoms. Good, but scant scientific evidence exists indicating that phytocannabinoids are able to relieve symptoms of epilepsy and intractable seizure disorders such as the widely publicized Dravet Syndrome, which strikes children at an early age.<sup>2,3</sup> Initial studies suggest that the phytocannabinoid, cannabidiol (CBD) may be the compound in marijuana that is useful in stopping seizure,<sup>4,5</sup> as do the preponderance of anecdotal reports. Yet, no therapeutic dose has been elucidated.<sup>5</sup> This is particularly unfortunate since Dravet affects children, turning



their childhoods into a living hell of dozens and even hundreds of seizures per day. Moreover, the suspected active component that reduces seizure, CBD, is non-psychoactive, so children could benefit from its use without parental concern over psychoactive effects.

#### Proposed Study

The University of Alabama's Medical Center's Neurological Institute treats epilepsy patients. Of those, many with intractable seizure will begin using medical marijuana products when Alabama's medical marijuana cannabis program begins offering them. The University of Alabama's Neurological Institute is ideally positioned to gain valuable information from the applicants' referral of patients buying medical marijuana products under epilepsy/seizure-qualifying doctor recommendations. Applicant proposes approaching the University's Neurological Institute with this offer to help enroll patients in the study, and to design the product(s) the institute wishes to study.

The applicant would offer to design the products according to specifications the institute wishes to study, then, coordinating with its dispensary customers, offer them for sale at a discount to patients wishing to enroll in the study. Patients wishing to enroll in the observational study would be put in touch with the University of Alabama's Neurological Institute. The University of Alabama would have to do nothing other than ask for enlisted patients to fill out a survey from time to time. This avoids legal issues for the University, as the study is observational; it benefits patients financially and materially by providing them with low-cost products that may provide relief; and by adding to the corpus of scientific knowledge on this topic.

The Director of Quality Assurance will assure the Applicant follows all food processing manufacturing practices, standards of identity, and labeling requirements in *OAC §901:3-1*. Staff will conduct all operations in the receiving, inspecting, transporting, segregating, preparing, manufacturing, packaging, and storing of food in accordance with the facility's sanitation standard operating procedures (SOPs) that conform to the state's food safety standards. *OAC §901:3-1-07(A)*. To enforce these standards, the Director of Quality Assurance will enforce a hazard analyses and critical control point (HACCP) plan to

categorize manufacturing protocols in different operational areas. The staff who create the HACCP plan will have training related to *OAC §901:3-23-08*. The contents of the HACCP plan will include: a list of segments of production where hazards may occur, also known as critical control points (CCPs). Examples include: receiving, cold storage, thawing, preparation, cooking, cooling, reheating, and transportation. For each CCP, the Applicant will identify critical limits, or the value at which a physical, chemical, or biological parameter must be controlled to minimize the risk that a potential food safety hazard may occur. Each CCP will have specific corrective actions when limits are exceeded, verification procedures that will ensure proper monitoring, written procedures for staff training in HACCP plan procedures, and a list of food service equipment that staff use at each CCP.

Staff will have most control over limiting contamination by keeping themselves clean and always maintaining tidy workplaces. Staff will maintain personal hygiene and wear applicable personal protective equipment (PPE) (e.g., hairnets, beard nets, nitrile gloves, shoe coverings, and lab coats). *OAC §901:3-1-02(B)(6)*. Staff will have detailed SOPs that indicate proper sanitation protocols with the intention of limiting contamination of medical marijuana products and staff will handle work-in-process in a manner that protects against contamination. *OAC §901:3-1-02(B)(6)*. These manufacturing steps include washing, trimming, cutting, sorting, inspecting, dewatering, cooling, extruding, drying, whipping, defatting, and forming.

The Applicant will have a facility that is suitable in size, construction, and design to facilitate maintenance and sanitary operations for food manufacturing purposes. *OAC §901:3-1-03(B)*. The facility will have a design that allows staff to adequately clean walls, floors, and ceilings; and, that has sufficient space for such placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations and the production of safe medical marijuana infusions. *OAC §901:3-1-03(B)(1)*. Manufacturing will occur in an area exclusive to that activity. All areas that staff manufacture food intended for human consumption in will be segregated from manufacturing areas for inedible products. *OAC §901:3-1-09(Q)*. The Facilities Manager will keep the grounds of the facility in a manner that prevents contamination. These procedures will include properly storing equipment,

removing litter, and cutting weeds or grass within the immediate vicinity of the building that may constitute an attractant or breeding place for pests. Additionally, the Facilities Manager will enforce waste treatment and disposal standards that emphasize storing waste in a way that does not constitute a source of contamination in areas where food is exposed. *OAC §901:3-1-03(A)*. The Facilities manager will dispose of food, raw materials, and other ingredients that are substandard or compromised in a manner that protects against the contamination of other food. *OAC §901:3-1-09(I)*. Also related to waste disposal, staff will ensure they maintain refuse receptacles within operational areas in a way that protects against contamination. This will include using trash bins and other waste receptacles that minimize the development of odor, minimize the potential for the waste becoming an attractant for pests, and protect against contaminating food. *OAC §901:3-1-05(F)*. The Applicant will facilitate this standard by employing step-activated closed trash bins which staff will take out at least once daily. The facility will also have sinks exclusive for handwashing. Handwashing sinks will be convenient and furnished with: running water at a suitable temperature, a supply of hand-cleaning detergent, and disposable towels. The Facilities Manager will post signage directing staff handling unprotected food, unprotected food-packaging materials, food contact-surfaces to wash and where appropriate, sanitize their hands before they start work, after each absence from post of duty, and when their hands may have become soiled or contaminated. *OAC §901:3-1-05(H)*.

The Applicant will only use cleaning compounds and sanitizing agents that are either: required to maintain clean and sanitary conditions; necessary for the use in laboratory testing procedures; necessary for facility and equipment maintenance and operation; and/or, necessary for the facility's operation. *OAC §901:3-1-04(B)*. Using safe chemicals for sanitation, staff will clean all food-contact surfaces, including utensils and food-contact surfaces of equipment as frequently as necessary to protect against contamination. Staff will store and use equipment for low-moisture foods in a dry, sanitary condition. If surfaces require wet-cleaning, staff will sanitize and thoroughly dry them before subsequent use. Staff will also provide effective cleaning and sanitizing treatment where equipment and utensils are used in a continuous production operation and in wet-product manufacturing areas. *OAC §901:3-1-04(D)*.

All facility equipment, including utensils in manufacturing areas, will have a design of such material and workmanship as to be easily cleanable. *OAC §901:3-1-06(A)*. The Applicant will equip manufacturing areas with instruments and controls used for: measuring, regulating, and/or recording temperatures, pH, acidity, water activity, or other conditions that prevent or control the growth of undesirable microorganisms in food. *OAC §901:3-1-06(H)*. The facility may employ gravimetric, pneumatic, closed, and automated manufacturing systems, and staff will regularly clean such equipment to keep appropriate sanitary conditions. *OAC §901:3-1-06(F)*.

Staff responsible for handling or storing food will inspect and segregate raw materials and other ingredients as necessary to ascertain that they are clean and suitable for processing into food and will store them in conditions that will protect against contamination and deterioration. *OAC §901:3-1-08(A)*. Inspection procedures will include staff keeping applicable defect action levels for unavoidable or natural defects. To standardize this procedure, the Applicant will prefer to purchase materials under a supplier's guarantee or certification, and staff will examine all materials for contamination before usage. *OAC §901:3-1-08(E)*.

In addition to state mandated food safety standards, the Applicant will comply with the generally recognized federal standards of identity specified in *21 C.F.R. Parts 100 through 169 (2017)*. *OAC §901:3-1-12*. Other federal guidelines that the Applicant will comply with, regarding the use and identity of color additives, include *21 C.F.R. Part 73,74,81, and 82 (2016)*. *OAC §901:3-1-13*.

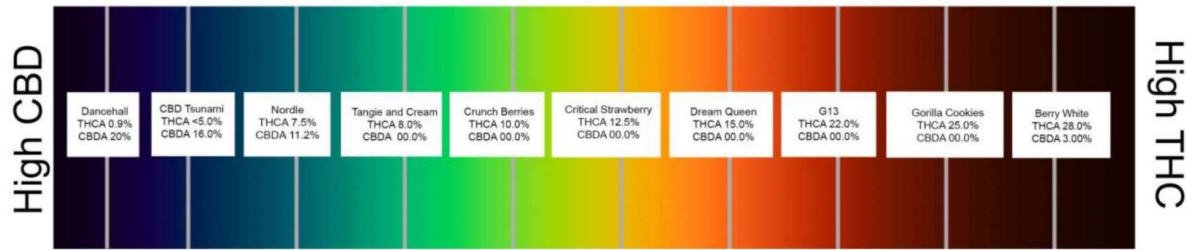
**13.5 – Provide a detailed list of formulae and ingredients for each medical cannabis product, including a list of all excipients to be utilized in the manufacture of each product, and the purpose served by each.**

Part of the Applicant's quality assurance plan will contain the facility's intended use and sourcing of all non-marijuana ingredients utilized in the manufacture of medical marijuana products, including methods to verify or ensure the safety and integrity of those ingredients,

as well as their potential to be allergens or to contain allergens as a result of their specific manufacturing. AL Code § 20-2A-63. As a best practice, the Applicant will prefer to source all non-marijuana ingredients, such as food, cosmetic compounds, waxes, and inert materials from local and/or organic vendors. Some products that the Applicant will manufacture will contain essential oils. Essential oils are concentrated essences of their namesake, so staff will alert users of their contents for allergy concerns.

The Applicant will prefer vendors of essential oils that derive their source from natural sources. Some people may have heightened sensitivities to essential oils. Common ingredients in the Applicant's proposed products include lavender, peppermint, and eucalyptus essential oils. Eucalyptus oil contains phenol, which has shown to irritate the respiratory tract if inhaled. The Applicant will also use citrus, peppermint, and cedar oils in topical blends, which, in high concentrations, may cause burns or rashes. To prevent these adverse events, staff will dilute and completely emulsify minimal amounts of oils into solutions for manufacturing medical marijuana products. Because essential oils are so potent, only a few drops are required to flavor or enhance an entire production batch – most adverse reactions related to essential oils are related to directly applying or digesting undiluted oils. Though adverse reactions are rare, exposure to essential oils may produce unintended effects for some users, such as hives, difficulty breathing, swelling of the face, lips, tongue, or throat. Package labels on products will clearly identify the presence of every non-marijuana ingredient and all packages will accompany information related to the safe administration of the products contained therein.

Products will be produced in three categories as THC, CBD or THC/CBD blends (1:1). To produce a high-quality product and to get maximum yields we will source great genetics. Many times genetics will determine total yield as certain cultivars tend to produce more yield than others, just as various strains produce different levels of THCA and CBD than others. We will produce products with a variety of THC and CBD strains. Below is a potential list of the first ten strains we will use in product manufacturing and where they fall on the spectrum from high CBD content to high THC content:



### Orally Ingested Products

The Applicant will manufacture oral ingestibles. Oral ingestibles may contain a combination of pure cane sugar, soy lecithin, vanilla beans, medical marijuana extract, and natural flavors. The Applicant will advise users via the label with a warning if the product contains cocoa, milk, and may contain traces of nuts.

Gel cubes will contain pure cane sugar (or artificial sweetener), water, medical marijuana extract, and essential oils. Because many doctors recommend a ketogenic diet (a high-fat, low-carbohydrate diet) for patients suffering from seizures, the Applicant will accommodate qualifying patients with sugar-free varieties of gel cubes, using artificial sweetener instead of sugar. Artificial sweeteners do not cause blood sugar or insulin spikes, and the sugar-free variety may be more suitable for qualifying patients whom also have symptoms associated with diabetes or hypertension.

Capsules and tablets will contain: medical marijuana extract; fractionated coconut oil (MCT oil); and essential oils. The Applicant will seek a local source of organic, food grade MCT oil, which is a saturated fat containing beneficial compounds such as lauric acid, and monolaurin. MCT oil acts as a slower burning fuel source than other oils, so when staff add medical marijuana extract and excipient, the MCT oil will enhance the bioavailability of the cannabinoids. People allergic to coconuts may not be able to ingest MCT oil.

Tinctures will contain the following ingredients: MCT oil, medical marijuana extract, and natural flavors. To mitigate the opportunity for adverse reactions to ingredients within the Applicant's manufactured medical marijuana products, staff will use MCT oil and/or

unrefined coconut oil as a base for sublingual, edible, and topical administrations.

#### Topically Administered Products

We will infuse doses of distillate into a mixture of organic and sustainable ingredients to create highly effective topical lotions, creams, and ointments. These products will contain: coconut oil, beeswax, cocoa butter, medical marijuana extract, vitamin E oil, and various essential oils. Creams will contain more water content than lotions, and ointments will have the least amount of water. At the same rate, lotions will absorb quickest into the skin for fast-acting therapy, while ointments will have the intention of long-lasting localized relief. Additive ingredients to topical products will be common among commercially available skincare products, and as a general warning, the Applicant will advise patients that have sensitivities to skin-care products to consult a physician before applying them.

We will also manufacture transdermal patches for topical administration. Transdermal patches will contain a transdermal compound that allows medical marijuana to break the blood brain barrier, and medical marijuana extract. Transdermal compounds have documented clinical success when topically administered with several analgesics, neuropathy drugs, muscle relaxants, antiemetics, and anesthetics. Patient testimonials and the demonstrated success of transdermal patches in other jurisdictions indicate the compound's significant therapeutic value. Transdermal patches will contain four parts: the patch, adhesive, medical marijuana extract, and a cover layer. People with enhanced skin sensitivity may experience adverse reactions associated with the adhesive, including itching and rashes.

#### Suppository Administered Products

Suppository products will contain: medical marijuana extract and fractionated coconut oil (MCT oil). Suppositories will be made by combining cannabis-infused oils in a MCT carrier oil that hardens at low temperatures. Suppository molds will be made of silicone, or plastic.

Rectal and vaginal suppositories have both been used to deliver medicine to patients for decades. The pelvic region houses a matrix of nerves that travel to the legs and up the spine, and the colon contains cannabinoid receptors (CB<sub>1</sub> and CB<sub>2</sub>), which mediate many of THC's effects. Once inside, the medication melts or dissolves and is absorbed by the body.

#### RECTAL SUPPOSITORIES

Rectal administration of cannabis oil may activate the cannabinoid receptors located there. Men and women have reported using rectal suppositories to treat anal fissures, hemorrhoid inflammation, digestive issues, Crohn's and IBS, sciatica, restless leg syndrome, lower back pain, prostate issues, and post-operative pain. Rectal suppositories may also be used for lubrication to mitigate pain during anal intercourse.

#### VAGINAL SUPPOSITORIES

Vaginal suppositories have been used to ease menstrual cramps, abdominal pain, endometriosis, pelvic discomfort, post-coital pain or inflammation, vaginal dryness and pain with intercourse, as well as for relaxation and sexual enhancement.

#### **Nebulizer Administered Products**

The nebulizer sends a mist of aerosolized cannabis into the user's mouth, providing a way to inhale the substance without irritating the throat and lung tissue. Jet nebulizers, which send compressed air through a specially formulated cannabis water emulsion, turns it into micro particles that can be inhaled into the lungs.

Our nebulizer cannabis extract is added to a water base solution containing surfactants, co-surfactants and/or emulsifiers. This will offer delivery of a smoke free and oil free, water based medical grade experience. The solution is then put through a simple sonicator or ultrasonic homogenizer. This fast and precise delivery medical grade offers an extremely gentle delivery with no cannabis taste, odor, or flavor.



### **Inhaler Oil Administered Products**

We offer two different essential oil inhalers which harness the benefits of terpenes from cannabis essential oil, and other organic oils. Our essential oils are infused into Himalayan sea salt. The sea salt helps to cleanse the respiratory system and provides extra grounding benefits upon inhalation.

Our relax inhaler includes cannabis, cedarwood, frankincense, lavender, and orange essential oils, meant to bring a sense of grounding.

The enhance inhaler includes cannabis, eucalyptus, lavender, peppermint, and ylang ylang essential oils which facilitates a fresh and uplifting state of mind. All will be made with organically grown Broad-Spectrum cannabis oil. Our inhalers are made of aluminum, and inside there is a protected inner section that contains pure organic essential oils.

The inhaler device devices, made of plastic, will have a mouthpiece and pump that releases water-soluble cannabis oil directly to the lungs when inhaled. Each pump of an inhaler releases a pre-measured dose of directly to the lungs.

Cannabis as a bronchodilator, unlike tobacco smoke, causes the airways to loosen, meaning cannabis for asthma can be beneficial. Furthermore, cannabis use affects our CB1 receptors of the nervous system, not only loosening muscle groups but reducing pain

# Exhibit 14 – Machinery and Equipment

## Verification

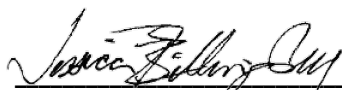
The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

Printed Name of Verifying Individual

Executive Chair

Title of Verifying Individual



Signature of Verifying Individual

12/28/22

Verification Date

*14.1 – Sales contracts and receipts, lease agreements or other documentation demonstrating possessory interest in all machinery and equipment to be used in the processing of medical cannabis.*

*14.2 – Specifications and operations manuals of all machinery and equipment to be used in the processing of medical cannabis.*

Applicant has received a letter of intent from Eden Labs, a 25 year veteran in the cannabis processing and manufacturing space to both provide appropriate equipment through sale or lease and to provide product formulation consulting.

## **FUNDAMENTAL SYSTEM INFORMATION**

### **Supercritical Co2**

A “tunable” technology for the production of the widest range of end products at the highest levels of purity. By altering time, temperature and pressure, Supercritical co2 extraction with an Eden Labs system can separately capture terpenes (essential oils) or be tuned to extract primary constituents from botanicals.

#### **FX2 5000 PSI Supercritical co2**

- Capacity 10lbs per run.
- Run Time 1.5 to 7 hours (depending on desired end product). Typical run time is 6 hrs.
- Turn over time between runs 30 min.
- Depending on material, yield 10 to 30% raw oil
- Can produce pure terpenes. High value resale or use product
- One person operation by mechanically inclined personnel. No higher Ed. degree required.
- Cleaning Co2 works as an antibacterial. Clean by running the system empty and a spike of ethanol.
- Training 4 days
- Maintenance plans available
- GMP available
- Facility layout consulting available
- Product Development consulting available.

Additionally, Applicant has sourced the following machinery and equipment which shall be purchased and installed prior to facility completion:

<b>EXTRACTION FACILITY</b>
----------------------------

Electrical Installation and Distribution
Backup Emergency Generator
Facility Sprinkler System (per sqft)
Makeup Air Units and additional HVAC
Facility Building 4000 SQFT
<b>Facility Upgrades</b>
Luna Technologies I/O System Skid
CVO-5 Double up with MAXTRAP50
EXP2 Modular Enclosure
Air Compressor
Replacement Parts and Fittings
<b>Hydrocarbon Extraction Equipment</b>
FX2 5000 PSI Supercritical co2
Hei-VAP Precision Rotary Evaporator
MR Hei-Tec Hot Plate Stirrer
KDT-6 Thin Film Distillation Skid
Welch 2522B-01
Heidolph Overhead Mixer
SoLow -86°C Freezer
<b>Distillation Equipment</b>
Allegra x-15R Centrifuge
Hemco 45523 Explosion Proof Fume Hood
Fire Cabinets and additional Fixtures and Tables
Laboratory Glassware
Personal Protective Equipment
12' x 12' -20C Walkin Freezer
Precision Laboratory Scale
Ultrasonic Cleaner
Tuttnauer AutoClave Sterilizer
Computers and supporting equipment

Industrial Shelving
Tables, Fixtures,Cabinetry- Packaging Area
Backup, repair, and maintenance supplies
Solvents and Chemicals
<b>General Production Equipment</b>
Scales
Tables, Fixtures, and Cabinetry
Cartridge Auto Filling Equipment
PAX Filling Equipment, Laser Engraver, and Supplies
<b>Product Packaging</b>
Sonomechnics IS-3000
Support Package
Nanostabilier fluid
Soft Gel Filling Machine
Support Equipment
Training Costs
20'x16' ISO 7 Clean Room

Subject: Commitment to Provide Commercial Extraction Equipment for Longleaf Extracts LLC.

To Whom It May Concern,

This letter is to formally confirm to the Alabama Medical Cannabis Commission that Eden Labs (Eden) is committed to providing applicable commercial manufacturing equipment and product formulation consulting to Longleaf Extracts LLC in order to meet the unique needs of the proposed Processing Facility and to satisfy the requirements set forth by the Alabama Administrative Code § 20-2A-53 via SB46 and the rules and regulations promulgated thereunder with regards to commercial processing equipment for cannabis businesses.

Eden is a leading provider of manufacturing equipment to licensed global processors for botanical extraction. Since 1996, Eden has led the cannabis and hemp processing industry by developing facility regulations, products for operational safety, products for consumer safety, regulatory guidelines, processing equipment, processing SOPs and product development for hundreds of companies. Eden's leadership are expert witnesses in the field, globally sought out speakers and have served on various trade organization and private enterprise boards.

Regards,

*AC Braddock*

AC Braddock, CEO



3815 S. Othello St. #Box 339 Suite 100,  
Seattle, WA 98118 [www.edenlabs.com](http://www.edenlabs.com)  
206.735.0088

# Exhibit 15 – Receiving and Shipping Plan

## Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

Printed Name of Verifying Individual

Executive Chair

Title of Verifying Individual



Signature of Verifying Individual

12/28/22

Verification Date

*15.1 – Individual batches of cannabis being received for storage and/or processing were appropriately prepared, tagged or otherwise identified, and inserted in containers at the time of receipt.*

The Lead Extraction Technician (LET) will weigh/verify and document every unit received and the corresponding unique identifier numbers on a purchase orders log. The Seed-to-Sale Tracking System (SSTS) will identify feedstock inventories with the original cultivator-assigned four-character strain code and a six-digit date code, based on plans to either keep them separate in inventory for strain-specific products, or combine similar strains for use as feedstock in products that don't require strain differentiation. The LET may combine weights of marijuana of the same strain for storage purposes and document that weight in the SSTS. In the SSTS, the LET will subtract shrinkage (waste, moisture loss, spillage) as needed from time to time and verify it against industry standards for expected shrinkage, according to AL Code § 20-2A-63. All material will be inserted into containers at the time of receipt.

*15.2 – Batches and containers arriving from another licensee's facility or another of the Applicant's own facilities have been QR coded or otherwise digitally coded to identify, at a minimum, the Cultivator, facility, plant tag or harvest batch number, date of harvest, expiration date (or, if no expiration date, a notation that the expiration date does not 28 apply), the date of the cultivator's State Laboratory testing approval, and the Alabama Poison Control contact information as provided on the AMCC website.*

The applicant will use digital and physical inventory control methods to comply with AL Code § 20-2A-63. The applicant will use the Inventory Tracking System (SSTS) approved by the Department, and any business management platforms (BMPs) that the applicant uses will comply and integrate with the state's SSTS. The Chief Compliance Officer will train employees to use this system in compliance with AL Code § 20-2A-63. The applicant will use this system to trace the receipt, movement, sale, transfer, recall, and destruction of medical marijuana into, though and out of the facility to SSTS next disposition. Applicant will use the SSTS to identify all received material is correctly labeled and matches the system, including the Cultivator, facility, plant tag or harvest batch number, date of harvest, expiration date (or, if no expiration date, a notation that the expiration date does not 28



apply), the date of the cultivator's State Laboratory testing approval, and the Alabama Poison Control contact information as provided on the AMCC website.

*15.3 – Incoming cannabis is accompanied by the Secure Transporter's manifest and other appropriate documentation; the information thereon is accurate and has been duly executed by all appropriate parties.*

The applicant will also use the SSTS to track each package and identify the contents of each package. The SSTS will record sales, vendor information, purchase orders, transport manifests, and every QR tag of every package in each transfer. The LET, Chief Compliance Officer, and rest of management will strive to uphold full traceability and thus cut the risk of unlawful diversion. The SSTS will time-and-date-stamp all inventory adjustments and monitor user access. The LET will verify each received product's transport manifests accompanies all transfers of medical marijuana and matches both the physical material and SSTS entry.

