



Review

**Selected Account: YELLOWHAMMER MEDICAL DISPENSARIES**

Your application has been filed with the Alabama Medical Cannabis Commission.

Your reference code is **1616**.

File Date : **12/28/2022 10:49 AM**

Your transaction ID is : **89043448**

Transaction Token: **7e1a1345-03c0-431b-a6f9-f561546c5eec**

**i** 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:** 0251

## General Applicant Information

✓ **Applicant Name** : YELLOWHAMMER MEDICAL DISPENSARIES, LLC

✓ **Applying as:** Business Entity

✓ **Trade Name (DBAs)** : N/A

✓ **Identification Number Type** : FEIN

✓ **Federal Tax Identification Number** : 882919300

✓ **Business Entity Name**: Yellowhammer Medical Dispensaries, LLC

✓ **Business Entity Type**: Limited Liability Company

✓ **Secretary of State Entity ID Number** : 001026174

✓ **Federal Business Code No** : 459999

✓ **Date of Qualification, Organization or Incorporation:** 06/21/2022

## Applicant Street Address

✓ **Street:** 17 20TH ST N

✓ **Unit No / Apt No** : STE 100

✓ **City:** BIRMINGHAM

✓ **County:** 37-Jefferson

✓ **State:** Alabama

✓ **Zip Code:** 35203

✓ **Address Verified?:** Yes

## Applicant Mailing Address

✓ **Street:** 17 20TH ST N

✓ **Unit No / Apt No** : STE 100

✓ **City:** BIRMINGHAM

✔ State: Alabama

✔ Zip Code: 35203

✔ Address Verified?: Yes

Applicant Website :

✔ Applicant Email Address: jeffsmith205@gmail.com

✔ Applicant Phone Number : 2057678888

✔ 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 (as defined by 20-2A-51(b)), and (2) managed and controlled in its daily operations by members of any minority group? :No

## Primary Contact Person

✔ First Name: Keith

✔ Last Name: Smith

✔ Title: Mr.

✔ Phone Number: 2057678888

✔ Email: jeffsmith205@gmail.com

✔ Street: 300 POINCIANA DR

Unit No / Apt No :

✔ City: BIRMINGHAM

✔ State: Alabama

✔ Zip Code: 35209

✔ Address Verified?: Yes

## License Information

✔ License Type: Dispensary

## Facility Information

## Facility Information

✔ Facility Type: Dispensing Site (Retail Facility)

✔ Dispensing Site Premises : Strip Mall

## Physical Address

✔ Street: 2160 GREEN SPRING HWY S

Unit No / Apt No :

✔ City: BIRMINGHAM

✔ County: 37-Jefferson

✔ State: Alabama

✔ Zip Code: 35205

✓ Address : Yes  
Verified?

## Facility Information Questions

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✓ Applicant's interest in property where proposed facility is located : Agreement Contingent on Receipt of License

✓ Is this facility under construction? : No

✓ 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 : 120

✓ 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

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✓ Facility Type: Dispensary

## Physical Address

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✓ Street: 9639 HIGHWAY 431  
S

Unit No / Apt :  
No

✓ City: OWENS X RDS

✓ County: 45-Madison

✓ State: Alabama

✓ Zip Code: 35763

✓ Address : Yes  
Verified?

## Facility Information Questions

---

✓ Applicant's interest in property where proposed facility is located : Agreement Contingent on Receipt of License

✓ Is this facility under construction? : No

✓ 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 : 120

- ✔ 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

✔ Facility Type: Dispensary

## Physical Address

- ✔ Street: 1324 US-80 East Unit No / Apt : No City: Demopolis
- ✔ County: 46-Marengo ✔ State: Alabama ✔ Zip Code: 36732
- ✔ Address Verified? : Yes

## Facility Information Questions

- ✔ Applicant's interest in property where proposed facility is located : Agreement Contingent on Receipt of License
- ✔ Is this facility under construction? : No
- ✔ 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 : 120
- ✔ 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 : Keith
- ✔ Legal Middle Name : Jeffrey
- ✔ Legal Last Name : Smith
- Suffix:
- ✔ Phone Number : 2057678888
- ✔ Email Address : jeffsmith205@gmail.com

✔ **Date of Birth:** 04/24/1979

✔ **Social Security Number** : [REDACTED]

✔ **Race/Ethnicity:** Caucasian

✔ **Ownership Percentage of the Applicant** : 51

✔ **Role:** Member

## Residence Address

---

✔ **Street:** 300 POINCIANA DR

**Unit No / Apt :**  
No

✔ **City:** HOMEWOOD

✔ **State:** Alabama

✔ **Zip Code:** 35209

✔ **Address Verified?** : Yes

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✔ **Select type of record:** Individual

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

## Individual

---

✔ **Legal First Name** : Michael

✔ **Legal Middle Name** : John

✔ **Legal Last Name** : Haugh

**Suffix:**

✔ **Phone Number** : 9014909656

✔ **Email Address** : michael.haugh@absolutemgmt.com

✔ **Date of Birth:** 01/21/1972

✔ **Social Security Number** : [REDACTED]

✔ **Race/Ethnicity:** Caucasian

✔ **Ownership Percentage of the Applicant** : 11

✔ **Role:** Member

## Residence Address

---

✔ **Street:** 1590 DOGWOOD CR  
EEK RD

**Unit No / Apt :**  
No

✔ **City:** GERMANTOWN

✔ **State:** Tennessee

✔ **Zip Code:** 38139

✔ **Address Verified?** : Yes

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✔ **Select type of record:** Individual

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

## Individual

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✓ **Legal First Name** : Laniesha

✓ **Legal Middle Name** : Goggans

✓ **Legal Last Name** : Williams

Suffix:

✓ **Phone Number** : 2059147565

✓ **Email Address** : lmgoggans@gmail.com

✓ **Date of Birth**: 03/24/1992

✓ **Social Security Number** [REDACTED]

✓ **Race/Ethnicity**: African American

✓ **Ownership Percentage of the Applicant** : 10

✓ **Role**: Member

## Residence Address

---

✓ **Street**: 1235 33RD ST N

**Unit No / Apt No** :

✓ **City**: BIRMINGHAM

✓ **State**: Alabama

✓ **Zip Code**: 35234

✓ **Address Verified?** : Yes

---

✓ **Select type of record**: Individual

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

## Individual

---

✓ **Legal First Name** : Jennifer

✓ **Legal Middle Name** : Tyson

✓ **Legal Last Name** : Rodgers

Suffix:

✓ **Phone Number** : 6158123103

✓ **Email Address** : rodgers.jennifer@gmail.com

✓ **Date of Birth**: 01/30/1983

✓ **Social Security Number** [REDACTED]

✓ **Race/Ethnicity**: Caucasian

✓ **Ownership Percentage of the Applicant** : 10

✓ **Role**: Member

## Residence Address

---

✓ **Street**: 620 45TH ST S

**Unit No / Apt No** :

✓ **City**: BIRMINGHAM

✓ **State**: Alabama

✓ **Zip Code**: 35222

✓ Address : Yes  
Verified?

✓ Select type of record: Individual

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

## Individual

✓ Legal First : Scott  
Name

✓ Legal Middle : Nicholas  
Name

✓ Legal Last : Beatty  
Name

Suffix:

✓ Phone : 9014973949  
Number

✓ Email : scott.beatty@absol  
Address utemgmt.com

✓ Date of Birth: 11/28/1972

✓ Social : ██████████  
Security  
Number

✓ Race/Ethnicity: Caucasian

✓ Ownership : 6  
Percentage of  
the Applicant

✓ Role: Member

## Residence Address

✓ Street: 10805 BETHANY PL

Unit No / Apt :  
No

✓ City: EADS

✓ State: Tennessee

✓ Zip Code: 38028

✓ Address : Yes  
Verified?

✓ Select type of record: Individual

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

## Individual

✓ Legal First : Matthew  
Name

✓ Legal Middle : Stephen  
Name

✓ Legal Last : Bailey  
Name

Suffix:

✓ Phone : 9014123512  
Number

✓ Email : matt.bailey@absolu  
Address temgmt.com

✓ Date of Birth: 10/02/1972

✓ Social : ██████████  
Security  
Number

✓ Race/Ethnicity: Caucasian

✓ Ownership : 6  
Percentage of  
the Applicant

✓ Role: Member

## Residence Address

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✔ **Street:** 1975 WIRILY LN

**Unit No / Apt :**  
No

✔ **City:** CORDOVA

✔ **State:** Tennessee

✔ **Zip Code:** 38016

✔ **Address** : Yes  
**Verified?**

---

✔ **Select type of record:** Individual

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

## Individual

---

✔ **Legal First** : Jeffrey  
**Name**

✔ **Legal Middle** : Lyndel  
**Name**

✔ **Legal Last** : Smith  
**Name**

**Suffix:**

✔ **Phone** : 2055858488  
**Number**

✔ **Email** : jeff@smithventures.  
**Address** com

✔ **Date of Birth:** 06/01/1957

✔ **Social**  
**Security**  
**Number**

✔ **Race/Ethnicity:** Caucasian

✔ **Ownership** : 6  
**Percentage of**  
**the Applicant**

✔ **Role:** Member

## Residence Address

---

✔ **Street:** 3416 E BRIARCLIFF  
RD

**Unit No / Apt :**  
No

✔ **City:** MOUNTAIN BRK

✔ **State:** Alabama

✔ **Zip Code:** 35223

✔ **Address** : Yes  
**Verified?**

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## Cannabis Industry Entities

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✔ **Is any individual or entity below connected to any entity that is directly or indirectly involved in the cannabis industry,** :Yes  
**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?**  
(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** : Michael

✓ **Legal Last Name** : Haugh

**Suffix:**

✓ **Cannabis Entity Name** : Briarleaf

✓ **Entity Type:** Limited Liability Company

✓ **Connection** : Individual to Cannabis Entity

✓ **Role in Cannabis Entity** : Member

✓ **Percentage of ownership in cannabis entity** : 10

## Cannabis Entity's Physical Address

---

✓ **Street:** 819 MONUMENT ST

**Unit No / Apt :**  
No

✓ **City:** CONCORD

✓ **State:** Massachusetts

✓ **Zip Code:** 01742

✓ **Address Verified?** : Yes

## Cannabis Entity's Primary Contact/Responsible Person

---

✓ **First Name:** Schuyler

✓ **Last Name:** Boylan

✓ **Title:** Managing Member

✓ **Phone Number** : 9785058597

✓ **Email Address** : schuyler@atlanticcannabis.org

✓ **Street Address** : 819 MONUMENT ST

**Unit No / Apt :**  
No

✓ **City:** CONCORD

✓ **State:** Massachusetts

✓ **Zip Code:** 01742

✓ **Address Verified?** : Yes

✓ **Select Individual or Entity:** Individual

## Individual

---

✓ **Legal First Name** : Michael

✓ **Legal Last Name** : Haugh

**Suffix:**

✓ **Cannabis Entity Name** : Hope Wellness

✓ **Entity Type:** Limited Liability Company

✓ **Connection** : Individual to Cannabis Entity

✓ **Role in Cannabis Entity** : Member

✓ **Percentage of ownership in cannabis entity** : 1

## Cannabis Entity's Physical Address

---

✓ **Street:** 7260 S SIWELL RD

✓ **Unit No / Apt :**  
No

✓ **City:** BYRAM

✓ **State:** Mississippi

✓ **Zip Code:** 39272

✓ **Address** : Yes  
**Verified?**

## Cannabis Entity's Primary Contact/Responsible Person

---

✓ **First Name:** Eric

✓ **Last Name:** Walker

✓ **Title:** Principal

✓ **Phone** : 6015002346  
**Number**

✓ **Email** : ewalker@msfinest.c  
**Address** om

✓ **Street** : 7260 S SIWELL RD  
**Address**

✓ **Unit No / Apt :**  
No

✓ **City:** BYRAM

✓ **State:** Mississippi

✓ **Zip Code:** 39272

✓ **Address** : Yes  
**Verified?**

✓ **Select** : Individual  
**Individual or**  
**Entity:**

## Individual

---

✓ **Legal First** : Michael  
**Name**

✓ **Legal Last** : Haugh  
**Name**

**Suffix:**

✓ **Cannabis** : Westside Museum  
**Entity Name**

✓ **Entity Type:** Limited Liability Co  
mpany

✓ **Connection** : Individual  
**to Cannabis**  
**Entity**

✓ **Role in** : Member  
**Cannabis**  
**Entity**

✓ **Percentage of** : 2  
**ownership in**  
**cannabis entity**

## Cannabis Entity's Physical Address

---

✓ **Street:** 427 BROADWAY

✓ **Unit No / Apt :**  
No

✓ **City:** NEW YORK

✓ **State:** New York

✓ **Zip Code:** 10013

✓ **Address** : Yes  
**Verified?**

## Cannabis Entity's Primary Contact/Responsible Person

---

✓ **First Name:** Robert

✓ **Last Name:** Frey

✓ **Title:** CEO

✓ Phone Number : 7022369944

✓ Email Address : robert@thcnyc.com

✓ Street Address : 427 BROADWAY

Unit No / Apt :  
No

✓ City: NEW YORK

✓ State: New York

✓ Zip Code: 10013

✓ Address Verified? : Yes

✓ Select Individual or Entity: Individual

## Individual

✓ Legal First Name : Michael

✓ Legal Last Name : Haugh

Suffix:

✓ Cannabis Entity Name : Nautilus Botanicals

✓ Entity Type: Limited Liability Company

✓ Connection to Cannabis Entity : Individual

✓ Role in Cannabis Entity : Member

✓ Percentage of ownership in cannabis entity : 1

## Cannabis Entity's Physical Address

✓ Street: 141 NORTH AVE

Unit No / Apt :  
No

✓ City: BRIDGEPORT

✓ State: Connecticut

✓ Zip Code: 06606

✓ Address Verified? : Yes

## Cannabis Entity's Primary Contact/Responsible Person

✓ First Name: Luis

✓ Last Name: Vega

✓ Title: CEO

✓ Phone Number : 2035009079

✓ Email Address : luis@vegaholdingsllc.com

✓ Street Address : 141 NORTH AVE

Unit No / Apt :  
No

✓ City: BRIDGEPORT

✓ State: Connecticut

✓ Zip Code: 06606

✓ Address Verified? : Yes

✓ Select Individual or Entity: Individual

## Individual

---

✓ **Legal First Name** : Michael

✓ **Legal Last Name** : Haugh

**Suffix:**

✓ **Cannabis Entity Name** : Foundryworks

✓ **Entity Type:** Incorporated or Unincorporated Businesses

✓ **Connection to Cannabis Entity** : Individual

✓ **Role in Cannabis Entity** : Member

✓ **Percentage of ownership in cannabis entity** : 1

## Cannabis Entity's Physical Address

---

✓ **Street:** 13300 LITTLE MORONGO RD

**Unit No / Apt No**

✓ **City:** DSRT HOT SPGS

✓ **State:** California

✓ **Zip Code:** 92240

✓ **Address Verified?** : Yes

## Cannabis Entity's Primary Contact/Responsible Person

---

✓ **First Name:** Zachary

✓ **Last Name:** Kozak

✓ **Title:** General Counsel

✓ **Phone Number** : 2032466919

✓ **Email Address** : zk@foundryworks.com

✓ **Street Address** : 318 VARICK ST

**Unit No / Apt No**

✓ **City:** JERSEY CITY

✓ **State:** New Jersey

✓ **Zip Code:** 07302

✓ **Address Verified?** : Yes

✓ **Select Individual or Entity:** Individual

## Individual

---

✓ **Legal First Name** : Michael

✓ **Legal Last Name** : Haugh

**Suffix:**

✓ **Cannabis Entity Name** : Garden Society

✓ **Entity Type:** Incorporated or Unincorporated Businesses

✓ **Connection to Cannabis Entity** : Individual

✓ **Role in Cannabis Entity** : Member

✓ **Percentage of ownership in cannabis entity** : 1

## Cannabis Entity's Physical Address

---

✓ **Street:** 840 N CLOVERDALE BLVD

✓ **Unit No / Apt :**  
No

✓ **City:** CLOVERDALE

✓ **State:** California

✓ **Zip Code:** 95425

✓ **Address Verified?** : Yes

## Cannabis Entity's Primary Contact/Responsible Person

---

✓ **First Name:** Erin

✓ **Last Name:** Gore

✓ **Title:** CEO

✓ **Phone Number** : 7079999420

✓ **Email Address** : erin@thegardensociety.com

✓ **Street Address** : 840 N CLOVERDALE BLVD

**Unit No / Apt :**  
No

✓ **City:** CLOVERDALE

✓ **State:** California

✓ **Zip Code:** 95425

✓ **Address Verified?** : Yes

✓ **Select Individual or Entity:** Individual

## Individual

---

✓ **Legal First Name** : Scott

✓ **Legal Last Name** : Beatty

**Suffix:**

✓ **Cannabis Entity Name** : Merida Capital Holdings IV LP

✓ **Entity Type:** Limited Liability Partnership

✓ **Connection to Cannabis Entity** : Individual

✓ **Role in Cannabis Entity** : Member

✓ **Percentage of ownership in cannabis entity** : .03

## Cannabis Entity's Physical Address

---

✓ **Street:** 670 MILTON RD

✓ **Unit No / Apt :**  
No

✓ **City:** RYE

✓ **State:** New York

✓ **Zip Code:** 10586

✓ **Address Verified?** : Yes

## Cannabis Entity's Primary Contact/Responsible Person

---

✓ **First Name:** Daisy

✓ **Last Name:** Mellet

✓ **Title:** President

✓ Phone Number : 9177457085

✓ Email Address : daisy@meridacap.com

✓ Street Address : 670 MILTON RD

Unit No / Apt :  
No

✓ City: RYE

✓ State: New York

✓ Zip Code: 10586

✓ Address Verified? : Yes

✓ Select Individual or Entity: Individual

## Individual

✓ Legal First Name : Scott

✓ Legal Last Name : Beatty

Suffix:

✓ Cannabis Entity Name : Hope Wellness

✓ Entity Type: Limited Liability Company

✓ Connection to Cannabis Entity : Individual

✓ Role in Cannabis Entity : Member

✓ Percentage of ownership in cannabis entity : 1

## Cannabis Entity's Physical Address

✓ Street: 7260 S SIWELL RD

Unit No / Apt :  
No

✓ City: BYRAM

✓ State: Mississippi

✓ Zip Code: 39272

✓ Address Verified? : Yes

## Cannabis Entity's Primary Contact/Responsible Person

✓ First Name: Eric

✓ Last Name: Walker

✓ Title: Principal

✓ Phone Number : 6015002346

✓ Email Address : ewalker@msfinest.com

✓ Street Address : 7260 S SIWELL RD

Unit No / Apt :  
No

✓ City: BYRAM

✓ State: Mississippi

✓ Zip Code: 39272

✓ Address Verified? : Yes

✓ Select Individual or Entity: Individual

## Individual

---

✓ **Legal First Name** : Matthew

✓ **Legal Last Name** : Bailey

**Suffix:**

✓ **Cannabis Entity Name** : Hope Wellness

✓ **Entity Type:** Limited Liability Company

✓ **Connection to Cannabis Entity** : Individual

✓ **Role in Cannabis Entity** : Member

✓ **Percentage of ownership in cannabis entity** : .04

## Cannabis Entity's Physical Address

---

✓ **Street:** 7260 S SIWELL RD

**Unit No / Apt :**  
No

✓ **City:** BYRAM

✓ **State:** Mississippi

✓ **Zip Code:** 39272

✓ **Address Verified?** : Yes

## Cannabis Entity's Primary Contact/Responsible Person

---

✓ **First Name:** Eric

✓ **Last Name:** Walker

✓ **Title:** Principal

✓ **Phone Number** : 6015002346

✓ **Email Address** : ewalker@msfinest.com

✓ **Street Address** : 7260 S SIWELL RD

**Unit No / Apt :**  
No

✓ **City:** BYRAM

✓ **State:** Mississippi

✓ **Zip Code:** 39272

✓ **Address Verified?** : Yes

✓ **Select Individual or Entity:** Individual

## Individual

---

✓ **Legal First Name** : Matthew

✓ **Legal Last Name** : Bailey

**Suffix:**

✓ **Cannabis Entity Name** : Merida Capital Holdings IV LP

✓ **Entity Type:** Limited Liability Partnership

✓ **Connection to Cannabis Entity** : Individual

✓ **Role in Cannabis Entity** : Member

✓ **Percentage of ownership in cannabis entity** : 1

## Cannabis Entity's Physical Address

---

✓ **Street:** 670 MILTON RD

✓ **Unit No / Apt :**  
No

✓ **City:** RYE

✓ **State:** New York

✓ **Zip Code:** 10586

✓ **Address** : Yes  
**Verified?**

## Cannabis Entity's Primary Contact/Responsible Person

---

✓ **First Name:** Daisy

✓ **Last Name:** Mellet

✓ **Title:** President

✓ **Phone** : 9177457085  
**Number**

✓ **Email** : daisy@meridacap.c  
**Address** om

✓ **Street** : 670 MILTON RD  
**Address**

✓ **Unit No / Apt :**  
No

✓ **City:** RYE

✓ **State:** New York

✓ **Zip Code:** 10586

✓ **Address** : Yes  
**Verified?**

✓ **Select** : Individual  
**Individual or**  
**Entity:**

## Individual

---

✓ **Legal First** : Michael  
**Name**

✓ **Legal Last** : Haugh  
**Name**

**Suffix:**

✓ **Cannabis** : Merida Capital Part  
**Entity Name** ners III LP

✓ **Entity Type:** Limited Liability Part  
nership

✓ **Connection** : Individual  
**to Cannabis**  
**Entity**

✓ **Role in** : Member  
**Cannabis**  
**Entity**

✓ **Percentage of** : .05  
**ownership in**  
**cannabis entity**

## Cannabis Entity's Physical Address

---

✓ **Street:** 670 MILTON RD

✓ **Unit No / Apt :**  
No

✓ **City:** Rye

✓ **State:** New York

✓ **Zip Code:** 10586

✓ **Address** : Yes  
**Verified?**

## Cannabis Entity's Primary Contact/Responsible Person

---

✓ **First Name:** Daisy

✓ **Last Name:** Mellet

✓ **Title:** President



✓ Phone Number : 9177457085

✓ Email Address : daisy@meridacap.com

✓ Street Address : 670 MILTON RD

Unit No / Apt :  
No

✓ City: Rye

✓ State: New York

✓ Zip Code: 10586

✓ Address Verified? : Yes

✓ Select Individual or Entity: Individual

## Individual

✓ Legal First Name : Michael

✓ Legal Last Name : Haugh

Suffix:

✓ Cannabis Entity Name : Merida Capital Partners IV LP

✓ Entity Type: Limited Liability Partnership

✓ Connection to Cannabis Entity : Individual

✓ Role in Cannabis Entity : Member

✓ Percentage of ownership in cannabis entity : .06

## Cannabis Entity's Physical Address

✓ Street: 670 MILTON RD

Unit No / Apt :  
No

✓ City: RYE

✓ State: New York

✓ Zip Code: 10586

✓ Address Verified? : Yes

## Cannabis Entity's Primary Contact/Responsible Person

✓ First Name: Daisy

✓ Last Name: Mellet

✓ Title: President

✓ Phone Number : 9177457085

✓ Email Address : daisy@meridacap.com

✓ Street Address : 670 MILTON RD

Unit No / Apt :  
No

✓ City: RYE

✓ State: New York

✓ Zip Code: 10586

✓ 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

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✔ 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?

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✔ **Select One:** Related Cannabis Entity  
✔ **Name:** Hope Wellness Dispensary  
✔ **License Type:** Dispensary

✔ **Licensing Board or Commission:** Mississippi Department of Revenue  
✔ **License Issued Date:** 08/01/2022  
✔ **License Expiration Date:** 08/01/2023

---

✔ **Select One:** Related Cannabis Entity  
✔ **Name:** Briarleaf  
✔ **License Type:** Cultivation

✔ **Licensing Board or Commission:** Massachusetts Cannabis Control Commission  
✔ **License Issued Date:** 08/16/2022  
✔ **License Expiration Date:** 08/16/2023

---

✔ **Select One:** Related Cannabis Entity  
✔ **Name:** Briarleaf  
✔ **License Type:** Manufacturing

✔ **Licensing Board or Commission:** Massachusetts Cannabis Control Commission  
✔ **License Issued Date:** 08/16/2022  
✔ **License Expiration Date:** 08/16/2023

---

✔ **Select One:** Related Cannabis Entity  
✔ **Name:** Nautilus Botanicals LLC  
✔ **License Type:** Cultivation

✔ **Licensing Board or Commission:** Connecticut Department of Consumer Protection  
✔ **License Issued Date:** 11/15/2022  
✔ **License Expiration Date:** 01/15/2024

---

✔ 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?

---

✔ 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, : No  
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?

---

**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: 38 of Operation                      ✓ Year One: 38                      ✓ Year Two: 44

✓ Year Three: 50                      ✓ Year Four: 56                      ✓ Year Five: 56

✓ 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 verify that each of its proposed dispensing sites is at least 1000 feet from any school, daycare, or childcare facility? : 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 the Act? (See § 20-2A-55(e), Code of Alabama 1975 (as amended)) : Yes

---

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

---

✓ Signature: Keith Jeff Smith

✓ Signature Date: 12/28/2022

## Documents

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✓ Resume or Curriculum Vitae of Individuals with Ownership Interest: Exhibit 1\_Resume or Curriculum Vitae of Individuals with Ownership Inter...

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✓ Residency of Owners: Exhibit 2\_Residency of Owners.pdf (/api/documents/weMmWw1PO/do...

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✓ <b>Criminal Background Check:</b>	Exhibit 3_Criminal Background Check FINAL.pdf (./api/documents/tz6ok...
✓ <b>Demonstration of Sufficient Capital:</b>	Exhibit 4_Sufficient Capital.pdf (./api/documents/zLeseynX/download)
✓ <b>Financial Statements:</b>	Exhibit 5 - Financial Statements.pdf (./api/documents/7eYEuTTkZ/down...
✓ <b>Tax Plan:</b>	Exhibit 6 - Tax Plan.pdf (./api/documents/AiBJwVeDg/download)
✓ <b>Business Formation Documents:</b>	Exhibit 7_Business Formation Documents.pdf (./api/documents/RWrnR5...
✓ <b>Business License and Authorization of Local Jurisdictions:</b>	Exhibit 8_Business License and Authorization of.pdf (./api/documents/q...
✓ <b>Business Plan:</b>	Exhibit 9 - Business Plan.pdf (./api/documents/Mx06f5mWn/download)
✓ <b>Evidence of Business Relationship with other Licensees and Prospective Licensees:</b>	Exhibit 10_Evidence of Business Relat.pdf (./api/documents/PFzj_BQhg/...
✓ <b>Coordination of Information from Registered Certifying Physicians:</b>	Exhibit 11 - Coordination of Information from Registered Certifying Physi...
✓ <b>Point-of-Sale Responsibilities:</b>	Exhibit 12 - Point-of-Sale Responsibilities.pdf (./api/documents/d3qjxaT...
✓ <b>Confidentiality of Patient Information:</b>	Exhibit 13 - Confidentiality of Patient Information.pdf (./api/documents/0...
✓ <b>Money Handling and Taxes:</b>	Exhibit 14 - Money Handling and Taxes.pdf (./api/documents/5yBDdOkfc...
✓ <b>Standard Operating Plan and Procedures:</b>	Exhibit 15 - Standard Operating Plan and Procedures.pdf (./api/documen...
✓ <b>Policies and Procedures Manual:</b>	Exhibit 16_Policies and Procedure.pdf (./api/documents/41pMn3v1R/do...
✓ <b>Receiving and Shipping Plan:</b>	Exhibit 17 - Shipping and Receiving Plan.pdf (./api/documents/a9kGMlR1...
✓ <b>Facilities:</b>	Exhibit 18_Facilities Compressed v2.pdf (./api/documents/_1gWuSelr/d...
✓ <b>Security Plan:</b>	Exhibit 19 - Security Plan.pdf (./api/documents/lzY3OZxpZ/download)
✓ <b>Personnel:</b>	Exhibit 20_Personnel.pdf (./api/documents/ZW7zzDDIK/download)
✓ <b>Business Leadership Credentials:</b>	Exhibit 21 - Business Leadership Credentials.pdf (./api/documents/_iTB2...
✓ <b>Employee Handbook:</b>	Exhibit 22_Employee Handbook.pdf (./api/documents/ZQkkbZNO5/dow...
✓ <b>Quality Control and Quality Assurance Plan:</b>	Exhibit 23 - Quality Control and Quality Assurance Plan.pdf (./api/docum...
✓ <b>Contamination and Recall Plan:</b>	Exhibit 24 - Contamination and Recall Plan.pdf (./api/documents/Tw8b5...

- ✔ **Marketing and Advertising Plan:** Exhibit 25 - Marketing and Advertising Plan.pdf (./api/documents/OevOX...

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- ✔ **Website and Social Media:** Exhibit 26 - Website and Social Media.pdf (./api/documents/PQqLEU9A...

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- ✔ **Ownership Entity Individuals (if applicable):** Yellowhammer letter re Form I 4884-3694-2406 1.pdf (./api/documents/f...

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- ✔ **Proof of Minimum Liability and Casualty Insurance:** Insurance Letter Yellowhammer.pdf (./api/documents/6Ar95Hgrx/downl...

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- ✔ **Affidavit - Entity Applicant:** SIGNED FORM-K-Affidavit-of-Entity-App.pdf (./api/documents/0v98xzDX...

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## Payments

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- ✔ **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.**

Keith J. Smith

CEO

\_\_\_\_\_  
Printed Name of Verifying Individual

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

\_\_\_\_\_  
Signature of Verifying Individual

\_\_\_\_\_  
Verification Date

FORM A: OWNERSHIP RESUME / CURRICULUM VITAE

Yellowhammer Medical Dispensaries, LLC

Dispensary

Ala. Code § 36-12-40 (Personally Identifiable Information)

License Type

6%

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.

Ala. Code § 36-12-40 (Personally Identifiable Information)

05/2001

Date Resided From (MM/YYYY)

Present

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)

**Education**

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

University of Memphis                      Memphis                      TN

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

Date Attended From (MM/YYYY)      Date Attended To (MM/YYYY)      Degree Received

Southern Illinois University - Carbondale                      Carbondale                      IL  
Institution                      City                      State

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

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.*

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

05/2002

Date Employed From (MM/YYYY)

Present

Date Employed To (MM/YYYY)



FORM A: OWNERSHIP RESUME / CURRICULUM VITAE

Yellowhammer Medical Dispensaries, LLC

Dispensary

Business License Applicant Name

License Type

Ala. Code § 36-12-40 (Personally Identifiable Information)

6%

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.

Ala. Code § 36-12-40 (Personally Identifiable Information)

City

State

Zip

06/2020

Present

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY)

Ala. Code § 36-12-40 (Personally Identifiable Information)

09/2003

06/2020

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)



FORM A: OWNERSHIP RESUME / CURRICULUM VITAE

Yellowhammer Medical Dispensaries, LLC

Dispensary

Ala. Code § 36-12-40 (Personally Identifiable Information)

License Type

11%

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.

Ala. Code § 36-12-40 (Personally Identifiable Information)

City

State

Zip

07/2020

Present

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY)

Ala. Code § 36-12-40 (Personally Identifiable Information)

City

State

Zip

11/2004

07/2020

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY).

Ala. Code § 36-12-40 (Personally Identifiable Information)

City

State

Zip

05/2000

11/2004

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)

**Education**

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

University of Connecticut                      Storrs                      CT

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

Date Attended From (MM/YYYY)      Date Attended To (MM/YYYY)      Degree Received

University of Memphis                      Memphis                      TN

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

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.*

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

City                      State                      Zip  
04/2002                      Present  
Date Employed From (MM/YYYY)      Date Employed To (MM/YYYY)

FORM A: OWNERSHIP RESUME / CURRICULUM VITAE

Yellowhammer Medical Dispensaries, LLC

Dispensary

Ala. Code § 36-12-40 (Personally Identifiable Information)

License Type

6%

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.

Ala. Code § 36-12-40 (Personally Identifiable Information)

City

State

Zip

02/2015

Present

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY)

Ala. Code § 36-12-40 (Personally Identifiable Information)

City

State

Zip

01/2001

02/2015

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)

**Education**

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

**N/A (High School Only)**

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

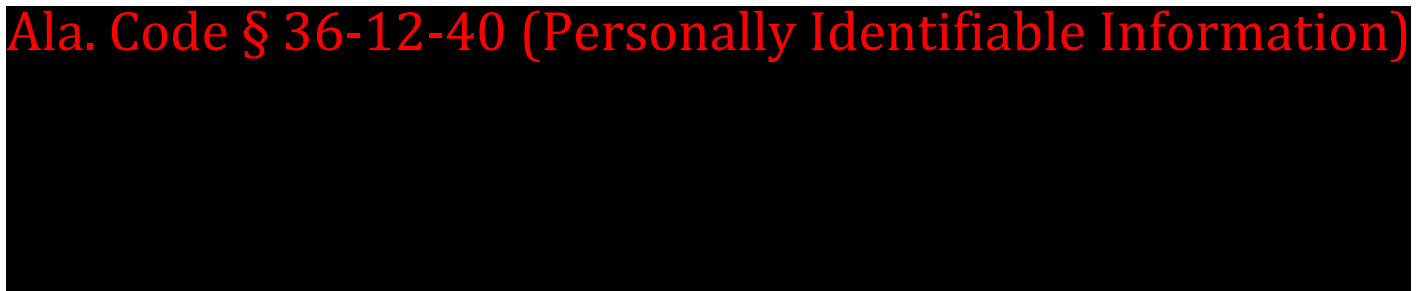
Institution	City	State
Date Attended From (MM/YYYY)	Date Attended To (MM/YYYY)	Degree Received

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.*



08/2004	Present
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)

FORM A: OWNERSHIP RESUME / CURRICULUM VITAE

Yellowhammer Medical Dispensaries, LLC

Dispensary

Business License Applicant Name

License Type

Ala. Code § 36-12-40 (Personally Identifiable Information)

10%

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.

Ala. Code § 36-12-40 (Personally Identifiable Information)

City

State

Zip

07/2020

Present

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY)

Ala. Code § 36-12-40 (Personally Identifiable Information)

09/2017

07/2020

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY).

Ala. Code § 36-12-40 (Personally Identifiable Information)

City

State

Zip

09/2015

09/2017

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY)

Ala. Code § 36-12-40 (Personally Identifiable Information)

City

State

Zip

09/2013

09/2015

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY)

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

09/2012

Date Resided From (MM/YYYY)

09/2013

Date Resided To (MM/YYYY)

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

03/1992

Date Resided From (MM/YYYY)

09/2012

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)



**Education**

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

University of Alabama at Birmingham

Birmingham

AL

Institution

City

State

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

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.*

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

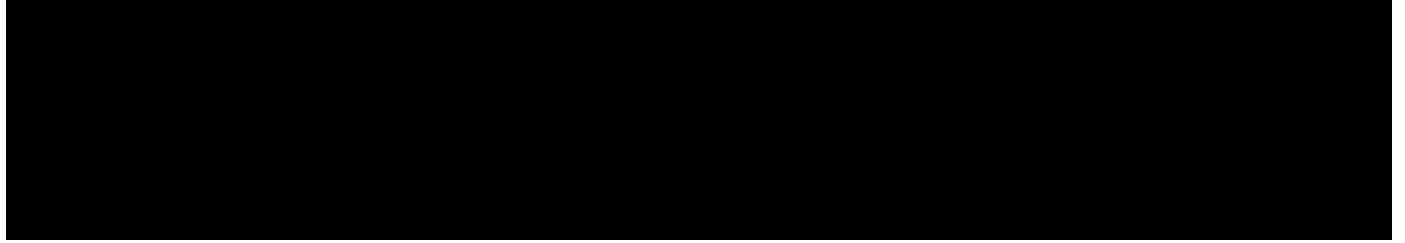
09/2022

Present

Date Employed From (MM/YYYY)

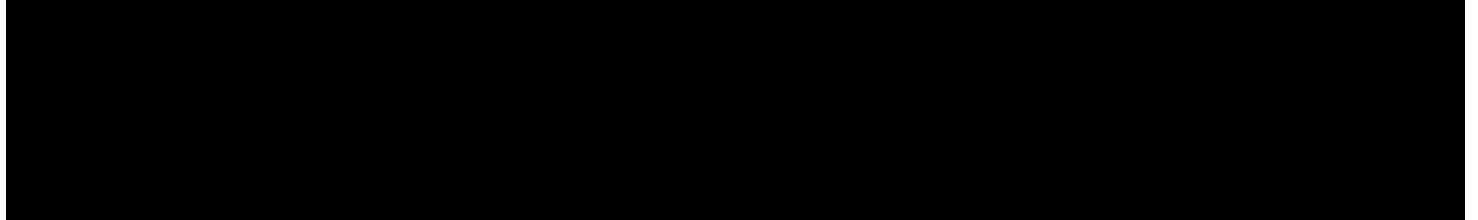
Date Employed To (MM/YYYY)

Ala. Code § 36-12-40 (Personally Identifiable Information)



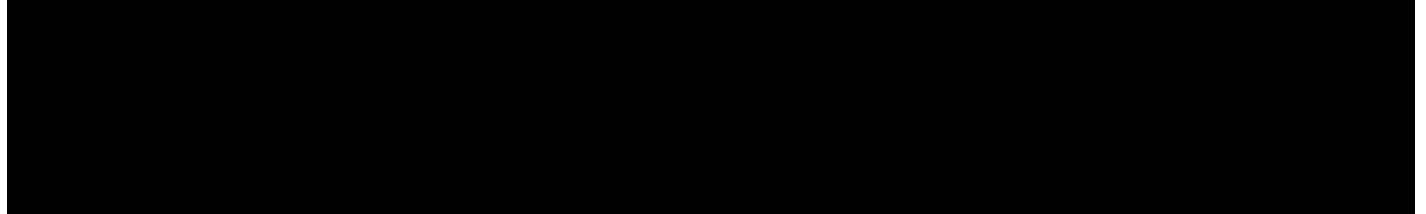
City	State	Zip
<u>11/2021</u>	<u>09/2022</u>	
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

Ala. Code § 36-12-40 (Personally Identifiable Information)



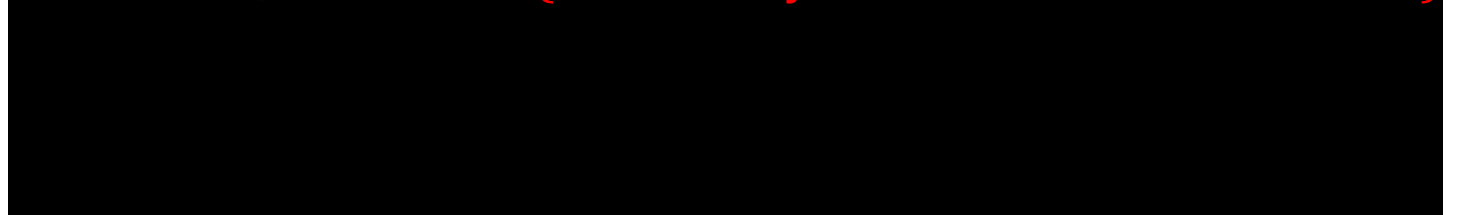
<u>04/2017</u>	<u>11/2021</u>
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)

Ala. Code § 36-12-40 (Personally Identifiable Information)



<u>01/2015</u>	<u>04/2017</u>
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)

Ala. Code § 36-12-40 (Personally Identifiable Information)



<u>08/2013</u>	<u>12/2014</u>
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)

Ala. Code § 36-12-40 (Personally Identifiable Information)



06/2012

Date Employed From (MM/YYYY)

08/2013

Date Employed To (MM/YYYY)

Ala. Code § 36-12-40 (Personally Identifiable Information)



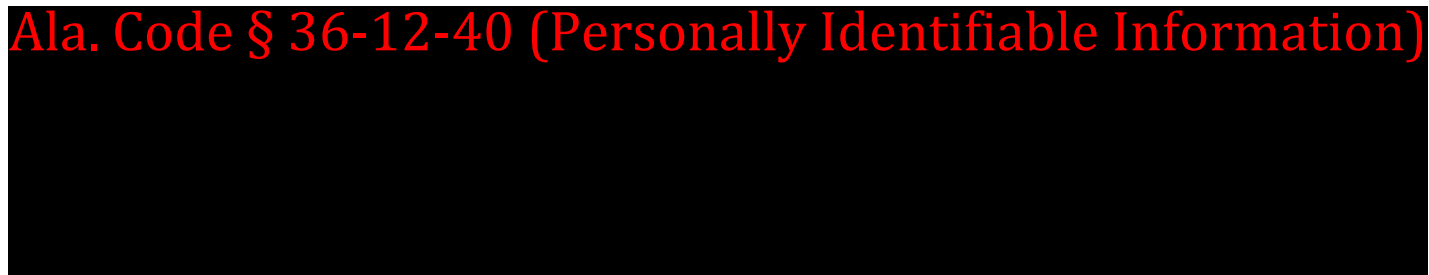
06/2011

Date Employed From (MM/YYYY)

05/2013

Date Employed To (MM/YYYY)

Ala. Code § 36-12-40 (Personally Identifiable Information)



City

06/2011

Date Employed From (MM/YYYY)

State

Zip

08/2011

Date Employed To (MM/YYYY)

Ala. Code § 36-12-40 (Personally Identifiable Information)



City

10/2007

Date Employed From (MM/YYYY)

State

Zip

05/2010

Date Employed To (MM/YYYY)

FORM A: OWNERSHIP RESUME / CURRICULUM VITAE

Yellowhammer Medical Dispensaries, LLC

Dispensary

Business License Applicant Name

License Type

Ala. Code § 36-12-40 (Personally Identifiable Information)

10%

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.*

Ala. Code § 36-12-40 (Personally Identifiable Information)

09/2019

Date Resided From (MM/YYYY)

Present

Date Resided To (MM/YYYY)

Ala. Code § 36-12-40 (Personally Identifiable Information)

11/2016

Date Resided From (MM/YYYY)

09/2019

Date Resided To (MM/YYYY).

Ala. Code § 36-12-40 (Personally Identifiable Information)

City

State

Zip

09/2014

Date Resided From (MM/YYYY)

11/2016

Date Resided To (MM/YYYY)

Ala. Code § 36-12-40 (Personally Identifiable Information)

06/2011

Date Resided From (MM/YYYY)

09/2014

Date Resided To (MM/YYYY)

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

05/2009

Date Resided From (MM/YYYY)

10/2010

Date Resided To (MM/YYYY)

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

City

State

Zip

07/2008

Date Resided From (MM/YYYY)

06/2011

Date Resided To (MM/YYYY)

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

City

State

Zip

09/2007

Date Resided From (MM/YYYY)

07/2008

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)

**Education**

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

Sewanee: University of the South

Sewanee

TN

Institution

City

State

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

Date Attended From (MM/YYYY)

Date Attended To (MM/YYYY)

Degree Received

Charleston School of Law

Charleston

SC

Institution

City

State

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

Georgia State University

Linz

Austria

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

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.

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

City

03/2016

Date Employed From (MM/YYYY)

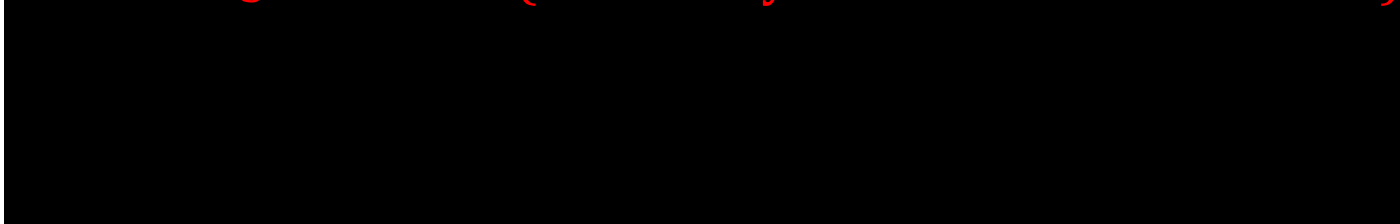
State

Present

Date Employed To (MM/YYYY)

Zip

**Ala. Code § 36-12-40 (Personally Identifiable Information)**



City

State

Zip

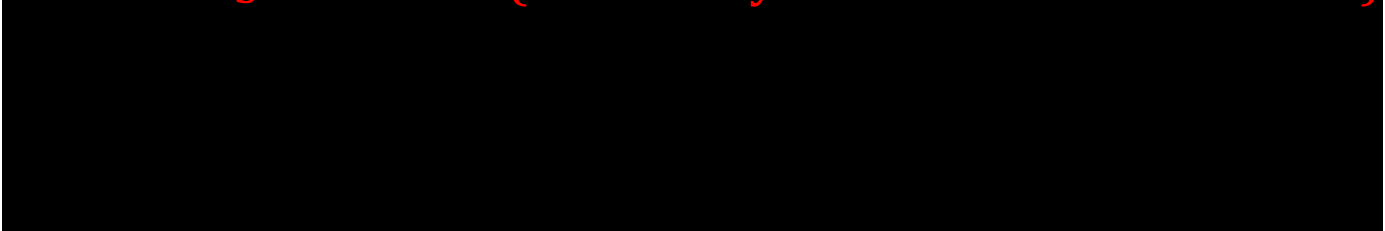
10/2014

10/2015

Date Employed From (MM/YYYY)

Date Employed To (MM/YYYY)

**Ala. Code § 36-12-40 (Personally Identifiable Information)**



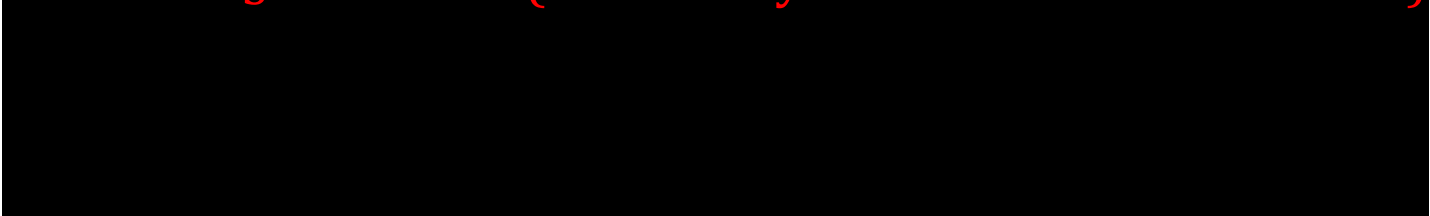
09/2011

10/2014

Date Employed From (MM/YYYY)

Date Employed To (MM/YYYY)

**Ala. Code § 36-12-40 (Personally Identifiable Information)**



City

State

Zip

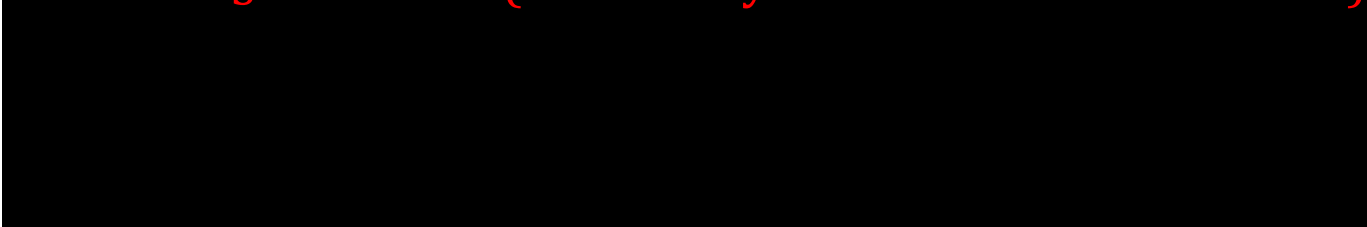
01/2011

06/2011

Date Employed From (MM/YYYY)

Date Employed To (MM/YYYY)

**Ala. Code § 36-12-40 (Personally Identifiable Information)**



01/2010

10/2010

Date Employed From (MM/YYYY)

Date Employed To (MM/YYYY)

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
05/2009 \_\_\_\_\_ 12/2009 \_\_\_\_\_  
Date Employed From (MM/YYYY) \_\_\_\_\_ Date Employed To (MM/YYYY) \_\_\_\_\_

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
07/2007 \_\_\_\_\_ 08/2007 \_\_\_\_\_  
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

Yellowhammer Medical Dispensaries, LLC

Dispensary

Business License Applicant Name

License Type

Ala. Code § 36-12-40 (Personally Identifiable Information)

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.

Ala. Code § 36-12-40 (Personally Identifiable Information)

12/2011

Present

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY)

Ala. Code § 36-12-40 (Personally Identifiable Information)

10/2007

03/2013

Date Resided From (MM/YYYY)

Date Resided To (MM/YYYY).

Ala. Code § 36-12-40 (Personally Identifiable Information)

04/2004

10/2007

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)

**Education**

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

Don Williams Real Estate School

Homewood

AL

Institution

City

State

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

Jefferson State Community College

Birmingham

AL

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

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.

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

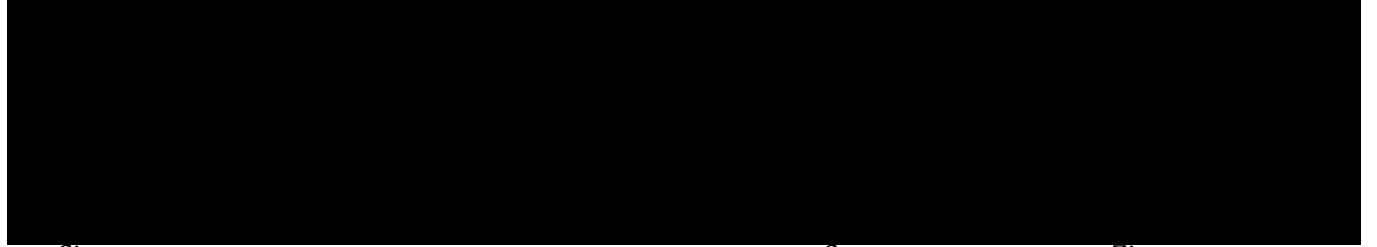
05/2021

Present

Date Employed From (MM/YYYY)

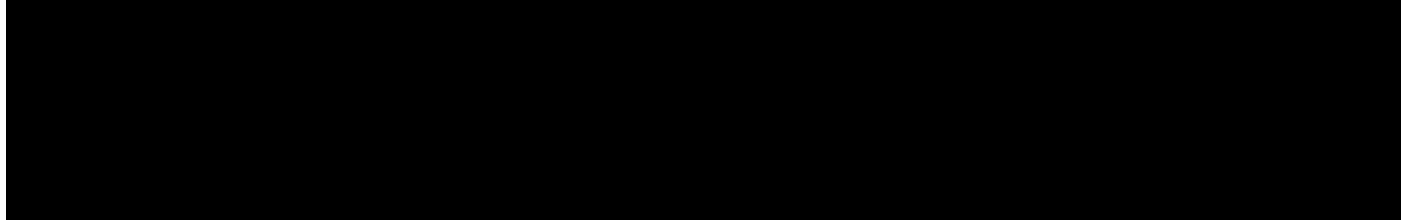
Date Employed To (MM/YYYY)

**Ala. Code § 36-12-40 (Personally Identifiable Information)**



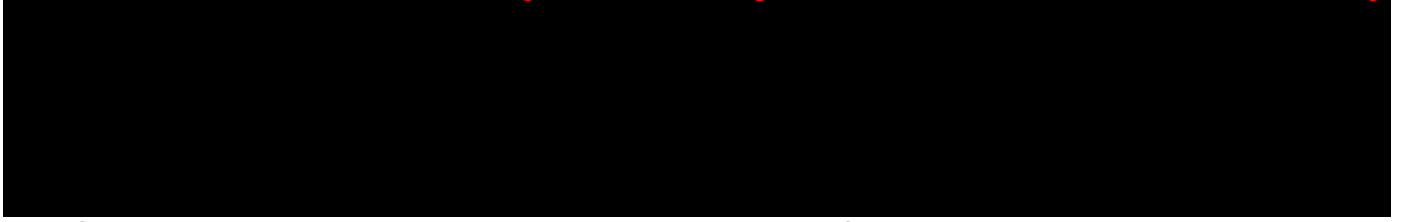
City	State	Zip
<u>09/2016</u>	<u>06/2020</u>	
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

**Ala. Code § 36-12-40 (Personally Identifiable Information)**



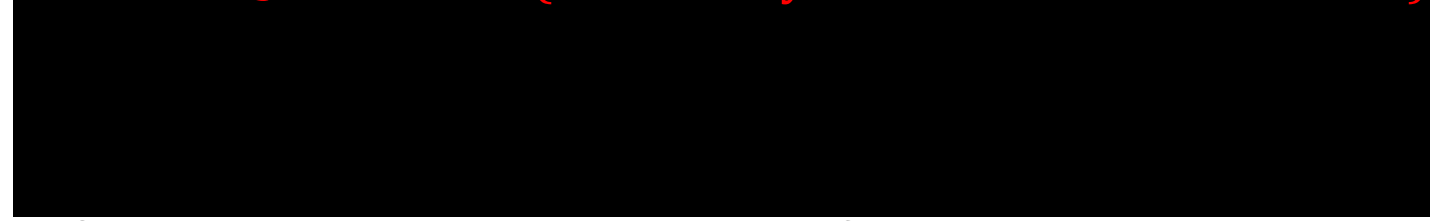
City	State	Zip
<u>03/2012</u>	<u>10/2015</u>	
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

**Ala. Code § 36-12-40 (Personally Identifiable Information)**



City	State	Zip
<u>11/2013</u>	<u>10/2015</u>	
Date Employed From (MM/YYYY)	Date Employed To (MM/YYYY)	

**Ala. Code § 36-12-40 (Personally Identifiable Information)**



City	State	Zip
<u>02/2002</u>	<u>01/2012</u>	
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.**

Keith J. Smith

\_\_\_\_\_  
Printed Name of Verifying Individual

CEO

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

\_\_\_\_\_  
Signature of Verifying Individual

12/13/2022 | 12:20 PM PST

\_\_\_\_\_  
Verification Date

The owners of Yellowhammer Medical Dispensaries, LLC are:

Keith Jeff Smith - 51%

Jennifer Rodgers - 10%

Laneisha Williams - 10%

Michael Haugh - 11%

Scott Beatty - 6%

Matthew Bailey - 6%

Jeffrey Lyndell Smith - 6%

Keith Jeff Smith is the majority owner of Yellowhammer Medical Dispensaries, LLC and has lived in Alabama for over 15 years. Jennifer Rodgers, Laneisha Williams and Jeffrey Lyndell Smith are also longtime Alabama residents.

Evidence of Keith Jeff Smith's residency is attached hereto and identified as "Residency- Yellowhammer Medicine Dispensary Facility- Attachment to Exhibit 2"

November 22  
\_\_\_\_\_, 2022

Alabama Medical Cannabis Commission  
P. O. Box 309585  
Montgomery, Alabama 36130

***Re: Proof of Residency for Yellowhammer Medicine, LLC***

Dear Sir or Madam:

To satisfy the residency requirement set forth in Section 528-x-3-.05(3)(m)(4) of the Alabama Medical Cannabis Commission Rules and Regulations, attached are proof of residency letters showing fifteen (15) years of electric service from Alabama Power to Keith Smith at the addresses set forth below located in Jefferson County, Alabama.

From 2007 to 2011:  
Keith Smith  
233 Raleigh Avenue  
Birmingham, Alabama 35209

From 2011 to present:  
Keith Smith  
300 Poinciana Drive  
Birmingham, Alabama 35209

Sincerely,

Keith Jeff Smith



Enclosures

\_\_\_\_\_, 2022  
Page 2

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P. O. Box 2641  
Birmingham, AL 35291-0024

Tel: 1-800-245-2244



10/26/2022

Keith Smith  
300 POINCIANA DR  
HOMEWOOD AL 35709

**REF: Account Number 15492-32038**

To Whom It May Concern:

The following information is being provided from our records as requested:

Alabama Power provided electric service to:

Keith Smith  
233 RALEIGH AVE  
BIRMINGHAM, AL 35209  
From: 10/26/2007 To: 3/18/2013

Sincerely,

Customer Service  
Alabama Power

\_\_\_\_\_, 2022  
Page 3

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P. O. Box 2641  
Birmingham, AL 35291-0024

Tel: 1-800-245-2244



10/26/2022

Keith Smith  
300 POINCIANA DR  
BIRMINGHAM AL 35209

**REF: Account Number 13332-19025**

To Whom It May Concern:

The following information is being provided from our records as requested:

Alabama Power provided electric service to:

Keith Smith  
300 POINCIANA DR  
BIRMINGHAM, AL 35209  
From: 12/16/2011 To: Present

Sincerely,

Customer Service  
Alabama Power



**AFFIDAVIT OF KEITH JEFFREY SMITH IN SUPPORT OF  
APPLICANT FOR ALABAMA MEDICAL CANNABIS LICENSE.**

STATE OF ALABAMA    )

JEFFERSON COUNTY    )

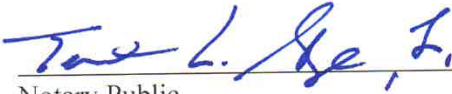
Before me, the undersigned notary, did appear the Affiant, who after being by me first duly sworn, did state under oath as follows:

1. My name is Keith Jeffrey Smith. I am over the age of nineteen, of sound mind, have personal knowledge of the facts set forth herein, and am otherwise competent to testify. All matters stated herein are true and correct and are based on my personal knowledge.
2. I am currently a resident of Jefferson County, Alabama and have continuously resided in the State of Alabama for the last forty-one (41) years.
3. With respect to the last fifteen (15) years, from 2007 to 2011, I resided at 233 Raleigh Avenue, Birmingham, Alabama 35209, and from 2011 to present, I reside at 300 Poinciana Drive, Birmingham, Alabama 35209.