*15.4 – All information from the QR code relating to the incoming cannabis, as well as the date and time of arrival, has been logged into the Statewide-Seed-to-Sale Tracking System.*

After verification of transport manifest and physical material against the SSTS, Applicant will enter the material as received in the SSTS.

*15.5 – Individual batches of medical cannabis products being shipped from the Applicant's facility to a Dispensary or Cultivator by means of a Secure Transporter must be appropriately packaged, labeled, and inserted in containers prior to transport.*

#### *Chain of Custody and **Shipping**/Transportation Tracking*

The LET, Chief Compliance Officer, and rest of management will strive to uphold full traceability and thus cut the risk of unlawful diversion. The SSTS will time-and-date-stamp all inventory adjustments and monitor user access. Transport manifests will accompany all transfers of medical marijuana. Transfer manifests will have data that satisfies the conditions in AL Code § 20-2A-63. The LET will create two copies of every manifest to accompany packages in transport. Before shipping, the LET will verify digital and physical inventories are exact, insert in appropriate containers, and assign a delivery route for the delivery, and

verify the credentials of transportation team members. The LET will ensure the accuracy of this data on the transport manifest. After a representative of the receiving entity signs the manifest, the driver of the transportation vehicle will keep one copy for the Applicant's records.

*15.6 – Batches and containers being shipped from the Applicant's facility to another licensee's facility or another of the Applicant's own facilities must be QR coded or otherwise digitally coded to identify, at a minimum, the Processor, facility, type of product, date of processing and packaging, expiration date (or, if no expiration date, a notation that the expiration date does not apply), the date of the Processor's State Laboratory testing approval, and the Alabama Poison Control contact information as provided on the AMCC website.*

The applicant will use digital and physical inventory control methods to comply with AL Code § 20-2A-63. The applicant will use the Inventory Tracking System (SSTS) approved by the Department, and any business management platforms (BMPs) that the applicant uses will comply and integrate with the state's SSTS. The Chief Compliance Officer will train employees to use this system in compliance with AL Code § 20-2A-63. The applicant will use this system to trace the receipt, movement, sale, transfer, recall, and destruction of medical marijuana into, through and out of the facility to SSTS next disposition. Applicant will use the SSTS to identify all shipped material is correctly labeled and matches the system, including the Processor, facility, type of product, date of processing and packaging, expiration date (or, if no expiration date, a notation that the expiration date does not apply), the date of the Processor's State Laboratory testing approval, and the Alabama Poison Control contact information as provided on the AMCC website.

*15.7 – Outgoing medical cannabis is accompanied by the Secure Transporter's manifest and other appropriate documentation; the information thereon is accurate and has been duly executed by all appropriate parties.*

Transport manifests will accompany all transfers of medical marijuana. Transfer manifests will have data that satisfies the conditions in AL Code § 20-2A-63. The LET will create two

copies of every manifest to accompany packages in transport. Before shipping, the LET will verify digital and physical inventories are exact, assign a delivery route for the delivery, and verify the credentials of transportation team members. The LET will ensure the accuracy of this data on the transport manifest. After a representative of the receiving entity signs the manifest, the driver of the transportation vehicle will keep one copy for the Applicant's records.

*15.8 – All information from the QR code relating to the outgoing medical cannabis, as well as the date and time of shipment, has been logged into the Statewide-Seed-to-Sale Tracking System.*

After verification of transport manifest and products, Applicant will create the entry in the SSTS to transport the material and generate the transport manifest.

#### **Additional inventory and supply chain of custody information**

##### *Overview*

The applicant will use digital and physical inventory control methods to comply with AL Code § 20-2A-63. The applicant will use the Inventory Tracking System (SSTS) approved by the Department, and any business management platforms (BMPs) that the applicant uses will comply and integrate with the state's SSTs. The Chief Compliance Officer will train employees to use this system in compliance with AL Code § 20-2A-63. The applicant will use this system to trace the receipt, movement, sale, transfer, recall, and destruction of medical marijuana into, through and out of the facility to SSTs next disposition. Inventory SOPs will include instructions for the recall of medical marijuana and SSTs destruction, in compliance with AL Code § 20-2A-63. In addition to monitoring the location of all medical marijuana within the facility, the applicant will track and submit into the SSTs any information the Department determines necessary. The Lead Extraction Technician (LET), in conjunction with the Chief Compliance Officer, will conduct an initial comprehensive inventory for all medical marijuana at the facility. If the applicant commences business with no medical marijuana on hand, the LET will record this fact as the initial inventory. Managers will then establish ongoing inventory controls and procedures for the conduct of inventory reviews

and comprehensive inventories of medical marijuana and medical marijuana products for traceability in the Department's SSTS, which will enable the Chief Compliance officer to detect any diversion, theft, or loss in a timely manner.

*Inventory Tracking System (SSTS)*

The applicant will use an industry-specific "seed-to-sale" SSTS to manage inventory. The SSTS will follow every gram of marijuana's passage throughout the facility from initial purchase order and receiving of feedstock, to shipping of end product. The system will track every gram of raw material medical marijuana, extract, end product, packaging material, waste (and loss) that the facility produces. The SSTS will allow the applicant to monitor changes in inventory levels, product movement, and sales, in real time.

The Chief Compliance Officer will train all employees to use the SSTS before the commencement of company operations and with every new hire. The Chief Compliance Officer will train staff on all SOPs necessary to their position and for the conduct of inventory procedures. The SSTS will allow the CCO to control staff access and editing abilities appropriate to employee's role within the proposed company. Employees will be trained according to SOP to enter accurate data with every activity, thereby ensuring that the SSTS accurately reflects inventory. The Chief Executive Officer will analyze SSTS information, such as purchase data, yields, and inventory trends to ensure production goals are met in compliance with AL Code § 20-2A-63. The LET will use the SSTS to create electronic transport manifests for each transfer or sale. Files within the SSTS will be accessible to: The Director of Extracts and Formulations, Chief Compliance Officer, LET, Chief Operations Officer, and Chief Executive Officer. The Chief Compliance Officer will audit the SSTS to ensure digital inventory matches physical inventory, and that inventory results are maintained on premises and available to the Department at all times, in compliance with AL Code § 20-2A-63. Inventory SOPs and associated logs will also detail audit procedures and schedules within the facility, and be kept on-site and available for Department inspection in compliance with AL Code § 20-2A-63.

The Chief Compliance Officer will also randomly submit samples of purchased product for quality assurance testing. This technique will ensure that cultivator-ordered test results are

as-represented. To prepare a sample for laboratory testing, the LET will create a new package ID in the SSTS and tag the sample with it. The LET will assign a weight to the new QR tag (package) and subtract that weight from the received batch. Processing can proceed while testing is conducted because the test is only to verify an earlier cultivator's test and can be presumed to be returned affirming the first test. Upon certification from a testing laboratory, the LET will repeat the SSTS process for every package of medical marijuana bound for other processors and dispensaries. The LET will "finish" batches in the SSTS when no raw material of that batch remains in the facility. The LET will document standards for moisture loss and the Chief Compliance Officer will monitor those thresholds to detect diversion. The LET will label test-certified product as "PASSED" or "FAILED" in the SSTS and log test results. In the case of the latter, a Level 1 Key Employee will oversee the reprocessing, or destruction and disposal of the failed product.

#### *Extraction and Manufacturing Inventory Labelling*

Every time an extraction process is completed, a label will be attached to the resulting extract container, and the SSTS will be updated with: the operating employees' name(s) and number(s), processor entity's name and license number, batch numbers of plant material used in the extraction process, the registered strain names of the plant material used in the extraction process, date of extraction, weight and volume of the resulting extract, and the new batch number for the resulting extract.

Every time a manufacturing process is completed, a label will be attached to the resulting products, and the SSTS will be updated with: the operating employees' name(s) and number(s), processor entity's name and license, the registered product name, batch numbers of the extract used in the process, date of manufacture, weight, volume and unit count of the resulting products, and the SKU for the resulting products.

#### *Inventory Auditing*

Regular inventory audits will help the Chief Compliance Officer correct errors and keep the accuracy of records. The Chief Compliance Officer will design SOPs for all extraction and manufacturing activities, in part, to support the accuracy of the SSTS. The Chief Compliance

Officer will also generate protocols for weekly inventory reports and yearly physical audits of medical marijuana in compliance with AL Code § 20-2A-63. Inventory audits will include identifiers for each extraction process completed including: processor's name and number, batch numbers of plant material used in the extraction process, the registered strain names of the plant material used in the extraction process, date of extraction, weight and volume of the resulting extract, and the new batch number for the resulting extract. The Chief Compliance Officer will create written and electronic records of inventory reports and audits. To comply with AL Code § 20-2A-63, records will include the date of inspection, amount of medical marijuana and medical marijuana products on hand, amount of medical marijuana and medical marijuana products sold since the previous audit, disposal records, applicable discrepancies, and inspecting-employee information. The applicant will maintain these records for five years and the Chief Compliance Officer will make them available to law enforcement and Department officials.

Weekly inventories of medical marijuana, medical marijuana extract, and medical marijuana products at the facility will detail the amount of medical marijuana on hand, which will include: the date of the inventory, the amount of medical marijuana on hand (including the net weight of plant material, the net weight and volume of medical marijuana extract, the net weight and unit count of medical marijuana products, the results from a testing laboratory indicating the amounts of Δ-9-THC and cannabidiol, the registered strain or product names and batch or lot numbers of plant material), and the amount of medical marijuana and medical marijuana products sold since previous weekly inventory (which includes: the date of sale, license number and name of the dispensary to which the medical marijuana and/or products were sold, and the batch number, registered product name, and quantity sold). The weekly inventory will include the date, quantity, and method of disposal, if applicable; a summary of the inventory findings; the date of the inventory; and the name, signature, and title of the employees who conducted and oversaw the inventory.

On an annual basis and as a condition for renewing the facility's license, the Chief Compliance Officer, who will be a Type 1 Key Employee, will conduct a physical, manual inventory of the medical marijuana on hand at the facility and compare the findings to an annual inventory

report using the SSTS. If the Chief Compliance Officer discovers a discrepancy outside of what is typical (for example, with feedstock, due to moisture loss and handling), the employee conducting the audit will report findings to the Department in accordance with AL Code § 20-2A-63.

The Chief Compliance Officer, LET, or other manager may discover inventory discrepancies. Such instances will be cause to initiate an investigation. The LET will define acceptable losses for all aspects of processing, including: feedstock shrinkage, waste, processing machine loss, moisture loss, and scale variance during packaging. If management cannot resolve an inventory discrepancy, the Chief Compliance Officer will report it to the Department. To find 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 LET will analyze and adjust packages in the SSTS based on weekly inventory audits and annual physical inventory reviews. The Chief Compliance Officer will create and keep records of all inventories in compliance with AL Code § 20-2A-63. The Chief Compliance Officer will also audit all deliveries, exchanges, manifests and other information about the sale of medical marijuana and medical marijuana products to other medical marijuana organizations weekly. The Chief Compliance Officer will conduct waste audits to ensure disposal procedures prevent and deter diversion.

#### *Inventory Records*

Securing company inventory records and data is critical to successful business operations and compliance. The applicant will ensure that a back-up system is in place to retain all inventory data to ensure against loss due to primary storage failure. The applicant will employ the financial industry standard of 256-bit encryption to prevent against catastrophic data loss due to hacking. The Chief Compliance Officer 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 SSTS will store digital records to which the

Chief Compliance Officer will export to a secure cloud-based business management platform (BMP).

*Conclusion*

The Chief Compliance Officer and Department Managers will maintain all inventories, procedures and other documents required by the Medical Marijuana Control Program on the premises and make all information available to the Department at all times. These processing facility managers will store medical marijuana inventory on the premises in a designated, enclosed, locked room which is identified in the applicant's floorplans. This area will only be accessible to authorized employees, to include managers and company owners. The Chief Compliance Officer will be prepared to conduct an audit at any time and will escort any member of the Department, a Department's designee, law enforcement, or other federal, state or local government official throughout the facility if the situation arises. The applicant will use comprehensive inventory control methods to ensure successful processing and full accountability, in compliance with AL Code § 20-2A-63. The applicant management will control the SSTS and use tags to trace medical marijuana from seed-to-sale. The applicant will monitor every medical marijuana product using technology, harvest logs, the SSTS, and BMPs. The Chief Compliance Officer and Department Managers will maintain accurate physical and digital records of all operations. The Chief Compliance Officer will perform weekly and annual audits, in compliance with AL Code § 20-2A-63. Inspection records will be available to law enforcement and Department officials. The applicant will keep all records on the premises for at least five years, in compliance with AL Code § 20-2A-63. 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 processing of medical marijuana products.



# Exhibit 16 – Facilities

## Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Lee Billingsley

Printed Name of Verifying Individual



Signature of Verifying Individual

Executive Chair

Title of Verifying Individual

12/28/2022

Verification Date

### **16.1 Facility Name and Type**

Facility Name: Lingleaf Extracts

Facility Type: Processing Site

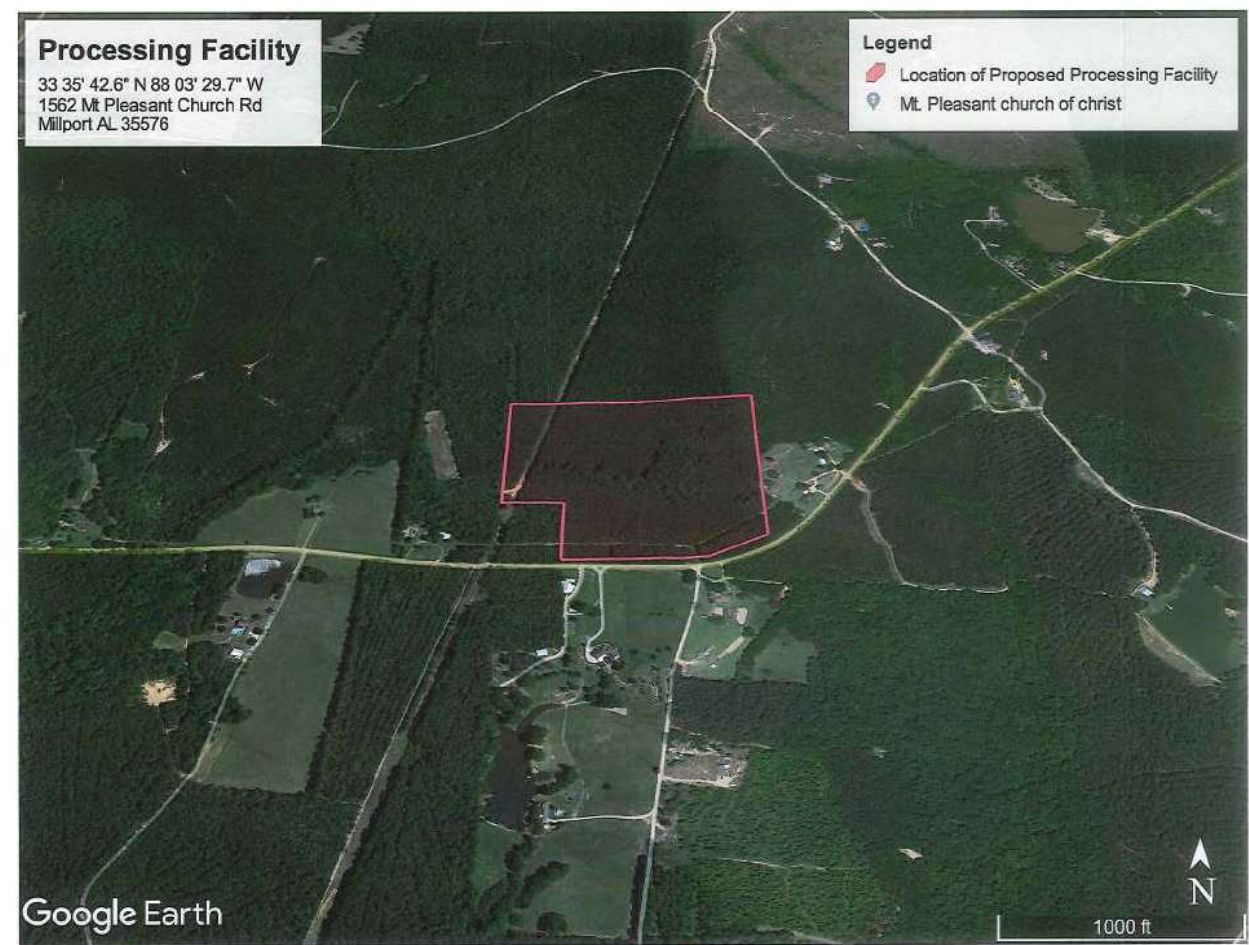
### **16.2 Physical Address & GPS Coordinates of Facility**

1562 Mt Pleasant Church Rd

Millport, AL, 35576

GPS Coordinates: 33° 35' 42.6" N 88° 03' 29.7" W

### **16.3 Aerial Photograph of Facility**



### **16.4 Proof of Authorization to Occupy Property**

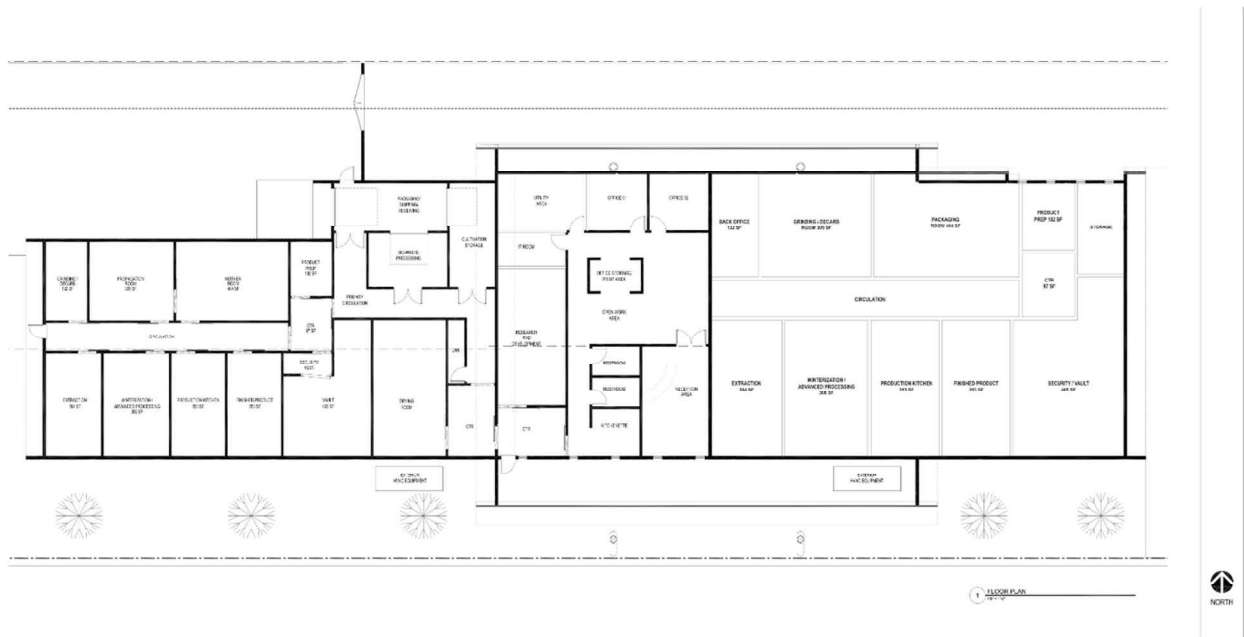
The Applicant owns the property identified in 16.1 above. See attached Deed (identified as “Deed – Attachment to Exhibit 16, Section 16.4”).

### **16.5 – Local Jurisdiction Approvals**

The Office of the County Engineer, Lamar County confirmed the property identified in 16.1 above has no restrictions or regulations or building permit requirements. See attached copy of the official letter (identified as “Lamar County Engineer – Attachment to Exhibit 16, Section 16.5”).

### **16.6 – Blueprint of Facility**

The blueprint for the facility is as follows:



### **16.7 – Facility Timetable**

The applicant expects that construction of the Longleaf Extracts Facility, including compliance with all facility requirements under the Act and the AMCC Rules, will be complete no later than 120 days after the award of license.

Team operations regarding the Longleaf Extracts Facility will commence immediately upon the award of license.

### **16.8 – Public Access to Facility**

The Longleaf Extracts Facility will not be open to the public.

### **16.9 – Facility Hours of Operation / After Hours Contact**

The applicant anticipates that the Longleaf Extracts Facility will be occupied by the applicant's employees as follows:

Monday – Friday: 07:00 am – 05:00 pm

Saturday & Sunday: 09:00 am – 05:00 pm

After Hours Management Contact

Seth Dewberry, VP of Processing

2400 Braun Dr.

Golden, CO 80401

Home phone: (323) 333-3888

Email: dewberryseth@gmail.com

Additional Notes on Exhibit 18:

The information contained in this exhibit is based on the best available knowledge to the applicant at the time of submission. The applicant will update or amend any information in this exhibit that may change. The applicant does not propose any additional facilities.

**Deed - Attachment to Exhibit 16, Section 16.4**

STATE OF ALABAMA

COUNTY OF LAMAR

**WARRANTY DEED**

Know All Men by These Presents, that in consideration of TEN (\$10.00) DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION, to the undersigned Grantor, **BEST FRIEND ROAD, LLC, a Georgia Limited Liability Company**, in hand paid by **OWEN BILLINGSLEY, L.L.C.**, the receipt of which is hereby acknowledged, the said, **BEST FRIEND ROAD, LLC, a Georgia Limited Liability Company**, does by these presents, grant, bargain, sell and convey unto the said **OWEN BILLINGSLEY, L.L.C.** the following described real estate, situated in Lamar County, Alabama, to-wit:

**PARCEL I:**

The E½ of the NE¼ and the SW¼ of the NE¼; less a parcel containing about four (4) acres described as follows: Beginning at the SW corner of the SW¼ of the NE¼; thence running East 21 ¾ rods; thence running North 29 ½ rods; thence running West 21 ¾ rods; thence running South 29 ½ rods to point of beginning. All being in §12, T17S, R15W, containing 116 acres, more or less.

LESS AND EXCEPT the following property through that certain Warranty Deed to Darrell Funderburk and Jeanie Funderburk dated October 28, 1984, and recorded November 6, 1986, in Fiche 86-94, Frame F9-F10, and more particularly described as follows:

Said parcel being in and a part of the SE¼ of NE¼, Section 12, Township 17 South, Range 15 West, Lamar County, Alabama, and being more particularly described as follows: Commencing at the Southwest corner of the NE¼ of NE¼, Section 12, Township 17 South, Range 15 West, Lamar County, Alabama, run S 02° 00' E a distance of 314.31 feet; then run S 88° 40' 46" E a distance of 100.79 feet to the point of beginning. FROM SAID POINT OF BEGINNING, run S 88° 40' 46" E a distance of 607.22 feet to the West right of way line of County Road No. 12; thence run in a Southwesterly direction along said West right of way a distance of 666.12 feet; thence run N 54° 15' 50" W a distance of 270.88 feet; thence run N 02° 00' W a distance of 407.97 feet to the point of beginning. Said parcel containing 5.00 acres, more or less.