FURTHER AFFIANT SAYETH NOT.

  
 \_\_\_\_\_  
 Keith Jeffrey Smith

Sworn to and subscribed before me on this 21<sup>st</sup> day of November, 2022.

  
 \_\_\_\_\_  
 Notary Public

My Commission Expires: 5-1-2023





P. O. Box 2641  
Birmingham, AL 35291-0024

Tel: 1-800-245-2244



10/26/2022

Keith Smith  
300 POINCIANA DR  
HOMEWOOD AL 35709

**REF: Account Number 15492-32038**

To Whom It May Concern:

The following information is being provided from our records as requested:

Alabama Power provided electric service to:

Keith Smith  
233 RALEIGH AVE  
BIRMINGHAM, AL 35209  
From: 10/26/2007 To: 3/18/2013

Sincerely,

Customer Service  
Alabama Power



P. O. Box 2641  
Birmingham, AL 35291-0024

Tel: 1-800-245-2244



10/26/2022

Keith Smith  
300 POINCIANA DR  
BIRMINGHAM AL 35209

**REF: Account Number 13332-19025**

To Whom It May Concern:

The following information is being provided from our records as requested:

Alabama Power provided electric service to:

Keith Smith  
300 POINCIANA DR  
BIRMINGHAM, AL 35209  
From: 12/16/2011 To: Present

Sincerely,

Customer Service  
Alabama Power

# 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.**

Keith J. Smith

CEO

\_\_\_\_\_  
Printed Name of Verifying Individual

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

\_\_\_\_\_  
Signature of Verifying Individual

\_\_\_\_\_  
Verification Date

The owners and directors of Yellowhammer Medical Dispensaries, LLC are as follows:

Keith Jeff Smith

Jennifer Rodgers

Laneisha Williams

Michael Haugh

Scott Beatty

Matthew Bailey

Jeffrey Lyndel Smith

**3.1 Form B: Background Check Applicant Verification**

Form B is attached as “Background Check Applicant Verification- Yellowhammer Medical Dispensaries, LLC Attachment to Exhibit 3, Section 3.1”

**3.2 Form C: State Background Check (ALEA)**

Form C is attached as “Form C State Background Check ALEA- Yellowhammer Medical Dispensaries, LLC Attachment to Exhibit 3, Section 3.2”

**3.3 Form D: National Background Check (FBI)**

Form D is attached as “Form D National Background Check FBI- Yellowhammer Medical Dispensaries, LLC Attachment to Exhibit 3, Section 3.3”

**3.4 Form E: Background Check Individual Verification**

Form E is attached as “Background Check Individual Verification- Yellowhammer Medical Dispensaries, LLC Attachment to Exhibit 3, Section 3.4”

**FORM B: BACKGROUND CHECK APPLICANT VERIFICATION**

Yellowhammer Medical Dispensaries, LLC

Dispensary

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)
Keith Jeffrey Smith	<input checked="" type="checkbox"/> Owner <input type="checkbox"/> Shareholder <input checked="" type="checkbox"/> Director <input type="checkbox"/> Board Member <input type="checkbox"/> Individual with Economic Interest in Applicant
Michael Haugh	<input checked="" 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
Laniesha G. Williams	<input checked="" type="checkbox"/> Owner <input type="checkbox"/> Shareholder <input checked="" type="checkbox"/> Director <input type="checkbox"/> Board Member <input type="checkbox"/> Individual with Economic Interest in Applicant
Jennifer Rodgers	<input checked="" 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
Matthew Bailey	<input checked="" 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
Scott Beatty	<input checked="" 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
Jeffrey L. Smith	<input checked="" 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.

Keith Jeffrey Smith

Printed Name of Verifying Individual

*Keith J. Smith*

Signature of Verifying Individual

CEO/Owner

Title of Verifying Individual

12/16/2022 | 10:20 AM PST

Verification Date

ALABAMA LAW ENFORCEMENT AGENCY

APPLICATION TO REVIEW ALABAMA CRIMINAL HISTORY RECORD INFORMATION



PERSONAL INFORMATION

Full Name (First, Middle, Last, Suffix): Jeffrey Lyndel Smith Sex/Gender:  Male  Female

Aliases/Nickname: \_\_\_\_\_

Applicant Current Address: 3416 E Briarcliff Rd

City: Mountain Brook State: AL Zip Code: 35223 SSN: 558-15-6442

Date of Birth: 06/01/1957 (MM/DD/YYYY) Driver's License Number: 4982849 Issuing State: AL

Race:  White  Black  Asian  Indian  Other (please specify) \_\_\_\_\_

Home Phone: ( ) Mobile Phone: (205) 585-8486 Work Phone: ( )

WORK INFORMATION

Employer Name: Yellowhammer Medical Dispensaries, LLC Employer Phone: (205) 767-8888

Contractor Name: \_\_\_\_\_ Contractor Phone: ( )

State Agency: \_\_\_\_\_ Agency Phone: ( )

Work Email Address: \_\_\_\_\_

Job Role/Classification: Owner Supervisor Name: \_\_\_\_\_

Included with my Release are the following items:

- Completed Application signed by applicant and two witnesses **OR** notarized.
- The required copy of my valid photo identification.
- A classifiable copy of my own fingerprints taken by an authorized law enforcement agency as required.
- If applying for state employment/licensure/certification, reference that agency's fee requirements for a background check.
- PERSONAL REQUESTS ONLY:** The required \$25.00 administrative fee (must be in the form of a money order or Cashier's check made payable to the ALEA, Criminal Records and Identification Unit).

AFFIDAVIT FOR RELEASE INFORMATION

I hereby authorize the Alabama Law Enforcement Agency to release any and all criminal history information to:  
ALABAMA MEDICAL CANNABIS COMMISSION (AMCC)

Name & Address of Requesting Agency or Authorized Agent\*

*I, the above referenced individual, hereby request to release any and all criminal history record information (CHRI) maintained by both the Alabama Law Enforcement Agency, the Federal Bureau of Investigation, and any information relating to my past record and character whether it be financial, academic, military, employment, judicial, or personal reference. I hereby release all parties contributing such information from any charges or liability whatsoever because of furnishing said information. By signing below and submitting this application, I hereby verify that the information listed in my application and in the attached documentation is correct. I also acknowledge that I understand that, in accordance with Section 41-9-601 of the Code of Alabama 1975, that any person who willfully requests, obtains or seeks to obtain criminal offender record information under false pretenses, or who willfully communicates or seeks to communicate criminal offender record information to any agency or person without authorization, may be guilty of a felony, and shall be fined not less than \$5,000 nor more than \$10,000 or imprisoned in the state penitentiary for not more than five years or both. § 41-9-601, Code of Ala. (1975). Furthermore, as set forth at Title 28, Code of Federal Regulations (CFR), Section 16.34 I have the right to challenge or appeal any portion of my state and/or federal CHRI that I believe to be inaccurate (see "Appendix A" for contact information).*

Applicant Signature \_\_\_\_\_ Date 12/12/22

Name of Witness (Kaitlyn J. Hayes) Name of Witness Keith Smith

Address of Witness 413 Ballentrae Rd Address of Witness 300 Poinciana Drive

City, State and Zip Pelham AL 35124 City, State and Zip Homewood AL 35209

Sworn to and subscribed before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Notary Signature \_\_\_\_\_ My Commission Expires \_\_\_\_\_, 20\_\_.

<b>FOR ALEA OFFICIAL USE ONLY:</b> TCN: _____ SID: AL _____		Billed: _____ Paid: _____ No Charge: _____
Received By (Initials): _____ /Date: ____/____/____	Processed By (Initials): _____ /Date: ____/____/____	Check#: _____
Walk-in/Hand Delivered <input type="checkbox"/> Mailed <input type="checkbox"/>	Status: _____ Initials: _____ Date: ____/____/____	Background Check Qty: Total: \$ _____
		Certified Letter Qty: Total: \$ _____

501 Form AL Rev. 10-01-12

ALABAMA LAW ENFORCEMENT AGENCY

APPLICATION TO REVIEW ALABAMA CRIMINAL HISTORY RECORD INFORMATION



PERSONAL INFORMATION

Full Name (First, Middle, Last, Suffix): Jennifer Tyson Rodgers Sex/Gender: Male Female

Aliases/Nickname:

Applicant Current Address: 620 45th Street South

City: Birmingham State: AL Zip Code: 35205 35222 SSN: 413-51-6909

Date of Birth: 01/30/1983 (MM/DD/YYYY) Driver's License Number: 8947030 Issuing State: AL

Race: White Black Asian Indian Other (please specify)

Home Phone: Mobile Phone: (615) 812-3103 Work Phone:

WORK INFORMATION

Employer Name: Yellowhammer Medical Dispensaries, LLC Employer Phone: (205) 767-8888

Contractor Name: Contractor Phone:

State Agency: Agency Phone:

Work Email Address:

Job Role/Classification: Owner Supervisor Name:

Included with my Release are the following items:

- Completed Application signed by applicant and two witnesses OR notarized.
The required copy of my valid photo identification.
A classifiable copy of my own fingerprints taken by an authorized law enforcement agency as required.
If applying for state employment/licensure/certification, reference that agency's fee requirements for a background check.
PERSONAL REQUESTS ONLY: The required \$25.00 administrative fee (must be in the form of a money order or Cashier's check made payable to the ALEA, Criminal Records and Identification Unit).

AFFIDAVIT FOR RELEASE INFORMATION

I hereby authorize the Alabama Law Enforcement Agency to release any and all criminal history information to:

ALABAMA MEDICAL CANNABIS COMMISSION (AMCC)

Name & Address of Requesting Agency or Authorized Agent\*

I, the above referenced individual, hereby request to release any and all criminal history record information (CHRI) maintained by both the Alabama Law Enforcement Agency, the Federal Bureau of Investigation, and any information relating to my past record and character whether it be financial, academic, military, employment, judicial, or personal reference. I hereby release all parties contributing such information from any charges or liability whatsoever because of furnishing said information. By signing below and submitting this application, I hereby verify that the information listed in my application and in the attached documentation is correct. I also acknowledge that I understand that, in accordance with Section 41-9-601 of the Code of Alabama 1975, that any person who willfully requests, obtains or seeks to obtain criminal offender record information under false pretenses, or who willfully communicates or seeks to communicate criminal offender record information to any agency or person without authorization, may be guilty of a felony, and shall be fined not less than \$5,000 nor more than \$10,000 or imprisoned in the state penitentiary for not more than five years or both. § 41-9-601, Code of Ala. (1975). Furthermore, as set forth at Title 28, Code of Federal Regulations (CFR), Section 16.34 I have the right to challenge or appeal any portion of my state and/or federal CHRI that I believe to be inaccurate (see "Appendix A" for contact information).

Applicant Signature: [Signature] Date: 11/8/2022

Name of Witness: Tonya Easterling Name of Witness: Jacob Sr. Jahn

Address of Witness: 976 Stony Hollow Cir Address of Witness: 151 W Green

City, State and Zip: Helena, AL 35090 City, State and Zip: Vestavia Hills, AL 35243

Sworn to and subscribed before me this day of, 20.

Notary Signature My Commission Expires, 20.

FOR ALEA OFFICIAL USE ONLY: TCN: SID: AL Billed: Paid: No Charge: Received By (Initials): Date: Processed By (Initials): Date: Walk-in/Hand Delivered Mailed Status: Initials: Date: Certified Letter Qty: Total: \$





ALABAMA LAW ENFORCEMENT AGENCY  
**APPLICATION TO REVIEW ALABAMA CRIMINAL HISTORY RECORD INFORMATION**

**PERSONAL INFORMATION**

Full Name (First, Middle, Last, Suffix): Keith Jeffrey Smith Sex/Gender:  Male  Female  
 Aliases/Nickname: \_\_\_\_\_  
 Applicant Current Address: 300 Poinciana Dr.  
 City: Homewood State: AL Zip Code: 35209 SSN: 421-35-3441  
 Date of Birth: 04/24/1979 (MM/DD/YYYY) Driver's License Number: 6479052 Issuing State: AL  
 Race:  White  Black  Asian  Indian  Other (please specify) \_\_\_\_\_  
 Home Phone: ( ) Mobile Phone: ( 205 ) 767-8888 Work Phone: ( )

**WORK INFORMATION**

Employer Name: Yellowhammer Medical Dispensaries, LLC Employer Phone: (205) 767-8888  
 Contractor Name: \_\_\_\_\_ Contractor Phone: ( )  
 State Agency: \_\_\_\_\_ Agency Phone: ( )  
 Work Email Address: \_\_\_\_\_  
 Job Role/Classification: Owner Supervisor Name: \_\_\_\_\_

**Included with my Release are the following items:**

- Completed Application signed by applicant and **two witnesses OR** notarized.
- The required copy of my valid photo identification.
- A classifiable copy of my own fingerprints taken by an authorized law enforcement agency as required.
- If applying for state employment/licensure/certification, reference that agency's fee requirements for a background check.**
- PERSONAL REQUESTS ONLY:** The required \$25.00 administrative fee (must be in the form of a money order or Cashier's check made payable to the ALEA, Criminal Records and Identification Unit).

**AFFIDAVIT FOR RELEASE INFORMATION**

I hereby authorize the Alabama Law Enforcement Agency to release any and all criminal history information to:  
ALABAMA MEDICAL CANNABIS COMMISSION (AMCC)

**Name & Address of Requesting Agency or Authorized Agent\***

*I, the above referenced individual, hereby request to release any and all criminal history record information (CHRI) maintained by both the Alabama Law Enforcement Agency, the Federal Bureau of Investigation, and any information relating to my past record and character whether it be financial, academic, military, employment, judicial, or personal reference. I hereby release all parties contributing such information from any charges or liability whatsoever because of furnishing said information. By signing below and submitting this application, I hereby verify that the information listed in my application and in the attached documentation is correct. I also acknowledge that I understand that, in accordance with Section 41-9-601 of the Code of Alabama 1975, that any person who willfully requests, obtains or seeks to obtain criminal offender record information under false pretenses, or who willfully communicates or seeks to communicate criminal offender record information to any agency or person without authorization, may be guilty of a felony, and shall be fined not less than \$5,000 nor more than \$10,000 or imprisoned in the state penitentiary for not more than five years or both. § 41-9-601, Code of Ala. (1975). Furthermore, as set forth at Title 28, Code of Federal Regulations (CFR), Section 16.34 I have the right to challenge or appeal any portion of my state and/or federal CHRI that I believe to be inaccurate (see "Appendix A" for contact information).*

Applicant Signature [Signature] Date 1/12/22

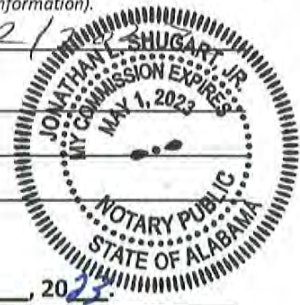
Name of Witness \_\_\_\_\_ Name of Witness \_\_\_\_\_

Address of Witness \_\_\_\_\_ Address of Witness \_\_\_\_\_

City, State and Zip \_\_\_\_\_ City, State and Zip \_\_\_\_\_

Sworn to and subscribed before me this 2<sup>nd</sup> day of November, 2022.

Notary Signature [Signature] My Commission Expires May 1<sup>st</sup>, 2022.



<b>FOR ALEA OFFICIAL USE ONLY:</b> TCN: _____ SID: <u>AL</u>		Billed: _____ Paid: _____ No Charge: _____
Received By (Initials): _____ /Date: ____/____/____	Processed By (Initials): _____ /Date: ____/____/____	Check#: _____
Walk-in/Hand Delivered <input type="checkbox"/> Mailed <input type="checkbox"/>	Status: _____ Initials: _____ Date: ____/____/____	Background Check Qty: Total: \$ _____
		Certified Letter Qty: Total: \$ _____

ALABAMA LAW ENFORCEMENT AGENCY

APPLICATION TO REVIEW ALABAMA CRIMINAL HISTORY RECORD INFORMATION



PERSONAL INFORMATION

Full Name (First, Middle, Last, Suffix): Laniesha Goggans Williams Sex/Gender: [ ] Male [X] Female

Aliases/Nickname: \_\_\_\_\_

Applicant Current Address: 1235 33rd Street N.

City: Birmingham State: AL Zip Code: 35234 SSN: 419-39-8560

Date of Birth: 03/24/1992 (MM/DD/YYYY) Driver's License Number: 8071858 Issuing State: AL

Race: [ ] White [X] Black [ ] Asian [ ] Indian [ ] Other (please specify) \_\_\_\_\_

Home Phone: ( ) Mobile Phone: ( 205 ) 914 - 7565 Work Phone: ( )

WORK INFORMATION

Employer Name: Yellowhammer Medical Dispensaries, LLC Employer Phone: ( 205 ) 767-8998

Contractor Name: \_\_\_\_\_ Contractor Phone: ( )

State Agency: \_\_\_\_\_ Agency Phone: ( )

Work Email Address: \_\_\_\_\_

Job Role/Classification: Owner Supervisor Name: \_\_\_\_\_

Included with my Release are the following items:

- [X] Completed Application signed by applicant and two witnesses OR notarized.
[X] The required copy of my valid photo identification.
[X] A classifiable copy of my own fingerprints taken by an authorized law enforcement agency as required.
[ ] If applying for state employment/licensure/certification, reference that agency's fee requirements for a background check.
[X] PERSONAL REQUESTS ONLY: The required \$25.00 administrative fee (must be in the form of a money order or Cashier's check made payable to the ALEA, Criminal Records and Identification Unit).

AFFIDAVIT FOR RELEASE INFORMATION

I hereby authorize the Alabama Law Enforcement Agency to release any and all criminal history information to: ALABAMA MEDICAL CANNABIS COMMISSION (AMCC)

Name & Address of Requesting Agency or Authorized Agent\*

I, the above referenced individual, hereby request to release any and all criminal history record information (CHRI) maintained by both the Alabama Law Enforcement Agency, the Federal Bureau of Investigation, and any information relating to my past record and character whether it be financial, academic, military, employment, judicial, or personal reference. I hereby release all parties contributing such information from any charges or liability whatsoever because of furnishing said information. By signing below and submitting this application, I hereby verify that the information listed in my application and in the attached documentation is correct. I also acknowledge that I understand that, in accordance with Section 41-9-601 of the Code of Alabama 1975, that any person who willfully requests, obtains or seeks to obtain criminal offender record information under false pretenses, or who willfully communicates or seeks to communicate criminal offender record information to any agency or person without authorization, may be guilty of a felony, and shall be fined not less than \$5,000 nor more than \$10,000 or imprisoned in the state penitentiary for not more than five years or both. S 41-9-601, Code of Ala. (1975). Furthermore, as set forth at Title 28, Code of Federal Regulations (CFR), Section 16.34 I have the right to challenge or appeal any portion of my state and/or federal CHRI that I believe to be inaccurate (see "Appendix A" for contact information).

Applicant Signature \_\_\_\_\_ Date 11/16/2020

Name of Witness JONATHAN RILEY Notary Public Name of Witness \_\_\_\_\_

Address of Witness Alabama State at Large Address of Witness \_\_\_\_\_ My Commission Expires April 11, 2026

City, State and Zip \_\_\_\_\_ City, State and Zip \_\_\_\_\_

Sworn to and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Notary Signature Jonathan Riley My Commission Expires April 11, 2026.

FOR ALEA OFFICIAL USE ONLY: TCN: SID: AL Billed: Paid: No Charge: Check#: Background Check Qty: Total: \$ Certified Letter Qty: Total: \$

ALABAMA LAW ENFORCEMENT AGENCY  
**APPLICATION TO REVIEW ALABAMA CRIMINAL HISTORY RECORD INFORMATION**



**PERSONAL INFORMATION**

Full Name (First, Middle, Last, Suffix): Scott Nicholas Beatty Sex/Gender:  Male  Female

Aliases/Nickname: \_\_\_\_\_

Applicant Current Address: 10805 Bethany Place

City: Eads State: TN Zip Code: 38028 SSN: 220988045

Date of Birth: 11/28/1972 (MM/DD/YYYY) Driver's License Number: 103757088 Issuing State: TN

Race:  White  Black  Asian  Indian  Other (please specify) \_\_\_\_\_

Home Phone: (901) 497-3949 Mobile Phone: (901) 497-3949 Work Phone: (901) 737-7336

**WORK INFORMATION**

Employer Name: Yellowhammer Medical Dispensaries, LLC Employer Phone: (205) 767-8888

Contractor Name: \_\_\_\_\_ Contractor Phone: ( ) \_\_\_\_\_

State Agency: \_\_\_\_\_ Agency Phone: ( ) \_\_\_\_\_

Work Email Address: \_\_\_\_\_

Job Role/Classification: Owner Supervisor Name: \_\_\_\_\_

**Included with my Release are the following items:**

- Completed Application signed by applicant and two witnesses OR notarized.
- The required copy of my valid photo identification.
- A classifiable copy of my own fingerprints taken by an authorized law enforcement agency as required.
- If applying for state employment/licensure/certification, reference that agency's fee requirements for a background check.*
- PERSONAL REQUESTS ONLY:** The required \$25.00 administrative fee (must be in the form of a money order or Cashier's check made payable to the ALEA, Criminal Records and Identification Unit).

**AFFIDAVIT FOR RELEASE INFORMATION**

I hereby authorize the Alabama Law Enforcement Agency to release any and all criminal history information to:  
ALABAMA MEDICAL CANNABIS COMMISSION (AMCC)

Name & Address of Requesting Agency or Authorized Agent\* \_\_\_\_\_

*I, the above referenced individual, hereby request to release any and all criminal history record information (CHRI) maintained by both the Alabama Law Enforcement Agency, the Federal Bureau of Investigation, and any information relating to my past record and character whether it be financial, academic, military, employment, judicial, or personal reference. I hereby release all parties contributing such information from any charges or liability whatsoever because of furnishing said information. By signing below and submitting this application, I hereby verify that the information listed in my application and in the attached documentation is correct. I also acknowledge that I understand that, in accordance with Section 41-9-601 of the Code of Alabama 1975, that any person who willfully requests, obtains or seeks to obtain criminal offender record information under false pretenses, or who willfully communicates or seeks to communicate criminal offender record information to any agency or person without authorization, may be guilty of a felony, and shall be fined not less than \$5,000 nor more than \$10,000 or imprisoned in the state penitentiary for not more than five years or both. § 41-9-601, Code of Ala. (1975). Furthermore, as set forth at Title 28, Code of Federal Regulations (CFR), Section 16.34 I have the right to challenge or appeal any portion of my state and/or federal CHRI that I believe to be inaccurate (see "Appendix A" for contact information).*

Applicant Signature [Signature] Date 11/29/2022

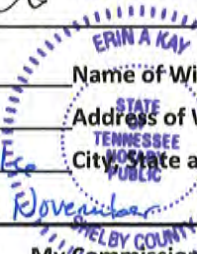
Name of Witness Matthew Bailey Name of Witness Michael Haugh

Address of Witness 1975 Wilby Ln Address of Witness 1590 Dogwood Creek Dr

City, State and Zip Candover TN 38066 City, State and Zip German town TN 38139

Sworn to and subscribed before me this 29th day of November, 2022

Notary Signature [Signature] My Commission Expires March 18, 2025



<b>FOR ALEA OFFICIAL USE ONLY:</b> TCN: _____ SID: AL _____		Billed: _____ Paid: _____ No Charge: _____
Received By (Initials): _____ /Date: ____/____/____	Processed By (Initials): _____ /Date: ____/____/____	Check#: _____
Walk-in/Hand Delivered <input type="checkbox"/> Mailed <input type="checkbox"/>	Status: _____ Initials: _____ Date: ____/____/____	Background Check Qty: Total: \$ _____
		Certified Letter Qty: Total: \$ _____

SBI Form 46 Rev. 10-01-17

ALABAMA LAW ENFORCEMENT AGENCY

APPLICATION TO REVIEW ALABAMA CRIMINAL HISTORY RECORD INFORMATION



PERSONAL INFORMATION

Full Name (First, Middle, Last, Suffix): Michael John Haugh Sex/Gender:  Male  Female

Aliases/Nickname: \_\_\_\_\_

Applicant Current Address: 1590 Dogwood Creek Rd.

City: Germantown State: TN Zip Code: 38139 SSN: 040-74-1169

Date of Birth: 01/21/1972 (MM/DD/YYYY) Driver's License Number: 090824635 Issuing State: TN

Race:  White  Black  Asian  Indian  Other (please specify) \_\_\_\_\_

Home Phone: ( ) Mobile Phone: ( 901 ) 490-9656 Work Phone: ( )

WORK INFORMATION

Employer Name: Yellowhammer Medical Dispensaries, LLC Employer Phone: ( 205 ) 767-8888

Contractor Name: \_\_\_\_\_ Contractor Phone: ( )

State Agency: \_\_\_\_\_ Agency Phone: ( )

Work Email Address: \_\_\_\_\_

Job Role/Classification: Owner Supervisor Name: \_\_\_\_\_

Included with my Release are the following items:

- Completed Application signed by applicant and two witnesses OR notarized.
- The required copy of my valid photo identification.
- A classifiable copy of my own fingerprints taken by an authorized law enforcement agency as required.
- If applying for state employment/licensure/certification, reference that agency's fee requirements for a background check.
- PERSONAL REQUESTS ONLY:** The required \$25.00 administrative fee (must be in the form of a money order or Cashier's check made payable to the ALEA, Criminal Records and Identification Unit).

AFFIDAVIT FOR RELEASE INFORMATION

I hereby authorize the Alabama Law Enforcement Agency to release any and all criminal history information to:

ALABAMA MEDICAL CANNABIS COMMISSION (AMCC)

Name & Address of Requesting Agency or Authorized Agent\*

*I, the above referenced individual, hereby request to release any and all criminal history record information (CHRI) maintained by both the Alabama Law Enforcement Agency, the Federal Bureau of Investigation, and any information relating to my past record and character whether it be financial, academic, military, employment, judicial, or personal reference. I hereby release all parties contributing such information from any charges or liability whatsoever because of furnishing said information. By signing below and submitting this application, I hereby verify that the information listed in my application and in the attached documentation is correct. I also acknowledge that I understand that, in accordance with Section 41-9-601 of the Code of Alabama 1975, that any person who willfully requests, obtains or seeks to obtain criminal offender record information under false pretenses, or who willfully communicates or seeks to communicate criminal offender record information to any agency or person without authorization, may be guilty of a felony, and shall be fined not less than \$5,000 nor more than \$10,000 or imprisoned in the state penitentiary for not more than five years or both. § 41-9-601, Code of Ala. (1975). Furthermore, as set forth at Title 28, Code of Federal Regulations (CFR), Section 16.34 I have the right to challenge or appeal any portion of my state and/or federal CHRI that I believe to be inaccurate (see "Appendix A" for contact information).*

Applicant Signature [Signature] Date 11-4-22

Name of Witness Matthew Bailey Name of Witness Maria Richardson

Address of Witness 1975 Wicity Ln Address of Witness 8255 Wacon Rd

City, State and Zip Cordova, TN 38016 City, State and Zip Cordova, TN 38088

Sworn to and subscribed before me this 4<sup>th</sup> day of November, 2022

Notary Signature [Signature] My Commission Expires 3-18, 2025

<b>FOR ALEA OFFICIAL USE ONLY:</b> TCN: _____ SID: AL _____		Billed: _____ Paid: _____ No Charge: _____
Received By (Initials): _____ /Date: ____/____/____	Processed By (Initials): _____ /Date: ____/____/____	Check#: _____
Walk-in/Hand Delivered <input type="checkbox"/> Mailed <input type="checkbox"/>	Status: _____ Initials: _____ Date: ____/____/____	Background Check Qty: Total: \$ _____
		Certified Letter Qty: Total: \$ _____

SBI Form 46 Rev. 10-01-17

ALABAMA LAW ENFORCEMENT AGENCY  
**APPLICATION TO REVIEW ALABAMA CRIMINAL HISTORY RECORD INFORMATION**



**PERSONAL INFORMATION**

Full Name (First, Middle, Last, Suffix): Matthew Stephen Bailey Sex/Gender:  Male  Female  
 Aliases/Nickname: \_\_\_\_\_  
 Applicant Current Address: 1975 Wirily Lane  
 City: Cordova State: TN Zip Code: 38016 SSN: 347-74-1985  
 Date of Birth: 10/02/1972 (MM/DD/YYYY) Driver's License Number: 083160861 Issuing State: TN  
 Race:  White  Black  Asian  Indian  Other (please specify) \_\_\_\_\_  
 Home Phone: ( ) Mobile Phone: ( 901 ) 412-3512 Work Phone: ( 901 ) 737-7336

**WORK INFORMATION**

Employer Name: Yellowhammer Medical Dispensaries, LLC Employer Phone: ( 205 ) 767-8888  
 Contractor Name: \_\_\_\_\_ Contractor Phone: ( ) \_\_\_\_\_  
 State Agency: \_\_\_\_\_ Agency Phone: ( ) \_\_\_\_\_  
 Work Email Address: \_\_\_\_\_  
 Job Role/Classification: Owner Supervisor Name: \_\_\_\_\_

**Included with my Release are the following items:**

- Completed Application signed by applicant and **two witnesses OR** notarized.
- The required copy of my valid photo identification.
- A classifiable copy of my own fingerprints taken by an authorized law enforcement agency as required.
- If applying for state employment/licensure/certification, reference that agency's fee requirements for a background check.**
- PERSONAL REQUESTS ONLY:** The required \$25.00 administrative fee (must be in the form of a money order or Cashier's check made payable to the ALEA, Criminal Records and Identification Unit).

**AFFIDAVIT FOR RELEASE INFORMATION**

I hereby authorize the Alabama Law Enforcement Agency to release any and all criminal history information to:  
ALABAMA MEDICAL CANNABIS COMMISSION (AMCC)

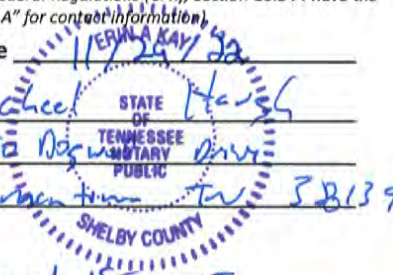
**Name & Address of Requesting Agency or Authorized Agent\***

*I, the above referenced individual, hereby request to release any and all criminal history record information (CHRI) maintained by both the Alabama Law Enforcement Agency, the Federal Bureau of Investigation, and any information relating to my past record and character whether it be financial, academic, military, employment, judicial, or personal reference. I hereby release all parties contributing such information from any charges or liability whatsoever because of furnishing said information. By signing below and submitting this application, I hereby verify that the information listed in my application and in the attached documentation is correct. I also acknowledge that I understand that, in accordance with Section 41-9-601 of the Code of Alabama 1975, that any person who willfully requests, obtains or seeks to obtain criminal offender record information under false pretenses, or who willfully communicates or seeks to communicate criminal offender record information to any agency or person without authorization, may be guilty of a felony, and shall be fined not less than \$5,000 nor more than \$10,000 or imprisoned in the state penitentiary for not more than five years or both. § 41-9-601, Code of Ala. (1975). Furthermore, as set forth at Title 28, Code of Federal Regulations (CFR), Section 16.34 I have the right to challenge or appeal any portion of my state and/or federal CHRI that I believe to be inaccurate (see "Appendix A" for contact information).*

Applicant Signature: Matthew Stephen Bailey Date: 11/29/22  
 Name of Witness: John Wilbourn Name of Witness: Michael Haugh  
 Address of Witness: 3132 Central Ave Address of Witness: 1580 Dogwood Drive  
 City, State and Zip: Memphis, TN 38111 City, State and Zip: Germentown, TN 38139

Sworn to and subscribed before me this 29th day of November, 2022

Notary Signature: [Signature] My Commission Expires March 18, 2025



FOR ALEA OFFICIAL USE ONLY: TCN: _____ SID: AL _____		Billed: _____ Paid: _____ No Charge: _____
Received By (Initials): _____ /Date: ____/____/____	Processed By (Initials): _____ /Date: ____/____/____	Check#: _____
Walk-in/Hand Delivered <input type="checkbox"/> Mailed <input type="checkbox"/>	Status: _____ Initials: _____ Date: ____/____/____	Background Check Qty: Total: \$ _____
		Certified Letter Qty: Total: \$ _____

SBI Form 46 Rev. 10-01-17

IDENTITY HISTORY SUMMARY REQUEST FORM

**Information** \* Denotes Required Fields

*Last Name	Smith	*First Name	Jeffrey
Middle Name 1	Lyndel	Middle Name 2	

*Date of Birth:	06/01/1957	*Place of Birth:	Seattle, Washington	*U.S. Citizen or Legal Permanent Resident:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
*Country of Citizenship:	USA	Country of Residence:		Prisoner Number (if applicable):	
*Last Four Digits of Social Security Number: 6442					

\*Race (please check appropriate box):  
 Asian  Black  Caucasian  Native American  Unknown

\*Sex (please check appropriate box):  
 Male  Female  Other

**Address**

C/O	AMCC	ATTN	Background Check
*Address			
P.O. Box 309585			
*City	Montgomery	*State	Alabama
*Postal (Zip) Code	36130	*Country	USA
Phone Number		E-Mail	

**Payment Enclosed:** (please check appropriate box)

CERTIFIED CHECK  MONEY ORDER  CREDIT CARD FORM

*You may request a copy of your own Identity History Summary to review it or obtain a change, correction, or an update to the summary. This is not a national background check and may not include information from state repositories which would be included on an employment background check. If you are requesting a background check for employment or licensing within the U.S., you may be required by state statute or federal law to submit your request through your state identification bureau, the requesting federal agency, or another authorized channeling agency.*

\* REQUESTOR SIGNATURE  DATE 12/2/20

Mail the signed requestor information form, fingerprint card, and payment of \$18 U.S. dollars to the following address:

FBI CJIS Division – Summary Request  
 1000 Custer Hollow Road  
 Clarksburg, West Virginia 26306

**PRIVACY ACT STATEMENT**

The FBI's acquisition, retention, and sharing of information submitted on this form is generally authorized under 28 USC 534 and 28 CFR 16.30-16.34. The purpose for requesting this information from you is to provide the FBI with a minimum of identifying data to permit an accurate and timely search of FBI identification records. Providing this information (including your Social Security Account Number) is voluntary; however, failure to provide the information may affect the completion of your request. The information reported on this form may be disclosed pursuant to your consent and may also be disclosed by the FBI without your consent pursuant to the Privacy Act of 1974 and all applicable routine uses.

**PAPERWORK REDUCTION ACT STATEMENT:**

Under the Paperwork Reduction Act, you are not required to complete this form unless it contains a valid OMB control number. The form takes approximately 3 minutes to complete.

**IDENTITY HISTORY SUMMARY REQUEST FORM**

**Information \* Denotes Required Fields**

*Last Name	Rodgers	*First Name	Jennifer
Middle Name 1	Tyson	Middle Name 2	

*Date of Birth:	*Place of Birth:	*U.S. Citizen or Legal Permanent Resident:
01/30/1983	Nashville, TN	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
*Country of Citizenship:	Country of Residence:	Prisoner Number (if applicable):
USA		
*Last Four Digits of Social Security Number: 6909		

\*Race (please check appropriate box):  
 Asian  Black  Caucasian  Native American  Unknown

\*Sex (please check appropriate box):  
 Male  Female  Other

**Address**

C/O	AMCC	ATTN	Background Check
*Address			
P.O. Box 309585			
*City	Montgomery	*State	Alabama
*Postal (Zip) Code	36130	*Country	USA
Phone Number		E-Mail	

**Payment Enclosed: (please check appropriate box)**

CERTIFIED CHECK  MONEY ORDER  CREDIT CARD FORM

*You may request a copy of your own Identity History Summary to review it or obtain a change, correction, or an update to the summary. This is not a national background check and may not include information from state repositories which would be included on an employment background check. If you are requesting a background check for employment or licensing within the U.S., you may be required by state statute or federal law to submit your request through your state identification bureau, the requesting federal agency, or another authorized channeling agency.*

\* REQUESTOR SIGNATURE  DATE 11/8/2022

**Mail the signed requestor information form, fingerprint card, and payment of \$18 U.S. dollars to the following address:**

**FBI CJIS Division – Summary Request  
 1000 Custer Hollow Road  
 Clarksburg, West Virginia 26306**

**PRIVACY ACT STATEMENT**

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**IDENTITY HISTORY SUMMARY REQUEST FORM**

**Information \* Denotes Required Fields**

*Last Name	Smith	*First Name	Keith
Middle Name 1	Jeffrey	Middle Name 2	

*Date of Birth:	04/24/1979	*Place of Birth:	San Jose, CA	*U.S. Citizen or Legal Permanent Resident:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
*Country of Citizenship:	USA	Country of Residence:	USA	Prisoner Number (if applicable):	
*Last Four Digits of Social Security Number: 3441					

\*Race (please check appropriate box):  
 Asian  Black  Caucasian  Native American  Unknown

\*Sex (please check appropriate box):  
 Male  Female  Other

**Address**

C/O	AMCC	ATTN	Background Check
*Address			
P.O. Box 309585			
*City	Montgomery	*State	Alabama
*Postal (Zip) Code	36130	*Country	USA
Phone Number		E-Mail	

**Payment Enclosed: (please check appropriate box)**

CERTIFIED CHECK  MONEY ORDER  CREDIT CARD FORM

*You may request a copy of your own Identity History Summary to review it or obtain a change, correction, or an update to the summary. This is not a national background check and may not include information from state repositories which would be included on an employment background check. If you are requesting a background check for employment or licensing within the U.S., you may be required by state statute or federal law to submit your request through your state identification bureau, the requesting federal agency, or another authorized channeling agency.*

\* REQUESTOR SIGNATURE  DATE 11/2/2022

Mail the signed requestor information form, fingerprint card, and payment of \$18 U.S. dollars to the following address:

**FBI CJIS Division – Summary Request  
 1000 Custer Hollow Road  
 Clarksburg, West Virginia 26306**

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**IDENTITY HISTORY SUMMARY REQUEST FORM**

**Information \* Denotes Required Fields**

*Last Name Williams	*First Name Lariesha
Middle Name 1 Goggans	Middle Name 2

*Date of Birth: 03/24/1992	*Place of Birth: Sylacauga, AL	*U.S. Citizen or Legal Permanent Resident: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
*Country of Citizenship: USA	Country of Residence: US	Prisoner Number (if applicable):
*Last Four Digits of Social Security Number: 8560		

\*Race (please check appropriate box):  
 Asian  Black  Caucasian  Native American  Unknown

\*Sex (please check appropriate box):  
 Male  Female  Other

**Address**

C/O AMCC	ATTN Background Check
*Address P.O. Box 309585	
*City Montgomery	*State Alabama
*Postal (Zip) Code 36130	*Country USA
Phone Number	E-Mail

**Payment Enclosed: (please check appropriate box)**

CERTIFIED CHECK  MONEY ORDER  CREDIT CARD FORM

*You may request a copy of your own Identity History Summary to review it or obtain a change, correction, or an update to the summary. This is not a national background check and may not include information from state repositories which would be included on an employment background check. If you are requesting a background check for employment or licensing within the U.S., you may be required by state statute or federal law to submit your request through your state identification bureau, the requesting federal agency, or another authorized channeling agency.*

\* REQUESTOR SIGNATURE  DATE 11/16/2022

Mail the signed requestor information form, fingerprint card, and payment of \$18 U.S. dollars to the following address:

FBI CJIS Division – Summary Request  
 1000 Custer Hollow Road  
 Clarksburg, West Virginia 26306

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**PAPERWORK REDUCTION ACT STATEMENT:**

Under the Paperwork Reduction Act, you are not required to complete this form unless it contains a valid OMB control number. The form takes approximately 3 minutes to complete.

1-783 (Rev. 06-01-2020)

OMB-1110-0052

**IDENTITY HISTORY SUMMARY REQUEST FORM**

**Information \* Denotes Required Fields**

*Last Name	Beatty	*First Name	Scott
Middle Name 1	Nicholas	Middle Name 2	

*Date of Birth:	*Place of Birth:	*U.S. Citizen or Legal Permanent Resident:
11/28/1972	Washington DC	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
*Country of Citizenship:	Country of Residence:	Prisoner Number (if applicable):
USA		
*Last Four Digits of Social Security Number: 8045		

\*Race (please check appropriate box):  
 Asian  Black  Caucasian  Native American  Unknown

\*Sex (please check appropriate box):  
 Male  Female  Other


**Address**

C/O	AMCC	ATTN	Background Check
*Address			
P.O. Box 309585			
*City	Montgomery	*State	Alabama
*Postal (Zip) Code	36130	*Country	USA
Phone Number		E-Mail	

**Payment Enclosed:** (please check appropriate box)

CERTIFIED CHECK  MONEY ORDER  CREDIT CARD FORM

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\* REQUESTOR SIGNATURE  DATE 11/29/2022

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 Clarksburg, West Virginia 26306

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1-783 (Rev. 06-01-2020)

OMB-1110-0052

**IDENTITY HISTORY SUMMARY REQUEST FORM**

**Information \* Denotes Required Fields**

*Last Name	Haugh	*First Name	Michael
Middle Name 1	John	Middle Name 2	
*Date of Birth:	01/21/1972	*Place of Birth:	Manchester, CT
*Country of Citizenship:	USA	*U.S. Citizen or Legal Permanent Resident:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		Country of Residence:	USA
		Prisoner Number (if applicable):	
*Last Four Digits of Social Security Number:	1169		

\*Race (please check appropriate box):  
 Asian  Black  Caucasian  Native American  Unknown

\*Sex (please check appropriate box):  
 Male  Female  Other

**Address**

C/O	AMCC	ATTN	Background Check
*Address			
P.O. Box 309585			
*City	Montgomery	*State	Alabama
*Postal (Zip) Code	36130	*Country	USA
Phone Number		E-Mail	

**Payment Enclosed: (please check appropriate box)**

CERTIFIED CHECK  MONEY ORDER  CREDIT CARD FORM

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\* REQUESTOR SIGNATURE  DATE: 11-3-22

Mail the signed requestor information form, fingerprint card, and payment of \$18 U.S. dollars to the following address:

**FBI CJIS Division – Summary Request  
 1000 Custer Hollow Road  
 Clarksburg, West Virginia 26306**

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1-783 (Rev. 06-01-2020)

OMB-1110-0052

**IDENTITY HISTORY SUMMARY REQUEST FORM**

**Information \* Denotes Required Fields**

*Last Name	Bailey	*First Name	Matthew
Middle Name 1		Middle Name 2	

*Date of Birth:	10/02/1972	*Place of Birth:	Carbondale, IL	*U.S. Citizen or Legal Permanent Resident:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
*Country of Citizenship:	USA	Country of Residence:		Prisoner Number (if applicable):	
*Last Four Digits of Social Security Number: 1985					

\*Race (please check appropriate box):  
 Asian  Black  Caucasian  Native American  Unknown

\*Sex (please check appropriate box):  
 Male  Female  Other

**Address**

C/O	AMCC	ATTN	Background Check
*Address			
P.O. Box 309585			
*City	Montgomery	*State	Alabama
*Postal (Zip) Code	36130	*Country	USA
Phone Number		E-Mail	

**Payment Enclosed:** (please check appropriate box)

CERTIFIED CHECK  MONEY ORDER  CREDIT CARD FORM

*You may request a copy of your own Identity History Summary to review it or obtain a change, correction, or an update to the summary. This is not a national background check and may not include information from state repositories which would be included on an employment background check. If you are requesting a background check for employment or licensing within the U.S., you may be required by state statute or federal law to submit your request through your state identification bureau, the requesting federal agency, or another authorized channeling agency.*

\* REQUESTOR SIGNATURE  DATE 11/29/22

Mail the signed requestor information form, fingerprint card, and payment of \$18 U.S. dollars to the following address:

FBI CJIS Division – Summary Request  
 1000 Custer Hollow Road  
 Clarksburg, West Virginia 26306

**PRIVACY ACT STATEMENT**

The FBI's acquisition, retention, and sharing of information submitted on this form is generally authorized under 28 USC 534 and 28 CFR 16.30-16.34. The purpose for requesting this information from you is to provide the FBI with a minimum of identifying data to permit an accurate and timely search of FBI identification records. Providing this information (including your Social Security Account Number) is voluntary; however, failure to provide the information may affect the completion of your request. The information reported on this form may be disclosed pursuant to your consent and may also be disclosed by the FBI without your consent pursuant to the Privacy Act of 1974 and all applicable routine uses.

**PAPERWORK REDUCTION ACT STATEMENT:**

Under the Paperwork Reduction Act, you are not required to complete this form unless it contains a valid OMB control number. The form takes approximately 3 minutes to complete.

**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.*

Yellowhammer Medical Dispensaries, LLC

Dispensary

Business License Applicant Name

License Type

Jeffrey Lyndel Smith

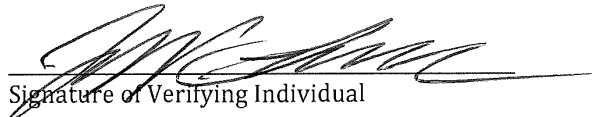
Individual's Name

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

12/12/22  
Verification Date

**FORM E: BACKGROUND CHECK INDIVIDUAL VERIFICATION**

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Yellowhammer Medical Dispensaries, LLC

Dispensary

Business License Applicant Name

License Type

Matthew Bailey

Individual's Name

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

**Verification**

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Signature of Verifying Individual

11/29/22  
Verification Date

**FORM E: BACKGROUND CHECK INDIVIDUAL VERIFICATION**

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Yellowhammer Medical Dispensaries, LLC

Dispensary

Business License Applicant Name

License Type

Scott Beatty

Individual's Name

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

**Verification**

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Scott Beatty  
Signature of Verifying Individual

11/29/2022  
Verification Date

**FORM E: BACKGROUND CHECK INDIVIDUAL VERIFICATION**

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Yellowhammer Medical Dispensaries, LLC

Dispensary

Business License Applicant Name

License Type

Jennifer Rodgers

Individual's Name

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

**Verification**

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\_\_\_\_\_  
Signature of Verifying Individual

11/8/2022  
\_\_\_\_\_  
Verification Date



**FORM E: BACKGROUND CHECK INDIVIDUAL VERIFICATION**

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Yellowhammer Medical Dispensaries, LLC

Dispensary

Business License Applicant Name

License Type

Laniesha G. Williams

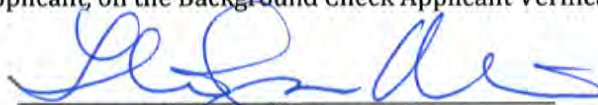
Individual's Name

Individual's Role (select all that apply):  Owner  Shareholder  Director  Board Member  
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Signature of Verifying Individual



Verification Date

**FORM E: BACKGROUND CHECK INDIVIDUAL VERIFICATION**

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Yellowhammer Medical Dispensaries, LLC

Dispensary

Business License Applicant Name

License Type

Michael Haugh

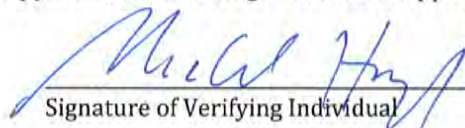
Individual's Name

Individual's Role (select all that apply):  Owner  Shareholder  Director  Board Member  
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Signature of Verifying Individual

11-3-22  
Verification Date

**FORM E: BACKGROUND CHECK INDIVIDUAL VERIFICATION**

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Yellowhammer Medical Dispensaries, LLC

Dispensary

Business License Applicant Name

License Type

Keith Jeffrey Smith

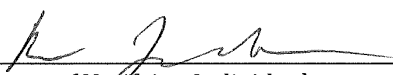
Individual's Name

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

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Signature of Verifying Individual

11/2/2022  
Verification Date

**REDACTED COPY** License Type: Dispensary

# 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.**

Keith J. Smith

Printed Name of Verifying Individual

CEO

Title of Verifying Individual

*Keith J. Smith*

Signature of Verifying Individual

12/13/2022 | 12:20 PM PST

Verification Date

Yellowhammer Medical Dispensaries, LLC

**Ala. Code § 36-12-40 (Private Business Information)**

December 9, 2022

To Whom It May Concern,

**Ala. Code § 36-12-40 (Private Financial Information)**



**Ala. Code § 36-12-40 (Private Financial Information)**

A large black rectangular redaction box covering the majority of the page's content.

December 14, 2022

RE: Alabama Medical Cannabis Commission – Proof of Funds

To Whom It May Concern,

**Ala. Code § 36-12-40 (Private Financial Information)**

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**Ala. Code § 36-12-40 (Private Financial Information)**

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Ala. Code § 36-12-40 (Private Financial Information)



December 13, 2022

RE Ala. Code § 36-12-40 (Private Financial Information)



To Whom it May Concern:

Ala. Code § 36-12-40 (Private Financial Information)



License Type: Dispensary

Ala. Code § 36-12-40 (Private Financial Information)



December 11, 2022

Ala. Code § 36-12-40 (Private Financial Information)

RE:

TO Whom it May Concern:

Ala. Code § 36-12-40 (Private Financial Information)





December 15, 2022

RE: Ala. Code § 36-12-40 (Private Financial Information)

To Whom It May Concern:

Ala. Code § 36-12-40 (Private Financial Information)

# 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.**

Keith J. Smith

CEO

Printed Name of Verifying Individual

Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

Signature of Verifying Individual

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.****Executive Summary**

Below we detail quarterly financials for the company assuming a start date in July 2023 with initial sales in February 2024. Our forecast assumes \$10.5m of equity, alongside \$3.7m in debt to help fund capital expenditures as well as support working capital needs. We model three dispensaries coming online in July 2023. We intend to sell topicals, gelatins, tinctures, and suppositories with the optionality of expanding into other form factors as state law permits. For conservatism, we do not incorporate other form factors into our forecast at this stage. We note that states that have altered regulations to permit the sale of smokeable flower experienced a meaningful increase in medical marijuana sales, which would provide upside beyond what is forecasted below.

Based on our experience in several other medical marijuana markets, we believe we can achieve a 60% markup relative to wholesale pricing. While we are confident we will garner more than the implied market share based on our combined several decades of experience in limited license medical marijuana markets, we were cautious in our forward looking TAM and only incorporated a uniform market share based on the total retailers in the state. Stated differently, we assume all retailers have equal market share. In addition, we only assume a 2.1% patient penetration rate for adults 21 years of age and older by 2028, which is far lower than other states with medical marijuana programs.

Relatedly, our model does not incorporate any price compression at the wholesale level, which could expand gross margin. Furthermore, the model layers in inflationary pressures to various input and labor costs where appropriate to further mute margins. As such, our projections underscore our ability to weather a particularly challenging market environment, even though we expect market conditions to unfold more favorably. However, even withstanding the stressed scenario, we still project EBITDA to be positive on an annual basis by 2027 and maintain a positive cash balance throughout the forecast period.

## Balance Sheet

	F	F	F	F	F	F	F	F	F	F	F	F	F	
	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26
Cash	9,965,361	9,196,859	8,175,387	7,770,630	7,039,580	6,445,490	5,666,375	5,450,585	4,613,021	4,326,779	3,424,211	3,518,569	2,637,931	2,611,856
Accounts Receivable	0	0	132,133	149,887	115,253	168,805	258,271	205,884	253,556	311,707	373,058	297,387	366,248	450,243
Inventory	0	0	234,706	48,464	201,892	174,561	358,537	111,449	397,388	175,135	594,828	161,016	573,940	194,685
Other Current Assets	0	0	14,552	14,552	10,478	17,463	26,194	18,860	26,194	31,433	37,836	27,242	37,836	45,403
<b>Total Current Assets</b>	<b>9,965,361</b>	<b>9,196,859</b>	<b>8,556,779</b>	<b>7,983,533</b>	<b>7,367,202</b>	<b>6,806,318</b>	<b>6,309,377</b>	<b>5,786,778</b>	<b>5,290,159</b>	<b>4,845,054</b>	<b>4,429,933</b>	<b>4,004,214</b>	<b>3,615,954</b>	<b>3,302,186</b>
Net Fixed Assets	3,579,333	3,488,333	3,397,333	3,306,333	3,215,333	3,124,333	3,033,333	2,942,333	2,851,333	2,760,333	2,669,333	2,578,333	2,487,333	2,396,333
<b>Total Assets</b>	<b>13,544,694</b>	<b>12,685,192</b>	<b>11,954,112</b>	<b>11,289,866</b>	<b>10,582,535</b>	<b>9,930,652</b>	<b>9,342,711</b>	<b>8,729,111</b>	<b>8,141,493</b>	<b>7,605,387</b>	<b>7,099,266</b>	<b>6,582,547</b>	<b>6,103,287</b>	<b>5,698,520</b>
Accounts Payable	93,703	93,726	123,846	123,863	116,607	129,057	153,616	140,617	153,627	162,988	180,612	161,822	180,642	194,127
Notes Payable	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wages Payable	87,879	87,879	93,070	93,070	93,070	93,070	104,141	104,141	104,141	104,141	111,609	111,609	111,609	111,609
<b>Total Current Liabilities</b>	<b>181,583</b>	<b>181,605</b>	<b>216,916</b>	<b>216,934</b>	<b>209,678</b>	<b>222,127</b>	<b>257,758</b>	<b>244,758</b>	<b>257,768</b>	<b>267,129</b>	<b>292,222</b>	<b>273,432</b>	<b>292,251</b>	<b>305,736</b>
Long Term Debt	3,608,195	3,559,285	3,508,892	3,456,973	3,403,481	3,348,367	3,291,584	3,233,080	3,172,803	3,110,700	3,046,715	2,980,792	2,912,871	2,842,891
<b>Total Liabilities</b>	<b>3,789,777</b>	<b>3,740,889</b>	<b>3,725,808</b>	<b>3,673,907</b>	<b>3,613,158</b>	<b>3,570,494</b>	<b>3,549,342</b>	<b>3,477,838</b>	<b>3,430,571</b>	<b>3,377,830</b>	<b>3,338,937</b>	<b>3,254,223</b>	<b>3,205,122</b>	<b>3,148,627</b>
Equity	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000
Retained Earnings	(745,083)	(1,555,697)	(2,271,696)	(2,884,041)	(3,530,623)	(4,139,843)	(4,706,631)	(5,248,727)	(5,789,078)	(6,272,442)	(6,739,671)	(7,171,676)	(7,601,835)	(7,950,108)
<b>Total Equity</b>	<b>9,754,917</b>	<b>8,944,303</b>	<b>8,228,304</b>	<b>7,615,959</b>	<b>6,969,377</b>	<b>6,360,157</b>	<b>5,793,369</b>	<b>5,251,273</b>	<b>4,710,922</b>	<b>4,227,558</b>	<b>3,760,329</b>	<b>3,328,324</b>	<b>2,898,165</b>	<b>2,549,892</b>

	F	F	F	F	F	F	F	
	1Q27	2Q27	3Q27	4Q27	1Q28	2Q28	3Q28	4Q28
Cash	1,637,636	2,039,278	1,131,713	1,323,717	389,020	954,418	145,682	472,289
Accounts Receivable	487,846	388,891	478,940	588,779	602,633	480,395	591,631	727,315
Inventory	812,120	210,607	750,442	271,190	972,477	330,986	856,216	338,966
Other Current Assets	49,477	35,624	49,477	59,373	61,119	44,006	61,119	73,343
<b>Total Current Assets</b>	<b>2,987,080</b>	<b>2,674,400</b>	<b>2,410,572</b>	<b>2,243,059</b>	<b>2,025,250</b>	<b>1,809,805</b>	<b>1,654,648</b>	<b>1,611,913</b>
Net Fixed Assets	2,305,333	2,214,333	2,123,333	2,032,333	1,941,333	1,850,333	1,759,333	1,668,333
<b>Total Assets</b>	<b>5,292,413</b>	<b>4,888,733</b>	<b>4,533,906</b>	<b>4,275,392</b>	<b>3,966,583</b>	<b>3,660,138</b>	<b>3,413,981</b>	<b>3,280,246</b>
Accounts Payable	205,390	180,788	205,435	223,026	231,425	200,998	231,475	253,137
Notes Payable	0	0	0	0	0	0	0	0
Wages Payable	116,141	116,141	116,141	116,141	122,065	122,065	122,065	122,065
<b>Total Current Liabilities</b>	<b>321,531</b>	<b>296,929</b>	<b>321,576</b>	<b>339,167</b>	<b>353,490</b>	<b>323,064</b>	<b>353,540</b>	<b>375,202</b>
Long Term Debt	2,770,791	2,696,507	2,619,972	2,541,117	2,459,873	2,376,168	2,289,926	2,201,071
<b>Total Liabilities</b>	<b>3,092,322</b>	<b>2,993,436</b>	<b>2,941,548</b>	<b>2,880,284</b>	<b>2,813,363</b>	<b>2,699,232</b>	<b>2,643,466</b>	<b>2,576,273</b>
Equity	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000
Retained Earnings	(8,299,909)	(8,604,703)	(8,907,642)	(9,104,892)	(9,346,781)	(9,539,093)	(9,729,484)	(9,796,027)
<b>Total Equity</b>	<b>2,200,091</b>	<b>1,895,297</b>	<b>1,592,358</b>	<b>1,395,108</b>	<b>1,153,219</b>	<b>960,907</b>	<b>770,516</b>	<b>703,973</b>

**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.**

**Executive Summary**

Below we detail quarterly financials for the company assuming a start date in July 2023 with initial sales in February 2024. Our forecast assumes \$10.5m of equity, alongside \$3.7m in debt to help fund capital expenditures as well as support working capital needs. We model three dispensaries coming online in July 2023. We intend to sell topicals, gelatins, tinctures, and suppositories with the optionality of expanding into other form factors as state law permits. For conservatism, we do not incorporate other form factors into our forecast as this stage. We note that states that have altered regulations to permit the sale of smokeable flower experienced a meaningful increase in medical marijuana sales, which would provide upside beyond what is forecasted below.