ALSO, LESS AND EXCEPT a right-of way easement granted from the Sellers to Mabon James Richard, Jr., by and through that certain Right-of-Way Easement as recorded in Real Records Book 449, Page 177, Office of Judge of Probate of Lamar County, Alabama, and more particularly described as follows, to-wit:

Begin at an existing pipe at the NE corner of §12, T17S, R15W, Lamar County, Alabama; thence S 2° 05' 48" E, for a distance of 963.82 feet to an existing iron at the NW corner of the property described in Deed Book 340, page 182; thence S 1° 37' 10" E, for a distance of 40.00 feet to the point of beginning of the property herein to be described; thence S 74° 40' 34" W, for a distance of 204.98 feet to the East R.O.W. of County Road 12, (Mt. Pleasant Road 80 ft. R.O.W.); thence S 35° 38' 11" W, along the East R.O.W. for a distance of 63.50 feet; thence N 74° 40' 34" E, for a distance of 244.55 feet to a point that is N 1° 37' 10" W, 275.82 feet from an existing steel post at the purported SW corner of the NW¼ of the NW¼ of §7, T17S, R14W; thence N 1° 37' 10" W, for a distance of 41.17 feet

481 763  
to the point of beginning. Containing 0.21 acres and being in the E1/2 of the NE1/4 of § 12, T17S, R15W, Lamar County, Alabama.

LESS AND EXCEPT all prior mineral reservations, and further, Grantors hereby reserve unto themselves all of the oil, gas and other minerals in and under the above described land, together with the right of ingress and egress at all times for the purpose of mining, drilling and exploring said land for oil, gas and other minerals and removing the same therefrom. Grantors shall be entitled to all bonuses paid and all royalties and rentals provided for in any future oil, gas and mineral leases covering the above described property.

SOURCE OF TITLE: Book 472, Page 721

**PARCEL II:**

S ½ of NW ¼; SW ¼, less one acre in Southwest corner for cemetery, all in Section 7, Township 17 South, Range 14 West, Lamar County, Alabama, containing 239 acres, more or less.

LESS AND EXCEPT all prior mineral reservations, and further, Grantors hereby reserve unto themselves all of the oil, gas and other minerals in and under the above described land, together with the right of ingress and egress at all times for the purpose of mining, drilling and exploring said land for oil, gas and other minerals and removing the same therefrom. Grantors shall be entitled to all bonuses paid and all royalties and rentals provided for in any future oil, gas and mineral leases covering the above described lands.

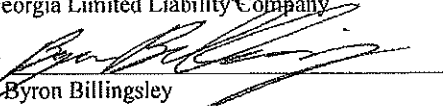
SOURCE OF TITLE: Book 470, Page 838

To Have and To Hold, to the said OWEN BILLINGSLEY, L.L.C., its successors and assigns forever.

And said BEST FRIEND ROAD, LLC, a Georgia Limited Liability Company does for itself, its successors and assigns, covenant with said OWEN BILLINGSLEY, L.L.C., its successors and assigns, that it is lawfully seized in fee simple of said premises, that they are free from all encumbrances unless otherwise noted above, that it has a good right to sell and convey the same as aforesaid, and that it will, and its successors and assigns shall, warrant and defend the same to the said OWEN BILLINGSLEY, L.L.C., its successors and assigns forever, against the lawful claims of all persons.

IN WITNESS WHEREOF, the said BEST FRIEND ROAD, LLC, a Georgia Limited Liability Company, by its Managing Member, Byron Billingsley, who is authorized to execute this conveyance, has hereto set its signature and seal, this the 1st day of January, 2010.

BEST FRIEND ROAD, LLC,  
a Georgia Limited Liability Company

By:   
Byron Billingsley  
Its: Managing Member

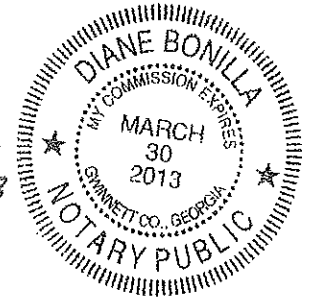
STATE OF GEORGIA

COUNTY OF Gwinnett

I, the undersigned authority Notary Public in and for said county and state, hereby certify that Byron Billingsley, whose name as Managing Member of BEST FRIEND ROAD, LLC, a Georgia Limited Liability Company, a corporation, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance he, as such officer and with full authority, executed the same voluntarily for and as the act of said company.

Given under my hand this the 1st day of January, 2010.

Diane Bonilla  
Notary Public  
My commission expires: 3-30-2013



**THIS INSTRUMENT PREPARED WITHOUT BENEFIT OF  
TITLE EXAMINATION OR SURVEY.**

This instrument was prepared by:  
AUDREY OSWALT STRAWBRIDGE, ESQ.  
STRAWBRIDGE, STRAWBRIDGE & STRAWBRIDGE, L.L.C.  
P.O. Box 522  
Vernon, Alabama 35592

Send Tax Notice to:  
Owen Billingsley, LLC  
3059 W Roxboro Road, NE  
Atlanta, Georgia 30324

LAMAR COUNTY, ALABAMA

I hereby certify that the instrument was filed for Record in my office on the 1st day of January, 2010

at 10:15 o'clock AM and was recorded in

Book No. 481 of deeds on page 762-764

Recording Fee \$15.00 Mtg. Tax \_\_\_\_\_ Deed Tax \$303.50

Mineral Int. \_\_\_\_\_ Total Fees \$318.50

Johanna Rogers Judge of Probate





MATTHEW ROUSE  
COUNTY ENGINEER

POST OFFICE BOX 738  
VERNON, ALABAMA 35592

PHONE (205) 695-7136  
FAX (205) 695-7157

OFFICE OF THE COUNTY ENGINEER  
LAMAR COUNTY

**Lamar County Engineer - Attachment to Exhibit 16, Section 16.5**

December 12, 2022

Byron Billingsley  
Owens Billingsley LLC

Zoning Regulations

Dear Mr. Billingsley:

Please let this letter confirm there are no zoning restrictions or regulations or building permit requirements for property located outside municipal boundaries in Lamar County.

This does not include, however, requirements by the Health Department in regards to sewage disposal and septic tank requirements or construction in areas determined to be located in a flood hazard area.

If additional information is required, please feel free to contact this office.

Sincerely,

A handwritten signature in blue ink, appearing to read "Matthew Rouse", written over a horizontal line.

Matthew Rouse, P.E.  
County Engineer  
Lamar County

# Exhibit 17 – Security Plan

## Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

Printed Name of Verifying Individual

Executive Chair

Title of Verifying Individual



Signature of Verifying Individual

12/28/22

Verification Date

## **PART VI. – SECURITY PLAN**

### **Exhibit 17 – Security Plan.**

Security for Applicant's facility, including relevant facility architectural/design elements, have been tailored to be in accordance with the Alabama regulations for medical marijuana as well as similar facility design standards, and industry best practices. This Security Plan for Applicant's processing facility was designed in consultation with David Daniels, identified in the Business plan section of this application.

In addition to the regulatory requirements to which Applicant must comply, there are valid and appropriate guidelines and industry best practices that merit consideration in the development of the security program. The guidelines developed by the various Federal Agencies are especially helpful, because they prescribe security measures for facilities with similar risk profiles. The guidelines that proved most useful for this project include: U.S. Department of Justice – Drug Enforcement Administration, Controlled Substance Security Manual, GSA Security Reference Manual: Part 3 Design and Assessment Guidelines, U.S. General Services Administration - Site Security Design Guide

Applicant readily recognizes that marijuana is a controlled substance with many incentives for diversion. Supply chain security is a top priority of Applicant and a primary job duty of all employees, reinforcing a company-wide culture of responsibility. The Chief of Operations will be responsible for the development and implementation of the anti-diversion policies and procedures, with the unit managers and security officers responsible for oversight at the processing facility. Diversion includes, and is not limited to, employee or third-party theft or transfer of medical marijuana by an employee, patient, or caregiver to an unqualified individual. Applicant will implement security industry best practices and maintain 24-hour security monitoring over its controlled substances inventory. Specific considerations regarding anti-diversion measures include methods for increased employee accountability along with methods for identifying, recording, and reporting diversion, theft, or loss, and for correcting all errors and inaccuracies in inventories.

**17.1 – Twenty-four-hour alarm systems must be installed in all facilities where cannabis or medical cannabis products are present. Such alarms shall be provided and installed by experts in industry-standard commercial-grade alarm systems. Alarm systems must be fully operational, securing all entry points and perimeter windows, be equipped with motion detectors and pressure switches, and must cover all areas where cannabis or medical cannabis products are delivered, received, handled, stored, prepared, processed, tested, packaged, labeled, or readied for transport.**

The security monitoring and control systems will be modern, state-of-the-art systems that are IP-centric and fully networked. The scope of this security design effort addresses structural, technological, and operational security. The overall security program will be scalable so that it can adapt to changing threat levels and situations. Of particular importance is the ability to increase security based on credible threats and recommendations from government agencies as well as the Department of Homeland Security threat level system.

The security program will be scalable and the expansion of the electronic security systems will be accomplished by increasing the capacity of the IT data infrastructure as it relates to the video surveillance system. Security zones or layers will be tailored and applied to the architectural site and floor plan design to effectively create zones of separation. Timely detection and response to an incident is key to an effective security program. This starts with the site perimeter, moves to the building perimeter and ultimately into the critical areas of the facility. The security program has been developed to provide a level of security consistent with similar processing centers. Security systems will be planned to provide effective methods of access control, intrusion detection, visitor management, video surveillance and voice communications, in harmony with the overall architecture of the building and interfaced efficiently with other building management systems.

Applicant has chosen Fast Guard Security Service as its local security contractor. Fast Guard has an extremely skilled and highly trained staff including armed security guards

on site security and business security technology consultants that have years of hands-on experience. They will be providing 24/7 security monitoring. The technical security systems provided will be scalable and capable of being expanded to handle the on-going evolution of the facility and security requirements as well as building modifications at a later date. The technical security systems installed at this facility will be designed as enterprise systems.

The security monitoring and control systems will be modern, state-of-the-art systems that are IP-centric and fully networked. Within the building, conduit will be used for all security systems cabling. All security system cabling will be low voltage cabling only. Conduit is being provided to accomplish an enhanced degree of protection for the security equipment. The security system will utilize the common IT backbone infrastructure for all the security system communications. Security will be a VLAN setup allowing for privacy and secure image transmission with the facility, however it will utilize the same common networking infrastructure.

The security systems throughout the building will be provided with uninterruptible power for a minimum of 160 minutes of run-time. The security system will have a failure notification system in place, which will send a notification to security personnel within five (5) minutes of any disruption to power. Any lock combinations, passwords, entry codes will be secured properly and will not be accessible to any unauthorized personnel. The access control and alarm monitoring system and the digital video system will be provided with a single platform interface. Hardware and head-end equipment for these systems will be separate, however, the single platform interface will provide for seamless integration. The access control and alarm monitoring system, digital video system, and visitor management system will interface and/or communicate on the IT network. All security related communications on the network will be on a segmented portion of the network (Security VPN).

Security personnel will have a digital radio communication system, with a unique channel, that is used throughout the new facility for coordinating security and business

operation needs. An access control and alarm monitoring system (ACMS) will be provided to monitor and control all access control and alarm monitoring devices. The ACMS software shall be of enterprise quality and be capable of interfacing with the video surveillance system and intrusion detection system. The ACMS acts as the central monitoring point of all security systems so that the security operator only utilized one interface for assessing alarms and performing administrative tasks.

The ACMS software shall run on a dedicated server that is RAID 5 configured with dual power supplies. RAID 5 configuration will ensure that if a hard drive fails, critical data is not lost or corrupted and the system will still function. The ACMS will communicate via the network. Connections to the network will be provided at ACMS server, field panels, and operator workstation. The ACMS will communicate over the network on a dedicated segment of the network. Software will be the manufacturer's standard software package with use of extra options such as advanced alarm graphics or GUI interface capable of importing CAD drawings, video surveillance interface and visitor management software. A visitor management system will be provided as an integrated component of the ACMS. The visitor management system will allow security to enroll and pre- authorize visitors into the system.

The ACMS will incorporate a perimeter electronic intrusion detection system around the entire perimeter to provide early detection alarms and assessment. The perimeter intrusion detection system will be interfaced with the video surveillance system to provide visual assessment upon an alarm condition. All perimeter doors of the building will be provided with alarm monitoring through the use of door position switches. Perimeter emergency exit doors will also be equipped with local audible alarms. Access control through the use of card readers with PIN will be provided within the facility. A typical access-controlled door configuration would include: card reader, door position switch, request-to-exit device, and electrified locking hardware. A typical access-controlled door configuration for areas requiring audit capabilities would include: card reader with PIN for entry, card reader with PIN for exit, door position switch and electrified locking hardware. The ACMS equipment will be interfaced to the video surveillance system for automatic call up and recording of video

surveillance system cameras. The ACMS will be interfaced to the fire alarm system where required by code for unlocking of various access-controlled doors in fire alarm situations.

ACMS will include a silent alarm system which can be utilized in the event of a holdup or other instances of duress, which notifies law enforcement, as well as a panic alarm, which means an audible security alarm system signal generated by the manual activation of a device intended to signal a life threatening or emergency situation requiring a law enforcement response. Applicant will install an automatic voice dialer to send a programmed to send a prerecorded voice message, when activated, over a telephone line, radio, or other communication system, to a law enforcement, public safety, or emergency services agency requesting dispatch. All surveillance systems, will include a failure notification system that provides an audible, text, or visual notification of any failure in the surveillance system. The failure notification system shall provide an alert to the processing facility within five minutes of the failure, either by telephone, email, or text message; and backup energy generation shall allow the Applicant the capability to comply with the security requirements of the regulations and the requirements herein for a period of at least 160 hours during a power outage.

Applicant shall have a back-up alarm system approved by the Department that shall detect unauthorized entry during times when no employees are present at the facility and that shall be provided by a certified security company supplying commercial grade equipment, which shall not be the same company supplying the primary security system. Applicant will keep all security equipment in good-working order and the systems shall be inspected and all devices tested on an annual basis by a third party.

**17.2 – Reception areas and personnel adjacent to ingress and egress points shall have ready access to duress panic and hold-up alarms that may be activated in the event of access by unauthorized personnel or intruders.**

All employees and visitors will utilize the main lobby as a singular entry point into the building. All other perimeter doors with the exception of the loading dock will be

configured as egress only. The main entrance will require employees to “badge in” in order to gain access to the security lobby. Visitors will be required to utilize an IP based video intercom at the vestibule door in order to be granted access into the secure lobby. Controlling and maintaining a positive level of security in the main lobby is critical to the overall security plan as this is the main separation point between employees and visitors to the facility. All visitors entering the facility will check in at the lobby security desk and then wait for an escort. Visitors will only be allowed beyond the security lobby escorted by an authorized employee.

The security post will be equipped with a panic alarm. The alarms will be monitored by a registered security company's central command center which will validate and dispatch local law enforcement to the facility, in case of an emergency and/or life-threatening situation. The security equipment in the main lobby will be provided with UPS power to provide line conditioned and continuous power in the event of a power loss. A backup generator will be utilized in power outage situation with the minimum hours of run time as required by regulations. At a minimum, 160 minutes of UPS power will be provided. A backup, state of the art, alarm system will be in place, which will be separate from the primary security system, for detection of any unauthorized access to the facility during non-working hours. Building utility services will be located in such a way as to prevent intentional misuse, damage and removal of the services by unauthorized persons. Vital equipment will be securely located and protected to minimize damage or destruction from an attack. Any equipment on the exterior of the building near vehicular traffic will be protected by anti-ram security bollards.

**17.3 – Broadcast communication devices (cell phones, intercom equipment or the like) must be:**

- o Carried by each employee or installed in all areas of each facility designed for regular access by humans.**
- o Accessible for communication by all personnel at all times, and particularly at perimeter ingress/egress stations, facility reception areas, and the security office.**



**o Capable of providing information with sufficient clarity to be heard and understood by all personnel and visitors within earshot of the employee receiving the communication.**

Applicant has chosen Motorola Commercial Solutions to provide seamless communication among devices. This will include on-site business radios and intercom system connected together. Broadcast communication devices (cell phones, intercom equipment or the like) will be: carried by each employee or installed in all areas designed for regular access by people. This will be accessible for communication by all personnel at all times, and particularly at perimeter ingress/egress stations, facility reception areas, and the security office. Communication devices will be capable of providing information with sufficient clarity to be heard and understood by all personnel and visitors within earshot of the employee receiving the communication.

**17.4 – The Applicant, at each of its facilities, shall maintain an audio/video surveillance system that shall be in continuous operation 24 hours per day. Cameras shall be fixed in place covering both the interior and exterior of the facility, in such quantity, with such lighting, and at such resolution as shall allow for the clear identification of individuals and activities in all reasonably accessible areas of the premises, including but not limited to all entrances, exits, parking lots, and any area where cannabis or medical cannabis is delivered, received, handled, stored, prepared, processed, tested, packaged, labeled, or readied for transport. Audio/Video surveillance recordings must clearly and accurately display the time and date. Audio recordings shall clearly and accurately capture sound within camera range at a level of 20 decibels or greater.**

As required, facility security will meet and exceed the minimum requirements that require that the camera feed should traverse the IP network from the camera source to the server utilizing Motion JPEG (MJPEG) or MPEG-4/H.264/Advanced Video Coding codec technology. Data shall be transmitted over the Real-time Protocol (RTP) or Real Time Streaming Protocol (RTSP). All cameras will support pan, tilt, and zoom functionality and controls. All

surveillance equipment will be provided by a Department approved vendor and will comply with all Alabama regulations.

Applicant shall provide a direct feed and login capabilities to the Department to allow for real-time access and monitoring of the facility via the live video surveillance recording system. A display monitor with a minimum screen size of twelve inches shall be connected to the electronic recording security system at all times. All cameras and monitoring equipment shall be installed in a manner that will prevent cameras from being readily obstructed, tampered with, or disabled. The video system will have the ability to immediately produce a clear color still photo that is a minimum of 9600 DPI from any camera image (live or recorded). There shall be a date and time stamp embedded on all recordings, and the date and time shall be synchronized and set correctly and shall not significantly obscure the picture.

Cameras installed outdoors and in low-light interior areas shall be day/night cameras with a minimum resolution of D1 (IP) and the standard light factor require by regulations. All cameras shall be calibrated and focused to maximize the quality of the recorded image. The cameras will allow for the exporting of still images in an industry standard image format, including .jpg, .bmp and .gif. Exported video shall have the ability to be archived in a proprietary format that ensures authentication of the video and guarantees that no alteration of the recorded image has taken place. Exported video shall also have the ability to be saved in an industry standard file format that can be played on a standard computer operating system. All recordings shall be erased or destroyed prior to disposal. Security recordings shall provide a clearly identifiable image resolution and the image frame rate shall be at least thirty frames per second during alarm or motion-based recording.

Applicant shall repair or replace any failed component of the video surveillance recording system immediately upon notice, unless written notice is provided to the Department and an extension is approved. Cameras will include twenty-four (24) hour live feed with motion-activated recording capabilities from all video cameras, which the processing facility shall make available for immediate viewing by the department upon request and shall retain the

recordings for the period required by law. If a cultivator is aware of a pending criminal, civil or administrative investigation or legal proceeding for which a recording may contain relevant information, the cultivator shall retain an unaltered copy of the recording until the investigation or proceeding is closed or the entity conducting the investigation or proceeding notifies the cultivator that it is not necessary to retain the recording. Models of identified equipment will exceed minimal definition/quality/decibel requirements. The storage server will retain footage at minimum of 60 days.

The Applicant will make available to the Department, upon request, a current list of Type 1 key employees and contractors who have access to the surveillance rooms. Applicant will keep all on-site surveillance rooms locked and shall not use such rooms for any other functions. Additionally, the Applicant will keep all approved safes, approved vaults, or any other approved equipment or areas used for cultivating, harvesting, or storing of medical marijuana, securely locked and protected from unauthorized access to medical marijuana. Applicant will also ensure that the outside perimeter of the facility is well-lit and in accordance with the plans in its license application. Access to any area within the facility containing medical marijuana will be restricted to all persons except registered employees and agents or an individual permitted to access the facility under the supervision of a registered employee or agent in accordance with the Department's required visitor authorization procedures. Applicant will also limit the use of combination numbers, passwords, or electronic or biometric security systems to registered, authorized employees and prevent the sharing of any employee-specific access credentials, and will not allow keys to be left in the locks or kept in a location accessible to persons other than registered, authorized employees.

**17.5 – The perimeter and any outdoor premises of each of the Applicant's facilities must be surrounded by a sufficient fence or barrier to prevent access by unauthorized persons and must have sufficient lighting to allow for the proper functioning of video surveillance equipment at all times between dusk and dawn or at any other time when ambient lighting requires enhancement to permit identification of individuals or activities upon or immediately adjacent to the**

**premises. Indoor premises must likewise be sufficiently lit to allow for the identification of individuals and activities.**

In order to monitor pedestrian foot traffic onto the site as well as vehicular traffic of employees and visitors accessing the facility, Applicant will maintain 360° video surveillance of the exterior of the processing facility. Physical barriers as well as landscape elements will function as passive security barriers to maintain vehicle set back distances for the facility. May include berms, drainage trenches, and shrub and plant placement. Parking on-site will be restricted to employees and screened visitors.

Lighting is an essential security element in order to deter crime, to detect, recognize and identify individuals and scenes and to convey a safe and orderly environment. All exterior areas of the site, site entrance and exit, shipping/receiving fence, and general ground will be equipped with standard security lighting to maintain illumination levels recommended by law enforcement standards.

No exterior doors will provide direct access to any areas of the facility where marijuana is processed, or stored. A second level of security shall also include security card and pin access, but these interior security areas will be further restricted to only processing personnel. All interior areas of the facility have been designated as either Level 1, Level 2, or Level 3 Restricted Access area. Level 1 is the most restrictive designation and will be limited to administrative personnel, who will not have access to processing areas. Level 2 is general processing employees who will have access to most areas except for the vault. Level 3 employees will have unrestricted access to all areas of the facility.

All exterior, non-window wall penetrations that exceed 96 square inches in total area, with its smallest dimension greater than or equal to 6 inches, will contain man bars to prevent surreptitious entry. The man bars will be at least ½" affixed on 6" centers both horizontally and vertically. The junction point of the man bars will be welded to prevent spreading.

Building air intakes and all vent openings greater than 96 square inches will be elevated at least 15 feet above grade or as high as practical. The openings will be protected with security screens across the intakes and they will be located within video surveillance camera views so that the cameras will capture any activity near the intakes.

All perimeter windows including windows within doors will be equipped with a minimum 8-layer security window film to delay and deter “smash and grab” type attacks. Glass break sensors will provide a secondary means of monitoring the perimeter windows by alarming on the acoustical sound of glass breakage. Double walls are used in all Level 2 Access areas, and will be built from either concrete/metal panel or concrete/metal mesh.

**17.6 – Exterior doors of each facility operated by the Applicant must be designed or reinforced to withstand unlawful forcible entry; exterior doors shall remain locked against outside intruders at all times, while allowing free egress by the facility’s occupants in the event of an emergency; doors must permit ingress to employees and other appropriate persons only by means of a keycard or other similar electronic access device.**

The loading dock area will be fenced and equipped with access control, IP intercoms and video surveillance coverage. The overhead doors should be locked and only opened from the inside by security after verification that the delivery is authorized. In order to ensure positive control into the facility from the loading dock, an interlock door configuration will be implemented. An interlock configuration is where two sets of doors are installed but only one door could be open at a time. When deliveries are made, the overhead door must be closed before the interior door is opened which will prevent any direct access into the sensitive areas of the facility. Implementing an interlock door configuration will eliminate the possibility of propping doors open.