Based on our experience in several other medical marijuana markets, we believe we can achieve a 60% markup relative to wholesale pricing. While we are confident we will garner more than the implied market share based on our combined several decades of experience in limited license medical marijuana markets, we were cautious in our forward looking TAM and only incorporated a uniform market share based on the total retailers in the state. Stated differently, we assume all retailers have equal market share. In addition, we only assume a 2.1% patient penetration rate for adults 21 years of age and older by 2028, which is far lower than other states with medical marijuana programs.

Relatedly, our model does not incorporate any price compression at the wholesale level, which could expand gross margin. Furthermore, the model layers in inflationary pressures to various input and labor costs where appropriate to further mute margins. As such, our projections underscore our ability to weather a particularly challenging market environment, even though we expect market conditions to unfold more favorably.

However, even withstanding the stressed scenario, we still project EBITDA to be positive on an annual basis by 2027 and maintain a positive cash balance throughout the forecast period.

## Income Statement

	F	F	F	F	F	F	F	F	F	F	F	F	F	
	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26
Revenue	0	0	250,297	465,668	384,176	465,668	712,472	764,860	764,860	890,590	1,029,127	1,104,798	1,104,798	1,286,408
COGS	107,813	107,891	220,307	316,068	279,907	316,156	428,138	451,448	451,483	507,390	572,481	606,019	606,210	686,773
Gross Margin	(107,813)	(107,891)	29,989	149,600	104,269	149,512	284,334	313,412	313,376	383,200	456,646	498,779	498,588	599,635
Salary	364,750	364,750	390,898	390,898	390,898	390,898	446,755	446,755	446,755	446,755	482,792	482,792	482,792	482,792
Overhead	54,713	54,713	58,635	58,635	58,635	58,635	67,013	67,013	67,013	67,013	72,419	72,419	72,419	72,419
SG&A Operating Expenses	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Professional Services	37,500	37,500	37,875	37,875	37,875	37,875	38,636	38,636	38,636	38,636	39,807	39,807	39,807	39,807
Insurance	10,000	10,000	10,100	10,100	10,100	10,100	10,303	10,303	10,303	10,303	10,615	10,615	10,615	10,615
Non-Interest Finance & Distribution Costs	3,750	3,750	3,788	3,788	3,788	3,788	3,864	3,864	3,864	3,864	3,981	3,981	3,981	3,981
Corporate Travel and Events	3,750	3,750	3,788	3,788	3,788	3,788	3,864	3,864	3,864	3,864	3,981	3,981	3,981	3,981
Other Operational Expenses	6,250	6,250	6,313	6,313	6,313	6,313	6,439	6,439	6,439	6,439	6,635	6,635	6,635	6,635
Digital	12,000	12,000	12,120	12,120	12,120	12,120	12,364	12,364	12,364	12,364	12,738	12,738	12,738	12,738
Other Marketing	1,250	1,250	1,263	1,263	1,263	1,263	1,288	1,288	1,288	1,288	1,327	1,327	1,327	1,327
D&A	60,667	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000
Total SG&A	564,629	594,963	625,777	625,777	625,777	625,777	691,525	691,525	691,525	691,525	735,294	735,294	735,294	735,294
Operating Profit	(672,442)	(702,854)	(595,788)	(476,177)	(521,508)	(476,265)	(407,191)	(378,113)	(378,149)	(308,325)	(278,648)	(236,515)	(236,706)	(135,658)
Interest Expense	72,642	107,760	106,278	104,751	103,178	101,557	99,887	98,166	96,394	94,567	92,685	90,747	88,749	86,691
Interest Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax	0	0	13,934	31,416	21,896	31,398	59,710	65,816	65,809	80,472	95,896	104,744	104,703	125,923
Net Income	(745,083)	(810,614)	(715,999)	(612,344)	(646,582)	(609,219)	(566,788)	(542,096)	(540,351)	(483,364)	(467,229)	(432,005)	(430,158)	(348,273)
<b>EBITDA Build</b>														
Net Income	(745,083)	(810,614)	(715,999)	(612,344)	(646,582)	(609,219)	(566,788)	(542,096)	(540,351)	(483,364)	(467,229)	(432,005)	(430,158)	(348,273)
Interest Expense	72,642	107,760	106,278	104,751	103,178	101,557	99,887	98,166	96,394	94,567	92,685	90,747	88,749	86,691
Interest Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax	0	0	13,934	31,416	21,896	31,398	59,710	65,816	65,809	80,472	95,896	104,744	104,703	125,923
D&A	60,667	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000
EBITDA	(611,775)	(611,854)	(504,788)	(385,177)	(430,508)	(385,265)	(316,191)	(287,113)	(287,149)	(217,325)	(187,648)	(145,515)	(145,706)	(44,658)
<b>Margin Analysis</b>														
Gross Margin	NM	NM	12%	32%	27%	32%	40%	41%	41%	43%	44%	45%	45%	47%
SG&A as % of Sales	NM	NM	250%	134%	163%	134%	97%	90%	90%	78%	71%	67%	67%	57%
Operating Margin	NM	NM	-238%	-102%	-136%	-102%	-57%	-49%	-49%	-35%	-27%	-21%	-21%	-11%
EBITDA Margin	NM	NM	-202%	-83%	-112%	-83%	-44%	-38%	-38%	-24%	-18%	-13%	-13%	-3%
Net Income Margin	NM	NM	-286%	-131%	-168%	-131%	-80%	-71%	-71%	-54%	-45%	-39%	-39%	-27%
<b>Sequential Growth Analysis</b>														
Revenue				86%	-18%	21%	53%	7%	0%	16%	16%	7%	0%	16%
Gross Margin		0%	-128%	399%	-30%	43%	90%	10%	0%	22%	19%	9%	0%	20%
EBITDA		0%	NM	NM	12%	NM	NM	NM	0%	NM	NM	NM	0%	NM
Net Income		9%	NM	NM	6%	NM	NM	NM	NM	NM	NM	NM	NM	NM

	F 1Q27	F 2Q27	F 3Q27	F 4Q27	F 1Q28	F 2Q28	F 3Q28	F 4Q28
Revenue	1,345,781	1,444,735	1,444,735	1,682,226	1,662,435	1,784,673	1,784,673	2,078,044
COGS	718,164	761,828	762,260	867,421	865,272	919,094	919,676	1,049,440
<b>Gross Margin</b>	<b>627,617</b>	<b>682,907</b>	<b>682,475</b>	<b>814,805</b>	<b>797,163</b>	<b>865,579</b>	<b>864,997</b>	<b>1,028,604</b>
Salary	502,395	502,395	502,395	502,395	528,022	528,022	528,022	528,022
Overhead	75,359	75,359	75,359	75,359	79,203	79,203	79,203	79,203
SG&A Operating Expenses	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Professional Services	41,423	41,423	41,423	41,423	43,536	43,536	43,536	43,536
Insurance	11,046	11,046	11,046	11,046	11,610	11,610	11,610	11,610
Non-Interest Finance & Distribution Costs	4,142	4,142	4,142	4,142	4,354	4,354	4,354	4,354
Corporate Travel and Events	4,142	4,142	4,142	4,142	4,354	4,354	4,354	4,354
Other Operational Expenses	6,904	6,904	6,904	6,904	7,256	7,256	7,256	7,256
Digital	13,255	13,255	13,255	13,255	13,932	13,932	13,932	13,932
Other Marketing	1,381	1,381	1,381	1,381	1,451	1,451	1,451	1,451
D&A	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000
<b>Total SG&amp;A</b>	<b>761,049</b>	<b>761,049</b>	<b>761,049</b>	<b>761,049</b>	<b>794,718</b>	<b>794,718</b>	<b>794,718</b>	<b>794,718</b>
<b>Operating Profit</b>	<b>(133,432)</b>	<b>(78,141)</b>	<b>(78,574)</b>	<b>53,756</b>	<b>2,445</b>	<b>70,862</b>	<b>70,279</b>	<b>233,886</b>
Interest Expense	84,571	82,386	80,135	77,816	75,426	72,965	70,428	67,815
Interest Income	0	0	0	0	0	0	0	0
Other Income	0	0	0	0	0	0	0	0
Other Expense	0	0	0	0	0	0	0	0
Tax	131,800	144,267	144,230	173,190	168,908	190,210	190,242	232,614
<b>Net Income</b>	<b>(349,802)</b>	<b>(304,794)</b>	<b>(302,939)</b>	<b>(197,250)</b>	<b>(241,889)</b>	<b>(192,313)</b>	<b>(190,391)</b>	<b>(66,543)</b>
<b>EBITDA Build</b>								
Net Income	(349,802)	(304,794)	(302,939)	(197,250)	(241,889)	(192,313)	(190,391)	(66,543)
Interest Expense	84,571	82,386	80,135	77,816	75,426	72,965	70,428	67,815
Interest Income	0	0	0	0	0	0	0	0
Other Income	0	0	0	0	0	0	0	0
Other Expense	0	0	0	0	0	0	0	0
Tax	131,800	144,267	144,230	173,190	168,908	190,210	190,242	232,614
D&A	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000
<b>EBITDA</b>	<b>(42,432)</b>	<b>12,859</b>	<b>12,426</b>	<b>144,756</b>	<b>93,445</b>	<b>161,862</b>	<b>161,279</b>	<b>324,886</b>
<b>Margin Analysis</b>								
Gross Margin	47%	47%	47%	48%	48%	49%	48%	49%
SG&A as % of Sales	57%	53%	53%	45%	48%	45%	45%	38%
Operating Margin	-10%	-5%	-5%	3%	0%	4%	4%	11%
EBITDA Margin	-3%	1%	1%	9%	6%	9%	9%	16%
Net Income Margin	-26%	-21%	-21%	-12%	-15%	-11%	-11%	-3%
<b>Sequential Growth Analysis</b>								
Revenue	5%	7%	0%	16%	-1%	7%	0%	16%
Gross Margin	5%	9%	0%	19%	-2%	9%	0%	19%
EBITDA	NM	NM	NM	1065%	NM	73%	NM	101%
Net Income	0%	NM	NM	NM	23%	NM	NM	NM

### **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.**

#### **Executive Summary**

Below we detail quarterly financials for the company assuming a start date in July 2023 with initial sales in February 2024. Our forecast assumes \$10.5m of equity, alongside \$3.7m in debt to help fund capital expenditures as well as support working capital needs. We model three dispensaries coming online in July 2023. We intend to sell topicals, gelatins, tinctures, and suppositories with the optionality of expanding into other form factors as state law permits. For conservatism, we do not incorporate other form factors into our forecast as this stage. We note that states that have altered regulations to permit the sale of smokeable flower experienced a meaningful increase in medical marijuana sales, which would provide upside beyond what is forecasted below.

Based on our experience in several other medical marijuana markets, we believe we can achieve a 60% markup relative to wholesale pricing. While we are confident we will garner more than the implied market share based on our combined several decades of experience in limited license medical marijuana markets, we were cautious in our forward looking TAM and only incorporated a uniform market share based on the total retailers in the state. Stated differently, we assume all retailers have equal market share. In addition, we only assume a 2.1% patient penetration rate for adults 21 years of age and older by 2028, which is far lower than other states with medical marijuana programs.

Relatedly, our model does not incorporate any price compression at the wholesale level, which could expand gross margin. Furthermore, the model layers in inflationary pressures to various input and labor costs where appropriate to further mute margins. As such, our projections underscore our ability to weather a particularly challenging market environment, even though we expect market conditions to unfold more favorably.

However, even withstanding the stressed scenario, we still project EBITDA to be positive on an annual basis by 2027 and maintain a positive cash balance throughout the forecast period.



## Statement of Cash Flow

	F	F	F	F	F	F	F	F	F	F	F	F	
	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26
Net Income	(745,083)	(810,614)	(715,999)	(612,344)	(646,582)	(609,219)	(566,788)	(542,096)	(540,351)	(483,364)	(467,229)	(432,005)	(430,158)
D&A	60,667	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000
Accounts Receivable	0	0	(132,133)	(17,754)	34,634	(53,552)	(89,466)	52,388	(47,673)	(58,150)	(61,352)	75,671	(68,861)
Inventory	0	0	(234,706)	186,243	(153,428)	27,330	(183,976)	247,088	(285,939)	222,253	(419,693)	433,812	(412,924)
Other Current Assets	0	0	(14,552)	0	4,075	(6,985)	(8,731)	7,334	(7,334)	(5,239)	(6,403)	10,594	(10,594)
Accounts Payable	93,703	22	30,120	17	(7,256)	12,449	24,560	(12,999)	13,010	9,361	17,624	(18,790)	18,820
Wages Payable	87,879	0	5,191	0	0	0	11,071	0	0	0	7,468	0	0
<b>Cash Flow from Operations</b>	<b>-502,834</b>	<b>-719,591</b>	<b>-971,080</b>	<b>-352,838</b>	<b>-677,558</b>	<b>-538,977</b>	<b>-722,331</b>	<b>-157,286</b>	<b>-777,288</b>	<b>-224,139</b>	<b>-838,584</b>	<b>160,282</b>	<b>-812,717</b>
CAPEX	-3,640,000	0	0	0	0	0	0	0	0	0	0	0	0
<b>Cash Flow from Investing</b>	<b>-3,640,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Equity	10,500,000	0	0	0	0	0	0	0	0	0	0	0	0
Notes Payable	0	0	0	0	0	0	0	0	0	0	0	0	0
Long Term Debt	3,608,195	-48,910	-50,392	-51,919	-53,492	-55,113	-56,783	-58,504	-60,277	-62,103	-63,985	-65,924	-67,921
<b>Cash Flow from Financing</b>	<b>14,108,195</b>	<b>-48,910</b>	<b>-50,392</b>	<b>-51,919</b>	<b>-53,492</b>	<b>-55,113</b>	<b>-56,783</b>	<b>-58,504</b>	<b>-60,277</b>	<b>-62,103</b>	<b>-63,985</b>	<b>-65,924</b>	<b>-67,921</b>
Beginning Cash	0	9,965,361	9,196,859	8,175,387	7,770,630	7,039,580	6,445,490	5,666,375	5,450,585	4,613,021	4,326,779	3,424,211	3,518,569
Change in Cash	9,965,361	-768,502	-1,021,472	-404,757	-731,050	-594,090	-779,115	-215,790	-837,564	-286,242	-902,569	94,358	-880,638
<b>Ending Cash</b>	<b>9,965,361</b>	<b>9,196,859</b>	<b>8,175,387</b>	<b>7,770,630</b>	<b>7,039,580</b>	<b>6,445,490</b>	<b>5,666,375</b>	<b>5,450,585</b>	<b>4,613,021</b>	<b>4,326,779</b>	<b>3,424,211</b>	<b>3,518,569</b>	<b>2,637,931</b>

	F	F	F	F	F	F	F	F	F
	4Q26	1Q27	2Q27	3Q27	4Q27	1Q28	2Q28	3Q28	4Q28
Net Income	(348,273)	(349,802)	(304,794)	(302,939)	(197,250)	(241,889)	(192,313)	(190,391)	(66,543)
D&A	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000	91,000
Accounts Receivable	(83,995)	(37,603)	98,954	(90,049)	(109,839)	(13,854)	122,238	(111,236)	(135,684)
Inventory	379,255	(617,435)	601,514	(539,835)	479,252	(701,287)	641,491	(525,230)	517,250
Other Current Assets	(7,567)	(4,075)	13,854	(13,854)	(9,895)	(1,746)	17,113	(17,113)	(12,224)
Accounts Payable	13,485	11,263	(24,602)	24,647	17,591	8,399	(30,426)	30,476	21,662
Wages Payable	0	4,532	0	0	0	5,924	0	0	0
<b>Cash Flow from Operations</b>	<b>43,905</b>	<b>-902,120</b>	<b>475,926</b>	<b>-831,030</b>	<b>270,858</b>	<b>-853,453</b>	<b>649,103</b>	<b>-722,494</b>	<b>415,462</b>
CAPEX	0	0	0	0	0	0	0	0	0
<b>Cash Flow from Investing</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Equity	0	0	0	0	0	0	0	0	0
Notes Payable	0	0	0	0	0	0	0	0	0
Long Term Debt	-69,979	-72,100	-74,284	-76,535	-78,854	-81,244	-83,706	-86,242	-88,855
<b>Cash Flow from Financing</b>	<b>-69,979</b>	<b>-72,100</b>	<b>-74,284</b>	<b>-76,535</b>	<b>-78,854</b>	<b>-81,244</b>	<b>-83,706</b>	<b>-86,242</b>	<b>-88,855</b>
Beginning Cash	2,637,931	2,611,856	1,637,636	2,039,278	1,131,713	1,323,717	389,020	954,418	145,682
Change in Cash	-26,075	-974,220	401,642	-907,565	192,004	-934,697	565,398	-808,736	326,607
<b>Ending Cash</b>	<b>2,611,856</b>	<b>1,637,636</b>	<b>2,039,278</b>	<b>1,131,713</b>	<b>1,323,717</b>	<b>389,020</b>	<b>954,418</b>	<b>145,682</b>	<b>472,289</b>

# 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.**

Keith J. Smith

Printed Name of Verifying Individual

CEO

Title of Verifying Individual

*Keith J. Smith*

Signature of Verifying Individual

12/13/2022 | 12:20 PM PST

Verification Date

## **Introduction**

Our comprehensive tax and financial plan are written in accordance with the Generally Accepted Accounting Principles (“GAAP”). This includes accounting and tax reporting practices that comply with all applicable laws. Yellowhammer Medicine, LLC is structured as a Limited Liability Company “LLC” to maintain distinction between business and owner personal liability. We have a business tax identification number, provided to us by the Alabama State Treasury. The net worth of our limited liability entity will be calculated by the capital accounts of our owners. Ala. Code § 40-14A-23(b). We will prepare annually for the Department of Revenue a report of our income and deductions with the names and addresses of each partner and their percentage of share. Ala. Code § 40-18-28.

Our Chief Financial Officer (“CFO”) will oversee this plan for efficiency and continual compliance. We will disclose to the Alabama Medical Cannabis Commission (“AMCC”) and the Department of Revenue of the State of Alabama (“the Department”) all relevant records, including tax information. Ala. Code § 20-2A-55(d). We will maintain good standing with the IRS and secure all financing without backing from federally insured financial institutions. 31 US Code § 5311-118.3745(a)(4); IRC 280(e).

## **Financial Practices**

We will maintain our business’ financial accounts in the United States. 31 U.S.C. § 5311 118.3745(a)(4). We will fully disclose all credit practices. F.D.I.C. C.2 § 121. Our financial records will be physically and digitally secured, and all staff will be trained on proper recordkeeping. Our SOPs include details on our electronic financial recordkeeping systems, and which personnel are allowed in restricted access cash storage areas. 31 U.S.C. § 5311(b)(3-4). From these records, we will supply any documentation requested for law enforcement purposes. 31 U.S.C. § 5311 (b)(1-2). We will comply with guidance issued by the Financial Crimes Enforcement Network (“FinCEN”), and we will only work with vendors or financial institutions who also comply with the Bank Secrecy Act. 31 USC § 5311-BSA 34.

We will contract with vendors for credit card processing, accounting, and armored-car services. Access to banking for cannabis businesses regularly comes with high monthly fees and extra expenses associated with cash handling. We have proactively created a positive relationship with Commerce One Bank to support our business in this matter. Commerce

One is based in Birmingham, Alabama and has over half a billion dollars in assets under management. We will maintain honest candor with financial entities about our cannabis transactions by providing details on our license, and all necessary information for compliance with banking customer identification programs. 31 CFR § 1020.220(a)(2)(i)(A).

### **Accounting**

Our double entry accounting system will record, analyze, and classify our transactions, and will provide accountability of our assets and liabilities. Our CFO will oversee monthly and year-end financial reconciliation of accounts payable and receivable. We will also work with a certified accountant familiar with the cannabis industry for tax filing.

Gain, loss, income, basis earning, and profit statements of our business will be determined in accordance with Alabama state tax law, not based on federal income tax regulations. Ala. Code § 40-18-1.1(a); USC Title 26. Taxable income will include gross income less allowable deductions. Ala. Code § 40-18-15.1; Ala. Code § 40-18-15.3(a)(2),(c). We will file a net operating loss only if, prior to any deductions or modifications, our entire net operating finances are a loss for the entire taxable year. Ala. Code § 40-18-15.2.

With this system we will fully disclose our financial results and maintain GAAP conformity, including recognizing revenues and expenses on the accrual basis and reconciliation of all accounts in a timely manner. All financial records will be maintained securely at our facility and made available to the AMCC. Ala. Code § 20-2A-52(a)(5). Our records will include gross sales, gross proceeds, gross receipts, and other books to determine our tax liability. Ala. Code § 40-23-9.

### **Insurance and Affiliates**

We will maintain adequate levels of liability and casualty insurance, at least \$2 million. Ala. Code § 20-2A-53(a)(2). We have paid all appropriate taxes on our insurance plans and premiums. We will acquire additional surety bonds if required by the Department. Ala. Code § 40-23-6. Neither we nor any of our affiliates have outstanding tax debt or tax delinquency. Ala. Admin Code. r. 538-x-4-.07.05; Ala. Code § 20-2A-55(a)(6). We and our affiliates will fully disclose tax history. Ala. Admin Code r. 538-x-3-.05.03.d-f.

**Taxes Levied by the State and Payment of the Same**

We will pay all taxes in a prompt manner. Ala. Code § 40-11-4; Ala. Code § 40-23-7. All taxes that are payable to the Department will include the name of our business and our Chief Executive Officer; location and legal description of our business; total amount of gross sales, receipts, and loans, on a daily, monthly, and quarterly basis; and any other information required or requested. Ala. Code § 40-1-5(a)(1-8). We will pay all applicable privilege taxes levied against our net worth each year. Ala. Code § 20-2A-80(b)(1); Ala. Code § 40-14A-23. We will utilize charts provided by the State in Article 2 of the Alabama Business Privilege and Corporation Shares Tax regulations, and any related amendments, to calculate the amount of tax owed. Ala. Code § 40-14A-22(b); Ala. Code § 20-2A-80(b)(2).

Our certified accountant will appropriately file all taxes related to our business. All other related taxes will be filed concurrently with federal income returns, no later than April 15<sup>th</sup> of each year. Ala. Code § 20-2A-80(b)(3); Treasury Regulation § 26.6072(b). Our first tax return will be filed two and a half months after our license approval. Ala. Code § 20-2A-80(b)(3). Tax payments due to the Commissioner of Revenue will be completed with a designated form. Ala. Code § 40-17A-2; Ala. Code § 20-2A-80(b)(5). Any circumstances resulting in a lack of form will not prevent us from promptly paying our due taxes. Our tax payment will be considered complete once the money is received by the state. Ala. Code § 40-1-5(b). Tax proceeds will, in part, support the Medical Cannabis Commission Fund set forth by the Alabama State Treasury. Ala. Code § 20-2A-10(a)(1).

We will submit to a 9% tax rate for gross proceeds of sales. Ala. Code § 20-2A-80(a); Ala. Admin Code. r. 538-x-8-.03.08; Ala. Code § 40-23-1. We will only pay municipal or county tax once per sale. Ala. Code § 40-23-2.1. Medicinal cannabis prescribed by a physician will be exempt from gross sales tax. Ala. Code § 40-23-4.1. A direct-to-consumer state privilege tax will be added at a rate of 4% to each sale. Ala. Code § 40-23-26(a), (c). All money collected from this taxation will be paid to the Department. Ala. Code § 40-23-26(d).

Our property will be assessed for ad valorem tax purposes at 20% as a Class II property. Ala. Code § 40-8-1(a). We will pay annually a tax of .065% based on our assessed property value. Ala. Code § 40-8-2. For any vehicles in our fleet purchased outside this state, we will pay a 2% excise tax. Ala. Code § 40-23-102(a). We will submit to a 6.5% income tax levied by the State and any further income taxes. Ala. Code § 40-18-2; Ala. Code § 40-18-31(a). At

the request of the Department, we will provide an inventory as proof of income. Ala. Code § 40-18-11.

We understand that refusal or neglect to pay appropriate taxes can result in a lien in favor of the State of Alabama upon all business properties and rights therein. Ala. Code § 40-1-2(a); § 40-1-3. We may motion to dismiss the lien, with a bond in double the amount of the lien filed with the Department. Ala. Code § 40-1-2(c). We will communicate openly with the AMCC, the Department, and the Internal Revenue Service about our financial obligations.

### **Conclusion**

We understand and will comply with all applicable tax laws. Ala. Admin Code. r. 538-x-3-.05.03.m.09. We will accept any fairly regulated additional tax, penalty, or interest assessed upon us by the Department. Ala. Code § 20-2A-80(b)(5). We will always welcome and accommodate the AMCC and their officials for an inspection. Ala. Code § 20-2A-55(d). We understand failure to cooperate could result in the seizure and impound of our books, ledgers, documents, writings, money receptacles, and all other records. Ala. Code § 20-2A-52(a)(3)(b). We will provide qualified patients with the maximum benefit of medical cannabis through protection of our products, compliant recordkeeping, and appropriate taxation. Ala. Admin Code. r. 538-x-1-.02.

# 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.**

Keith J. Smith

CEO

Printed Name of Verifying Individual

Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

Signature of Verifying Individual

Verification Date

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**

as appears on file and of record in this office, the pages hereto attached, contain a  
true, accurate, and literal copy of the Articles of Formation filed on behalf of  
Yellowhammer Medical Dispensaries, LLC, as received and filed in the Office of  
the Secretary of State on 06/21/2022.



20221114000007836

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.

11/14/2022

Date

A handwritten signature in black ink that reads "John H. Merrill".

John H. Merrill

Secretary of State



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:

Yellowhammer Medical Dispensaries, 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): Keith J Smith

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

17 20th Street North Suite 300 Birmingham, AL 35203

\*COUNTY of above address: JEFFERSON

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	
001-026-174		DLL
Date	06/21/2022	
Time	14:37:00	
File	\$100.00	
County	\$100.00	
	-----	
Total	\$200.00	

**DOMESTIC LIMITED LIABILITY COMPANY (LLC) CERTIFICATE OF FORMATION**

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 6 / 21 / 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 2 : 35  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).

6 / 21 / 2022  
Date (MM/DD/YYYY)

Keith Jeffrey Smith  
Signature as required by 10A-5A-2.04  
  
Member  
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:

**Yellowhammer Medical Dispensaries, LLC**

This name reservation is for the exclusive use of Keith Jeffrey Smith, 17 20th Street North Suite 300, Birmingham, AL 35203 for a period of one year beginning June 21, 2022 and expiring June 21, 2023



RES030186

**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.**

June 21, 2022

Date

John H. Merrill

Secretary of State

# Exhibit 8 - Business License and Authorization of Local Authorities

## 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.**

Keith J. Smith

CEO

\_\_\_\_\_  
Printed Name of Verifying Individual

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

\_\_\_\_\_  
Signature of Verifying Individual

\_\_\_\_\_  
Verification Date

**8.1 Certified Copies of Business License**

Applicant has applied for Business Licenses in Birmingham, Demopolis, and Owens Cross Roads. Applicant cannot receive a final business license from these cities until it is awarded a medical cannabis dispensary license by the State of Alabama. Copies of all three applications are attached and identified as “Business License – Attachment to Exhibit 8, Section 8.1”

**8.2 Resolution(s) or Ordinance(s) by local jurisdiction(s) approving the Applicant’s business presence**

Applicant has secured zoning compliance letters for all three locations and is attaching the ordinances in all three towns approving cannabis dispensaries. See attached information identified as “Cannabis Approvals and Zoning Approvals- Attachment to Exhibit 8 Section 8.2”



**Application For Business License**

**2023**

**Confirmation # 23E8E5E7GO**

**Avenu Account #** 000000  
**Company Name** Yellowhammer Medical Dispensaries, LLC  
**Trade Name** YELLOWHAMMER MEDICAL DISPENSARIES  
**Location Name** YELLOWHAMMER MEDICAL DISPENSARIES LLC  
**Mailing Address** 17 20th St N Ste 300 Birmingham, AL 35203-4029  
**Physical Address** 2160 Green Springs Hwy S Ste C Birmingham, AL 35205-6816

**City of Birmingham, Alabama**

Section	License Type	PJ	CL	Filing	Start Date	Gross	Units	Cert #	Flat Fee	Add. Fee	Total Fee	Penalty
452165-00	MERCHANDISE RETAIL, WHOLESALE OR OTHERWISE GENERAL	No	Yes	New	7/1/2023	\$0.00			\$0.00	\$0.00	\$60.00	\$0.00

<b>Issuance Fee</b>	\$0.00
<b>Total Fee</b>	\$60.00
<b>Penalty</b>	\$0.00
<b>Subtotal</b>	\$60.00
<b>Convenience Fee</b>	\$1.80
<b>Total Remitted</b>	<b>\$61.80</b>
<b>Payment Type</b>	Credit Card

**MAILING A PAPER CHECK:** Please follow the instructions below to avoid any delay in processing your Business License Application.

Please make checks payable to: Tax Trust Account. Please write your Avenu account number on your check and mail your payment along with a copy of this Confirmation Receipt and a copy of required certifications/additional documentation to:

Business Licensing Division  
 Attn: Online Business License Filing  
 PO Box 830900  
 Birmingham, AL 35283-0900

**\*\*Important Information - Read Thoroughly\*\***

Certain license types require additional documentation such as certification from a regulatory board or agency. During your online filing process, you may have been prompted to enter your certification number. This is an indication that you are required to submit to Avenu a copy of your certification. If applicable, please remit a legible copy to Avenu via email, fax or mail.

The confirmation number listed confirms only that you have successfully submitted your tax filing and payment information through this website. The confirmation number does not in any way confirm that your payment has been accepted or that the checking account information / credit card account information submitted is valid. If your payment does not process successfully, you will be contacted by Avenu. If you have any questions regarding your filing and/or payment history, please contact Avenu at (800) 556-7274.

\*\*\*Please reference your Avenu Account # (also known as your Filing Authority #) on all correspondence. This # is needed to ensure that the information supplied is applied appropriately to your account. Failure to supply this information can further delay the issuance of your license.

**SWORN STATEMENT**

I hereby swear that the amount of capital invested or value of goods, stocks, furniture and fixtures or amount of sales or receipts as required for disclosure in order to obtain a business license has been examined by me and to the best of my knowledge is true correct and complete. I understand issuance of license does not permit business operation unless business is properly zoned, and/or in compliance with all applicable laws/rules. As the preparer of this return, I have authorized payment via the payment type listed above and have accepted the convenience fees/surcharge amount charged as applicable.

Avenu Insights & Analytics  
 Attn: Business License Department  
 PO Box 830900  
 Birmingham, AL 35283-0900  
 Fax: (844) 528-6529  
 Email: [businesslicensesupport@avenuinsights.com](mailto:businesslicensesupport@avenuinsights.com)  
 Phone: (800) 556-7274  
 Website: [www.avenuinsights.com](http://www.avenuinsights.com)

Signed: \_\_\_\_\_

Print Name: **Keith Jeffrey Smith**

Date Filed: 12/13/2022

Phone: 205-767-8888

Title: Owner

---

APPLICATION FOR TAX/LICENSE ACCOUNT  
CITY OF DEMOPOLIS

211 NORTH WALNUT  
DEMOPOLIS, AL 36732

Phone: (334) 289-0577

Fax: (334) 289-8051

*Read and complete this application. Provide any required documentation to the clerk or compliance officer.*

Municipal Taxpayer ID# \_\_\_\_\_

Date of Application: December 13, 2022

NEW APPLICATION  CHANGE OF OWNERSHIP  CHANGE OF PHYSICAL LOCATION  NAME CHANGE ONLY

CHECK PRIMARY BUSINESS TYPE:

- Manufacturer
- Wholesaler
- Contractor
- Retailer
- Other

CHECK TYPE OF OWNERSHIP:

- Corporation
- Partnership
- Sole Proprietor
- Professional Association
- Other (Type: Limited Liability Company)

TAXPAYER'S LEGAL NAME & MAILING ADDRESS:

Name Yellowhammer Medical Dispensaries, LLC

Social Security Number or FEIN: 88-2919300

Street 17 20th Street North, Suite 300

Phone Number 205-767-8888

City Birmingham ST AL Zip 35203

Fax Number \_\_\_\_\_

D.B.A. (If Different Trade Name From Above) \_\_\_\_\_

Date Business Activity Initiated or Proposed in Demopolis July 2023

Brief Description of Business Activity Medical Dispensary

Product (If Applicable) Medical Cannabis

Does this company have salespeople soliciting in Demopolis?  yes  no

Does this company deliver into Demopolis in its' own vehicles?  yes  no

Does this company purchase taxable materials from outside the Demopolis jurisdiction?  yes  no

Street Address of Location Being Licensed 1324 US-80 E, Demopolis, Alabama 36732

Local Phone \_\_\_\_\_ E-Mail Address: jeffsmith205@gmail.com

TYPE OF TAX COLLECTIONS

Check Applicable Taxes for this Business in The City of Demopolis Business License/Tax Jurisdiction:

- |  |                                       |  |  |
|--|---------------------------------------|--|--|
| <input checked="" type="checkbox"/> Business License | <input type="checkbox"/> Lodging Tax  | <input type="checkbox"/> Liquor Tax        | <input checked="" type="checkbox"/> Sales and/or Amusement Tax |
| <input type="checkbox"/> Franchise Tax               | <input type="checkbox"/> Gasoline Tax | <input type="checkbox"/> Consumers Use Tax | <input type="checkbox"/> Sellers Use Tax                       |
| <input type="checkbox"/> Rental Tax                  | <input type="checkbox"/> Tobacco Tax  |  |  |

**Information and/or documentation required:** Drivers License or other picture identification (Visa, Passport, and Employment Authorization Card); State License and/or Board Certification when applicable; Corporate verification from the Alabama Secretary of State; and any other documentation as may be requested by the City of Demopolis Revenue Department. This information is used solely for the purpose of determining the correct license code and is retained as strict confidential information.

OWNER/PARTNER/OFFICERS' NAMES AND TITLES:

Keith Jeffrey Smith Chief Executive Officer and Sole Member

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yellowhammer Medical Dispensaries, LLC

(Signature of Owner or Officer) [Signature] (Name of Applicant - Please Print)

Zoning Approval: \_\_\_\_\_ Date: \_\_\_\_\_

Application Received by: \_\_\_\_\_

Building Inspector: \_\_\_\_\_ Date: \_\_\_\_\_

Compliance Confirmed by: \_\_\_\_\_

Fire Code Approval: \_\_\_\_\_ Date: \_\_\_\_\_

Horticulturist Approval: \_\_\_\_\_ Date: \_\_\_\_\_



APPLICATION TYPE:

- BUSINESS LICENSE
- RENEWAL BUSINESS LICENSE
- DELIVERY LICENSE ONLY
- BUSINESS NAME CHANGE
- CHANGE OF OWNERSHIP
- LOCATION/ADDRESS CHANGE

**CITY OF OWENS CROSS ROADS**  
 9032 Hwy 431 South, PO Box 158  
 Owens Cross Roads, AL 35763  
 Phone: 256-725-5164 Fax: 256-725-4092  
**APPLICATION FOR BUSINESS LICENSE**

DO NOT COMPLETE THIS SECTION
DATE REC'D: _____
REC'D BY: _____
Payment method: _____
Amount: _____

LEGAL BUSINESS NAME: Yellowhammer Medical Dispensaries, LLC

FEIN #: 88-2919300 D.B.A. (IF DIFFERENT THAN ABOVE): \_\_\_\_\_

ORGANIZATION TYPE:  CORPORATION  LLC  PARTNERSHIP  SOLE PROPRIETOR

MAILING ADDRESS: 17 20th Street North, Suite 300 Birmingham Alabama 35203

STREET CITY STATE ZIP

PHYSICAL ADDRESS: 17 20th Street North, Suite 300 Birmingham Alabama 35203

STREET CITY STATE ZIP

EMAIL ADDRESS: jeffsmith205@gmail.com

BUSINESS PHONE: 205-767-8888 FAX: \_\_\_\_\_

NAME OF CONTACT: Keith Jeffrey Smith PHONE: 205-767-8888

LIST OF OWNER(S), PARTNERS, OR OFFICERS (ATTACH SEPARATE SHEET IF NECESSARY)

Keith Jeffrey Smith	Chief Executive Officer and Sole Member	205-767-8888
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NAME	TITLE	PHONE
------	-------	-------

NAME	TITLE	PHONE
------	-------	-------

DESCRIPTION OF WORK: Medical Dispensary

NUMBER OF EMPLOYEES: Up to 15

Estimated gross receipts: \$ 1 to 1.5 million for the first year

EACH BUSINESS MUST REQUEST A CERTIFICATE OF LIABILITY (COI) FROM THEIR INSURANCE PROVIDER AND HAVE IT DELIVERED DIRECTLY TO OWENS CROSS ROADS CITY HALL, PO BOX 158, OWENS CROSS ROADS, AL 35763. **CITY OF OWENS CROSS ROADS MUST BE LISTED AS THE CERTIFICATE HOLDER.**

<b>CONTRACTOR INFO:</b>
Date work begins: _____ Contract amount: \$ _____
Job location: _____
If sub-contractor, Name of General Contractor: _____

This application has been examined by me and is, to the best of my knowledge, a true and complete representation of the above-named entity, and person(s) listed.

Date: 12/12/2022 Signature:  Title: Chief Executive Officer and Sole Member

No29pep16kds.O1  
Submitted by Valerie Abbott, Chair, PLANNING AND ZONING COMMITTEE

**Case No. ZAC2022-00016**

**ORDINANCE NO. 22-162**

**BE IT ORDAINED** by the Council of the City of Birmingham as follows:

**SECTION 1. BE IT ORDAINED** by the Council of the City of Birmingham that Title 1, Chapter 1: General Provisions and Definitions; Article II: Definitions; Section 1: Generally, of the City of Birmingham Zoning Ordinance, Ordinance No. 17-51, as amended, is hereby amended to read as follows:

*Article III. Definitions.*

**Section 1. Generally.**

For the purpose of this Ordinance, certain terms and words are hereby defined. Any word used in this Ordinance not defined in this section will be defined by using "Webster's II New College Dictionary". Words used in the present tense shall include the future; the singular number shall include the plural and plural the singular; the word "building" shall include the word "structure" and the word "shall" is mandatory and not optional.

1. **Abutting.** Any property touching or sharing a common boundary. This term shall not be deemed to include parcels that are across a public street or right-of-way from each other.
2. **Accessory Structure.** Any subordinate structure that is incidental to the principal use of the premises and is located on the same lot as the related main use.
3. **Accessory Use.** Any use that is subordinate and incidental to the principal use of the premises.
4. **Adjacent.** Any property that is abutting or separated by a right-of-way.
5. **Adult.** A person 18 years of age or older.
6. **Adult Establishment.** Any "adult bookstore," "adult cabaret or dancing establishment," "adult motion picture theater," or any commercial establishment which presents material or exhibitions distinguished or characterized by an emphasis on matter depicting, describing or relating to "specified sexual activities" or "specified anatomical areas," as defined below for observation by patrons therein.  
**Specified anatomical areas.**
  - (1) Less than completely and opaquely covered human genitals, pubic region, buttock,

- and female breast below a point immediately above the top of the areola; and
- (2) Human male genitals in a discernible turgid state, even if completely and opaquely covered.

**Specified sexual activities.**

- (1) Human genitals in a state of sexual stimulation or arousal;
  - (2) Acts of human masturbation, sexual intercourse or sodomy; and
  - (3) Fondling or other erotic touching of human genitals pubic region, buttocks, or female breast.
- a. **Adult bookstore.** An establishment having, as a substantial portion of its stock in trade available for purchase or rental, books, magazines, and other periodicals, novelty items, cassette tapes, videotapes, DVDs or films which are distinguished or characterized by their emphasis on matter depicting, describing or relating to "specified sexual activities" or "specified anatomical areas", as defined above, or an establishment with a segment or section devoted to the sale, rental or display of such material.
  - b. **Adult cabaret or dancing establishment.** A cabaret or dancing establishment which regularly features live performances that are characterized by the exposure of "specified sexual activities" or by "specified anatomical areas," as described above.
  - c. **Adult motion picture theater.** An enclosed building used for presenting material distinguished or characterized by an emphasis on matter depicting, describing or relating to "specified sexual activities" or "specified anatomical areas," as defined above, for observation by patrons therein.
  - d. **Adult Studio.** Any building or land used for the production of adult entertainment media, such as, video, webcams, webchat, or any other internet based adult entertainment that is used for the purpose of delivering adult entertainment to any audience via the internet or by any other means.
7. **Alabama Medical Cannabis Act or Medical Cannabis Act.** Alabama Act No. 2021-450, 2021 Regular Session of the Alabama Legislature, codified at Ala. Code, 1975, § 20-2A-1, et seq., as now or hereafter amended, and which may also be cited as “the Darren Wesley ‘Ato’ Hall Compassion Act”.
  8. **Alabama Medical Cannabis Commission or AMCC.** The state agency established by Ala. Code, 1975, § 20-2A-20, et seq., as now or hereafter amended, to regulate the medical cannabis industry in Alabama.
  9. **Alabama Medical Cannabis Commission Rules or AMCC Rules.** Administrative rules promulgated by the AMCC pursuant to the Medical Cannabis Act at Title 538 of the Alabama Administrative Code, as now or hereafter amended.
  10. **Alley.** A public right-of-way providing access to the back or side of a premises that has primary frontage on a street.
  11. **Amphitheater.** Any premises or outdoor structure specifically designed and used as a place of assembly for purpose of entertainment.

118. **Lot, corner.** A lot abutting upon two or more streets at their intersection.
119. **Lot, through.** A lot other than a corner lot abutting two streets.
120. **Lot of record.** A lot recorded in the office of the probate judge in the county where it is located prior to the adoption of subdivision regulations. If a portion of a lot or parcel has been conveyed prior to adoption of subdivision regulations, the remaining portion of such lot shall also be considered a lot of record.
121. **Lot width.** The width of the lot at the front building setback line.
122. **Manufactured Home.** A pre-fabricated dwelling unit that must have a Federal Manufactured Home Construction and Safety Standards label, a HUD label of approval and manufactured date later than June 15, 1976, and an Alabama Manufactured Housing Commission insignia and date plate.
123. **Manufacturing, Heavy.** The manufacture or compounding process of raw materials. These activities or processes may necessitate the storage of large volumes of highly flammable, toxic matter or explosive materials needed for the manufacturing process, and may generate dust, odor, heat, glare and vibration. These activities may involve outdoor operations as part of their manufacturing process. Typical heavy manufacturing uses include but are not limited to: concrete batch plants; concrete, tile, or brick manufacturing; automobile, truck, and tire assembly; ammonia or chlorine manufacturing; metal casting or foundries; gas manufacturing; grain milling or processing; metal or metal ore production, refining, smelting, or alloying; petroleum or petroleum product refining; boat, pool and spa manufacturing; slaughtering of animals; glass manufacturing; paper manufacturing; manufacturing of raw materials into compost, and wood or lumber processing.
124. **Manufacturing, Light.** The manufacture, predominately from previously prepared materials, of finished products or parts, including processing, fabrication, assembly, treatment and packaging of such products, and incidental storage, sales and distribution of such products, but excluding basic industrial processing. These activities do not necessitate the storage of large volumes of highly flammable, toxic matter or explosive materials needed for the manufacturing process. Typical light manufacturing uses include but are not limited to: electronic goods; food and bakery products; non-alcoholic beverages; alcoholic beverages; dry cleaning plants; paper imprinting; household appliances; leather products; jewelry; food and bakery products; and clothing apparel.
125. **Manufacturing, Specialized.** Facilities engaged in the assembly, design, repair, or testing of: analyzing or scientific measuring instruments; semiconductor and related solid state devices, including but not limited to: clocks, integrated microcircuits, jewelry, medical, musical instruments, photographic or optical instruments, or timing instruments, and assembly of hand held finished products or any custom architectural or artisan industry,

characterized as light industry, that does not have an ADEM permit for pollution release or noise, odor, illumination, trucking, or other adverse impacts to surrounding uses.

126. **Market Manager.** Individual that is responsible for the operation of a Farmer's and/or Public Market.
127. **Medical Cannabis.** A medical grade product grown and processed within the State of Alabama, in one of the approved forms set forth in Ala. Code, 1975, § 20-2A-3(14), as now or hereafter amended, that contains a derivative of cannabis for medical use by a registered qualified patient pursuant to the Medical Cannabis Act and the AMCC Rules.
128. **Medical Cannabis Cultivator.** An entity licensed by the AMCC (or, as applicable, the Department of Agriculture and Industries) under Ala. Code, 1975, § 20-2A-62, as now or hereafter amended, authorized to grow cannabis pursuant to the Medical Cannabis Act, the AMCC Rules, and the rules of the Alabama Department of Agriculture and Industries at Title 80 of the Alabama Administrative Code, as now or hereafter amended.
129. **Medical Cannabis Dispensary.** An entity licensed by the AMCC under Ala. Code, 1975, § 20-2A-64, as now or hereafter amended, authorized to dispense and sell medical cannabis at dispensing sites to registered qualified patients and registered caregivers pursuant to the Medical Cannabis Act and the AMCC Rules.
130. **Medical Cannabis Integrated Facility.** An entity licensed under Ala. Code, 1975, § 20-2A-67, as now or hereafter amended, authorized to perform the functions of a cultivator, processor, secure transporter, and dispensary pursuant to the Medical Cannabis Act and the AMCC Rules.
131. **Medical Cannabis Processor.** An entity licensed by the AMCC under Ala. Code, 1975, § 20-2A-63, as now or hereafter amended, authorized to purchase cannabis from a cultivator and extract derivatives from the cannabis to produce a medical cannabis product or products for sale and transfer in packaged and labeled form back to the contracting cultivator, if applicable, or to a dispensary site or integrated facility where the packaged and labeled product may be offered for sale at a dispensary site to holders of a valid, unrevoked and unexpired Medical Cannabis Card, pursuant to the Medical Cannabis Act and the AMCC Rules.
132. **Medical Cannabis Secure Transporter.** An entity licensed by the AMCC under Ala. Code, 1975, § 20-2A-65, as now or hereafter amended, authorized to transport cannabis or medical cannabis from one licensed facility or site to another licensed facility or site pursuant to the Medical Cannabis Act and the AMCC Rules.
124. **Medical Cannabis State Testing Laboratory.** An entity licensed under Ala. Code, 1975, § 20-2A-66, as now or hereafter amended, authorized to test cannabis and medical cannabis to ensure the product meets safety qualifications and efficacy requirements pursuant to the Medical Cannabis Act and the AMCC Rules.

125. **Medical Lab.** A facility for analytic or diagnostic research or investigation of a medical nature on blood, tissue, or other human or animal components, but not for the production of a product.
126. **Mini-storage Warehouse.** A building or group of buildings containing separate, individual spaces available for lease or rent for storage purposes only.
127. **Mixed-Use Development.** Premises that integrates a combination of retail, office, residential, hotel, recreation or other function.
128. **Mobile Grocery Store.** A motorized vehicle, trailer, or other portable unit drawn by a motorized vehicle from which food items are sold or distributed. The mobile grocery store may not exceed 26 feet in length. No preparation or assembly of food items or beverages may take place from the unit. Food items may include fresh fruit, vegetables, meat, dairy, pantry staples, or small household items. A mobile grocery store shall not be allowed to operate in the City's right-of-way without authorization or permission from the City.
129. **Motor Freight, Distribution.** Facilities engaged in the shipment of goods from shippers to receivers for a charge including the services of other transportation establishments to effectuate delivery.
130. **Nursery.** Any premises used for the retail and wholesale sale of plants grown on or off site, as well as accessory items such as clay pots, potting soil, fertilizers, insecticides, hanging baskets, rakes and shovels, but not power equipment such as lawnmowers or tractors.
131. **Office.** A room or group of rooms where the principal use is conducting the affairs of a business, profession, service, industry or government and generally furnished with desks, tables, files and communication equipment.
132. **Office, Institutional.** Any building used as an office for charitable non-profit organizations that may hold meetings on a regular basis, and charity events on a temporary basis.
133. **Office, Leasing/Sales.** The use of a unit or dwelling as a leasing and or sales office for other units solely within that development.
134. **Office Warehouse.** Any building used for the combined uses of office and warehouse, where the office function is the principal use (at least 60% of the gross floor area) of the building, for the primary purpose of wholesale trade, display, and distribution of products.
135. **Off-Premise Sign.** Any permanent or temporary sign which directs the attention of the general public to a business, service, product or activity not conducted, offered or sold as a major portion of business upon the premises where such sign is located.
136. **Open Space.** Land not covered by man-made impermeable surfaces, parking or buildings,

204. **Yard, Required.** A yard the depth of which is specified in Chapter 3: Area and Dimensional Regulations of the applicable district.
205. **Yard, front.** A yard extending the full width of the lot between any building and the front lot line and measured perpendicular to the building at the closest point to the front lot line. On corner lots the front yard shall be considered as parallel to the street upon which the lot has its least dimension.
206. **Yard, rear.** A yard extending across the full width of the lot between the principal building and the rear lot line and measured perpendicular to the building to the closest point of the rear lot line.
207. **Yard, side.** A yard extending from the front yard to the rear yard between the principal building and the side lot line and measured perpendicular from the side lot line to the closest point of the principal building.
208. **Zoning Advisory Committee.** A committee composed of seven members of the Commission authorized to approve site development plans, hear and recommend rezoning of land applications and Zoning Ordinance text changes to advise the chief legislative body of the City, all such actions to be taken on behalf of the Commission.
209. **Zone map.** The map referred to in Chapter 9, Article I (Official Zoning Map).
210. **Zoning district map.** The Zone Map.
211. **Zoo.** Any premises, building or enclosure which contains wild animals on exhibition for viewing by the public.

**SECTION 2. BE IT ORDAINED** by the Council of the City of Birmingham that Title 1, Chapter 2: Zoning Districts and Permitted Uses; Article II: Permitted Uses Table; Section 6: Permitted Use Table 1.02.201 - MEDICAL USES, of the City of Birmingham Zoning Ordinance, Ordinance No. 17-51, as amended, is hereby amended to read as follows:

Zoning District	D-1	D-2	D-3	D-4	D-5	D-6	MU-L	MU-M	MU-H	MU-D	C-1	C-2	I-1	I-2	I-3	I-4	PR D	MXD / PUD	HI D	AG
<b>MEDICAL USES:</b>																				
Clinic	X	X	X	X	X	X	PC	P	P	P	PC	P	P	P	P	X	X	PCP	PM P	X
Hospital	X	X	X	X	X	X	X	SE	P	P	X	P	P	X	P	X	X	PCP	PM P	X
Medical Cannabis Cultivator	X	X	X	X	X	X	X	X	X	X	X	X	PC	PC	PC	X	X	X	X	PC
Medical Cannabis Dispensary	X	X	X	X	X	X	X	X	PC	PC	X	PC	PC	PC	PC	X	X	X	X	X
Medical Cannabis Integrated Facility	X	X	X	X	X	X	X	X	X	X	X	X	PC	PC	PC	X	X	X	X	X
Medical Cannabis Processor	X	X	X	X	X	X	X	X	PC	PC	X	X	PC	PC	PC	X	X	X	X	X
Medical Cannabis Secure Transporter	X	X	X	X	X	X	X	X	PC	PC	X	PC	PC	PC	PC	X	X	X	X	X
Medical Cannabis State Testing Laboratory	X	X	X	X	X	X	X	X	PC	PC	X	PC	PC	PC	PC	X	X	X	X	X
Medical Lab	X	X	X	X	X	X	X	SE	P	P	SE	P	P	P	P	X	X	PCP	PM P	X
Opioid Replacement Therapy Treatment Facility	X	X	X	X	X	X	X	X	PC	PC	X	PC	PC	PC	X	X	X	X	X	X
Scientific Lab	X	X	X	X	X	X	X	X	SE	SE	X	SE	P	P	P	X	X	PCP	PM P	X
Veterinarian Clinic	X	X	X	X	X	X	X	X	PC	PC	X	PC	PC	PC	PC	X	PC	PCP	PM P	PC

**SECTION 3. BE IT ORDAINED** by the Council of the City of Birmingham that Title 1, Chapter 4: Land Use Development Standards; Article II: Uses Permitted With Conditions (PC); Section 4: Medical Uses, of the City of Birmingham Zoning Ordinance, Ordinance No. 17-51, as amended, is hereby amended to read as follows:

**Section 4. Medical uses.**

- A. **Clinic.** In the following districts: MU-L and C-1 a clinic shall be permitted provided that the following conditions are met:
  - 1. Clinics shall be limited in size to no more than 7,500 square feet.
  
- B. **Medical Cannabis Cultivator.** In the M-1, M-1A, M-2, M-3, I-1, I-2, I-3, and AG districts, a medical cannabis cultivator shall be permitted provided the following conditions are met:
  - 1. The applicant submits a statement from the Alabama Medical Cannabis Commission, AMCC, and/or the Alabama Department of Agriculture and Industry that the proposed facility meets the requirements for operation and that all applicable and/or appropriate license or licenses have been obtained. If no license or licenses are needed or required for operation from the above listed agency, a letter stating that fact from this agency must be provided.
  
  - 2. Cultivators authorized pursuant to Ala. Code, 1975, § 20-2A-62, as now or hereafter amended, shall operate in accordance with the provisions set forth in Ala. Code, 1975, § 20-2A-1, et seq., as now or hereafter amended, and shall comply with all Rules and Regulations of the Alabama Medical Cannabis Commission and the Department of Agriculture and Industry. Except as specifically provided in this Section, Cultivators shall be governed by the Medical Cannabis Act, the AMCC Rules and the rules of the



Alabama Department of Agriculture and Industries at Title 80 of the Alabama Administrative Code, as now or hereafter amended.

C. **Medical Cannabis Dispensary.** In the B-2, B-3, B-4, B-5, M-1, M-1A, M-2, M-3, MU-H, MU-D, C-2, I-1, I-2, and I-3 districts a medical cannabis dispensary shall be permitted provided the following conditions are met:

1. The applicant submits a statement from the Alabama Medical Cannabis Commission, AMCC, that the proposed facility meets requirements for operation and that all applicable and/or appropriate license or licenses have been obtained. If no license or licenses are needed or required for operation from the above listed agency, a letter stating that fact from this agency must be provided.
2. Medical Cannabis Dispensaries authorized pursuant to Ala. Code, 1975, § 20-2A-64, as now or hereafter amended, shall operate with the provisions of Ala. Code, 1975, § 20-2A-1, et seq., as now or hereafter amended, and shall comply with all Rules and Regulations of the Alabama Medical Cannabis Commission, AMCC. Except as specifically provided in this Section, Dispensaries shall be governed by the Medical Cannabis Act and the AMCC Rules.