**17.7 – Exterior walls of each facility operated by the Applicant must be reinforced to withstand unlawful forcible entry. Windows, likewise, must be reinforced to prevent breakage by outside intruders. A dispensing site must be housed (A) in a stand-alone**

**building; the area occupied by the dispensing site is not to be accessible to or used by neighboring businesses, other tenants or others not employed by the Applicant. To the extent that the dispensing site is housed within a multi-use structure, strip mall or other such retail facility, the dispensing site must be self-contained, or at a minimum, segregated from other businesses and activities being conducted in the multi-use structure, strip mall or other such retail facility by separate points of ingress and egress or, at a minimum, separately keyed and electronically protected entryways accessible only to employees of the Applicant; patients and caregivers; AMCC representatives and their guests; representatives of other licensees; vendors, cleaning crew personnel, and repair workers carrying out business-related functions on the premises; representatives of the lessor during routine inspections or similar circumstances warranting a physical visit to the premises; or other appropriate individuals.**

In accordance with state legislation and applicable regulations, the facility will sit on a two (2) acre site, away from places of worship, public schools, playgrounds, and recreational areas. Applicant has elected to design and build a new facility in order to create customized security features specific to the needs of medical marijuana processing. Construction materials for the renovation of the building were selected to optimize processing productivity but also to maximize facility security, and in all cases meet or exceed requirements for medical marijuana processing. Applicant has thoroughly addressed any and all concerns over building security and vulnerability. The security platform will include:

- Each function of the facility will have a physically separate and/or discretely secured operations and support spaces with access controlled by assignment and monitored by video surveillance and an electronic access control system.
- Cameras installed throughout indoor and outdoor areas and all ingress/egress points. Cameras will clearly identify all persons that enter or leave the facility.
- Additional interior cameras will be located to cover safes, vaults, all handling and material transfer points, corridors, and loading/unloading points, as well as any area where marijuana will be stored, packaged, or otherwise handled by an employee.

- The facility will be closed to the public, however visitors (contractors or third-party services such as mail and package deliveries, maintenance contractors, etc.) will be allowed access onto the site only when authorized. While on site, the visitor will be escorted at all times.
- Cameras will record 24 hours a day, 7 days per week, with all video data stored unaltered for the period required under state legislation on the Network Video Recorder (NVR). All video will be immediately accessible by authorized personnel and the state regulator if needed.
- A control room will house monitors so that authorized personnel may view all cameras at all times and may access archived video data on demand.
- Card/fob access at doorways and gateways to shipping, receiving, and into all areas of the building where marijuana may be accessed.
- Motion sensors in secured areas to detect after-hours activity.
- Fencing to prevent unauthorized entry or access to waste disposal containers, disposal areas or compost areas located outside the facility, as well as shipping and receiving.
- Exterior walls will be reinforced to withstand unlawful forcible entry.
- Windows, likewise, will be reinforced to prevent breakage by outside intruders.
- Separately keyed and electronically protected entryways accessible only to employees of the Applicant; AMCC representatives and their guests; representatives of other licensees; vendors, cleaning crew personnel, and repair workers carrying out business-related functions on the premises; representatives of the lessor during routine inspections or similar circumstances warranting a physical visit to the premises; or other appropriate individuals.
- Locking covers will be provided for all manhole covers, handholds, drainage grates, etc. located within the site. Forced entry grilles will be provided inside storm sewers that cross the perimeter line when the sewers are larger than 96 sq. in. The reception function area will be physically separated from the processing side of the facility. Windows in the office space area shall be protected with glass break detectors and motion detectors. In the event a glass detector fails to detect the acoustical sound of breaking glass then the motion detector acts as a secondary means of detection. Video surveillance cameras will be located to cover the general reception area and entry points into and out of the office

suite. Access control card readers shall be placed on the office entry door to record access into and out of the space.

**17.8 – The Applicant must maintain sufficient staffing of security guards at each facility where cannabis and medical cannabis is present to reasonably ensure the safety of the products stored therein; however, the Applicant must provide, at a minimum, one (1) security guard per facility during each facility’s business/operating hours.**

Applicant, through its chosen partner Fast Guard Security Service, will maintain sufficient staffing of security guards where cannabis and medical cannabis is present to reasonably ensure the safety of the products stored therein. The Applicant will provide, at a minimum, one (1) security guard during facility’s operating hours. This will be reviewed for risk mitigation by the Board. Development of a sound security program begins with an assessment of the security threats to an organization. An examination of Applicant’s vulnerabilities with respect to those specific threats provides a valuable map to focus the security effort. The priority of the security program is to address both the most probable as well as the highest impact threats. Similar type facilities share common risks and vulnerabilities that we can use to assist us in defining the levels of protection for this facility.

**17.9 – Strict access controls shall protect areas where cannabis or medical cannabis and daily monetary receipts are handled or stored – in a secured, locked room or vault.**

The processing area shall be equipped with access control on the main entry portal. Card readers shall be equipped on both sides of the door to monitor and record ingress and egress into the facility. All areas within the processing areas shall be covered with general video surveillance. Due to the arrangement and equipment required within the primary flowering room, main pathways will be covered as well as the entry and exit portals. 360° cameras will be utilized to provide general surveillance of the area while



fixed, high-definition cameras will be used to produce identifiable images at the entry points.

Emergency egress doors within the processing area will be equipped with door monitoring contacts, local sounders, and video surveillance coverage. Signage will be posted to warn employees not to open the doors unless it is an emergency. Motion detectors will be positioned to monitor the space above the processing area. This will provide protection from an intruder attempting entry from the roof of the processing area while mitigating false alarms due to movement of plants.

Medical marijuana products will be packaged in child-resistant, vacuum-sealed, and tamper-proof or tamper evident bags. For deliveries from the processing facility to either a dispensing facility or processing facility, single-use identification coding will be used to secure containers. All packaging and labeling must be in accordance with the Applicant's policies and procedures for packaging, labeling, product storage, and delivery. All medical marijuana awaiting disposal will be stored in a locked container, recorded, and disposed of in accordance with the waste disposal policies and procedures.

**17.10 – Records, whether electronic or manual, must be kept of all persons on the premises at a facility at all times, including employees, vendors, transporters or other licensees, and all others, recording each individual's name, the date and time of ingress and egress, and (as to non-employees) the reason for their presence.**

A security monitoring workstation will be designed into the main lobby desk. This workstation will be equipped with intrusion alarm monitoring, video displays, and security control and communications equipment. Security checkpoint workstation will have the capability for event logging for all security events, investigating video, and allowing for local law enforcement to view and print while on site. Electronic records will be kept of all persons on the premises at a facility at all times, including employees, vendors, transporters or other licensees, and all others, recording each individual's name, the date and time of

ingress and egress, and the reason for their presence. Records shall be kept for a minimum of two years, or longer at the request of the Commission or law enforcement.

**17.11 – Employees, while on duty, shall wear identification badges that clearly identify them as employees.**

Applicant will not employ anyone with a history of theft or diversion based on BCI/FBI background check report. If an employee is identified who has been convicted of a felony involving theft or diversion or any felony of sale or possession of drugs, narcotics, or controlled substances, he or she will be terminated. All employees will be issued a photo identification access badge, color coded by function within the facility. The access card incorporates smart card technology. The card along with a PIN (two form factor authentication) will allow access to the site gates, building entrance and other authorized/designated interior areas.

**17.12 – Visitors, including vendors, other licensees, Commission members, inspection personnel, or other representatives must wear a “visitor pass” or “AMCC Official” pass, as applicable, at all times while on the Applicant’s premises.**

Visitors will be handled in accordance with the requirements of the Department and established visitor policies and procedures. Visitors will always be accompanied by authorized personnel and will never be granted access to medical marijuana product storage areas unless required for provision of services. Except as provided in this paragraph, no person, except an Applicant employee, shall be allowed on the premises of the processing facility without an employee identification identity card. All persons who are not employees, but who have been authorized to enter the facility by an officer of the company, shall obtain a visitor identification badge from a facility employee prior to entering the facility. A facility employee shall escort and monitor the visitor at all times while the visitor is in the facility. The visitor identification badge shall be visible at all times. The facility will require the visitor to return the identification badge to a facility employee upon exiting the processing facility.

The processing facility will maintain a visitor log, which shall include the name of the visitor, date, time and purpose of the visit. The visitor log shall be available to the Department at all times during operating hours and upon request. In the case of an emergency and the presence of a visitor in the facility is required and Applicant is unable to obtain prior authorization from the Department, the facility shall record in the visitor log, the name of the visitor, date, time, purpose of the visit and the facts upon which the access was granted. Authorized visitors and required contractors (as scheduled) will be required to identify themselves at the site entrance and register electronically. After confirmation that the visitor is expected, the image of the visitor's face and identification will be captured and the visitor will be issued a temporary, time-sensitive visitor badge. Visitors will be escorted at all times while inside the facility.

**17.13 – The Applicant's proposed policies to report theft, diversion, or other loss of cannabis products to the Commission and to law enforcement as early as practicable and not more than 24 hours from the event or its discovery.**

The CEO will regularly review information from external sources including law enforcement, trade and patient associations, advocacy groups, and patients and caregivers related to factors that may impact the incentive for diversion (i.e. system-wide shortages, changes in law, rapidly increasing patient registrations, etc.). If the CEO concludes that a change in diversion risk based on environmental factors exists, a risk mitigation plan will be developed and implemented.

The inventory management system provides additional opportunities to increase control over medical marijuana. Applicant shall track and submit into the inventory tracking system any information the department determines necessary for maintaining and tracking medical marijuana. Establish ongoing inventory controls and procedures per the inventory management system described in this application for the conduct of inventory reviews and comprehensive inventories of medical marijuana for traceability in the Department's inventory tracking system, which shall enable the cultivator to detect any diversion, theft, or

loss in a timely manner. In accordance with applicable regulations, Applicant shall prepare a regular inventory of medical marijuana at the facility, which shall include the following:

- The date of the inventory
- The amount of medical marijuana on hand, including the batch number, weight, and strain name associated with each batch ready for sale to a dispensary,
- The amount of medical marijuana sold since previous period's inventory.

On an annual basis the Chief of Operations shall conduct a physical, manual inventory of the medical marijuana on hand and compare the findings to an annual inventory report generated using the inventory tracking system. If any discrepancies are discovered outside of loss standard to the industry due to moisture loss and handling, the Type 1 key employee shall report such findings to the Department in accordance with the Administrative Code.

The performance of audits and inventory counts in accordance with Applicant's policies and procedures for inventory management, waste disposal, compliance, and audits ensures a quick resolution of discrepancies and errors. The quality assurance person will perform a periodic review of system admin and responsible personnel to prevent diversion.

Audit procedures will ensure a full inventory of medical marijuana is conducted periodically as required by regulations. Any inventory discrepancies discovered by any employee must be reported to the CEO upon discovery. Any discrepancies discovered during a shift must be resolved before the end of the shift. The CEO will report all unresolved inventory discrepancies to the Department and law enforcement authorities in accordance (under 24 hours) with the reporting and notifications policies and procedures. The quality assurance person will monitor unresolved inventory discrepancies on a daily basis and the CEO will approve the reconciliation entry of any inventory discrepancy.

**17.14 – The Applicant's verification that, upon request, it will make available to the Commission or its inspectors all information relating to the Applicant's security plan, including, but not limited to, security alarm systems, monitoring, alarm activity, maps of camera locations and camera coverage, audio/video footage, surveillance equipment maintenance logs, authorized use lists, operation instructions, and any**

Exhibit 17 – Security Plan

**other security related information deemed relevant by the Commission or its inspectors.**

Jessica Billingsley, board member and executive, has a background in the regular review of security SOPs and is a valuable inclusion in the security plan. All staff will be trained to understand the physical security features of the processing facility as well as the surveillance and restricted access locations within the site. The security program utilizes the security monitoring desk at the main lobby to monitor designated alarms and alerts, assess situations and respond to security breaches within the building interior or outside around the perimeter and exterior site, as well as, to monitor access control operations, be first responders to fire and safety events, and to initiate and relay critical communications.

Security posts are defined depending on the geometrics, people, materials and vehicular movements, and the in-and-outs of both building and grounds. These posts control the movements to effectively allow for orderly and authorized movements and deter or deny any unauthorized entry or exit. Observation and reporting are the objectives to facilitate services and rapid responses in a timely manner. The main lobby security desk serves as the local center of operations for communications and managing responses. A major role is the monitoring of alarms and alerts for intrusion detection, duress and to dispatch security rapid response as situation or conditions warrants. Observation, dispatching and reporting are critical objectives under this function to assure the deployment of security, law enforcement fire and life safety, and service/maintenance in a responsive and timely manner.

The Chief of Operations is responsible for conducting regular and irregular patrols to assess and test the security in building, grounds and life safety, and the ability to respond to emergency or service calls, and to deter undesirable behaviors by assuring all employees adhere to the strict organizational policies and procedures. Observation and reporting are objectives under this function to alert the local security office and request assistance, service or critical maintenance responses in a timely manner.

# Exhibit 18 – Personnel

## Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

Printed Name of Verifying Individual



Signature of Verifying Individual

Executive Chair

Title of Verifying Individual

12/28/2022

Verification Date

**FORM G: PERSONNEL ROSTER & VERIFICATION****Longleaf Extracts LLC**

Business License Applicant Name

**Processor**

License Type

*Complete the following information, current to within thirty (30) days prior to the date of application, for all personnel (each leader and employee) affiliated with the Applicant. Attach additional forms if necessary.*

**Janet Billingsley Madison**

Leader/Employee Name

**CEO**

Title/Position

SSN

Telephone

Email

Street Address

City

State

Zip

**Jessica Billingsley**

Leader/Employee Name

**Executive Chair & CCO**

Title/Position

info@longleafextracts.com

Email

SSN

Telephone

Street Address

**CO**

City

State

Zip

**Byron Billingsley**

Leader/Employee Name

**Chief Operating Officer**

Title/Position

SSN

Telephone

Email

Street Address

**GA**

City

State

Zip

**Elizabeth Billingsley**

Leader/Employee Name

**Chief Financial Officer**

Title/Position

SSN

Telephone

Email

Street Address

**GA**

City

State

Zip

**Seth Dewberry**

Leader/Employee Name

**VP of Processing**

Title/Position

SSN

Telephone

Email

Street Address

**CO**

City

State

Zip

**John William Van Horn III**

Leader/Employee Name

**Brand Manager**

Title/Position

SSN

Telephone

Email

Street Address

**CO**

City

State

Zip

Leader/Employee Name

Title/Position

SSN

Telephone

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Street Address

City

State

Zip



\_\_\_\_\_  
Leader/Employee Name\_\_\_\_\_  
Title/Position\_\_\_\_\_  
SSN\_\_\_\_\_  
Telephone\_\_\_\_\_  
Email\_\_\_\_\_  
Street Address\_\_\_\_\_  
City\_\_\_\_\_  
State\_\_\_\_\_  
Zip\_\_\_\_\_  
Leader/Employee Name\_\_\_\_\_  
Title/Position\_\_\_\_\_  
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Leader/Employee Name\_\_\_\_\_  
Title/Position\_\_\_\_\_  
SSN\_\_\_\_\_  
Telephone\_\_\_\_\_  
Email\_\_\_\_\_  
Street Address\_\_\_\_\_  
City\_\_\_\_\_  
State\_\_\_\_\_  
Zip

**Applicant Verification:** The undersigned hereby verifies that the information provided hereinabove (and attached, as necessary) constitutes a complete and accurate roster of personnel of the Applicant. The undersigned further verifies that, if the Applicant is issued a business license, each individual listed hereinabove (and attached, as necessary) will be registered to the AMCC website and will undergo appropriate pre-employment background checks.

**Jessica Billingsley**

\_\_\_\_\_  
Printed Name of Verifying Individual



\_\_\_\_\_  
Signature of Verifying Individual

**Executive Chair**

\_\_\_\_\_  
Title of Verifying Individual

**12/22/22**

\_\_\_\_\_  
Verification Date

# Exhibit 19 – Business Leadership Credentials

## Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

**Printed Name of Verifying Individual**

Executive Chair

**Title of Verifying Individual**



**Signature of Verifying Individual**

2/17/23

**Verification Date**

**19.1 – A curriculum vitae for the business, demonstrating the education, experience, and other credentials of its leadership, including but not limited to all scientists and engineers employed at each facility.**

Longleaf Extracts LLC is an Alabama-based medical cannabis processing business, dedicated to providing responsibly and compliantly produced cannabis for health and wellness benefits. Here are the brief bios of its leadership:

**Janet Billingsley Madison** - CEO and Board Director

Janet has vast experience in business management and commercial manufacturing, and led thriving organizations before returning to her hometown of Millport, Alabama. Janet manages the cultivation, milling, and production of her timber farm and previously managed lumber manufacturing teams for Georgia Pacific in Belk, Alabama for over two decades. She oversees each step of the commercial manufacturing process, ensuring timeline, plan, and budget adherence.

**Jessica Billingsley** - Executive Chair and Chief Compliance Officer of Longleaf Extracts LLC

Jessica has over 20 years of experience as an innovator, executive, and board member of both public and private companies. She currently serves as Chairman of the Board and CEO of Akerna (Nasdaq: KERN), a Software as a Service agtech company running the technology ecosystem that serves the cannabis, hemp, and CBD industry. Jessica co-founded MJ Freeway, Akerna's wholly owned subsidiary, in 2010 and served as President for eight years prior to assuming the role of CEO in May 2018. As an early investor in one of Colorado's first legal cannabis businesses, Jessica created a new market for seed-to-sale technology. Jessica currently serves on the board and audit committee of Bhang Corp (CSE:BHNG) and as the elected chair of the US Cannabis Council, the industry trade

association combining the collective resources of many of the largest cannabis companies, prominent advocacy organizations, and hundreds of thousands of individuals.

**Byron Billingsley, P.E.** retired - Chief Operating Officer Longleaf Extracts LLC

Byron is the founder and has served as Chairman of the Board of Site Engineering since its incorporation in October 1983. He is a civil engineering graduate from the Georgia Institute of Technology and a Professional Engineer. Site Engineering offers engineering design, consulting services, construction management, and turn-key design-build services. Byron also serves as Managing Partner of Owen Billingsley LLC, which cultivates, harvests, and plants sustainably. He leads and directs a strong and thriving team while treating each member with dignity and respect.

**Elizabeth (Libby) Billingsley, RN, Clinical Nurse Specialist**, retired - CFO and Board Director Longleaf Extracts LLC

Libby is a Clinical Nurse Specialist who wrote her master's thesis on alternative natural medicine. She believes in providing responsibly and compliantly produced cannabis for health and wellness benefits. She was a professor of nursing at Crawford Long University prior to co-founding Site Engineering in 1983 where she served as CFO until 2020 and currently serves as Chair of the Audit Committee and Director at Large for the board. She is also a Managing Partner of Owen Billingsley LLC.

Longleaf Extracts LLC will have two additional leadership job roles:

**Seth Dewberry** will serve as our VP of Processing. For more than the past decade, he has held multiple leadership roles for Akerna, most recently VP of Product and has created tools for and trained, supported, and consulted for thousands of cannabis operators worldwide. He has created and implemented tools and built processes to support all phases of the chain of custody while maintaining compliance and optimizing business operations. He has extensive experience in quality assurance across multiple industries,

and is also highly knowledgeable in business management, complex systems engineering, product design, sales, and marketing. He has led the implementation and audit reviews for numerous third-party quality certifications. His technical skills are numerous, and include acid/base extraction, chemical hygiene, distillation, elemental analysis, enzymatic hydrolysis, horticultural lighting and irrigation, isoperibol (oxygen-bomb) calorimetry, the preparation and maintenance of microbial cultures, agricultural quality assurance, plant inventory management, and spectrophotometry. Seth holds undergraduate degree from the University of Western Michigan where he graduated magna cum laude.

John Van Horn III will serve as Brand Manager for the Applicant. John is an U.S. Airforce veteran and experienced brand creator. John is well versed in brand creation, sales, and marketing. He is well versed in compliance issues across many industries, but continues to remain flexible, entrepreneurial, and highly project focused. John received a prestigious Tillman Scholarship and currently serves the foundation as a Tillman Scholar Regional Captain. He holds an MBA degree and is a registered Real Estate Broker.

**19.2 – A detailed explanation of the role each leader, scientist or engineer is to have in the processing of medical cannabis at each facility.**

**Janet Billingsley Madison**

Chief Executive Officer and Board Director Longleaf Extracts LLC

Janet began her career in business management and led thriving organizations prior to returning to her hometown of Millport, Alabama. In addition to managing the cultivation, milling, and production of her timber farm, she managed lumber manufacturing teams for Georgia Pacific in Belk, AL for a couple decades. Lumber manufacturing relies on specialty equipment to turn raw product into finished products and skilled labor to manage and work each step of the process, and Janet has vast experience overseeing literally each step of the commercial manufacturing process to timeline, plan, and budget.

**Jessica Billingsley**

Executive Chair and Chief Compliance Officer of Longleaf Extracts LLC and Founder, CEO and Chairman of Akerna Corp. (Nasdaq: KERN) and Chair of United States Cannabis Council

Jessica has over 20 years of experience as an innovator, executive, and board member of both public and private companies. She currently serves as Chairman of the Board and CEO of Akerna (Nasdaq: KERN), a Software as a Service agtech company running the technology ecosystem that serves the cannabis, hemp, and CBD industry. The cannabis economy runs on Akerna, enabling compliance, regulation, taxation, and payments. Jessica co-founded MJ Freeway, Akerna's wholly owned subsidiary, in 2010 and served as President for eight years prior to assuming the role of CEO in May 2018. As an early investor in one of Colorado's first legal cannabis businesses, Jessica created a new market for seed-to-sale technology. Under Jessica's leadership, Akerna has gone public, completed multiple accretive acquisitions, and sustained market leadership for over a decade. Jessica currently serves on the board and audit committee of Bhang Corp (CSE:BHNG) and as the elected chair of the US Cannabis Council, the industry trade association combining the collective resources of many of the largest cannabis companies, prominent advocacy organizations, and hundreds of thousands of individuals. Jessica is the recipient of numerous recognitions and awards. She has been named a Titan 100 CEO, outstanding woman in business, Inc. Top 100 female founder, and Fortune's most promising woman entrepreneur. She has received two Balanced Board awards and Entrepreneur's 360 Best Of award.

**Byron Billingsley, P.E. retired**

Chief Operating Officer and Board Director Longleaf Extracts LLC and Chairman of Site Engineering

Byron Billingsley grew up on the family farm, Owen Billingsley LLC, just outside Millport, Alabama, earning his first wages picking cotton where he was paid a wage of \$0.03/lb. He went on to earn a civil engineering degree from the Georgia Institute of Technology and to earn his Professional Engineering license. He is the founder and has served as Chairman of the Board of Site Engineering since its incorporation in October 1983. Site Engineering was

organized to offer engineering design, consulting services, construction management and turn-key design-build services. Site Engineering partners with municipal, county, and state entities on various projects including projects in water, sewer, storm drainage, streambank stabilization, infrastructure, parks, dams, and site work. Byron also serves as Managing Partner of Owen Billingsley LLC, actively managing responsible and sustainable cultivation, harvest, and planting cycles. Byron leads and directs a strong and thriving work team, recognizing the skills and efforts of each employee and working with all members of the team in a fair manner, treating each member with dignity and respect.

**Elizabeth(Libby) Billingsley, RN, Clinical Nurse Specialist, retired**

Chief Financial Officer and Board Director Longleaf Extracts LLC, Audit Committee Chair and Board Director at Large of Site Engineering

Libby Billingsley received a prestigious National Merit Scholarship and began her career in nursing. She subsequently obtained the professional designation, Clinical Nurse Specialist and wrote her master's thesis on alternative natural medicine. Her interest in plant-based medicine has sparked a lifelong study and led her to pursue a cannabis license as she believes it is in the community's best interest to provide responsibly and compliantly produced cannabis for its health and wellness benefits. She was a professor of nursing at Crawford Long University prior to joining Byron Billingsley to co-found Site Engineering in 1983 where she served as CFO until 2020 and currently serves as Chair of the Audit Committee and as Director at Large for the board. Libby serves as Managing Partner of Owen Billingsley LLC, actively managing responsible and sustainable cultivation, harvest, and planting cycles. She responsibly financially manages multi-year forecasting and production cycles.

**19.3 – A 5-year hiring plan for its leaders, scientists, and engineers, identifying the types, positions, required education, required experience, and expected roles of such personnel.**

**5 Year Hiring Plan**

The Applicant 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. Also related to staffing and training, the Applicant will keep staff records, which will include the following: all records relating to the hiring of staff (applications, documentation of verification of references, and any other related materials); a staff log that includes information on every current and former staff member (name, address, phone number, emergency contact information, registration number, cardholder-type designation, date of hire, date of separation, and reason for separation, all training, education, and disciplinary records, and salary and wages paid to each staff member); and, documentation that the Applicant has successfully trained each staff member in accordance with this operations plan and in compliance with *applicable regulations set by the Alabama Medical Cannabis Commission*.