D. **Medical Cannabis Integrated Facility.** In the M-1, M-1A, M-2, M-3, I-1, I-2, and I-3 districts, a medical cannabis integrated facility, shall be permitted provided the following conditions are met:

1. The applicant submits a statement from the Alabama Medical Cannabis Commission, AMCC, that the proposed facility meets requirements for operation and that all applicable and/or appropriate license or licenses have been obtained. If no license or licenses are needed or required for operation from the above listed agency, a letter stating that fact from this agency must be provided.
2. Medical Cannabis Integrated Facility authorized pursuant to Ala. Code, 1975, § 20-2A-67, as now or hereafter amended, shall operate with the provisions of Ala. Code, 1975, § 20-2A-1, et seq., as now or hereafter amended, and shall comply with all Rules and Regulations of the Alabama Medical Cannabis Commission, AMCC. Except as specifically provided in this Section, Medical Cannabis Integrated Facilities shall be governed by the Medical Cannabis Act and the AMCC Rules.

E. **Medical Cannabis Processors.** In the B-3, B-4, M-1, M-1A, M-2, M-3, MU-H, MU-D, I-1, I-2, and I-3 districts a medical cannabis processor shall be permitted provided the following conditions are met:

1. The applicant submits a statement from the Alabama Medical Cannabis Commission, AMCC, that the proposed facility meets requirements for operation and that all applicable and/or appropriate license or licenses have been obtained. If no license or licenses are needed or required for operation from the above listed agency, a letter

stating that fact from this agency must be provided.

2. Medical Cannabis Processors authorized pursuant to Ala. Code, 1975, § 20-2A-63, as now or hereafter amended, shall operate with the provisions of Ala. Code, 1975, § 20-2A-1, et seq., as now or hereafter amended, and shall comply with all Rules and Regulations of the Alabama Medical Cannabis Commission. Except as specifically provided in this Section, Medical Cannabis Processors shall be governed by the Medical Cannabis Act and the AMCC Rules.

F. **Medical Cannabis Secure Transporter.** In the B-2, B-3, B-4, M-1, M-1A, M-2, M-3, MU-H, MU-D, C-2, I-1, I-2, and I-3 districts a medical cannabis secure transporter shall be permitted provided the following conditions are met:

1. The applicant submits a statement from the Alabama Medical Cannabis Commission, AMCC, that the proposed facility meets requirements for operation and that all applicable and/or appropriate license or licenses have been obtained. If no license or licenses are needed or required for operation from the above listed agency, a letter stating that fact from this agency must be provided.
2. Medical Cannabis Secure Transporters authorized pursuant to Ala. Code, 1975, § 20-2A-65, as now or hereafter amended, shall operate with the provisions of Ala. Code, 1975, § 20-2A-1, et seq., as now or hereafter amended, and shall comply with all Rules and Regulations of the Alabama Medical Cannabis Commission, AMCC. Except as specifically provided in this Section, Medical Cannabis Secure Transporters shall be governed by the Medical Cannabis Act and the AMCC Rules.

G. **Medical Cannabis State Testing Laboratory.** In the O&I, B-2, B-3, B-4, B-5, B-6, M-1, M-1A, M-2, M-3, MU-H, MU-D, C-2, I-1, I-2, and I-3 districts a medical cannabis state testing laboratory shall be permitted provided the following conditions are met:

1. The applicant submits a statement from the Alabama Medical Cannabis Commission, AMCC, that the proposed facility meets requirements for operation and that all applicable and/or appropriate license or licenses have been obtained. If no license or licenses are needed or required for operation from the above listed agency, a letter stating that fact from this agency must be provided.
2. Medical Cannabis State Testing Laboratories authorized pursuant to Ala. Code, 1975, § 20-2A-66, as now or hereafter amended, shall operate with the provisions of Ala. Code, 1975, § 20-2A-1, et seq., as now or hereafter amended, and shall comply with all Rules and Regulations of the Alabama Medical Cannabis Commission, AMCC. Except as specifically provided in this Section, Medical Cannabis State Testing Laboratories shall be governed by the Medical Cannabis Act and the AMCC Rules.

H. **Opioid Replacement Therapy Treatment.** In the MU-H, MU-D, C-2, I-1, and I-2 district, opioid replacement therapy treatment shall be permitted provided that the following

conditions are met:

1. The applicant submits a statement from the State Department of Health, State Health Planning and Development Agency, or the State Department of Mental Health and/or the Jefferson County Department of Health that the proposed facility meets all requirements for operation and that all applicable and/or appropriate license or licenses have been obtained. If no license or licenses are needed or required for operation from the above listed agencies, a letter stating that fact from these agencies must be provided.

I. **Veterinarian Clinic.** In the following districts: AG, MU-H, MU-D, C-2, I-1, I-2 AND PRD a veterinarian clinic shall be permitted provided that the following conditions are met:

1. Outdoor exercise yards shall be permitted provided that they are completely fenced and used only between 7a.m. and 7p.m., when a staff person of the clinic is present in the exercise yard. Where such outdoor activities abut a dwelling zone district or district permitting dwelling use, a 50-foot setback is required.
2. Boarding of animals either undergoing medical treatment or not are permitted as an accessory use subject to the following conditions.
  - a. Accessory animal boarding shall occur within completely enclosed structures.
  - b. No more than thirty percent of the gross floor area of the veterinary clinic may be used as a boarding facility.
  - c. No outdoor kennels or runs are permitted.
  - d. No part of any building or structure in which animals are housed shall be closer than 50 feet from any existing residence located on an adjacent parcel.
  - e. All on-site waste shall be housed either within the boarding facility or an accessory structure, and all waste shall be disposed of in a sanitary fashion no less frequently than one time per week. The drainage of all liquid by-products from the kennel shall be discharged into a permitted sanitary sewer line or septic tank and shall not be disposed of by way of storm sewers, creeks, streams, or rivers.

**SECTION 4. BE IT ORDAINED** by the Council of the City of Birmingham that Title 1, Chapter 4: Land Use Development Standards; Article III: Uses Permitted by Special Exception (SE); Section 5: Medical use special exceptions, of the City of Birmingham Zoning Ordinance, Ordinance No. 17-51, as amended, is hereby amended to read as follows:

**Section 5. Medical use special exceptions.**

A. **Hospital.** In the MU-M district, a special exception may be granted by the Board provided that the following conditions are met:

1. When a hospital abuts a dwelling district, screening in the form of a landscape buffer yard shall be applied per Chapter 6, Article III of this Ordinance.

2. When a hospital structure abuts a dwelling district there shall be a minimum setback of 50 feet.
3. A traffic impact study may be required that demonstrates adequate traffic controls are provided as determined by the Traffic Engineer for the City.

**B. Medical Lab.** In the MU-M and C-1 districts, a special exception may be granted by the Board provided that the following conditions are met:

1. Medical Labs in the MU-M and C-1 shall be limited to 7,500 square feet.

**C. Scientific Lab.** In the MU-H, MU-D and C-2 districts, a special exception may be granted by the Board provided that the following conditions are met:

1. No smoke, dust or vibration shall be detectable at the property line.
2. No scientific lab shall be permitted that is required by ADEM to have a permit for release of any kind.
3. When adjacent to a dwelling district, a landscape buffer yard is required per Chapter 6, Article III of this Ordinance and the scientific lab shall be set back from the property line no less than 50 feet.

**SECTION 5.** That the provisions of this Ordinance are hereby declared to be severable. If any of these sections, provisions, sentences, clauses phrases, or parts are held to be unconstitutional or void, the remainder shall continue in full force and effect.

**SECTION 6.** That this Ordinance shall become effective upon publication as required by statute.

Adopted by the Council November 29, 2022 and Approved by the Mayor November 30, 2022



A CERTIFIED COPY  
Lee Frazier, City Clerk  
Birmingham, Al  
*Lee Frazier*

ORDINANCE 2022-12

AN ORDINANCE AUTHORIZING THE OPERATION OF MEDICAL CANNABIS DISPENSING SITES WITHIN THE  
CITY OF DEMOPOLIS

WHEREAS, in the 2021 legislative session the Alabama Legislature passed Act No. 21-450 (the "Act"), legalizing and creating a regulatory framework for medical cannabis; and

WHEREAS, the Alabama Legislature made a number of findings of fact, including:

"Medical research indicates that the administration of medical cannabis can successfully treat various medical conditions and alleviated the symptoms of various medical conditions."

"There are residents in Alabama suffering from a number of medical conditions whose symptoms could be alleviated by the administration of medical cannabis products if used in a controlled setting under supervision of a physician licensed in this state."

Establishing a program providing for the administration of cannabis derivatives for medical use in this state will not only benefit patients by providing relief to pain and other debilitating symptoms, but also provide opportunities for patients with these debilitating conditions to function and have a better quality of life and provide employment and business opportunities for farmers and other residents of this state and revenue to state and local governments;" and

WHEREAS, the Acts provides for the medical use of medical grade products that contain a derivative of cannabis by registered qualified patient; and

WHEREAS, this Act requires that the governing body of a municipality must first adopt an ordinance to authorize the operation of dispensing sites within the corporate limits of the municipality before any such business can operate in the municipality; and

WHEREAS, the Act has become law and codified as Code of Alabama §§ 20-2A-1, et seq.; and

WHEREAS, THE City of Demopolis wishes to authorize the operation of medical cannabis dispensing sites within the corporate limits of the City of Demopolis subject to zoning, business license, and other revenue and police power requirements.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DEMOPOLIS, ALABAMA that, in accordance with Alabama Code, Section 20-2A-51, a holder of a license granted by the State of Alabama pursuant to Act 21-450 is hereby authorized to operate a medical cannabis dispensing site within the corporate limits of the City of Demopolis, subject to the provisions of Act 21-450 and state law, and further subject to any relevant provisions of the Code of the City of Demopolis, including applicable zoning restrictions, business license requirements, and similar matters.

ATTEST:

  
\_\_\_\_\_  
Sam Gross, City Clerk

  
\_\_\_\_\_  
Woody Collins, Mayor



## CITY OF OWENS CROSS ROADS ORDINANCE NO. 22-022

### AUTHORIZING THE OPERATION OF A MEDICAL CANNABIS DISPENSARY WITHIN THE CORPORATE LIMITS OF THE CITY OF OWENS CROSS ROADS

WHEREAS, on May 17, 2021, the Governor for the State of Alabama signed Darren Wesley 'Ato' Hall Compassion Act into law (the Act); and

WHEREAS, the Act provides for the medical use of marijuana for patients with a qualifying medical condition and a valid medical cannabis card; and

WHEREAS, a dispensary may only be operated in a municipality if the municipality has passed an ordinance authorizing the operation of dispensaries within the municipality's corporate limits; and

WHEREAS, the Act authorizes and requires the Medical Cannabis Commission to heavily regulate dispensary operation, (See, §§20-2A-50 - 20-2A-68, Code of Alabama), thus addressing any health, safety or welfare concerns for the citizens of the City of Owens Cross Roads; and

WHEREAS, the location of a dispensary within the corporate limits of the City of Owens Cross Roads will bring the potential of hundreds of new employment opportunities for the citizens of the City of Owens Cross Roads; and

WHEREAS, a dispensary would be required to purchase a business license and pay sales tax to the City of Owens Cross Roads, thus increasing revenue.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OWENS CROSS ROADS, ALABAMA, that it authorizes the operation of dispensing sites within the corporate limits of the City of Owens Cross Roads subject to any applicable zoning restrictions the City of Owens Cross Roads may adopt pursuant to §20-2A-51(c)(3).

ADOPTED and APPROVED this 9 day of AUGUST 2022.

ATTEST:

  
Tony Craig, Mayor

  
Christie D. Eason, City Clerk



City of Owens Cross Roads, Alabama, certificate of publication.  
This is to certify that Ordinance No. 22-022, City of Owens Cross Roads, Alabama, was published by posting on the City website, and on FIVE (5) bulletin boards within the City.

OWENS CROSS ROADS CITY COUNCIL  
ORDINANCE NO. 22-022  
MEDICAL CANNIBAS DISPENSARY

# CITY OF BIRMINGHAM

Department Of Planning, Engineering & Permits  
710 North 20<sup>th</sup> Street  
City Hall | Room 210  
Birmingham, Alabama 35203



**PUTTING PEOPLE FIRST**

RANDALL L. WOODFIN  
MAYOR

KATRINA THOMAS  
DIRECTOR

12 December 2022

Yellowhammer Medical Dispensaries LLC  
17 20<sup>th</sup> St N Suite 300  
Birmingham, AL 35205

**RE: 2160 Green Springs Hwy Suite C Birmingham, AL 35205**

**PID#29-00-11-3-002-013.000**

**ZCL#2022-00178**

To Whom It May Concern:

The property located at 2160 Green Springs Hwy is zoned B-2, General Business District. Properties to the north and south are also zoned B-2. Properties to the east and west are zoned R-3, Single Family District. The property is located in the Glen Iris Neighborhood and Council District 3. According to the City of Birmingham's Geographic Information System (GIS), the property is not located in a regulated floodplain or Commercial Revitalization/Historic District.

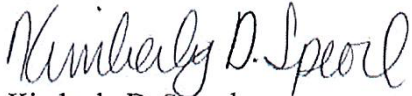
A Medical Cannabis Dispensary is permitted with conditions in this zoning district. The conditions include:

1. The applicant submits a statement from the Alabama Medical Cannabis Commission, AMCC, that the proposed facility meets requirements for operation and that all applicable and/or appropriate license or licenses have been obtained. If no license or licenses are needed or required for operation from the above listed agency, a letter stating that fact from this agency must be provided.
2. Medical Cannabis Dispensaries authorized pursuant to Ala. Code, 1975, § 20-2A-64, as now or hereafter amended, shall operate with the provisions of Ala. Code, 1975, § 20-2A-1, et seq., as now or hereafter amended, and shall comply with all Rules and Regulations of the Alabama Medical Cannabis Commission, AMCC. Except as specifically provided in this Section, Dispensaries shall be governed by the Medical Cannabis Act and the AMCC Rules.

The City of Birmingham's Zoning Ordinance is available online at [www.birminghamal.gov](http://www.birminghamal.gov)

This letter is only to confirm zoning information for the location provided in your request and does not verify that the location meets the spacing required for a dispensary. This letter does not approve the use of the medical cannabis dispensary at the above-mentioned address. All medical cannabis related uses in the City of Birmingham must be approved by the Alabama Medical Cannabis Commission and shall comply with the Rules and Regulations of the Alabama Medical Cannabis Commission.

Sincerely,



Kimberly D. Speorl  
Zoning Administrator





## Zoning Certificate

November 7, 2022

The property located at 1324 Highway 80 East is Zoned B-3 Community Business. The Demopolis Zoning Ordinance permits Medical Cannabis Dispensaries in this District.

Julius Rembert

A handwritten signature in blue ink that reads "Julius Rembert". The signature is written in a cursive style and is positioned above a horizontal line.

Building Official / Zoning Administrator  
City of Demopolis, AL



# CITY OF OWENS CROSS ROADS

Owens Cross Roads City Hall  
P.O. Box 158 / 9032 Highway 431 S. Owens Cross Roads, AL 35763  
Tel: (256) 725-4163 Website: [www.owenscrossroadsal.gov](http://www.owenscrossroadsal.gov)

November 28, 2022

Ref: OCR011-006

Yellowhammer Medical Dispensaries, LLC  
17 20<sup>th</sup> Street North  
Suite 300  
Birmingham, AL 35203

Ref: Request for Zoning Compliance

To Whom It May Concern,

The purpose of this letter is to confirm that the current zoning on the track of land identified as **tax parcel number 22-09-32-0-001-095.000; Parcel Pin # 92628**, and more specifically described as **9639 US Highway 431 S, Owens Cross Roads, AL 35763**, is Highway Corridor, HC. The purpose of the HC zoning is to provide for the retailing of goods and the furnishings of major services, selected trade shops, and other highway-oriented land uses.

The City's zoning ordinance permits medical cannabis dispensaries to be located in this area as long as the dispensary is at least 1000 feet from schools, child care, and church facilities. The property in discussion is within compliance in that regard.

The City's zoning ordinance should be consulted for all applicable zoning standards, including landscaping and parking requirements. A copy of the zoning ordinance can be obtained from the Building Department Clerk, Lora Martin, [lora.martin@owenscrossroadsal.gov](mailto:lora.martin@owenscrossroadsal.gov).

If you have any questions or comments, please feel free to contact me at 256-725-5168 or [christie.eason@owenscrossroadsal.gov](mailto:christie.eason@owenscrossroadsal.gov).

Sincerely,

Christie D. Eason  
City Clerk

cc: TC, LM, JD, TC, COUNCIL

Tony K. Craig, Mayor  
Jason Dobbins, Chief of Police

Christie D. Eason, City Clerk  
Shannon Drake, Chief Fire Administrator

# 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.**

Keith J. Smith

CEO

\_\_\_\_\_  
Printed Name of Verifying Individual

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

\_\_\_\_\_  
Signature of Verifying Individual

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Verification Date

## **Introduction**

Our mission is to put Alabama patients first and to deliver on the highest standards in all areas of our business. Our professionally run organization will provide trustworthy care and an educational experience for the qualified patients and caregivers in the State of Alabama. We plan to support the medical cannabis program and the public welfare by opening and operating a compliant medical cannabis dispensary business in the State of Alabama with the approval of the Alabama Medical Cannabis Commission (“AMCC”). The launch of the Alabama medical cannabis market presents a meaningful opportunity to those willing to work hard, plan, understand the landscape of the market, and bear the risks associated with working in the cannabis space. With a formidable team, strong local connections, and extensive planning, we have already begun to clear many of the barriers to entry into the market and are well positioned to open and operate with patient-centered compliance.

The state passed the Darren Wesley ‘Ato’ Hall Compassion Act, permitting medical cannabis, in 2021 and rulemaking authority was given to the AMCC. The AMCC has 13 commission members who represent the full spectrum of needs addressed in the Darren Wesley ‘Ato’ Hall Compassion Act and medical cannabis at large. The AMCC includes medical professionals to farmers to law enforcement agents, all of whom can and do offer invaluable insight into the process of establishing and regulating a medical cannabis marketplace. Thanks in large part to the contributions made by the AMCC, along with its level of communication with those interested in entering the medical market in the state, we feel confident in the future of medical cannabis in Alabama and wish to pursue our participation in it to the fullest extent allowable.

We aim to obtain one Dispensing license to operate what will be Alabama’s premier medical cannabis dispensary operation. Our plan is to enter the market at the onset of the medical program with three distinct dispensing sites located in Birmingham, Demopolis, and Owens Cross Roads. The entire U.S. cannabis market is expected to reach \$43 billion in sales by 2025<sup>1</sup>, of which Alabama will contribute a valuable portion. This is thanks in no

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<sup>1</sup> New Frontier Data, *U.S. Mid-Year Report: Legal Industry Projected to Top \$6 Billion in Quarterly Sales for Q2-2021*, <https://newfrontierdata.com/cannabis-insights/u-s-mid-year-report-legal-industry-projected-to-top-6-billion-in-quarterly-sales-for-q2-2021/>

small part to the desire by millions to expand cannabis within the state itself and due to large commercial centers within the state that can make for exceptional and convenient hubs for medical patient access. We recognize this will not be an easy endeavor, and our business has thoroughly prepared for the challenges inherent in operating multiple dispensary facilities. We will operate compliantly and with meticulous attention to detail to provide safe access to medical cannabis products for the patients of Alabama.

### **9.1 Business Structure and Plan for Adherence to Corporate Conventions**

Due to the concerted efforts of our savvy business and legal team, our business structure is clearly defined, and we are well-situated to adhere to applicable corporate conventions. Ala. Admin. Code r. 538-x-3-.05-.3m.15.a. Our company is an Alabama business founded by an experienced, passionate, and capable team of Alabama residents and experts for the purpose of starting a dispensary built around providing Alabama medical cannabis patients with the highest-quality selection of products in an environment that is both welcoming and educational. With a team of seasoned business and community leaders and passionate locals, we plan to open three dispensary locations to sell a curated variety of medical cannabis products that cater to our community of patients.

Our company is structured as an Alabama limited liability company (“LLC”) to protect our owners from personal liability associated with the business and to provide certain tax benefits. To form our LLC, we filed our Name Reservation Certificate and Certification of Formation with the Alabama Secretary of state. As an LLC, our business is a pass-through entity, and we will file as a partnership for tax purposes. Though it is not required for an LLC to hold annual ownership and board meetings, we will do so and record the minutes of our meetings to promote transparency in our business operations. We will maintain and update our articles of organization and operating agreement and related documentation as needed. Our operating agreement spells out the function and purpose of the company, along with the distribution percentage of profits and losses. We will maintain our operating agreement and operating procedures on the premises of our primary business location as well as electronically. We will always follow applicable legal and corporate formalities, and our members will not use business assets for personal use. Our Chief Compliance Officer

and our outside legal counsel will verify our ongoing compliance with applicable corporate conventions, and we will always run our business professionally and responsibly.

## **9.2 Business Goals**

Our owners and leaders distilled and clearly defined our business goals for now and into the future, including specific 3-year and 5-year plans, as well as our long-term strategy and exit plan. Ala. Admin. Code r. 538-x-3-.05-.3m.15.b. We have many business goals, and we understand that these must be evaluated and adjusted over the course of the first three and five years of operation and beyond as the market inevitably fluctuates and changes. We believe it is essential to the success of a business to have simultaneously ambitious yet realistic and achievable goals. We also know that our goals must be measurable and time-constrained to provide actionable metrics with which to track our progress. We will employ iterative improvement processes to set and achieve proactive goals for the good of the company and so we can continuously create better products for the medical cannabis patients of Alabama. These goals cover the full spectrum of our operations and touch on the overarching aspects of our work, all under the influence of our guiding Mission and Vision statements (included in our Executive Summary section). Our leadership will meet annually to evaluate achievements and to refine future goals. Our benchmark goals are defined below:

- 1-year
  - Compliantly open and begin operations at our three dispensary locations
  - Initially create and implement our standard operating procedures
  - Hire and train full staff on our standard operating procedures
  - No compliance violations in first year
  - The number of patients/caregivers served will increase month over month
- 3-year
  - Our brand's reputation for creating the highest quality medical cannabis purchasing experience in the State of Alabama is established
  - Our patients will recognize Yellowhammer for its focus on educating and delighting the patient, and our patient numbers will grow annually

- Continue to operate compliantly at our three dispensary locations
- Donate significantly more to local charitable and educational organizations
- Audit and revise our SOPs for improved iterations of our processes
- Hire and train additional staff on our standard operating procedures
- 5-year
  - Be recognized as the top dispensary chain in the State of Alabama
  - Deliver the best patient experience in the State of Alabama
  - Increase patient count year over year for first five years
  - Audit and revise our SOPs for improved iterations of our processes
  - Hire and train additional staff on our standard operating procedures
  - Identify additional charitable and community organizations to support
  - No compliance violations in 5 years
- 10-year
  - Continued operation and profitability
  - Creating jobs and tax revenue for the State of Alabama
  - Minimal employee turnover and high rates of internal promotion
  - No compliance violations in 10 years

### Long-Term Strategy and Exit Plan

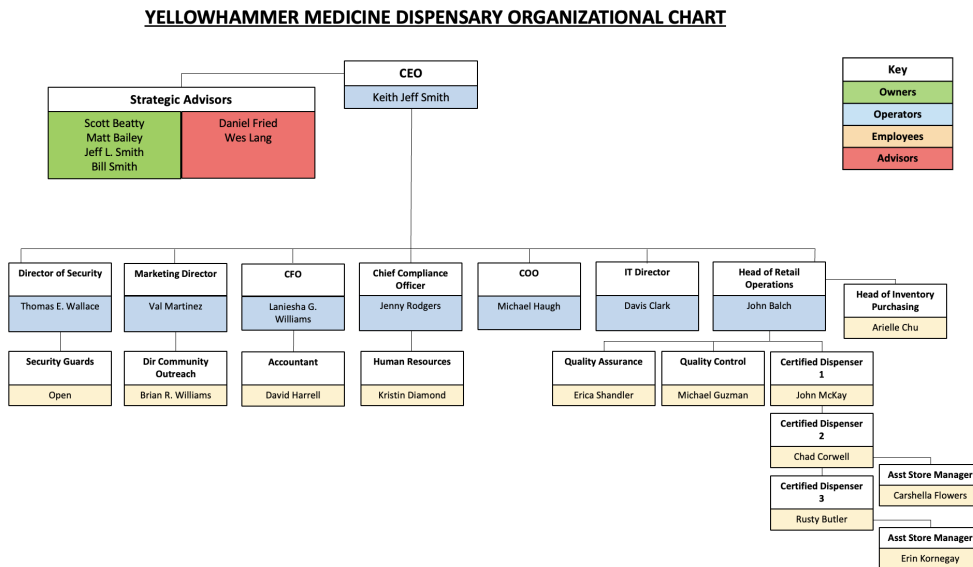
Our long-term strategy involves discrete steps that will allow us to achieve our goals. First, we will constantly be learning more about the industry, the regulatory environment in which we are entering, and the precise best practices to address the medical needs of our patients. There will never be a stopping point in this area, as we will constantly be adjusting ourselves and our workflow to innovate and improve, and that requires an open-mind and frequent education on our part. We have already begun this through this application process itself, assessing the Alabama medical cannabis marketplace, and assembling a team of qualified and knowledgeable individuals. At the three-year mark of operations, we will hold focused meetings of our executive leadership established to assess the first few years of operations and determine what we have learned, what remains to be addressed, and what steps have we taken to achieve our goals. This will again be repeated at the five-year

mark, though it will be significantly more expansive in terms of scope. At this point, we will also address any substantial business needs including, but not limited to employee hiring and retention; standard operating procedures (“SOPs”); the composition of our Executive Leadership team; our Mission and Vision statements; a reevaluation of our long-term strategy and potential exit plans; and, large-scale community-focused projects. Second, we plan to open and operate our facilities utilizing proven methodologies and our learned experiences. If there are issues which arise in the terms of financial viability, we will be sure to address these in a timely manner and communicate the needs of the business and the necessary changes made to improve our financial standing with the goal of profitability and providing safe and consistent medical cannabis products.

Our principals have carefully and thoroughly considered a wide variety of potential exit strategies. These strategies will allow the business to expand to include additional locations, as permitted, and to better serve more patients and expand our products offered.

### 9.3 Organizational Chart

Here we have included our organizational chart which visually conveys our internal structure. Ala. Admin. Code r. 538-x-3-.05-.3.m.15.c. This details individuals’ roles, responsibilities, and relationships between others within our business operation. This will be made available to employees at time of hiring and in our internal database for easy access for employees to review should they have questions about the company hierarchy.





#### **9.4 Job descriptions of All Managerial Positions**

Within this section, we detail each of the managerial positions within our operations and show a clear delineation of authority, qualifications, and duties. Ala. Admin Code r. 538-x-3-.05-.3m.15.d. Notwithstanding guidance from the state, we view a managerial position as an employee who possesses authority to formulate and carry out management decisions or who represents management's interest by taking or effectively recommending discretionary actions and who has discretion in the performance of these management responsibilities beyond the routine discharge of duties. A "managerial position" need not act in a supervisory capacity in relation to other employees. Our managerial positions are as follows.

**Chief Executive Officer ("CEO"):** Our CEO is responsible for delegating and directing agendas, driving profitability, managing company organizational structure and strategy, and communicating with the board and management, all while providing inspiring leadership companywide. The CEO has authority over the senior planning and leadership teams to execute the strategic direction of the company and guides efforts toward achieving company objectives and defined goals. The CEO provides oversight for the company, continuously works to develop a company culture in line with the company mission and manages the fiscal and operational performance of the company. It is the responsibility of the CEO to set the tone and establish precedent of decision making for the business, particularly as it relates to making our patient-focused vision actionable and achievable.

**Chief Operations Officer ("COO") – Reports to CEO:** The COO manages operations, including development of standard operating procedures and staff training programs that are responsive and adaptable based on compliance with applicable law. The COO must analyze current and future market trends to help to achieve the company's profitability goals and other objectives. The COO works with branch executive teams to create and implement production plans; select equipment and materials; and, assist in selecting vendors and outsourced services. Guaranteeing the smoothness in day-to-day operations for not only patients and caregivers but staff and our community while adjusting strategic plans for long-term aims will be a guiding priority for the COO.

**Chief Compliance Officer (“CCO”) – Reports to CEO:** The CCO ensures daily operational compliance by developing, maintaining, and continuously improving upon a comprehensive compliance program designed to ensure that every level of the operation acts within the applicable federal, state, and municipal regulations. The CCO also acts as the communication link between our business and the regulators when implementing rule changes or reporting to the state or local jurisdiction. The CCO manages licensing, bond, and renewal processes; monitors regulatory updates to verify or amend all standard operating procedures in compliance with local, state, and applicable federal regulations; audits inventory, systems, and reports; and creates, manages, and delivers compliance-based education and training.