The Applicant will provide a welcoming workplace and will promote the involvement of diverse staff and diverse groups in processing operations. The Applicant is committed to providing 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 relating to discrimination and will encourage staff to report any and all occurrences of workplace discrimination. The HR Director will monitor discrimination in the workplace and immediately address any discovery of discrimination. The Applicant will train staff to identify workplace discrimination in the context of two general categories: overt discrimination and covert discrimination. The Applicant will train staff to recognize overt discrimination such as verbal or written threats, intimidation, harassment, or assault. The Applicant will also train staff to recognize covert discrimination that put diverse individuals at a disadvantage in the workplace. The Applicant staff manuals and training seminars will emphasize that workplace discrimination can range from objectively offensive to seemingly invisible. The Applicant will encourage staff to suggest changes to standard operating procedures if they feel those company processes are even in the



slightest bit discriminatory to themselves or any diverse individual employed by the Applicant.

The Applicant will implement hiring policies that seek to prevent any occurrence of discrimination. During the hiring process, identifying information such as names, ethnicities, genders, and ages will be hidden on resumes from hiring managers as to prevent unconscious biases. This management tactic has been proven to improve rates of employment of diverse participants across all industries. The Applicant 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 need a specific education to successfully fulfill occupational duties, then it will be redacted from resumes, in an effort to equally judge the PhD candidate and the GED candidate.

The Applicant will create a workplace that is free of sexual harassment. The HR Director, in conjunction with department managers, will watch staff for proper workplace conduct. The Applicant will manifest this commitment in harassment awareness training sessions and workplace sensitivity workshops, which every associate will complete as a condition of employment. The HR Director will train staff to detect sexual harassment in the workplace. The HR Director will train staff to report any behavior that is distracting or that interferes with operations. The Applicant will not tolerate sexual harassment of any kind, and violators will face immediate job termination and possible legal prosecution.

The Applicant intends to help offer a safe and drug-free work environment for all staff and visitors of the Applicant. The Applicant will explicitly prohibit the use, possession, solicitation for, or sale of narcotics, illegal drugs, alcohol or prescription medication without a prescription on the Applicant premises or while performing an assignment. Being impaired or under the influence of legal or illegal drugs or alcohol away from the Applicant premises, if such impairment or influence adversely affects the staff member's work performance, the safety of the staff member or of others, or puts the Applicant's reputation at risk, will result in immediate job termination. The Applicant will prohibit the presence of any detectable amount of prohibited substances in staff's urine while at work on the premises of the Applicant, or while on company business, such as deliveries. The

Applicant may ask staff to submit to a drug and/or alcohol test at any time management feels that a staff member may be under the influence of drugs or alcohol.

Any the Applicant staff involved in an on-the-job accident or injury under circumstances that suggest the possible use or influence of drugs or alcohol in the accident or injury event may be asked to submit to a drug and/or alcohol test. If a staff member refuses a request to submit to testing under this policy, they may be subject to appropriate disciplinary action, including discharge from employment. In such a case, staff will be given an opportunity to explain the circumstances prior to any final employment action becoming effective.

The Applicant will create employment terms and conditions that best pursue the interests of the company. All staff will agree to an individualized salary or hourly-wage contract. The Applicant will employ full-time staff and part-time staff, and managers will accommodate staff's preferred work availability to the best of their ability. The Applicant executives believe deeply that the company's responsibility is to take care of the people that take care of them. As such, the Applicant will compensate staff with a determined amount of sick leave hours and paid time off (PTO) depending on the occupation. After a determined amount of tenure, staff will be available to enroll in employer-sponsored healthcare benefits. The Applicant will promote a culture of loyalty by hiring within. As the Applicant develops brand recognition and the Medical Marijuana Control Program matures, the Applicant will offer staff expanded benefit packages to include 401k plans, dental insurance, and enhanced family healthcare plans.

The Applicant has a plan of action to inform, hire, and educate minorities, women, veterans, disabled persons, and the public. The Applicant will employ a diverse workforce and will act as an equal opportunity employer. The Applicant's executive team is committed to building a company with fair treatment, access, opportunity and advancement for people of all backgrounds. The Applicant will continue to build this inclusive work environment throughout its operation.

The Applicant will make a good faith effort to be inclusive of women, veterans, disabled individuals, and people from all ethnicities in its business practices. The Executive Chair, CEO, and CFO are all female and the Brand Manager is a veteran. The Applicant will continue to pursue inclusive hiring procedures because it will enhance the amount of skills,

abilities, and experiences present within the Applicant's workforce. The Applicant will actively seek a diverse pool of candidates to give a broad and inclusive depth of experience that will enrich the Applicant's culture. The Applicant will offer service opportunities to diverse groups of vendors, suppliers, and contractors whenever possible. Moreover, the Applicant will prioritize the hiring, training and advancement of people from diverse socio-economic backgrounds.

The Applicant is pursuing pre-license contracts with veteran-owned, minority-owned, and women-owned businesses that will help with integral business operations. Executives will support local, diverse organizations through an integrated philanthropic approach. The HR Director will ask for advice and guidance from officials at the Department of Administrative Services Equal Opportunity Division to ensure the Applicant's business practices meet the standards established by the Department.

The Applicant will give continuous notices of employment opportunities in a manner that promotes the participation of minorities, women, veterans, disabled persons, and state residents for the operation of the processing facility. The Applicant will publish employment solicitations in a manner that reaches a diverse group of applicants, such as job postings in local newspapers, classifieds, and the Applicant's publicly accessible website. The Applicant 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.

The Applicant will further promote a culture of inclusion and diversity by giving staff an opportunity to improve the communities where they live and work. The Applicant encourages a sustainable and growing foundation of local, diverse staff through targeted support of vocational schools, high schools, community colleges, and state schools. The Applicant will promote community inclusion by requesting networks of diverse groups to lead and aid expert-developed workplace training programs. The Applicant will offer grants and scholarships to children of veterans and other historically disadvantaged students. Staff will also offer technical expertise to local communities, schools, and businesses.

The Applicant will also implement sensitivity training programs. Sensitivity training will educate participants about cultural differences in the workplace so that they can better

understand and appreciate each other. Topics related to sensitivity training will include: proper work etiquette, proper terminology, communication skills, anti-bullying management, and how to prevent, detect, and end sexual harassment within the company. To ensure inclusivity of the LGBTQ community, the Applicant will display Safe Zone stickers and posters in public access areas. Safe Zones stickers 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 the Applicant a safer, more welcoming and inclusive workplace for members of the LGBT community. The Applicant will embrace gender and sexual identity as an expression of personal freedom. To support disabled individuals, the Applicant's facility will be American Disabilities Act (ADA) compliant. The facility will adhere to the *2010 ADA Standards for Accessible Design*. ADA compliance will make the Applicant a physically accommodating workplace environment for everyone. The following are a few benefits of ADA compliance that all staff 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 staff 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 staff with dexterity impairments and provide all staff quick hotkey alternatives for optimized productivity.

# Exhibit 20 – Employee Handbook

## Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

Printed Name of Verifying Individual

Executive Chair

Title of Verifying Individual



Signature of Verifying Individual

12/28/22

Verification Date

## **SUMMARY of EMPLOYEE HANDBOOK**

### **INTRODUCTION**

The purpose of this handbook is to describe certain employment-related expectations the Company has of each employee, and what employees may expect of the Company.

### **I. EQUAL EMPLOYMENT OPPORTUNITY, HARASSMENT, AND RETALIATION.**

The Company believes that all persons are entitled to equal employment opportunities. The Company does not authorize and will not tolerate any form of discrimination or harassment of or by any employee or non-employee based on race, sex, religion, color, national origin, age, disability, citizenship status, military membership, veteran status, genetic information, sexual orientation, gender identity, or any other factor protected by federal or state law.

#### **Sexual Harassment**

While prohibited harassment may be based on any characteristic protected by law, the issue of sexual harassment requires special attention. Sexual harassment can occur when a superior asserts or implies that any condition of employment will be improved or impaired based on an employee's acceptance or refusal of sexual advances. Sexual harassment can also occur when any employee creates a hostile atmosphere based on sexual conduct, abuse, or language that is reasonably perceived as hostile by an employee. No supervisor or management employee may threaten or insinuate, either explicitly or implicitly, that an employee's submission to or rejection of sexual advances will in any way influence any personnel decision regarding that employee's employment, such as evaluation, wages, advancement, assigned duties, work hours, or any other condition of employment or career development.

#### **Other Harassment**

Statements, behavior, or the display or use of words, objects or pictures that others could interpret as being insulting, derogatory or slurs towards persons based upon their race, color, national origin, religion, sex, age, disability, citizenship status, genetic information,

sexual orientation, and/or gender identity or any other protected class, are also prohibited by the policy. Also prohibited are statements or actions that are threatening, intimidating, vulgar, or hostile, even if not based on protected class status. Such conduct may make a reasonable person uncomfortable in the work environment or could interfere with an employee's ability to perform his or her job, regardless of whether the actions are from a fellow employee, supervisor, customer or visitor. Comments or actions of this type, even if intended as a joking matter among friends, are always inappropriate in the work place and will not be tolerated. The conduct forbidden by this policy specifically includes, but is not limited to (a) epithets, slurs, negative stereotyping, kidding, teasing, joking or intimidating acts that are based on a person's protected status, and (b) written or graphic material circulated within the work place that shows hostility toward a person or group because of a person's protected status or characteristic(s).

### **Retaliation**

It is also a violation of policy for anyone to retaliate, threaten or seek any type of reprisal against an individual who reports discrimination or harassment or who participates or cooperates in an investigation regarding discrimination/harassment. If an employee believes that reprisal, intimidation or retaliation has occurred, report that to your immediate supervisor or our Office Manager. Those who engage in retaliatory behavior will be subject to discipline, including discharge.

### **How the Company Will Investigate Complaints**

The Company will promptly investigate complaints of discrimination, harassment, or retaliation. The investigation will be conducted as impartially and confidentiality as possible. At the conclusion of the investigation, the Company will advise the complaining employee of the results of the investigation and any disciplinary actions to be taken, if any.

### **Your Responsibilities**

1. Comply with the policy.

2. Report any violations.
3. Cooperate with any investigation and provide complete and truthful responses to questions.

### **Benefits**

Benefits are subject to change at any time, at management's discretion or due to modifications in the plans provided to you. Plan documents and correspondence from benefit providers supersede any description of benefits in this Handbook.

Certain benefits are provided to all associates, others to full time associates, and others to management personnel. Since our benefit package changes from time to time, they will be covered with you when you begin employment.

### **Vacation**

Vacation allotment runs from January 1 to December 31. No unused time may be carried over to the next year. All your vacation days must be used before requesting time off without pay.

### **Workers' Compensation**

The Company pays 100% of the premium on insurance as provided by the State Workers' Compensation Act for Company employees. The Workers' Compensation Act was designed to provide employees with benefits for any injuries which they receive arising out of their work with the Company. Under the provisions of the law, if employees are injured while at work for the Company, this injury must be reported at once to the Company's General Manager, or to the manager on duty, no matter how slight it may seem. The Company will then see that the employee has the proper medical services. It is for the employee's benefit and also the Company's benefit that all injuries be reported.



## **II. GENERAL: BEGINNING WORK; PAY; BENEFITS; VACATION; HOLIDAYS; and LEAVE POLICIES**

### **Time Records**

Unless you receive a salary and are a exempt employee, your pay will be determined by your time card. It is important that you enter your time worked each day. It is also important that you also record time taken for breaks, including meal breaks. You may only record your time and only your time and not the time of any of your coworkers.

### **Pay Period**

Paychecks will be distributed and/or directly deposited every other Friday for time worked during the previous two (2) week period ending seven (7) days prior to payday. If Friday is a holiday, checks will be provided on Thursday.

### **Overtime Pay**

*Non-Exempt Employees.* Non-exempt employees will be paid overtime compensation according to federal or state wage-and-hour laws and regulations for all time worked in excess of forty (40) hours per week. Time on unpaid or paid leave, including holidays, does not count as time worked for overtime purposes.

### **Leave Policies**

The company provides Family and Medical Leave, Bereavement Leave, Military Leave, Jury Duty Leave, Parenting, and Voting Leave.

## **III. DRUG AND ALCOHOL POLICY**

### *Purpose*

The Company recognizes that the health and well-being of its employees are vital to its success. The Company has both the right and the obligation to provide a safe, healthy, and efficient work environment, to protect its equipment and property, and to protect the public. For these reasons, the Company has established this policy.

#### **IV. ATTENDANCE.**

To fulfill the Company's responsibilities, employees must carry out their job responsibilities during hours for which they are scheduled to work. An employee's regular attendance is essential to the proper functioning of every department. Any absence, no matter how legitimate the cause, results in a disruption of work schedules, extra work for co-workers and extra administrative time spent by managers.

#### **VII. DISCIPLINE AND DISCHARGE**

There are circumstances where an employee's actions may result in immediate discharge, without prior warning. This includes, but is not limited to, safety violations, falsification of time records, possessing a weapon on Company premises or in a Company vehicle, theft or any other behavior which the Company considers to be so severe that no second chance should be provided. In other circumstances, the Company may counsel an employee where there needs to be improvement in employee job performance, behavior, attitude or attendance. The counseling may be in the form of a verbal or written warning, suspension or final warning instead of suspension. The Company will evaluate when determining what level of discipline is appropriate the nature of the employee's responsibilities, overall work record, length of service and the nature of the incident resulting in the discipline.

## **FULL EMPLOYEE HANDBOOK**

### **INTRODUCTION**

We are excited you have chosen to building your career with us! We provide the people of Alabama quality medicinal cannabis, as well as information and education to the public about medicinal cannabis. We believe you will have a fulfilling career with us!

The purpose of this handbook is to describe certain employment-related expectations the Company has of each employee, and what employees may expect of the Company. This document should be read in conjunction with all of the company's Standard Operating Procedures ("SOPs"). Both this handbook and the SOPs will provide for you the framework by which to be successful. It is important for you to review this handbook and the SOPs in detail because your knowledge of what to expect and what is expected of you will only enhance your employment relationship and career with the Company. In addition, failure to abide by the terms of the handbook and the SOPs may result in your immediate termination.

Your employment is considered "at will," which means that either you or the Company may terminate the employment relationship at any time, with or without cause or notice, for any legal reason. This handbook does not create an exception to the at-will relationship and does not create an employment contract of any kind. Additionally, the Company may amend the policies in this handbook and the SOPs at any time, with or without notice, as the Company deems necessary and at management's discretion.

### **I. EQUAL EMPLOYMENT OPPORTUNITY, HARASSMENT, AND RETALIATION.**

The Company believes that all persons are entitled to equal employment opportunities. The Company does not authorize and will not tolerate any form of discrimination or harassment of or by any employee or non-employee based on race, sex, religion, color, national origin, age, disability, citizenship status, military membership, veteran status, genetic information, sexual orientation, gender identity, or any other factor protected by federal or state law.

It is also a violation of policy for anyone to retaliate, threaten, or seek any type of reprisal against an individual acting in good faith who reports discrimination or harassment or who participates or cooperates in an investigation regarding discrimination or harassment. The term “discrimination” includes, but is not limited to, taking any adverse employment action due to any factors protected by law. This policy applies to all employment actions taken by any person at the company including, but not limited to, actions affecting compensation; benefits; transfers; terminations; layoffs; recalls; company sponsored training, education, tuition assistance and social and recreational programs; and all other employment actions or decisions at the company. The term “harassment” includes, but is not limited to, offensive language, jokes, or other verbal, graphic or physical conduct or intimidating, threatening or offensive behavior relating to an employee's race, sex, religion, color, national origin, age, disability, citizenship status, military membership, veteran status, genetic information, sexual orientation, gender identity, or other factors protected by law which would make the reasonable person experiencing such harassment uncomfortable in the work environment or which interferes with the employee's job performance. The term “retaliation” includes, but is not necessarily limited to, any adverse employment action, intimidation, or threats taken because an employee has engaged in protected conduct. Protected conduct under this policy includes, but is not limited to: reporting or complaining in good faith about any discrimination or harassment, or participating in good faith in an investigation about alleged discrimination or harassment. This policy applies to each and every employee, both management and non-management.

It is company policy that all employees have a right to work in an environment free of discrimination, which encompasses freedom from any form of harassment or retaliation. This includes the behavior of peers, superiors, subordinates, customers and visitors to the premises. Such conduct by an employee may result in disciplinary action up to and including dismissal.

### **Sexual Harassment**

While prohibited harassment may be based on any characteristic protected by law, the issue of sexual harassment requires special attention. Sexual harassment can occur when a superior asserts or implies that any condition of employment will be improved or impaired based on an employee's acceptance or refusal of sexual advances. Sexual harassment can also occur when any employee creates a hostile atmosphere based on sexual conduct, abuse, or language that is reasonably perceived as hostile by an employee. No supervisor or management employee may threaten or insinuate, either explicitly or implicitly, that an employee's submission to or rejection of sexual advances will in any way influence any personnel decision regarding that employee's employment, such as evaluation, wages, advancement, assigned duties, work hours, or any other condition of employment or career development.

Sexual harassment may be overt or subtle. Some behavior which is appropriate in a social setting may not be appropriate in the work place. Sexual harassment does not refer to behavior or occasional compliments of a socially acceptable nature. It refers to behavior that is unwelcome, offensive, and affects an individual's employment or work conditions.

Some examples of conduct that may constitute sexual harassment include: (a) making unwelcome sexual flirtations, advances, requests for sexual favors, or other verbal, visual or physical conduct of a sexual nature a condition of employment; or (b) creating an intimidating, hostile or offensive working environment by such conduct as:

- (1) sexual innuendo or sexually suggestive comments - including but not limited to - sexually oriented "kidding," "teasing" or practical jokes; jokes about gender specific traits; foul or obscene language or gestures;
- (2) subtle or direct pressure or request for sexual activities;
- (3) unnecessary touching of an individual, such as pinching, patting, or brushing up against another's body;
- (4) graphic verbal comments about an individual's body or appearance;
- (5) sexually degrading words used to describe an individual;

- (6) the reading or displaying in the work place of sexually suggestive or revealing words, objects or pictures;
- (7) sexually explicit or offensive jokes;
- (8) physical assault; or
- (9) other explicit or implied conduct of a sexual nature which relates to or affects an individual's employment.

No employee, supervisor, manager or other person, whether employed by the Company or not, shall threaten or suggest that an employee's refusal to submit to sexual harassment will adversely affect that person's employment, work status, evaluation, wages, advancement, assigned duties, hours of work or any other terms or conditions of employment. Similarly, no employee - regardless of job title - shall promise, imply or grant any preferential treatment in return for another employee's acceptance of conduct which is sexually harassing.

If you believe you have been sexually harassed or have witnessed such conduct, you must report this violation to your direct supervisor or our Office Manager.

### **Other Harassment**

Statements, behavior, or the display or use of words, objects or pictures that others could interpret as being insulting, derogatory or slurs towards persons based upon their race, color, national origin, religion, sex, age, disability, citizenship status, genetic information, sexual orientation, and/or gender identity or any other protected class, are also prohibited by the policy. Also prohibited are statements or actions that are threatening, intimidating, vulgar, or hostile, even if not based on protected class status. Such conduct may make a reasonable person uncomfortable in the work environment or could interfere with an employee's ability to perform his or her job, regardless of whether the actions are from a fellow employee, supervisor, customer or visitor. Comments or actions of this type, even if intended as a joking matter among friends, are always inappropriate in the work place and will not be tolerated. The conduct forbidden by this policy specifically includes, but is not

limited to (a) epithets, slurs, negative stereotyping, kidding, teasing, joking or intimidating acts that are based on a person's protected status, and (b) written or graphic material circulated within the work place that shows hostility toward a person or group because of a person's protected status or characteristic(s).

No supervisor or manager should participate in such behavior and must take immediate action to stop those who are known to be or suspected of being involved in such conduct. The supervisor must also contact and report the information to Human Resources.

If you believe you have been sexually harassed or have witnessed such conduct, you must report this violation to your direct supervisor or our Office Manager.

### **Retaliation**

It is also a violation of policy for anyone to retaliate, threaten or seek any type of reprisal against an individual who reports discrimination or harassment or who participates or cooperates in an investigation regarding discrimination/harassment. If an employee believes that reprisal, intimidation or retaliation has occurred, report that to your immediate supervisor or our Office Manager. Those who engage in retaliatory behavior will be subject to discipline, including discharge.

### **How the Company Will Investigate Complaints**

The Company will promptly investigate complaints of discrimination, harassment, or retaliation. The investigation will be conducted as impartially and confidentiality as possible. At the conclusion of the investigation, the Company will advise the complaining employee of the results of the investigation and any disciplinary actions to be taken, if any.

If it is determined that a complaint is valid, the Company will take appropriate disciplinary action against the offender to remedy the problem based on the severity of misconduct and the individual's job responsibilities, length of service and employment history. Disciplinary

action may include a written warning, suspension, demotion and/or termination of employment.

### **Your Responsibilities**

1. Comply with the policy.
2. Report any violations.
3. Cooperate with any investigation and provide complete and truthful responses to questions.

## **II. GENERAL: BEGINNING WORK; PAY; BENEFITS; VACATION; HOLIDAYS; and LEAVE POLICIES**

### **Time Records**

Unless you receive a salary and are a exempt employee, your pay will be determined by your time card. It is important that you enter your time worked each day. It is also important that you also record time taken for breaks, including meal breaks. You may only record your time and only your time and not the time of any of your coworkers.

### **Pay Period**

Paychecks will be distributed and/or directly deposited every other Friday for time worked during the previous two (2) week period ending seven (7) days prior to payday. If Friday is a holiday, checks will be provided on Thursday.

### **Overtime Pay**

*Non-Exempt Employees.* Non-exempt employees will be paid overtime compensation according to federal or state wage-and-hour laws and regulations for all time worked in excess of forty (40) hours per week. Time on unpaid or paid leave, including holidays, does



not count as time worked for overtime purposes. Overtime compensation will be paid according to the following formula:

- For non-exempt wage-employees, one and one-half (1.5) times the non-exempt employee's regular hourly rate for every hour worked in excess of forty (40) hours in a week.
- For non-exempt employees who are paid a fixed salary for a fixed workweek, one and one-half (1.5) times the non-exempt employee's regular hourly rate for every hour worked in excess of forty (40) hours in a week. A regular hourly wage will be computed based upon a full-time workweek of 40 hours.
- For non-exempt employees who are paid a fixed salary for a fluctuating workweek, one-half (.5) times the non-exempt employee's regular hourly rate for every hour worked in excess of forty (40) hours in a week. A regular hourly wage will be computed based upon the number of hours actually worked each week.

Non-exempt employees should keep their supervisor informed (in advance, if possible) of longer than usual hours worked. Non-exempt employees are not allowed to take work home without the foreknowledge and permission of their supervisor. In determining the amount of hours that a non-exempt employee actually works, leave of any type shall not be considered time worked in computing overtime hours. Hours from paid holidays will not be considered for the purpose of overtime computation, unless an employee actually works on the paid holiday. All overtime work must be authorized by your supervisor in advance unless circumstances do not allow for prior authorization. All hours worked must be reported on time records. In case of any question as to eligibility for overtime wages, inquiry should be made to one's supervisor.

*Exempt Employees.* Exempt employees are those employed in a bona fide executive, administrative, or professional capacity and who are exempt from the overtime pay requirements of the Fair Labor Standards Act (FLSA). Exempt employees are paid a set amount for their work and do not receive additional compensation for working beyond or

outside of their regular schedule. For any exempt employee, there may be workdays which, by necessity, will extend beyond normal office hours in order to fulfill his or her duties.

### **Meal Periods**

All hourly associates working six hours or more will be given an unpaid thirty (30) minute meal period to be coordinated with their supervisor.

### **Mistakes in Pay**

Please review your pay stub and timesheets when you receive it to make sure it is correct. The Company makes every effort to ensure our employees are paid correctly. Occasionally, however, inadvertent mistakes can happen. When mistakes do happen and are called to our attention, we promptly will make any corrections and reimbursements that are necessary. No retaliation or reprisal of any kind will be made against those who report possible errors in pay. If you believe a mistake has occurred or if you have any questions, please report this information to your supervisor.

### **Final Paycheck**

When your employment with the company ends, it is expected that you will return all company property (keys, computers and other equipment, tools, etc.) in good condition. The employee will receive a final paycheck within one week after all Company property has been accounted for. If property is not returned in good condition at termination or within [X] days of termination, you must contact [your Supervisor or the Human Resources Manager] regarding reimbursement of the company for the cost of repair or replacement. If an employee has an outstanding debt owed to the Company (such as an insufficient funds check) or is terminated for theft, the Company may withhold the amount owed from the final paycheck, subject to any applicable laws.

### **Benefits**

Benefits are subject to change at any time, at management's discretion or due to modifications in the plans provided to you. Plan documents and correspondence from benefit providers supersede any description of benefits in this Handbook.

Certain benefits are provided to all associates, others to full time associates, and others to management personnel. Since our benefit package changes from time to time, they will be covered with you when you begin employment.

### **Vacation**

Vacation allotment runs from January 1 to December 31. No unused time may be carried over to the next year. All your vacation days must be used before requesting time off without pay.

Before scheduling vacation, check with your supervisor and the Office Manager and coordinate with them. The longer you plan to be away, holidays and other considerations of which you will be aware, will affect the ability of your manager to provide you with the vacation days you desire. The sooner you can ask, the better.

Years of Full-Time Employment Vacation Allotment<sup>1</sup>:

<b>Years of Service</b>	<b>Days of Vacation</b>
First Year (prorated)	10
2-5	15
6+	20

Vacation days will be paid upon termination provided a proper two-week notice is given and worked out. If an employee is terminated for misconduct as determined by the Company, no vacation time will be paid.

## **Holidays**

The following holidays will be observed by the Company:

New Year's Day

Martin Luther King Jr. Day

Memorial Day

Juneteenth

Independence Day

Labor Day

Thanksgiving Day

Christmas Eve

Christmas Day

If Christmas Eve, Christmas, or Independence Day fall on a Saturday or Sunday, they will not be counted as a paid holiday. If one of these holidays falls on Sunday, the following Monday will be observed. If one of these holidays falls on Saturday, the preceding Friday will be observed. If you are required to be on duty on a holiday, you will be allowed to take a day in lieu of the holiday at another time.

## **Leave Policies**

### *Family and Medical Leave*

#### Basic Leave Entitlement

FMLA requires covered Employers to provide up to 12 weeks of unpaid job protected leave to eligible employees for the following reasons:

- For incapacity due to pregnancy, prenatal medical care or child birth;
- To care for the employee's child after birth, or placement for adoption or foster care;
- To care for the employee's spouse, son or daughter, or parent, who has a serious health condition; or
- For a serious health condition that makes the employee unable to perform the employee's job.

### *Military Family Leave Entitlements*

Eligible employees with a spouse, son, daughter, or parent on active duty or call to active duty status in the National Guard or Reserves in support of a contingency operation may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post deployment reintegration briefings.

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered servicemember is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty on active duty that may render the servicemember medically unfit to perform his or her duties for which the servicemember is undergoing medical treatment, recuperation, or therapy; or is in outpatient status; or is on the temporary disability retired list.

### *Eligibility Requirements*

Employees are eligible if they have worked for a covered employer for at least one year, for 1,250 hours over the previous 12 months, and if at least 50 employees are employed by the employer within 75 miles.

### *Employee Responsibilities*

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days-notice is not possible, the employee must provide notice as soon as practicable and generally must comply with an employer's normal call-in procedures. Employees must provide sufficient information for the employer to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employees also must inform the employer if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also may be required to provide a certification and periodic recertification supporting the need for leave. Employees have received a General Notice with additional information regarding FMLA and a General Notice is posted at the location of the worksite.

### **Jury Duty Leave**

The Company encourages all employees to fulfill their civic responsibilities and will provide time-off from work to allow employees to respond to jury service summons or subpoenas, attend court for prospective jury service, or serve as a juror. In order to be eligible for leave, employees must provide their supervisor with a copy of the jury summons or subpoena within a reasonable amount of time after receipt and before their appearance is required. Time-off under this policy will be unpaid for part-time employees. Full-time employees will be paid their usual compensation. Exempt employees who work any portion of a workweek in which they also perform jury duty will receive their full salary for that workweek. Employees are not required to use vacation time, unpaid leave, or sick leave for jury duty.

### **Voting Leave**

The Company encourages all employees to fulfill their civic responsibilities and to vote in official public elections. Generally, working hours are such that an employee will have ample time to cast a vote before or after the work shift. If employees have less than two hours before or after work to vote, they will be provided with up to one hour of unpaid leave to vote. Employees must provide the Company with reasonable notice of the need to take time off to vote. The Company may specify the hours during which the employee may leave work to vote. The Company will comply with all applicable state and municipal voting times.

### **Military Leave**

If you are a full-time employee with six months service and a member of a military reserve unit that is required to attend a two-week training session annually, we provide a plan that allows you to perform that obligation without loss of income to you. We will pay you any difference between your normal pay and the amount received in military pay for the two-week period. When you return from military duty, simply present your military reserve pay voucher to your supervisor, and he/she will arrange for the payment. Any extended period of military service, or military leave for part-time employees or employees who have been with the Company for less than six months, will be handled in accordance with federal law.

### **Bereavement Leave**

If a death occurs within your immediate family you shall be eligible for time off with pay for two days (8 hours each day) provided that: (a) The above mentioned days fall on a regularly scheduled workday. (b) Immediate family refers to spouse, child, parents, brother, sister, father-in-law, and mother-in-law. (c) If such a death occurs and, 2 days of cumulative travel time is necessary, the Company will pay you for three days (8 hours each).

### **Workers' Compensation**

The Company pays 100% of the premium on insurance as provided by the State Workers' Compensation Act for Company employees. The Workers' Compensation Act was designed

to provide employees with benefits for any injuries which they receive arising out of their work with the Company. Under the provisions of the law, if employees are injured while at work for the Company, this injury must be reported at once to the Company's General Manager, or to the manager on duty, no matter how slight it may seem. The Company will then see that the employee has the proper medical services. It is for the employee's benefit and also the Company's benefit that all injuries be reported.

Workers' compensation benefits are for those actually injured on the job. If you are aware of anyone abusing our workers' compensation program, please tell the Company's General Manager, or an assistant manager. The Company reserves the right to prosecute in case of abuse in collecting workers compensation benefits.

- Delay in reporting injuries will affect eligibility to draw Workers' Compensation benefits.
- Note: All employees covered by the Alabama Workers' Compensation Act should be aware that misrepresentations as to pre-existing physical or mental conditions may void your workers compensation benefits.

### **III. DRUG AND ALCOHOL POLICY**

#### *Purpose*

The Company recognizes that the health and well-being of its employees are vital to its success. The Company has both the right and the obligation to provide a safe, healthy, and efficient work environment, to protect its equipment and property, and to protect the public. For these reasons, the Company has established this policy.

The purpose of this policy is to protect the public and the Company's employees and property from the risk posed by the misuse of alcohol and use of prohibited drugs. This policy is also intended to comply with all applicable laws and regulations governing anti-drug and alcohol programs and the Alabama Drug-Free Workplace Program (Ala. Code § 25-5-330, et



seq.). This policy does not represent an expressed or implied contract, and it does not affect employees' status as at-will employees.

### *Prohibited Conduct*

All employees are prohibited from manufacturing, distributing, dispensing, possessing, using, or having a detectable presence of any prohibited drugs or alcohol in the body while at work or on duty. Further, all drivers are prohibited from using alcohol within four hours prior to reporting for driving duty, or during the hours that they are on call. Prohibited drugs shall include any substance declared illegal by state or federal law, including, but not limited to, marijuana, amphetamines, opiates, phencyclidine (PCP), and cocaine; any drug not approved for medical use by the U.S. Drug Enforcement Administration or the U.S. Food and Drug Administration; and any prescription or over-the-counter medication which is being misused or is illegally obtained. Employees who engage in any prohibited conduct will be subject to dismissal.

### *Reporting Requirements*

All employees are required to notify the Company of any criminal drug statute conviction for a violation occurring in the workplace or while conducting company business within five days after such conviction. Prior to reporting to work or performing any job duties, all employees must report to their immediate supervisor the use of any over-the-counter or prescription drug which may present a safety risk. The Company reserves the right to reassign or to take other action to accommodate an employee whose use of such medication would otherwise create a safety risk. If an employee's use of such medication cannot be reasonably accommodated, the Company reserves the right to place that individual on leave or to separate the employee from employment. Employees who fail to comply with these reporting requirements will be subject to dismissal.

### *Drug & Alcohol Testing of Applicants for Employment*

After the decision has been made to hire an applicant for employment, an offer of employment will be extended contingent upon the candidate successfully passing a preemployment test for prohibited drugs and alcohol. The applicant must report to the collection site with a valid picture ID within twenty-four (24) hours of being instructed to do so. If the applicant fails to follow the requisite procedures or otherwise fails to submit to or cooperate with the drug test, consideration for employment or transfer shall be withdrawn. If an applicant tests positive for the use of prohibited drugs, the applicant must submit to a confirmation test. The applicant has five working days to contest or explain a verified positive test after written notification of such result from the Company. Consideration for employment or transfer will be withdrawn if the applicant cannot satisfactorily explain a verified positive test or refuses to submit to any required tests, initial or confirmation. Any current employee who cannot satisfactorily explain a verified positive test will be subject to dismissal.

#### *Drug & Alcohol Testing of Current Employees*

The Company requires that all employees submit, at any time an employee is on duty or at any time an employee may be called to be on duty, to drug and/or alcohol testing to determine the presence of prohibited substances. Employees may be required to submit to the following types of testing (as further discussed below): Reasonable Suspicion, Post Accident, Return-to-Duty & Post Rehabilitation (Follow-up) and Random. An employee's refusal to submit to a requested specific substance use test or failure to cooperate with such testing shall constitute an act of insubordination and may subject the employee to disciplinary action up to and including termination.

If an employee tests positive for the use of prohibited drugs or alcohol, the applicant must submit to a confirmation test. The employee has five working days to contest or explain a verified positive test after written notification of such result from the Company. Any current employee who cannot satisfactorily explain a verified positive test will be subject to dismissal. If a physician, official, or lab personnel has reasonable suspicion to believe that the employee or an applicant has tampered with the specimen (including the use of masking

agents, providing a sample not your own, or otherwise not complying with procedure), the employee is subject to disciplinary action up to and including termination; an applicant's consideration for employment or transfer may be withdrawn.

#### *Reasonable Suspicion Testing*

All employees may be subject to testing when the Company has a reasonable suspicion that the employee has violated the provisions of this policy. A reasonable suspicion referral for testing will be made on the basis of specific, objective observations concerning the appearance, behavior, speech or body odors of the employee which are consistent with the use of prohibited drugs or alcohol; possession of paraphernalia; and/or information from a source deemed to be reliable. Reasonable suspicion referrals will be made by a supervisor who is trained to detect the signs and symptoms of drug and alcohol use. The reason for the testing will be documented. Any employee who is reasonably suspected of being under the influence of prohibited drugs or alcohol will not be allowed to perform any other safety-sensitive functions until the employee passes a drug and alcohol test.

#### *Random Testing*

All employees will be subject to random, unannounced urine testing for drugs at any time the Company deems necessary.

#### *Post-Accident Testing*

The Company will require all employees to submit to post-accident testing following any occurrence in which the employee is involved in (1) an on-the-job injury which results in a loss of work time, or (2) substantial damage to company property.

#### *Return-To-Duty Testing & Post-Rehabilitation Testing*

Although employees are subject to dismissal for any violation of this policy, the Company may, in its discretion, allow an employee to return to duty under some circumstances. In the event that an employee is allowed to return to duty, the Company will require return-to-duty testing in the following circumstances. Compliance with the following process does not guarantee an employee reinstatement with the Company.

If any employee returns to duty after a positive test or otherwise violating a regulation concerning the use of drugs and alcohol, the Company will require that employee to undergo frequent unannounced testing following their return to duty. The follow-up testing will be performed for a period of two to five years with a minimum of six tests to be performed the first year. The frequency and duration of the follow-up tests beyond the minimum will be determined by a qualified Substance Abuse Professional.

#### *Information Disclosure*

All information received by the Company or its agents through this drug and alcohol testing program will be maintained in a confidential and secure manner. Information will be released to a third party only in the following circumstances:

- Pursuant to the specific, written, voluntary consent of the employee,
- As permitted by law in a lawsuit or administrative proceeding, or
- As otherwise legally compelled by an agency of the government or a court of competent jurisdiction.

#### *Employee Assistance Programs*

The Company strongly encourages employees experiencing alcohol or drug abuse, or other personal or family problems, to seek help. The Company maintains a resource file with information regarding local organizations that are available to assist employees with

personal or behavioral problems, including drug and alcohol abuse and mental health problems.

#### *Effect on Workers' Compensation and Unemployment Benefits*

An employee may be denied unemployment benefits if the employee is terminated for violating this policy. If the employee's intoxication or impairment from the use of alcohol or prohibited drugs caused or contributed to an accident, workers' compensation may be disallowed. Likewise, workers' compensation may be disallowed if the employee refuses to submit to or cooperate with a post-accident blood or urine test.

#### **IV. ATTENDANCE.**

To fulfill the Company's responsibilities, employees must carry out their job responsibilities during hours for which they are scheduled to work. An employee's regular attendance is essential to the proper functioning of every department. Any absence, no matter how legitimate the cause, results in a disruption of work schedules, extra work for co-workers and extra administrative time spent by managers.

If any employee will not be able to report for work for any reason, the employee must notify his or her supervisor prior to the scheduled working time. If an employee is absent two (2) consecutive days without notifying his/her supervisor, the employee will be considered to have abandoned the job without notice and the employee's employment will be terminated as of the last day the employee worked.

#### **V. APPEARANCE.**

##### *General*

Employees have the responsibility to present an image which projects personal pride in their appearance and their work and which will enhance the Company's public image. Employees

must dress in attire that is appropriate for their job duties and customer/public contact. Employees must also exercise good personal hygiene.

#### Dress Code

You may be required to wear certain clothing or equipment depending on your job responsibilities. Please consult the SOPs for any such requirements. Otherwise and unless otherwise directed, all others should dress in business casual. The Company celebrates the importance of personal authenticity and expression. Your attire should be professional and you should exercise regular and customary body hygiene. If you have any questions or wish to understand this policy and how it applies to you, you are invited to speak with the Office Manager.

### **VI. OTHER WORKPLACE POLICIES**

#### *Use of Company Telephone*

Telephones should always be answered with promptness and politeness. When answering calls coming in through the main number, the name of the Company should be given. If you have a personal line, you should give your name when answering. It is always appropriate to extend a greeting before giving your name or the Company name.

It is important that telephone lines be kept open for business calls. Therefore, the personal use of telephones should be limited. If it is necessary to make a long distance, personal call, the employee is responsible for payment of the call. Abuse of telephone privileges may result in disciplinary action, up to and including discharge.

#### *Use of Personal Cell Phones, PDAs, MP3 players, and Other Personal Technology*

Use of personal electronic devices or other personal entertainment or distraction is forbidden while on the job. These devices may be used on break times. If you have an

exceptional situation justifying the use of a personal communications device, you must get the Office Manager's permission prior to carrying the device while you work, and you must only use it only for purposes related to that exceptional situation.

### *Personal Visitors*

Personal visitors disrupt our business and your work. Unless there is an emergency, remind friends and relatives not to disturb you while you are working. Unauthorized visitors who violate this policy will be asked to leave the premises. In addition, given the nature of the Company's work, please ensure all visitors are compliant with the applicable SOPs.

### *Courtesy*

You are expected to conduct yourself in a courteous and professional manner at all times when dealing with customers, as well as colleagues.

### *Personal Property*

The Company cannot accept responsibility for damage to or loss of personal property. This includes personal items left in employee vehicles on or near Company premises.

### *Smoking Policy*

The Company is dedicated to providing a healthy work environment for our employees. Given the documented risk of secondhand smoke, we have decided to make indoor Company premises a smoke-free environment. Accordingly, smoking will be strictly prohibited within all Company-owned or leased buildings (including rest rooms). Employees will be allowed to smoke outside the buildings in designated areas with the permission of their immediate supervisor and only without risk that the smoke will get into Company buildings and not impact those entering or exiting Company's building. Unauthorized smoking breaks will not be allowed.

### *No Solicitation*

No solicitation of any kind, including solicitations for membership or subscription will be permitted by employees during working time. Further, no solicitation of any kind, including solicitations for membership or subscriptions will be permitted in work areas at any time. In non-work areas (such as break rooms and parking lots), solicitations are only permissible during an employee's non-working time, such as rest periods, lunch breaks and before and after work. No solicitations of any kind, whether in work or non-work areas, will be permitted at any time by employees who are supposed to be working or in such a way as to interfere with the work of other employees who are supposed to be performing their assigned work tasks. No distribution of any kind, including circulars or other printed materials is permitted in any work area at any time.

Any employee who violates these rules will be subject to discipline. Non-employees are not allowed to enter Company property and are not allowed to solicit or distribute any materials or literature at any time on any Company property.

### *Immigration Law Compliance*

The company complies with and requires its employees to comply with state and federal immigration laws and regulations regarding authorization to work in Alabama. An employee's failure to comply with state and federal immigration laws and regulations, or any other laws, is subject to discipline up to and including termination.

### *Workplace Safety and Crime Prevention*

The Company will have a safe environment for all employees. Safety at our facility is of the paramount importance. The Company will place the State of Alabama's Workplace Violence Prevention poster at the facility. Please review to ensure we can all maintain a safe working environment. The Company has a policy of zero-tolerance for workplace violence, verbal and



nonverbal threats, and related actions. The Company places as much emphasis on safety for its employees as it does for its customers. This policy applies to all employees, managers, supervisors, vendors, contractors, and visitors.

Employees are required to report all assaults or threats of harm or physical abuse to their supervisor or to the Office Manager. The report will be kept confidential to the extent possible, and employees are assured that no reprisals will be taken against an employee who reports or experiences workplace violence or threats. Employees who are victims of workplace violence or threats are encouraged to file formal charges with local law enforcement. The Company may also file charges depending upon the actual circumstances of the alleged incident(s). Any employee who commits or threatens violence, as determined by management, will be disciplined accordingly, up to and including discharge.

Workplace violence has numerous warnings. Please watch for the following warning signs and report to the Office Manager if you see any of these displayed:

1. Quick to anger or demonstrates an uncontrollable temper.
2. Prone to arguing, intimidating behavior, or carries a grudge.
3. Intolerant of criticism and suspicious of co-workers.
4. Delusions, strong unshakeable beliefs about others in the workplace.
5. Isolated, little involvement with co-workers.
6. Repeated or history of making threats.
7. Fascination with weapons, violence, and related literature.
8. Recent and acute personal, financial, legal, or relationship problems.
9. Known history of psychological problems.

In the event of a threat of violence, here are some recommended response procedures:

1. DO stay calm.
2. DO learn how to recognize, avoid, or safely diffuse potentially violent situations.
3. DO alert your supervisor to concerns you have about safety or security.

4. DO report to management violent incidents in writing.
5. DO act like you care about what the person says and don't interrupt.
6. DO be courteous and patient.
7. DO use calm body language.
8. DO establish a contact with local law enforcement.
9. DO use an Employee Assistance Program.
10. DO request that aggressive employee complete anger management counseling.
11. DO NOT make sudden movements.
12. DO NOT make threats or touch the person.

If you are attacked:

1. DO call 911.
2. DO yell as loud as you can or anything to draw attention to yourself.
3. DO fall to the ground if you are being pulled.
4. DO blow a whistle, horn, or sound a security alarm.
5. DO run away, if you can.
6. DO NOT get in a vehicle with an attacker.

The Company believes that preparation and prevention are an integral part of this Policy. The Company invites employee suggestions regarding additional safety and security measures and practices. Please direct any such suggestions to your supervisor or the Office Manager.

### *Firearm Policy*

Unless in strict compliance with Alabama law, employees are prohibited from possession of firearms or weapons of any description on the premises of the employer or while such employees are performing work for the employer.

### *E-Mail*

The e-mail system is to be used solely for business purposes of the Company and not for personal purposes of the employees. All information and messages that are created, sent, received or stored on the company's e-mail system is the sole property of the Company.

Company employees are advised that they should have no expectation of privacy in their usage of any Company-owned communication device which may be used for voice communications or Internet access, or to transmit e-mails, faxes, photos, etc. All e-mail is subject to the right of the Company to monitor, access, read, disclose and use such e-mail without prior notice to the originators and recipients of such e-mail. E-mail may be monitored and read by authorized personnel for the company for any violations of law, breaches of Company policies, communications harmful to the company or for any other reason.

The Company prohibits the transmission, whether by telephone, facsimile machine, Emails, or otherwise, any communications which may be libelous, offensive, harassing, illegal, derogatory, discriminatory, or considered to be otherwise inappropriate by Company management. Foul, inappropriate, or offensive messages such as racial, sexual, homophobic, transphobic, or religious slurs or jokes are prohibited. Sexually explicit messages or images, cartoons or jokes are prohibited.

The e-mail system is only to be used by authorized persons, and an employee must have been issued an e-mail password in order to use the system. Employees shall not disclose their codes or passwords to others and may not use someone else's code or password without express written authorization from the company.

E-mail communications should not be assumed to be private and security cannot be guaranteed. Highly confidential or sensitive information should not be sent through e-mail. Employees may not, without the company's express written authorization transmit trade secrets or other confidential, private or proprietary information or materials through e-mail.

Any files downloaded from e-mail received from non-company sources must be scanned with the Company's virus detection software. Any viruses, tampering or system problems should be immediately reported to the IT Manager. Chain "pass this along" type e-mail – received from an outside source that is not relative to Company business must be deleted and may not be forwarded. Violations of this policy or other company policies may result in disciplinary action up to and including termination.

## **VII. DISCIPLINE AND DISCHARGE**

There are circumstances where an employee's actions may result in immediate discharge, without prior warning. This includes, but is not limited to, safety violations, falsification of time records, possessing a weapon on Company premises or in a Company vehicle, theft or any other behavior which the Company considers to be so severe that no second chance should be provided. In other circumstances, the Company may counsel an employee where there needs to be improvement in employee job performance, behavior, attitude or attendance. The counseling may be in the form of a verbal or written warning, suspension or final warning instead of suspension. The Company will evaluate when determining what level of discipline is appropriate the nature of the employee's responsibilities, overall work record, length of service and the nature of the incident resulting in the discipline.

Prohibited conduct includes any behavior expressly or impliedly forbidden by this handbook as well as the following infractions, any of which will result in discipline, up to and including termination, at the discretion of the Company. This list is not intended to be exclusive of all the misconduct that could result in your discipline and/or termination. Further, listing prohibited conduct does not change the at-will nature of the employment relationship between you and the Company.

- ☐ Theft, or the participation in the theft, or inappropriate removal or possession of property or merchandise (regardless of cost) from the company, other associates, or customers.
- ☐ Failure to report a theft incident

- ☐ Destruction of any company property or merchandise.
- ☐ Smoking in prohibited areas (including restrooms).
- ☐ Unauthorized removal or destruction of company records or release of confidential information.
- ☐ Leaving job during working time without supervisor's approval.
- ☐ Working under the influence of alcohol, illegal drugs or legal drugs used illegally.
- ☐ Possession, distribution, sale, transfer, or use of alcohol or drugs in the work place, while on duty, or while operating employer-owned vehicles or equipment.
- ☐ Fighting or threatening violence in the work place or otherwise endangering the safety and welfare of employees or customers.
- ☐ Possessing a weapon on Company premises or in a Company vehicle
- ☐ Violation of safety or health rules.
- ☐ Sexual or other harassment in violation of the company's harassment policy.
- ☐ Possession of dangerous or unauthorized materials, such as explosives, firearms, or weapons in the work place.
- ☐ Job abandonment (one day of missed work without notification).
- ☐ Unauthorized entry or use of computer systems or registers.
- ☐ Falsification of time keeping records, sales records or any other company document.
- ☐ Rude or inappropriate behavior towards customers or associates.
- ☐ Gross insubordination.
- ☐ Failure to record a sale in its entirety at the time of transaction.
- ☐ Ringing up your own sale.
- ☐ Any other conduct that the company finds inconsistent with its operations.
- ☐ Refusing to cooperate with any investigation.

## **VIII. SECURITY AND LOSS PREVENTION**

These policies supplement and should be read consistently with all SOPs developed and provided to Company employees.

### *Security Inspection*

Desks, lockers, computers, hard drives, thumb drives, magnetic storage devices and other physical or digital/electronic storage devices may be provided for the convenience of employees, but remain the sole property of the Company. Accordingly, they, as well as any articles found within them, can be inspected by any agent or representative of the Company at any time, either with or without prior notice and employees should not have an expectation of privacy in such items or areas.

The Company likewise wishes to discourage theft or unauthorized possession of the property of employees, the Company, visitors, and customers. To facilitate enforcement of this policy, a Company representative may inspect company property but also persons entering and/or leaving the premises and any packages or other belongings. Any employee who wishes to avoid inspection of any articles or materials should not bring such items onto the Company's premises.

### **IX. ADDRESS AND PHONE NUMBER CHANGES**

It is your responsibility to notify the Company of any changes to your address or phone number. Be sure that the Company has current information regarding how and where you can be reached.

### **ACKNOWLEDGEMENT OF RECEIPT**

Once you have read the Company's personnel handbook, please read the following information, complete and sign the section below, and return this page to the Office Manager within ten working days.

This is to acknowledge receipt of a copy of Company's Employee Handbook dated. The information contained in this handbook is not all-inclusive. It is a general summary of Company policies and procedures. The Company reserves the right, in its discretion, to

amend, reduce, or terminate any policies or benefits contained within this Handbook, or policies or benefits otherwise administered, at any time for active employees, former employees, retirees, and their dependents.

I acknowledge that I am expected to read, understand and follow these policies, including, but not limited to, the Drug and Alcohol Policy; the Safety Policy; and policies regarding Equal Employment Opportunity and how to respond to discrimination, harassment and retaliation. I understand that failure to adhere to the policies contained in this Handbook may result in discipline up to and including the termination of my employment.

I understand that this Handbook is not intended to be an express or implied contract, but is provided as a general explanation of policies. I understand that my employment with the Company is an at-will employment arrangement and that either the Company or I can end this employment relationship at any time for any reason or for no reason.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

# Exhibit 21 – Quality Control and Quality Assurance Plan

## Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Lee Billingsley

Printed Name of Verifying Individual



Signature of Verifying Individual

Executive Chair

Title of Verifying Individual

12/28/2022

Verification Date



## Quality Assurance Plan

The Applicant must provide a quality control and quality assurance plan for each of its facilities, identifying:

- 21.1 – An overview of the steps to be taken in the manufacturing process to provide high quality products and/or to ensure the safety, potency, stability, lifespan, and consistency among batches of the same product, whether as required by law or otherwise.
- 21.2 – A plan for performing, at its own expense after licensure, quality control and testing of a qualified sampling (as defined in Chapter 10 of the Rules) of medical cannabis in its control, regardless of whether said medical cannabis has been packaged, labeled and sealed. Such testing shall be conducted by a State Testing Laboratory (as detailed in Chapter 10 of the Rules). The plan shall include, but is not limited to, the following:
  - What tests will be conducted, if any, at each stage of processing.
  - Whether the testing at each stage will be performed in house, through unofficial private testing performed by a State Testing Laboratory, or through an official test by a State Testing Laboratory.
- 21.3 – A plan for return and remediation or destruction of any failed test samples, including entry of the event on the Statewide Seed-to-Sale Tracking System.

**21.1 – An overview of the steps to be taken in the manufacturing process to provide high quality products and/or to ensure the safety, potency, stability, lifespan, and consistency among batches of the same product, whether as required by law or otherwise.**

## General Requirements

The Director of Cultivation will develop, implement, and maintain sanitation and quality control practices that maintain the safety and quality of crops, including purity and consistency. All necessary precautions will be taken during the processing of marijuana to prevent contamination of medical marijuana and packaging materials.

## Process Testing Overview

Regular in-house testing will be scheduled by the VP of Processing based on current operational needs. All purchased raw material is to be inspected by two or more trained employees for all visible foreign matter and sub-standard material to be removed. These employees will also perform a visual microscopic and naked-eye inspection of each batch processed to determine:

- Organoleptic characteristics (color, texture and odor);
- Presentation of the material (raw, cut, crushed, compressed);
- The presence of admixtures, foreign matter (sand, glass particles, dirt), mold, or signs of decay;
- The presence of insects; and
- The presence of foreign material originating from poor or degraded containers.
- Damaged and/or degraded plant material will be removed and disposed of with approval from the Director of Cultivation and in accordance with waste disposal policies and procedures.

The VP of Processing will maintain written procedures assigning responsibility for sanitation and describing in sufficient detail the cleaning schedules, methods, equipment, and materials to be used in cleaning the production area. Such written procedures will be followed, and records of cleaning and sanitation will be kept in the seed to sale management system. UV sterilization door strips and dip tanks will be used in critical locations throughout the facility. Frequent handwashing is necessary in all raw material handling activities and will be enforced by the VP of Processing. Personnel working in the operation during which adulteration of components, packaging components, cannabis, cannabis-derived products, or contact surfaces could occur must use hygienic practices to the extent necessary to protect against contamination. These hygienic practices include the following:

- Wearing outer garments in a manner that protects against the contamination of components, packaging components, in-process materials, cannabis, cannabis-derived products, or any contact surface;
- Maintaining adequate personal cleanliness;

- Washing hands thoroughly with soap (and sanitizing if necessary to protect against contamination with microorganisms:
  - (1) Before starting work;
  - (2) After using the restroom; and
  - (3) At any other time when the hands may have become soiled or contaminated;
- Removing all unsecured jewelry and other objects that might fall into components, packaging components, cannabis, cannabis-derived products, equipment, or packaging, and removing hand jewelry that cannot be adequately cleaned during periods in which components, packaging components, in-process materials, cannabis, or cannabis-derived products are manipulated by hand. If hand jewelry cannot be removed, it must be covered by material that is maintained in an intact, clean, and sanitary condition and that effectively protects against contamination;
- Maintaining gloves used in handling components, packaging components, in-process materials, cannabis, or cannabis-derived products in an intact, clean, and sanitary condition. The gloves should be of an impermeable material;
- Wearing, where appropriate, in an effective manner, hair nets, caps, beard covers, or other effective hair restraints;
- Not storing clothing or other personal belongings in areas where components, packaging components, in-process materials, cannabis, cannabis-derived products, or any contact surfaces are exposed or where contact surfaces are washed;
- Not eating food, chewing gum, drinking beverages, or using tobacco products in areas where components, packaging components, in-process materials, cannabis, cannabis-derived products, or any contact surfaces are exposed, or where contact surfaces are washed;
- Taking any other precautions necessary to protect against the contamination of components, packaging components, in-process materials, cannabis, cannabis-derived products, or contact surfaces with microorganisms, filth, or any other extraneous materials, including perspiration, hair, cosmetics, tobacco, chemicals, and medicines applied to the skin;

- Taking all precautions necessary to maintain the security of the physical plant, to prevent unauthorized access to controlled access areas, and to maintain strict control of in-process materials, cannabis, cannabis-derived products, and cannabis waste; and
- Entering controlled access areas only as authorized by supervisory personnel.

### **Sanitation Requirements**

The grounds of the physical facility must be kept in a condition that protects against the risk of contamination. The methods for adequate ground maintenance include:

- Properly storing equipment, removing litter and waste, and cutting weeds or grass within the immediate vicinity of the physical facility so that it does not attract pests, harbor pests, or provide pests a place for breeding
- Maintaining roads, yards, and parking lots so that they do not constitute a source of contamination;
- Adequately draining areas that may contribute to the contamination by seepage, filth or any other extraneous materials, or by providing a breeding place for pests;
- Adequately operating systems for waste treatment and disposal so that they do not constitute a source of contamination; and
- If the facility grounds are bordered by grounds not under the Applicant's control, and if those other grounds are not maintained in the manner described in this section, care will be exercised in the facility by inspection, extermination, or other means to exclude pests, dirt, and filth or any other extraneous materials that may be a source of contamination.
- The physical facility will be maintained in a clean and sanitary condition and will be maintained in repair sufficient to prevent components, packaging components, in-process materials, cannabis, cannabis-derived products, or contact surfaces from becoming contaminated.
- Animals or pests will not be allowed in any area of the physical facility, except that guard or guide dogs may be allowed in some areas if the presence of the dogs will not result in contamination of components, packaging components, in-process materials, cannabis or cannabis-derived products, or contact surfaces;

- Effective measures will be taken to exclude pests from the physical facility and to protect against contamination by pests; and
- Insecticides, fungicides, or rodenticides will not be used in or around the physical facility, unless they are registered with EPA and used in accordance with the label instructions, and effective precautions are taken to protect against the contamination of components, packaging components, in-process materials, cannabis or cannabis-derived products, or contact surfaces.
- Trash will be regularly conveyed, stored, and disposed so to:
  - (1) Minimize the development of odors;
  - (2) Minimize the potential for the trash to attract, harbor, or become a breeding place for pests;
  - (3) Protect against contamination of components, packaging components, in-process materials, cannabis, cannabis-derived products, any contact surface, water supplies, and grounds surrounding the physical plant; and
  - (4) Control hazardous waste to prevent contamination.
- Equipment and utensils will be maintained to minimize accumulation of dirt, filth, organic material, particles of components, in-process materials, cannabis, and cannabis-derived products, or any other extraneous materials or contaminants.

### **Cleaning Compounds**

Cleaning compounds, sanitizing agents, pesticides, and other toxic materials will be appropriately stored, handled, and controlled. Cleaning compounds and sanitizing agents will be free from microorganisms of public health significance and be safe and adequate under the conditions of use. Toxic materials will not be used or in the facility in which components, packaging components, in-process materials, cannabis, cannabis-derived products, or contact surfaces are manufactured or exposed, unless those materials are necessary as follows:

- To maintain clean and sanitary conditions;
- For use in laboratory testing procedures, where applicable;
- For maintaining or operating the facility or equipment; or

- For use in the facility operations.

### **Quality Assurance Person (QAP)**

Applicant shall employ at least one Quality Assurance Person (QAP). The QAP is responsible for compliance of Applicant's internal quality assurance procedures and protocols and legal quality assurance requirements. The QAP's duties shall include:

- Inspecting production resources, packaging material and medicinal material, and issuing inspection reports.
- Preparing and managing quality control documentation and managing all forms of original records concerning production, packaging, sanitation, and inspection.
- Conducting product recalls as necessary, including informing the state of a recall and the reason for it.
- Establishing and enforcing quality assurance standards, providing technical and regulatory services in growing inputs, packaging and production of medical marijuana.
- Supporting continuous quality improvement of medical marijuana through reinforcement of product quality and product safety programs, creation of specifications, and performance and oversight of various auditing and investigation actions.
- Reviewing regulations, documents and reports pertaining to the Ohio Medical Marijuana Control Program.
- Oversee and assist Quality Assurance (QA) team with critical/technical review of documents, test results, procedures and production equipment.
- Develop, update and maintain Standard Operating Procedures (SOP) and QA Manuals.
- Supervise and be accountable for a team of QA Technicians.
- Supports and interacts with all departments and other divisions.
- Interact with production and department managers to create a cohesive, well run quality assurance program.
- Apply technical knowledge to troubleshoot production issues.
- Review certificates of analysis and results of laboratory tests for compliance to specification.

- Ensure compliance with regulations through auditing and quality systems.
- Investigate product non-conformances, conduct material reviews for complaints, and document findings and responses. Manage product holds, reprocessing actions, and final disposition processes for noncompliant resources.
- Create responses, corrective and preventive action reports for customers, customer relations or other internal departments as needed.
- Manage procedures and processes pertaining to incidents, complaints, deviations and recalls.
- Manage audit and information requests from the state of Ohio and other responsibilities as assigned.

**21.2 – A plan for performing, at its own expense after licensure, quality control and testing of a qualified sampling (as defined in Chapter 10 of the Rules) of medical cannabis in its control, regardless of whether said medical cannabis has been packaged, labeled and sealed. Such testing shall be conducted by a State Testing Laboratory (as detailed in Chapter 10 of the Rules). The plan shall include, but is not limited to, the following: o What tests will be conducted, if any, at each stage of processing. o Whether the testing at each stage will be performed in house, through unofficial private testing performed by a State Testing Laboratory, or through an official test by a State Testing Laboratory.**

### **Quality and Contaminant Testing**

Testing medical marijuana is performed to identify potency and cannabinoid profile, stability, and the presence of contaminants including microorganisms. At a minimum, a testing laboratory shall test every sample for the following:

- Microbial contaminants
- Mycotoxins
- Moisture content
- Foreign matter contamination
- Heavy metals, including, at a minimum, arsenic, cadmium, lead, and mercury

- Pesticide and fertilizer residue
- Cannabinoid potency

### **Product Stability Testing**

Cannabinoids decompose in various forms of cannabis when exposed to different conditions of temperature, light, air, etc. Cannabis and its extract are reasonably stable for 1 to 2 years if stored in a dark room at normal room temperature (20 °C).

The effect of light on cannabis has a deleterious effect. Pure THC decomposes with light, and exposure to light has been observed to be the greatest single factor for loss of cannabinoids. The effect of oxygen on herbal cannabis seems much less significant than that of light or higher temperatures.

Applicant shall provide samples for stability testing in addition to the other quality assurance testing required by the state, and shall organize and analyze the stability test results in order to provide recommended expiration dating, but in no case will be more than a year from the date of harvest

### **Obtaining Samples for Testing**

Representative samples sufficient in size will be taken from each batch (each strain will be tested) by the quality assurance unit. Analytical samples will be taken in accordance with sampling and retention policies. Representative samples removed from finished inventory will be properly recorded in the inventory management system. Sample records will accurately reflect the origination of the sample to allow trace-back. Samples will be stored separately from product inventories in a manner that maintains sample quality and identification. Samples will be recorded in the inventory control system with the contents by:

- The finished product name and identification;
- The date of batch processed;
- The identification number; and
- Any other identifying information.



**Testing for Pesticides**

Pesticide residue in medical cannabis can include neurotoxins (the chemical warfare agent Saran is a member of this class of compounds), which are poisons at high dose and are linked to chronic brain disorders at low but repeated exposure. Exposure to pesticides has been linked to ADHD and Alzheimer's, and can cause asthma and allergic reactions and at high levels, neurotoxicity. Currently there are no USDA guidelines for residual pesticides in medical cannabis. Applicant testing program will include the required state testing as well as the most commonly used pesticides in medical cannabis cultivation: Organophosphates, Carbamates, Pyrethroids, and Avermectins.

Organophosphates and carbamates refer to a group of insecticides that are neurotoxins, which means they affect the brain and nervous system. Examples of organophosphates include parathion, malathion, methyl parathion, chlorpyrifos, diazinon, dichlorvos, phosmet, tetrachlorvinphos, and azinphos methyl.

Pyrethroids are a group of man-made pesticides similar to the natural pesticide pyrethrum, which is produced from chrysanthemum flowers. Exposure to pyrethroids can be allergenic and can cause asthma in some patients. Examples of pyrethroids are permethrin, cypermethrin, resmethrin, cyfluthrin, and tetramethrin.

Avermectins are microbial based pesticides that affect neural transmission. Exposure to high doses can depress the central nervous system resulting in incoordination and tremors. Direct contact with skin can cause irritation. The most common avermectin is abamectin (trade name Avid)

**Microbiology Testing**

Microorganisms such as molds, bacteria, and yeast are everywhere even in small amounts in food and drink and in the air we breathe. However, exposure to some microorganisms can be harmful in high concentrations and can be particularly dangerous to patients that have existing medical problems.

Certain molds, for example, produce a compound that is highly allergenic and can cause cancer. E. coli bacteria can cause infection. The presence of certain molds can also degrade the quality and yield of the medicine. Industry data shows that approximately five percent of medical cannabis samples contain unsafe levels of microorganisms, according to USDA guidelines for agricultural products. Applicant microbiological screening program identifies the type and level of microorganisms present:

- Aspergillus is one of the more potentially deadly molds. Some species produce large amounts of aflatoxin, which is both a carcinogen and a toxin. Exposure can also cause allergic reactions and infections in immune deficient patients.
- Penicillium exposure can cause severe allergic reactions to patients that are sensitive to the antibiotic penicillin.
- Cladosporium is a group that contains the most common molds. It produces no mycotoxins, but over exposure can cause asthma attacks and even pneumonia in some patients. Cladosporium is a plant pathogen and can degrade the quality and yield of cannabis.
- Alternaria is a plant pathogen and allergen in humans. Exposure to it can cause hay fever and may lead to asthma. It can also cause serious infections in immune compromised patients.
- Yeasts are another group of microorganisms that are often found in cannabis samples. Some are pathogenic or allergenic and should be avoided by patients that are immune compromised.
- Escherichia Coli is a gram negative bacteria that lives in the mammalian gastrointestinal tract. While most strains are harmless, several can cause severe food poisoning in humans.

### **Cannabinoid and Potency Testing**

Knowing the cannabinoid profile and potency of medical cannabis is fundamental in allowing the patient to choose the correct medicine for their needs, as well as determining how much to take. Cannabinoid and potency testing enables patients to assess the kind and

the amount of the active ingredients, so that they are confident of administering an appropriate dose. This is especially important for edible forms of cannabis, where a greater percentage of active ingredients reaches the bloodstream. Taking the correct amount of medical cannabis can bring welcome relief to a patient's symptoms; however taking too much can have negative side effects such as feelings of anxiety and paranoia.

- **Tetrahydrocannabinol (THC):** THC is the most abundant active component in most medical cannabis, typically ranging from 5-25 percent. Studies have found that THC provides a variety of medical benefits for numerous ailments. Cancer and AIDS patients have experienced decreasing nausea and an increasing appetite with the use of THC. Some glaucoma patients have been assisted as the compound reduces pressure within the eye, while multiple sclerosis patients use it to alleviate neuropathic pain and spasticity. THC is capable of alleviating even severe pain, and is also known to be neuroprotective (preserves brain function and structure). However, over medicating with THC can cause negative side effects. Patients could become disorientated or hallucinate. Additional possible but uncommon effects include anger, depression or anxiety. Patients can also experience short term memory loss and reduced coordination lasting for up to four hours before the body begins to function normally again.
- **Cannabidiol (CBD):** CBD is a non-psychoactive important for pain relief and other health related effects, representing anywhere from 0.1 to 12 percent. CBD alone is not psychoactive and doesn't contribute to the potential negative side effects of medical cannabis. CBD has been shown to relieve convulsions, inflammation, anxiety, and nausea, and to inhibit cancer cell growth. Recent studies have shown that CBD is an effective antipsychotic in treating schizophrenia. Smokers of cannabis are less likely to experience schizophrenia-like symptoms if there is a higher CBD to THC ratio. CBD can also decrease the social isolation induced by THC. Although CBD has its own particular medicinal value, it is the interaction between the two that gives rise to the effect that help alleviate the symptoms of various medical conditions. The Applicant will have access to strains that offer a higher CBD to THC ratio.

In addition to THC and CBD, the concentration of the following cannabinoids in Applicant's products shall be tested and recorded (this testing exceeds the minimums established by Alabama's Medical Cannabis Commission:

- (1) Tetrahydrocannabinol acid (THCA)
- (2) Tetrahydrocannabivarin (THCV)
- (3) Cannabinadiolic acid (CBDA)
- (4) Cannabidivarin (CBDV)
- (5) Cannabigerol (CBG)
- (6) Cannabichromene (CBC)
- (7) Any other cannabinoid component at > 0.1%

**21.3 – A plan for return and remediation or destruction of any failed test samples, including entry of the event on the Statewide Seed-to-Sale Tracking System.**

**Failed Test Samples**

The Quality Assurance Person will monitor product testing, stability, consumer complaints and adverse medical experiences for situations that potentially warrant a halt in the distribution or recall of a medical marijuana product.

Based upon its ongoing reviews of product testing, stability, complaints and adverse medical experiences, the QAP shall inform the CEO of any situations that potentially warrant a halt in the distribution or recall of medical marijuana.

The processing facility will immediately contact each dispensing facility that received withdrawn or recalled product and provide the responsible person in charge with a complete product list including the brand, dosage, lot number(s) and expiration dates. The processing facility will request that the dispensing facility immediately cease distribution or production and quarantine any withdrawn or recalled product for return to the

processing facility. If directed by the appropriate Alabama department, any recalled or withdrawn products will be properly destroyed and recorded and reported as such in the Statewide Seed-to-Sale Tracking System.

Quality Assurance shall conduct a thorough investigation of all product failed test samples utilizing sound scientific principles based upon the nature of the product failure. Whenever appropriate this will include product retesting according to written specifications.

Investigation findings will be reviewed with production and compliance to identify likely root cause(s) and potential Corrective or Preventive Actions (CAPA).

Quality Assurance shall submit the results of this investigation to the appropriate Alabama department within 15 calendar days or as requested by the Department. Quality Assurance will maintain for five (5) years all failed test sample records. Copies shall be made available to the appropriate Alabama department upon request.

# Exhibit 22 – Contamination and Recall Plan

## Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Billingsley

Printed Name of Verifying Individual

Executive Chair

Title of Verifying Individual



Signature of Verifying Individual

12/28/22

Verification Date

**Exhibit 22 – Contamination and Recall Plan**

**The Applicant must provide a detailed contamination and recall plan that will be followed in the event one or more of its products, including any lots or batches thereof, is determined to require recall. The plan must include, but is not limited to, the following:**

**22.1 – Provisions for notifying the Applicant of an adverse event.**

Medical marijuana medical marijuana products may be subject to recall at any time during operations. The Extractions Manager will enforce recall procedures in compliance with *the Alabama Medical Cannabis Commission regulations*. It is the Applicant's duty to fulfill recall orders of affected medical marijuana or medical marijuana products and minimize any risks to public health and safety. The Applicant has developed a recall plan for medical marijuana and medical marijuana products that, in the event of contamination, expiration, or other circumstances that render the medical marijuana or medical marijuana products unsafe or unfit for consumption, includes: easy identification of the product(s) involved; rapid notification to all who are in possession of the product(s) (including dispensaries, other processors, and customers to whom the product was sold or otherwise distributed); a plan for SSTS return, destruction, and disposal; a revision of SOPs; and, report to the Department of the event, including an account of the steps taken to resolve the cause of the problem, and a plan to prevent future such occurrences (if applicable).

The Applicant will implement recall policies and procedures in the event of contamination, expiration, or other circumstance that renders medical marijuana or medical marijuana products unfit for consumption.

**22.2 – Factors about an adverse event that would likely necessitate a recall, and any potential for retesting or remediation.**

In the case of an upstream recall (problem originating with source cultivator), the Extractions Manager will identify feedstock batches and any extracts and/or products produced or in production therefrom that contain affected medical marijuana using the

originating cultivator's harvest batch and unique plant identifiers (QR). That marijuana, and any extracts or products resulting therefrom, will be identified as "RECALLED."

In the event of a downstream recall (problem introduced during extraction or manufacturing process of the Applicant), the Extractions Manager will find products in the SSTs by their unique batch, lot, and SKU numbers and change the status of extracts or products to "RECALLED."

In either case, the SSTs will then forbid the transfer of the affected extracts or products until the Department grants authorization to do so. After identifying affected medical marijuana or medical marijuana products in the SSTs, the Extractions Manager will identify the locations of all affected feedstock, extract, or product. The recall will then proceed apace by notifying any organization or person who may be in possession of the affected material. The Extractions Manager will then accumulate the recalled product in a designated area and post signage around affected material that identifies it as quarantined. Batch and SKU number information in the SSTs will show where the affected material is located—whether in the Applicant's facility or another location. The Chief Operations Officer will follow the chain of custody downstream, if necessary, and contact licensed entities affected by recalled material that originates with the Applicant, and initiate the recall of affected material. The Extractions Manager will store recalled medical marijuana products in an area away from other inventory. Once the Extractions Manager collects all affected material, they will notify the Department for the need to dispose of contaminated material.

In the event that a product is found to be faulty in SSTs construction or function, the Applicant will accept the product in return for a new, functioning product. That return will be processed in the Seed to Sale Tracking System (SSTS) and, if it is the result of a malfunction, be noted such that if an unacceptable percentage of that product's SKUs fail, the processor can begin an investigation to determine the cause and, if necessary, issue a recall.

**22.3 – Responsible individuals or positions within the Applicant's organization who will oversee the recall process.**



The Extractions Manager will use the SSTS to trace affected medical marijuana and medical marijuana products, and, if the problem is determined to have originated with the Applicant, the Extractions Manager will begin identifying which step in the extraction or manufacturing process resulted in the defect. Using this data, the Extractions Manager will plan corrective actions and determine if affected material has been sold to dispensaries or other 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 will account for total amounts of affected product, including amounts dispensed to patients, and amounts collected. The Chief Compliance Officer will maintain records of the transfer, storage, and destruction of all recalled medical marijuana and medical marijuana products. 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.

#### **22.4 – Accounting for the safety of employees and others on the premises.**

The Chief Operations Officer oversees the safety of employees and others on the premises. Immediate actions shall include a hazard analysis to identify all hazards that present a risk to personnel on the premises. The Chief Operations Officer will establish control measures to prevent hazards or reduce them to an acceptable level. This may include cleaning and sanitizing contaminated residues that can remain on equipment surfaces if not cleaned effectively. Employees will be responsible for high standard personal hygiene practices. All soiled clothing will be disposed of if necessary. Control personnel movement will be given traffic flow patterns to avoid the contaminated area.

#### **22.5 – Notification protocols to other licensees and the Commission through the Statewide Seed-to-Sale Tracking System, and to any other proper authorities.**

Beyond alerting affected licensed entities of a recall, the Applicant will broadcast a statement to all potentially affected parties describing the scope of the recall, any associated health risks, how to identify and return affected product, and how customers can expect to be compensated. The Chief Operations Officer will prepare a statement to include the processor's contact information so that patients and caregivers may address concerns and have questions answered on an individual basis. The Chief Operations Officer will post a frequently asked questions (FAQ) page on the Applicant's website to address concerns relating to the recall. Information available to patients/caregivers online will contain corrective actions the Applicant is taking to respond to and prevent further incidents.

The Extractions Manager will prepare transport manifests and arrange the pickup of recalled medical marijuana and medical marijuana products from affected entities. The Chief Compliance Officer will verify that all recalled product is reflected in the SSTs and disposed of in compliance with *appropriate regulations*. The Chief Compliance Officer will inform the Department of all recalled product transfers. The Chief Compliance Officer will keep a paper copy of all transport manifests and other recall documentation on-site for no less than five years, in compliance with *appropriate regulations*. The Chief Compliance Officer will make all recall documents available to the Department.

**22.6 – Processes to ensure that the recalled product is returned, remediated (and approved as safe), or destroyed.**

If the recalled products are fit for reprocessing/remanufacture, that procedure will be documented in the SSTs. Before any recalled, reprocessed/remanufactured product is sold to dispensaries or processors, the Chief Compliance Officer will submit samples of the reprocessed/remanufactured product(s) to licensed testing facilities in compliance with *appropriate regulations*.

If the recall is irreparable, a Type 1 Key Employee will oversee the disposal of affected product. Before disposing, a Type 1 Key Employee will render medical marijuana waste unusable by grinding or incorporating the waste with one or more non-consumable, solid

wastes identified by the department so that the solution is at least 51% non-medical marijuana waste. The Applicant will then dispose of this waste in an on-site, locked dumpster, accessible only to the Applicant employees and the waste disposal company, unless circumstances particular to the recall dictate cultivators observe more stringent methods of disposal. The disposal of recalled medical marijuana waste will occur under video surveillance from beginning of destruction procedures until the waste is secured in a locked container and removed. A Type 1 Key Employee will keep a separate record of every disposal, in accordance with *appropriate regulations*, including: the date and time of disposal; the manner of disposal; the volume and weight of approved solid waste used to render the medical marijuana waste unusable; the reasoning for and description of the disposal event; the signature of the type 1 employee overseeing the disposal process; the batch number or numbers, volume, and the weight of any medical marijuana extract or plant material being disposed of; and the lot number, registered product name, volume, weight and unit count of any medical marijuana products being disposed of.

The disposal of any other waste from the processor that does not include medical marijuana, including hazardous waste and liquid waste, will be conducted in strict accordance with local, state, and federal law.

**22.7 – Processes to report to the Commission and any other appropriate regulatory body regarding crisis response and steps taken to mitigate or avoid danger to the public.**

The Extractions Manager (or other designated employee reporting directly to the Extractions Manager or Chief Compliance Officer) will secure recalled inventory in a quarantine area. Extraction, processing, and packaging management will isolate quarantined medical marijuana or medical marijuana products in an area away from other inventory. The isolated product will be subject to the same stringent monitoring procedures as all other areas and processes in the facility. The Extractions Manager will mark areas specific to quarantined product with signs at entryways limiting access and detailing required PPE. The Applicant is committed to preventing unlawful diversion and all activity related to

identifying, isolating, and storing recalled product will be under continual surveillance. Facility managers will document the storage location of affected material in the SSTs. The Chief Compliance Officer will give inventory data to the Department, and wait for the Department's approval prior to destroying any quarantined medical marijuana products.

**22.8 – Steps to be taken to avoid further contamination, to preserve and protect uncontaminated cannabis or medical cannabis products, and to ensure access to said products by those who depend on it.**

In order to best prepare for recalls initiated by the Department, the Applicant will conduct mock recalls. The Chief Compliance Officer will handle the planning of mock recalls and direct the drill procedures. The goal of mock recalls is to enhance employee responsiveness to adverse events. Mock recalls will keep the Applicant prepared for eventualities that could cost time, money, and damage the company's reputation. The Chief Compliance Officer will document company performance in these drills, as well as determine their frequency and set the objectives for future mock recalls.

To prepare a mock recall, the Chief Compliance Officer will create a recall team. Each recall team member will have specific tasks in the procedure. The Chief Compliance Officer will reach out to other licensed entities to participate in mock recalls. The Chief Compliance Officer will then select a random product on a random day to ensure realistic conditions. Recall team members will inspect the product's traceability in the SSTs and on the floor—including the existence of batch, lot, and SKU numbers—and ability to identify processing and inventory storage areas. After the Chief Compliance Officer compiles data concerning the mock-recalled product, they will reconcile the affected product with the current inventory. The Chief Compliance Officer will measure the recalled product against the production record to account for all product that may have been affected. The Chief Compliance Officer, Extractions Manager, and other operations managers will standardize inventory control procedures to achieve 100% reconciliation.

**22.9 – Investigation and analysis of the factors that led to the unsafe condition requiring the recall, and any adjustments to internal protocols and processes to avoid recurrence.**

The Applicant will operate transparently to protect public health. The Applicant is committed to public safety and open communication about SSTS 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, medical marijuana extracts, and medical marijuana products, destruction of recalled medical marijuana, medical marijuana extracts, and medical marijuana products, and open communication and documentation of all steps involved in the recall in compliance with *appropriate regulations*. The Applicant will keep records of all recalls for a minimum of five years.

# Exhibit 23 – Marketing and Advertising Plan

## Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Lee Billingsley

Printed Name of Verifying Individual



Signature of Verifying Individual

Executive Chair

Title of Verifying Individual

12/28/2022

Verification Date

## **Marketing and Advertising Plan**

### **23.1 – Any proposed logos, branding, messaging, or other marketing or advertising communications, providing exemplars of any specific advertisements.**

Applicant intends to have a web presence at [www.longleafextracts.com](http://www.longleafextracts.com). Applicant's primary slogan is "Cannabis Veterans with Alabama Roots". In our leadership team, we have actual cannabis industry veterans as well as a US Airforce Veteran serving as our Brand Manager. We propose to be an ultra-efficient low-cost operator so as to be able to offer competitively priced top-quality product. Because of our relationship with various cultivators, we will be able to supply attractively priced value-driven product to the market.

In terms of products, we will produce a variety of cannabis products, including oil, wax, shatter, rosin, edibles, and topicals, taking advantage of differing properties of the Sativa and Indica plants. Sativas can have the following therapeutic effects: increased sense of well-being; focus; creativity; reduced depression; elevated mood; relief from headaches/migraines/nausea; and, increased appetite. Indicas tend to produce sedated feelings, and many refer it for nighttime use. Some therapeutic effects include: relaxation/reduces stress; relaxed muscles/spasms; reduced pain/inflammation/headaches/migraines; help with sleep; reduced anxiety; reduced nausea; and stimulated appetite.

### **23.2 – Any specific media outlets or platforms where the marketing or advertising campaigns or programs will be utilized.**

Given the limited number of licensed retail operators in Alabama, Applicant intends to primarily employ an Account Based Marketing approach suitable to marketing to B2B businesses. Account-based marketing (ABM) is a strategic approach to B2B marketing that focuses on targeted, personalized outreach to specific accounts or companies, rather than targeting a broader audience with a more generalized message. This approach can be particularly effective for manufactured products, as it allows you to tailor your messaging and marketing efforts to the specific needs and pain points of the individual companies you are targeting. We will use the following steps:

1. Applicant will start by identifying the specific companies or organizations that we want to target with our ABM efforts—given the limited number of retail locations authorized in Alabama, identifying all potential sales targets will be easy. Applicant will consider factors such as industry, size, location, and any other relevant characteristics.
2. Applicant will then research our target accounts: Once Applicant has identified our target accounts, we will conduct thorough research on each one to better understand their business, their needs, and the challenges they face. This will help us tailor our messaging and marketing efforts to their specific pain points.
3. Applicant will develop personalized content: Applicant will create customized content and messaging that speaks directly to the needs and challenges of our target accounts. This can include things like customized landing pages, personalized emails, and targeted social media posts.
4. Applicant will engage with our target accounts: We will use a variety of tactics and channels to engage with our target accounts and build relationships with key decision-makers. This could include in-person meetings, webinars, and other events, as well as targeted email campaigns and social media outreach.
5. Applicant will measure and optimize: we will regularly track and analyze the results of our ABM efforts, and use this information to optimize and improve our approach over time. This can help us better understand what works and what doesn't, and allow us to make informed decisions about how to move forward with our ABM efforts.


***23.3 – The identity of any media outlet or third-party individual or entity who is projected to play any role in the Applicant's marketing or advertising efforts, and copies of all contracts or contract forms proposed for use, if any, between itself and such media outlet or third-party individual or entity.***



Applicant intends to market through owners' vast network of connections with other cannabis operators, including the existing LOI with Yellowhammer Holistics.


**23.4 – Virtual renderings of all packaging to be provided by the Applicant, demonstrating the size, color, logo, artwork, or statements appearing on the packaging, as well as all 34 child-resistant, tamper-evident, or other safety features, demonstrating conformity with the Act and the AMCC Rules.**

Applicant intends to label all packaging with this conforming label:

<b>Alabama Processed Medical Marijuana Label</b>		
Business / Trade Name: Product Identifier: Date Dispensed: Quantity Dispensed (grams): Patient Name: Patient Registry No.:  <u>Type of Extraction Process:</u>	Name of Dispensary: Address of Dispensary: License No. of Dispensary: Cannabinoid Profile: Date Marijuana Was Harvested: Ingredient and Allergen List:  <u>Compounds Added:</u>	
<b>WARNING: THIS PRODUCT MAY CAUSE IMPAIRMENT AND MAY BE HABIT FORMING. THIS PRODUCT MAY BE UNLAWFUL OUTSIDE THE STATE OF ALABAMA.</b>		
<b>CAUTION: WHEN EATEN OR SWALLOWED, THE EFFECTS AND IMPAIRMENT CAUSED BY THE PRODUCT MAY BE DELAYED</b>		
Caregiver Name (if applicable): <div style="float: right; text-align: right;"> <input type="radio"/> Sativa    <input type="radio"/> Indica    <input type="radio"/> Hybrid           </div>		

**23.5 – Exemplars of all proposed labeling, including labels on packaging, on containers and any inserts to be included in any packages, demonstrating conformity with the Act and the AMCC Rules.**

Applicant intends to label all packaging with this conforming label:

<b>Alabama Processed Medical Marijuana Label</b>		
Business / Trade Name: Product Identifier: Date Dispensed: Quantity Dispensed (grams): Patient Name: Patient Registry No.:  <u>Type of Extraction Process:</u>	Name of Dispensary: Address of Dispensary: License No. of Dispensary: Cannabinoid Profile: Date Marijuana Was Harvested: Ingredient and Allergen List:  <u>Compounds Added:</u>	
<b>WARNING: THIS PRODUCT MAY CAUSE IMPAIRMENT AND MAY BE HABIT FORMING. THIS PRODUCT MAY BE UNLAWFUL OUTSIDE THE STATE OF ALABAMA.</b>		
<b>CAUTION: WHEN EATEN OR SWALLOWED, THE EFFECTS AND IMPAIRMENT CAUSED BY THE PRODUCT MAY BE DELAYED</b>		
Caregiver Name (if applicable): <div style="float: right; margin-top: 10px;"> <input type="radio"/> Sativa                <input type="radio"/> Indica                <input type="radio"/> Hybrid           </div>		

# Exhibit 24 – Website and Social Media

## Verification

The undersigned verifies that the information contained in this Exhibit, including any attachments thereto, is accurate and complete, based on the best available information at the date of verification.

Jessica Lee Billingsley

Printed Name of Verifying Individual



Signature of Verifying Individual

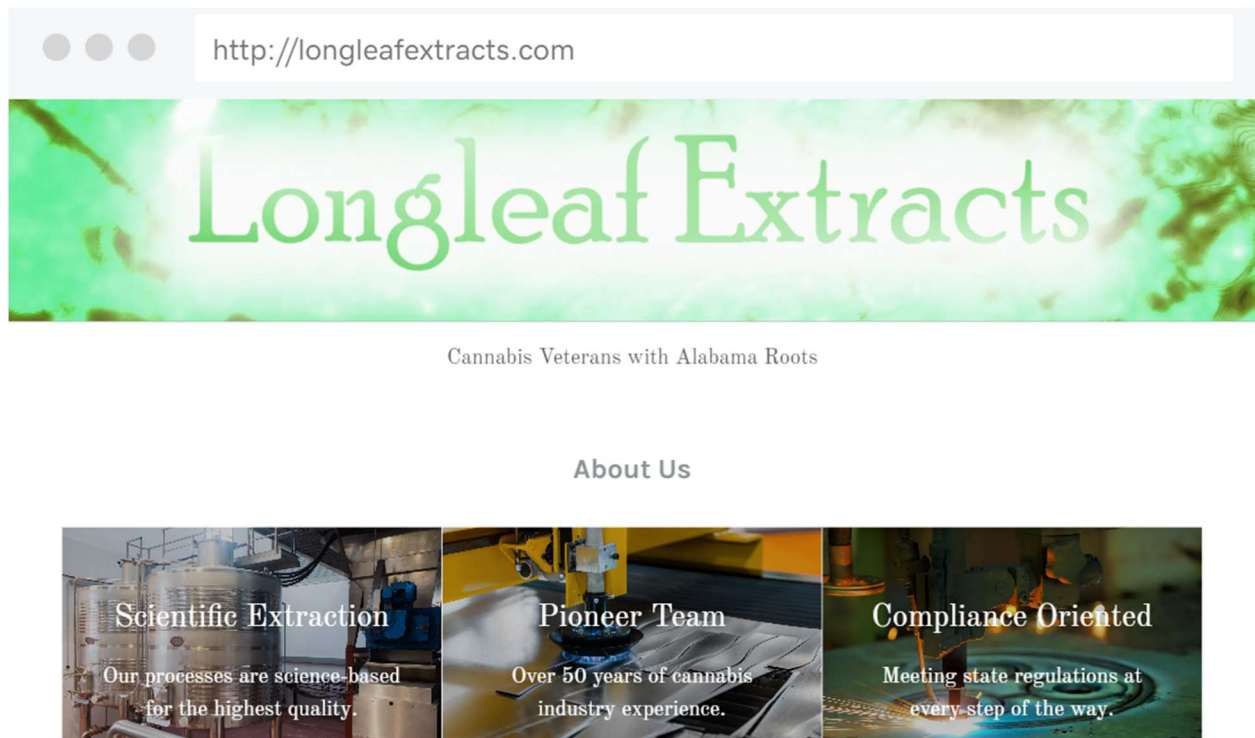
Executive Chair

Title of Verifying Individual

12/28/2022

Verification Date

### **24.1 Complete Website**



### **24.2 Website and Social Media Account Addresses**

The applicant's addresses are as follows:

- Website: <http://longleafextracts.com>
- Twitter: <https://twitter.com/LongleafExtract>



**FORM K: Affidavit of Entity Applicant for  
Alabama Medical Cannabis License**

STATE OF Colorado )

)

Denver COUNTY )

Before me, the undersigned notary, did appear the Affiant, who after being by me first duly sworn, did state under oath as follows (*please type or print legibly*):

1. NAME OF ENTITY APPLYING FOR LICENSE: Longleaf Extracts LLC

2. NAME OF AFFIANT: Jessica Billingsley

3. AFFIANT'S POSITION WITH APPLICANT: Executive Chairman

4. AFFIANT IS THE APPLICANT'S (*Check One*): ☒ Responsible Party ☐ Contact Person  
(*The affidavit of BOTH individuals is required*)

5. TYPE OF LICENSE BEING SOUGHT BY APPLICANT (*Check One*):

☐ Cultivator ☒ Processor ☐ Secure Transporter  
☐ Dispensary ☐ Integrated Facility ☐ State Testing Laboratory

6. On behalf of the Applicant, I do hereby affirm under oath as follows:

a. I, the undersigned Affiant named in paragraph 2 above, am an adult, over the age of 19 years and competent to provide this Affidavit.

JB INITIAL HERE

b. In my position stated in paragraph 3 above, I have been duly authorized by the Applicant identified in paragraph 1 above (hereinafter, "Applicant") to provide this Affidavit.

**(Attach a copy of the entity applicant's written authorization to this Affidavit.)**

JB INITIAL HERE

c. I understand and acknowledge that this Affidavit and the statements, information and documents or other exhibits accompanying it, are for the purpose of seeking one (1) license of the type specified in paragraph 5 above, on behalf of the Applicant. Neither I nor the Applicant are seeking a different Alabama Medical Cannabis license on behalf of any individual or any other entity.

JB INITIAL HERE

d. That all statements, information, documents and other exhibits provided in the Application are true and correct, based on my own personal knowledge and a diligent investigation by me. To the extent any information provided therein was heretofore outside my personal knowledge or ability to affirm, I have personally communicated with those within the Applicant's business who have such personal knowledge, whose duties



include knowledge of the facts stated and/or the integrity of the documents or other exhibits, and I am able, based on such communications, to attest to their currentness and accuracy. This I and the Applicant affirm under penalty of perjury and other applicable sanctions under the AMCC Rules and Alabama law.

JB INITIAL HERE

- e. Applicant understands and acknowledges that the license being applied for is a revocable privilege granted by this state and is not a property right, and that this Application likewise does not convey to, or otherwise entitle unto, the Applicant any rights to a license.

JB INITIAL HERE

- f. Applicant understands, acknowledges, and will continue to respect and comply with AMCC Rules regarding limited communication during the Application process.

JB INITIAL HERE

- g. Applicant consents to all background checks, examinations, inspections, and search and seizure by AMCC and law enforcement personnel during this Application process and afterward, to the extent a license is awarded.

JB INITIAL HERE

- h. Applicant has no economic interest, as defined in the AMCC Rules, in any other license or Application for license under the Darren Wesley "Ato" Hall Compassion Act, § 20-2A-1, et seq., Code of Alabama 1975.

JB INITIAL HERE

- i. I and the Applicant will at all times, to the best of our ability, comply with the AMCC Rules, and cooperate and maintain transparency with the AMCC, its staff and other agents.

JB INITIAL HERE

- j. Any verification provided in the Application is hereby affirmed under oath to be true and correct as of the date of the Application's submission.

JB INITIAL HERE

*Eric Zilling*  
Signature of Affiant

Acting for and on behalf of:

Longleaf Extracts LLC

Applicant

Sworn to and subscribed before me on this 28 day of December, 2022.



*[Signature]*  
Notary Public

My Commission Expires: 06.18.2023

[SEAL]



FORM K: Affidavit of Entity Applicant for  
Alabama Medical Cannabis License

STATE OF Colorado )  
 )  
Denver COUNTY )

Before me, the undersigned notary, did appear the Affiant, who after being by me first duly sworn, did state under oath as follows (*please type or print legibly*):

1. NAME OF ENTITY APPLYING FOR LICENSE: Longleaf Extracts, LLC
2. NAME OF AFFIANT: Jessica Billingsley
3. AFFIANT'S POSITION WITH APPLICANT: Executive Chair
4. AFFIANT IS THE APPLICANT'S (*Check One*):  
☐ Responsible Party      ☒ Contact Person  
(***The affidavit of BOTH individuals is required***)
5. TYPE OF LICENSE BEING SOUGHT BY APPLICANT (*Check One*):  

<input type="radio"/> Cultivator	<input checked="" type="radio"/> Processor	<input type="radio"/> Secure Transporter
<input type="radio"/> Dispensary	<input type="radio"/> Integrated Facility	<input type="radio"/> State Testing Laboratory
6. On behalf of the Applicant, I do hereby affirm under oath as follows:
  - a. I, the undersigned Affiant named in paragraph 2 above, am an adult, over the age of 19 years and competent to provide this Affidavit.  
JB INITIAL HERE
  - b. In my position stated in paragraph 3 above, I have been duly authorized by the Applicant identified in paragraph 1 above (hereinafter, "Applicant") to provide this Affidavit.  
(***Attach a copy of the entity applicant's written authorization to this Affidavit.***)  
JB INITIAL HERE
  - c. I understand and acknowledge that this Affidavit and the statements, information and documents or other exhibits accompanying it, are for the purpose of seeking one (1) license of the type specified in paragraph 5 above, on behalf of the Applicant. Neither I nor the Applicant are seeking a different Alabama Medical Cannabis license on behalf of any individual or any other entity.  
JB INITIAL HERE
  - d. That all statements, information, documents and other exhibits provided in the Application are true and correct, based on my own personal knowledge and a diligent investigation by me. To the extent any information provided therein was heretofore outside my personal knowledge or ability to affirm, I have personally communicated with those within the Applicant's business who have such personal knowledge, whose duties



include knowledge of the facts stated and/or the integrity of the documents or other exhibits, and I am able, based on such communications, to attest to their currentness and accuracy. This I and the Applicant affirm under penalty of perjury and other applicable sanctions under the AMCC Rules and Alabama law.

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- i. I and the Applicant will at all times, to the best of our ability, comply with the AMCC Rules, and cooperate and maintain transparency with the AMCC, its staff and other agents.

JB INITIAL HERE

- j. Any verification provided in the Application is hereby affirmed under oath to be true and correct as of the date of the Application's submission.

JB INITIAL HERE

*[Signature]*  
Signature of Affiant

Acting for and on behalf of:

Longleaf Extracts, LLC

Applicant

Sworn to and subscribed before me on this 15 day of February, 2023.



*[Signature]*  
Notary Public

My Commission Expires: 06.18.2023

[SEAL]