**Chief Financial Officer (“CFO”) – Reports to CEO:** The CFO is responsible for all financial activities including building the core financial practices to meet the needs of the company’s expanding operations, The CFO must have the ability to integrate the finance function effectively into the Company’s operations, maintaining the strong financial infrastructure required to support continued change. Our CFO will also obtain and manage all accounting personnel and third-party accounting, tax preparation, and financial services vendors. The CFO: Oversees all financial functions of the company; Creates and implements a company budget and departmental budgets; Develops and maintains relationships with financial institutions, and; Audits the work of outside Bookkeeper and Accountant for accuracy and consistency with Generally Accepted Accounting Practices (GAAP) or other financial reporting standards.

**Director of Security (“DOS”) – Reports to CCO:** Our DOS will be tasked with creating and overseeing practices designed to keep our staff, patients and caregivers, and the neighboring community safe. The DOS formulates security SOPs and protocols to maintain compliance with the state and local regulations with the goal to achieve zero losses from diversion or criminal activity. The DOS will supervise the design, implementation, and maintenance of our comprehensive security plan and will train security and non-security personnel in diversion prevention efforts and employee safety. Our DOS will build relationships with local law enforcement and emergency services to identify the company as a community partner and champion of safe facilities and to foster a clear line of emergency communication.

**Director of Marketing (“DOM”) – Reports to CEO:** Our DOM will guide our marketing, advertising, and public relations in compliance with all relevant laws. The DOM works to manage and maintain our brand and company image, devise marketing strategies, create advertising materials, drive traffic and sales, and oversee content creation. The DOM is also responsible for all messages and communications to the general public about the business itself or statements to the press, especially concerning recall or other sensitive situations. The DOM will manage any social media presence and ensure integrity of online branding; prepare quarterly marketing plans and reports for executive leadership; develop and approve marketing materials within the marketing budget; and, send materials for approval by the state, as required.

**Medical Advisor (“MA”) – Reports to CEO:** Our MA supports the company with scientific and medical expertise, aiding in the understanding of medical cannabis effects and research. The MA will also assist in the creation of patient educational materials, staff training programs, operational best practices, and working with and supporting Certified Dispensers. The MA will stay up to date on new research within the cannabis industry, and medical innovation in general, in order to inform the advisory board, executives, and company leadership of significant developments. The MA will train staff on medical cannabis science and will educate them on the scientific properties of all of our products. The MA stays on top of medical developments regarding cannabis and communicates updates to necessary personnel, including re-training staff when necessary. The MA works with the executive leadership to develop and revise company SOPs and collaborates to participate in and develop community outreach initiatives.

**Director of Human Resources (“HR Director”) — Reports to CCO:** The HR Director plans, directs, and coordinates the administrative functions of the organization. They oversee the recruiting, interviewing, and hiring of new staff; consult with top executives on strategic planning; and serve as a link between an organization's management and its employees. The HR Director is also responsible for supervising and providing consultation to management on staffing plans; compensation; benefits; training and development; budget; and, labor relations. The HR Director: recruits and hires qualified staff to fill roles necessary for company growth and success; delivers new hire orientation and coordinates onboarding paperwork; promotes good workplace practices for employees during

onboarding and throughout employee's tenure; maintains records of employee evaluations, time off requests, pay periods, and other employee administrative work functions; coordinates with management and subject matter experts to deliver operational training programs; and, manages staff attendance, scheduling, time off requests, and payroll systems.

**Head of Retail Operations ("HRO") — Reports to CEO:** The HRO will plan and manage all aspects of day-to-day operations including: managing personnel; training staff in sales and customer satisfaction; inventory control; and, handling the daily procedures of all store related matters, all while adhering to strict state and local guidelines and regulations. The HRO will communicate with all levels of the organization to implement and maintain protocols, policies, and procedures in accordance with company standards. It is the HRO who will serve as the key point person between Executive Team members and non-managerial role personnel on dispensary related operations in the business. The HRO: manages all daily dispensary operations, including retail company processes and staff; supports all retail management staff to achieve sales and service goals; offer at a minimum, quarterly updates to the Executive Team on changes in dispensary operations; executes changes to dispensary operations and see they are completed by necessary staff members; communicates executive directives to dispensary management and staff; and, regularly reports to executive team about retail trends, inventory, sales, and staff performance.

**Certified Dispenser ("CD"):** CD's serve as the main points of contact and oversight for each dispensary and plan, direct, and coordinate the administrative functions of the dispensary. The Certified Dispenser holds one of the most critical roles for patient service by overseeing and signing off on all sales of medical cannabis and holding ultimate responsibility for each transaction. Ala. Admin. Code r. 538-x-8-.03.02. We will require CDs to have at least five years of experience, more than double the minimum of two years of education or experience in the fields of biology, biochemistry, chemistry, physiology, pharmacology, medicine, medical cannabis, nursing, pharmaceuticals, or similar. Ala. Admin. Code r. 538-x-8-.03.03. The Certified Dispenser is responsible for educating staff, patients, and caregivers on products and services offered; monitoring staff and visitors and their behavior to ensure compliance with our safe and healthy workplace policies; and, offering goods and products to patients and caregivers in a compliant and safe

environment. They will manage all Dispensing Technicians and make sure all are appropriately trained and comfortable interacting with patients and caregivers. The CD is also responsible for communicating with executive leadership on daily operations, inventory tracking and reporting, and staff retention.

**Director of Community & Environmental Outreach — Reports to CEO:** The Director of Community & Environmental Impact connects the company with community members, customers, advocacy organizations, industry groups, legislators, and regulators. The COD also works to educate the community about cannabis and sustainability through the development/distribution of educational materials, organization of community outreach activities, and representation of the company in a professional manner at community events. The COD: Assists with development and implementation of an effective community action plan and comprehensive environmental relations plan; identifies local community groups and charitable organizations for potential relationships and maintains those relationship once established; attends key events and meetings within the community to represent the company and share learnings from events to help further develop community engagement; orchestrates patient educational seminars and events; communicates community-focused events to employees and department heads; and, manages company participation in local community groups, including environmental initiatives, volunteering, and financial or in-kind donations.

**Inventory and Purchasing Director – Reports to CCO:** To maintain product safety, integrity, and availability, we will employ an Inventory and Purchasing Director to compliantly track every aspect of our product inventory in our internal systems and report to the state’s seed to sale tracking system, METRC. The Inventory and Purchasing Director creates, implements, and audits processes, protocols, and key performance indicators associated with inventory management to ensure inbound and outbound inventory workflow meets daily sales and operational demands.

### **9.5 Job Descriptions of All Non-Managerial Employee Positions**

Within this section, we detail each of the non-managerial roles within our business operations showing the clear delineation of qualifications and duties. Ala. Admin Code. R. 538-x-3-.05.03.m.15.e.

**Dispensing Technicians — Reports to Certified Dispenser:** Dispensing Technicians will have some of the most patient facing responsibilities in our facilities. To that end, they will be responsible for educating patients and caregivers on products and services offered, monitoring visitors and their behavior to ensure compliance with our safe and healthy workplace policies and offering goods and products to patients in an amicable manner. Dispensing Technicians will: Engage with patients and caregivers about products and services offered at the facility; Serve as a resource of knowledge and insight not only into the daily operations of the facility but on cannabis and cannabis products and their legality to patients and caregivers; Promote the company values, mission, and vision of the company with customers in a friendly and personable manner; Under the supervision of the Certified Dispenser, confirm that the patient or caregiver holds a valid, current, unexpired, and unrevoked medical cannabis card, and that the dispensing of medical cannabis conforms to the type and amount recommended in the physician certification, and that the amount recommended will not exceed the 60-day daily dosage purchasing limit. Ala. Admin. Code r. 538-x-8-.03.05; and, Maintain proper flow of customers throughout the facility, ensuring customers are only permitted to enter into designated areas of the facility which they are intended to be in.

**Receptionist — Reports to Certified Dispenser:** Similar to Dispensing Technicians, Receptionists will have a substantial role in patient facing responsibilities in the facility. They, alongside Security Officers, will serve as a front line for individuals wishing to enter the premises. They will also serve as some of the first individuals who patients will interact with at the facility so will need to be well-versed in our values and mission to embody those in their interactions with patients. Receptionists will: ensure patients/caregivers have the proper government issued identification to enter the facility, making sure that they are of the legal age for admittance; bar admittance to individuals of the general public who are not of legal age; communicate with the necessary employees about unruly or disruptive patients who may need to be escorted off the premises or who are in need of any potential medical attention; alongside Security Officers, keep and maintain a log of visitors coming in and out of the facility; answer any questions customers may have and direct them to the necessary personnel or resources available if they themselves do not have the answer for them; and, supporting internal operations, specifically with aiding Certified Dispensers.

**Security Officers — Reports to DOS:** Security Officers are responsible for maintaining the security and compliance of our facilities, protecting company assets, and creating a safe working environment for all staff and visitors by physically securing the facilities, overseeing visitors, and preventing diversion and any other crimes or misconduct. Security Officers work under the guidance and standard operating procedures created by the Director of Security. Security Officers: Monitor the interior and exterior of the store premises using video surveillance equipment to ensure the safety of visitors, products, and staff; Log and escort visitors within restricted access areas, when necessary; Coordinate with local law enforcement and the DOS should any laws be broken; Adhere to and enforce access restrictions, including all limited access areas and restricted access areas; and, Prepare and file incident reports for all suspicious, noncompliant, or criminal activity.

### **9.6 Executive Summary**

Our Executive Summary is a high-level overview of our detailed business plan, which includes our mission statement, leadership background and qualifications, business style and philosophy, key personnel, and identification of facility locations and functions. Ala. Admin Code. r. 538-x-3-.05.03.m.15.f.

#### **Mission and Vision**

When it comes to creating Mission and Vision statements, we took a holistic approach, assessing not only our ambitions for the business itself, but identifying how we wish others to view and relate to us. We sought to convey deep dedication and patient connection in both our Mission and Vision statements, and we believe these elements will be exemplified and shine through in our work ethic, our products, and our commitment to patient health.

**Mission Statement:** Our mission is to help people with their health by providing compassionate care patients can trust when traditional medicine is not enough—we help people with their health, and we do it with our heart.

**Vision Statement:**  
We are patient-obsessed—our first principle is to start with the patient, then work backwards. This self-professed “obsession” with how the patient thinks and feels is intended to create deep and lasting trust from patients, since the Yellowhammer team begins with the patient in mind.

Our specially trained staff will work hand-in-hand with physicians to provide the right products and the correct dosage to ensure patients get the compassionate care they need. Our people power our company's decisions and share a commitment to giving back to the communities we serve. We will hire and develop the best possible staff to prioritize the patient's educational experience and the overall performance of the company.

### Leadership Background and Qualifications

We have assembled a team of business leaders, industry executives, and subject matter experts with ample experience and expertise to lead us to profitability in any scenario so that we can continue to serve the medical cannabis market. Our business is led by our leadership and advisory team, consisting of:

**Chief Executive Officer, Jeffrey Smith** – Mr. Smith is an Alabama native with extensive experience starting and growing companies. His impressive business background includes finance, management, marketing, and advertising. From 2015-2020, he was a seed investor, founding employee, and executive in Birmingham-based Shipt and was integral to its growth until its sale to Target Corporation for \$550,000,000. Prior to that he worked for Insight Card Services also as the SVP and an investor until the sale to Greendot Corporation. From 2012-2015, he served as COO to Advance Financial during a high growth phase increasing retail stores from 22 to 100 locations and secured mezzanine loans to fund growth. From 2002 to 2008, he started a check cashing business and grew it to 21 locations. As the Senior Vice President of many successful companies, Mr. Smith is practiced in leading and managing teams, overseeing financial and operational strategy, and establishing a culture of compliance. In particular, Mr. Smith has experience in the highly regulated financial services industry, in which he launched, operated, and grew compliant companies for over five years. His compliance-focused mindset will serve us well in the role of CEO.

**Strategic Advisor, Daniel Fried** – With more than 12 years of regulated cannabis experience, Daniel has launched 10+ retail stores and 2 distribution centers and has formed numerous connections with architects, graphic designers, and GC's. He is a professional in



establishing a clear brand identity, and with his first retail store, Daniel exceeded \$10 million in sales in the first year, with 25% net profit.

**Strategic Advisor, Wes Lang** – Mr. Lang is a cannabis industry professional with proven success in creating and operating outstanding businesses, including the opening, operating, and oversight of a five-dispensary chain in Missouri. With experience in significant corporate expansions and cannabis startup environments, Wes is positioned to pioneer cannabis businesses in the rapidly growing cannabis industry.

**Chief Compliance Officer, Jenny Rodgers** – Ms. Rodgers is a passionate leader with over 10 years' experience in the technology sector building high performance teams and fostering a culture of compliance. She earned her law degree from Charleston School of Law and her bachelor's degree from The University of the South. She was an early-stage employee at both ezCater and Shipt, establishing both companies' customer service departments. She became Shipt's first Director of Trust and Safety and successfully scaled the team during a critical high growth phase resulting from the COVID-19 pandemic. She also serves as the designated corporate representative for litigation purposes and assists with corporate insurance matters. She will bring her familiarity with startup policy development and enforcement, compliance, risk assessment and mitigation, and crisis management so that we can launch and maintain exceptional compliance throughout operations.

**Chief Financial Officer, Laniesha Williams** – Mrs. Williams was born and raised in Alexander City, Alabama to a family of factory workers. After Russell Athletics closed its Alexander City operations, Laniesha became the first in her family to go to college. She earned her degree in Accounting from the University of Alabama at Birmingham. Out of college, she briefly held a role as an auditor before joining the early start-up, Shipt. where she led training, process improvements, integrations, and financial decisions that helped Shipt acquire funding and ultimately lead to acquisition. She has since started her own business, where she oversees all financial decisions, as well as working as Senior Accountant in the highly regulated banking and investment space. With her focus on compliance and financial strategy, Mrs. Williams is superbly fit for the role.

**Chief Operations Officer, Michael Haugh** – Mr. Haugh is an expert in business management, streamlined startup, and raising capital. He holds both a B.A. in Economics

and an Executive Master of Business Administration degree. Mr. Haugh has been closely involved with many facets of the cannabis industry since 2018, including private equity funds, auxiliary products, single state operators, and multi-state operators.

**Director of Security, Thomas E. Wallace** - Mr. Wallace brings a wealth of security related expertise having worked in law enforcement for 28 years. He earned his Bachelor of Science in criminal justice and has completed nearly 100 security trainings. As a Detective, he served the citizenry of Birmingham in many special assignments, such as: Internal Revenue Service-Criminal Investigation Division, Financial Crimes Investigation Unit, The Bureau of Alcohol, Tobacco, Firearms and Explosive (ATF), and Drug Task Force and Patrol. He also worked at Regions Bank as a Bank Secrecy Act/Anti-Money Laundering Investigator where he investigated and analyzed customer financial information for unusual behavior; prepared Suspicious Activity Reports (SAR) in accordance with regulatory requirements; and completed detailed narratives of investigative findings. He worked with the Alabama Dept. of Corrections as a Senior Agent, and currently, he operates Wallace Security Consultants, LLC to assist businesses in meeting their security goals.

**Head of Retail Operations, John Balch** – John H. Balch, RPh, is the president and owner of several pharmacies as well as pharmacy services in the northeast. He graduated from the University of Maryland School of Pharmacy in 1968 and has dedicated his life to the profession of pharmacy in his local community. Mr. Balch served on the Maryland Board of Pharmacy for nearly a decade, along with the University of Maryland School of Pharmacy Board of Visitors. He was the National Retail Advisory Board Chairman for Cardinal Health and served on Medicine Shoppe International's Owner Advisory Council. Mr. Balch is extremely active in his local community and has been recognized by his peers for his excellence and leadership in pharmacy, community development, and business.

**Certified Dispenser, John McKay** – Mr. McKay, an Alabama native, graduated from Samford University's McWhorter School of Pharmacy and has been practicing pharmacy for 9 years. He held three management roles as a Pharmacist-In-Charge where he oversaw daily tasks of technicians, counseled patients, and provided customized therapy.

**Certified Dispenser, Chad Corwell** – Mr. Corwell has 25 years' pharmacy experience, where he supervised operations, was responsible for inventory and pharmacy systems, and oversaw transactions. He currently manages eight pharmacy operations. He earned his

bachelor's degree in computer science and his MBA, as well as being a Registered Pharmacy Technician, and will fill the role of Certified Dispenser impeccably.

**Certified Dispenser, Rusty Butler** – Mr. Butler is a licensed Pharmacy Technician who has managed pharmacy operations for over 30 years. His skills in patient billing, maintaining inventory, third party billing and collections, filling medication orders, and effectively communicating with patients and staff make him particularly appropriate for the role.

**Quality Assurance, Erica Shandler** – Ms. Shandler is a cannabis industry professional focused on operational optimization and data comprehension with skills in streamlining and preventing inefficiencies in dispensary operations. She is well-practiced in creating SOPs to provide consistency, passing inspections, and managing store openings. She obtained a chemistry degree, studied cannabis and plant chemistry, and minored in mathematics.

**Quality Control, Michael Guzman, JD, MS OTR/L, CHC, RAC-CT, CDP** – As both a healthcare and legal professional, Michael Guzmán Díaz is uniquely suited for our Quality Control role. He obtained his MS in Occupational Therapy in 2006 and worked as a home health therapist for eight years. He also completed his Juris Doctorate (JD) at the University of Puerto Rico in 2011. Since 2013, he held evolving roles as an Occupational Therapist, Corporate Compliance Officer & Lead Internal Investigator for a multi-state therapy provider, Healthcare Consultant, and later as the Chief Compliance Officer for Novus Pain Management. In 2022, he assumed the role of Chief Operating Officer for Novus Pain Management and also serves as Chief of Staff for RS BioTherapeutics.

**Accountant, David Harrell** – Mr. Harrell is an Alabama native and grew up in Hayneville, AL. He earned his Bachelor of Science degree in Accounting from Birmingham-Southern College. He has worked as a Corporate Accountant in a wide range of industries, including highly regulated industries, such as healthcare, real estate, technology, and mining. He has experience in all areas of accounting, such as accounts payable and AP automation, full cycle accounting, treasury, and ERP Implementations.

**Human Resources, Kristen Diamond** – Ms. Diamond has over 15 years of human resources experience in the highly regulated healthcare industry, including interviewing, hiring, and onboarding hundreds of healthcare employees. She earned her bachelor's

degree from Frostburg State University and is an avid participant and supporter of community events.

**Inventory/Purchasing Manager, Arielle Chu** – For the last five years, Ms. Chu managed the expansion of testing lab operations for Steep Hill in several U.S. states. She oversees integration and implementation of ERP software, quality systems, SOPs, regulatory compliance, and training for new locations. She also manages new and existing accounts, tracks data accurately, and records information in a sophisticated database, which will cross-over seamlessly into our inventory needs. She received her B.A. from the University of California and her master’s degree in Spain, as well as teaching at Humboldt State University.

**Marketing Director, Valerie Martinez** – Ms. Martinez is a seasoned marketing, advertising, and public relations professional with experience building compliant marketing departments and hands-on experience in Missouri’s nascent legal medical cannabis program. Valerie graduated with a master’s in mass communications and marketing and built a successful brand and a business. During a decade of business ownership, she drove brand awareness, increased lead volume, and exceeded sales goals. In her next role, she managed over \$88,000 a month in ad spend, compliantly managed campaigns, and served 18 organizations nationwide in an array of industries. She now applies her knowledge and experience to medical cannabis dispensaries, such as 3Fifteen Primo and Cookies St. Louis, and will make a stellar Marketing Director for our cannabis business.

**Director of Community Outreach, Brian R. Williams** – Mr. Williams is from Sylacauga, Alabama and among the first in his family to pursue a college career, graduating from Miles College with a degree in Computer Science in 2018. As our company has a partnership with Miles College, Brian will be the premier liaison between our two organizations. Brian joined Shipt's support team and quickly excelled in a community-facing role providing excellent service to the Shipt shopper community. In November 2021, he and his wife opened an event center in downtown Birmingham to serve as a neighborhood hub and intimate space for real community connection. As an Alabama native, husband, and father, Brian understands the region and will be an asset for our business and for serving the community at large.

**Director of IT, Davis Clark** – Our IT Director received his B.S. in Computer Sciences from Birmingham-Southern University. He is an experienced Software Engineer and Information Security leader. Over the past four plus years, he has served as a Principal Engineer for Shipt.

**Strategic Advisor, Bill Smith** – We are fortunate to have Birmingham native Bill Smith as a Strategic Advisor. Bill was recognized by Ernst and Young as the “Entrepreneur of the Year” in 2017, has been featured on the cover of Forbes Magazine as one of the nations leading businessmen, and recently sold his company, Shipt, to Target Corporation for \$550,000,000.

With this exceptional team, we are bringing the experience and skills required to stand out in the medical cannabis space and to consistently provide top-notch patient-centered care. This will serve patients and prospective patients’ best interests, and they can trust our team to provide products, goods, and service of the highest quality possible in Alabama.

#### Business Style and Philosophy

Our business style relies on a culture of compliance and sincere dedication to patient needs. We will instill attention to and appreciation of regulatory and safety requirements throughout our staff. From the time of hiring and initial training and throughout employment, we will continuously reiterate the importance of one-hundred percent compliance to our staff members. We will also create a reward program for compliant actions and institute a support system for anonymous compliance issues.

Our business philosophy is built on the foundation of our Mission and Vision Statements, which focus on a “patient-obsessed” approach to compassionate and compliant care. We wanted our business philosophy to be motivational, action-oriented, and, as always, “patient-obsessed.” The three pillars of our patient- and heart-centered business philosophy are:

- 1) We will insist on the highest standards. Perfection is the bar, and nothing else is satisfactory. We want the highest quality in products, the highest reliability, and the highest level of patient service.
- 2) We will earn trust. Trust is critical for any company, whether it is between the business and its patients or among its own employees. We will hold our company to a high

standard as far as trust is concerned. It strives to be trustworthy in all things, presenting an image of true integrity.

- 3) We will deliver results. We expect our employees to create positive results. Whether that leads to direct sales, improvements to a product or service line, or increased efficiency for back-office work, every employee should create high value with the quality, timeliness, and investment in their work.

### Key Personnel

Our key personnel include owners, founders, and leadership who determine the direction of our business with long-term decision making. Our managerial employees and advisors are also key personnel who contribute to the direction of our business through day-to-day decision making or advisement. The role descriptions and personal experience can be found above in sections 9.4, 9.5, and 9.6 for each of the following key personnel: Chief Executive Officer, Jeffrey Smith; Strategic Advisor, Daniel Fried; Strategic Advisor, Wes Lang; Chief Compliance Officer, Jenny Rodgers; Chief Financial Officer, Laniesha Williams; Chief Operations Officer, Michael Haugh; Director of Security, Thomas E. Wallace; Head of Retail Operations, John Balch; Certified Dispenser, John McKay; Certified Dispenser, Chad Corwell; Certified Dispenser, Rusty Butler; Quality Assurance, Erica Shandler; Quality Control, Michael Guzman, JD, MS OTR/L, CHC, RAC-CT, CDP; Accountant, David Harrell; Human Resources, Kristen Diamond; Inventory/Purchasing Manager, Arielle Chu; Marketing Director, Valerie Martinez; Director of Community Outreach, Brian R. Williams; and, IT Director, Davis Clark.

### Facility Locations and Functions

Our facilities are located in ideal locations and are ample size to support medical patients and positively impact the community. The proposed addresses for our 3 dispensary sites are:

- 2160 Green Springs Highway, Birmingham, AL 35205 (~2,000 square feet)
- 1324 US-80 E, Demopolis, AL 36732 (~4,000 square feet)
- 9639 Highway 431 South, Owens Cross Roads, AL 35763 (~4,000 square feet)

## **9.7 Description of Products and/or Services**

We will create and provide a variety of consistent and effective medical cannabis products to serve the medical cannabis patients of Alabama. We will dispense the following products at our facilities, including actual (or projected) pricing data; actual (or projected) product lifespan; projected benefits to consumers; patents, if any; and proprietary technology, if any. Ala. Admin Code. r. 538-x-3-.05.03.m.15.g.

### **Products and Services**

We intend to procure and offer the people of Alabama a wide selection of cannabis products, sourced from local suppliers whenever feasible. Our founders have identified a lack of selection, minimal education, and underwhelming service to be major shortcomings of existing medical markets and we see this as a terrific opportunity to set ourselves apart in the nascent Alabama medical market. Particularly, our executive team's medical cannabis experience and business savvy will help ensure that our business can maintain an uncompromisingly high standard of quality, education, and patient service in the new market. We will offer a select variety of medical cannabis products to match our local market demand, with our products ranging between THC and CBD varieties, as well as medical cannabis paraphernalia. The medical grade cannabis products allowed by the state of Alabama are: oral tablet, capsule, or tincture; non-sugarcoated gelatinous cube, gelatinous rectangular cuboid, or lozenge in a cube or rectangular cuboid shape; gel, oil, cream, or other topical preparation; suppository; transdermal patch; nebulizer; and, liquid or oil for administration using an inhaler. Ala. Code § 20-2A-3(14). We plan to dispense all allowed product types at the outset of operations. We will not sell: raw plant material; any product administered by smoking, combustion, or vaping; or, a food product that has medical cannabis baked, mixed, or otherwise infused into the product, such as cookies or candies.

Like other ingestible products, cannabis products can expire or go bad over time. Exposure to light, heat, and moisture can cause cannabis products to degrade. We will store cannabis properly to extend its shelf life and so it does not develop toxins, such as mold, or cause chemical changes that alter effectiveness. With proper storage, many cannabis products can stay fresh and safe for up to a year, or even longer.

- Oral tablet, capsule, or tincture - Pricing data: \$45-55/unit - Product lifespan: 12 months - Projected benefits to consumers: allows for convenient, discreet, and accurate dosing without respiratory irritation
- Non-sugarcoated Lozenges and Gelatinous Cuboids - Pricing data: \$45-55/unit - Product lifespan: 6-12 months - Projected benefits to consumers: allows for flavored (flavored peach only, as established as the Universal flavor by the AMCC. Ala. Admin Code. r. 538-x-6-.04.02.e), convenient, discreet, and accurate dosing without respiratory irritation
- Gel, oil, cream, or other topical preparation - Pricing data: \$80-100/unit - Product lifespan: 24 months - Projected benefits to consumers: offers a non-intoxicating alternative to ingestion and affects local area of application
- Suppository - Pricing data: \$55-\$65/unit - Product lifespan: 6 months - Projected benefits to consumers: allows for convenient, discreet, and accurate dosing without respiratory irritation.
- Transdermal patch - Pricing data: \$17-25/unit - Product lifespan: 24 months - Projected benefits to consumers: offers a slow-release solution and alternative to ingestion
- Nebulizer - Pricing data: \$35-\$45 - Product lifespan: 12 months - Projected benefits to consumers: offers a scent-free, taste-free, healthier alternative to smoking or vaping.
- Liquid or oil for administration using an inhaler - Pricing data: \$55-\$65/gram - Product lifespan: 12 months - Projected benefits to consumers: offers quick effects, ease of use, and an alternative to ingestion

### Patents and Proprietary Technology

Our company appreciates the value of intellectual property in the forms of patents and proprietary technology. As a dispensary business, we are dedicated to an innovative mindset and research and development, however, we have not yet secured any patents or proprietary technology.

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

Our leadership team has established a diversified advertising and marketing analysis and strategy. Ala. Admin Code. r. 538-x-3-.05.03.m.15.h. Our advertising and marketing



efforts are based upon our in-depth analysis of the projected Alabama medical cannabis industry, comparable markets, and strict regulatory compliance. Our seasoned Director of Marketing will lead our advertising and marketing strategy with assistance from our executive team.

### Alabama Industry Analysis and Trends

The cannabis industry is rapidly expanding throughout the United States and the rest of the world as the stigma surrounding its use erodes in the face of new research and transparency presented by its legal markets. As of this writing, a total of 37 states, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands, regulate cannabis for medical use by qualified individuals. Alabama approved their medical cannabis program in 2021 with the passage of the Darren Wesley 'Ato' Hall Compassion Act. The United States cannabis industry generated over \$26 billion in sales in 2021 with sales projected to leapfrog to \$45.9 billion in 2025.<sup>2</sup> Globally, the economic value of the cannabis market will eclipse \$96 billion by 2026.<sup>3</sup> We are seeking to enter the Alabama market as a dispensary licensee as part of the initial medical licensing round. As this is the first cannabis licensing round in Alabama, there are currently zero medical cannabis businesses operating in Alabama. With the approval of the Darren Wesley 'Ato' Hall Compassion Act, Alabama has embarked on the path towards opening their medical market. Alabama's medical market will begin to take shape after the late 2022 applications and 2023 licensing, presenting a significant opportunity not only for us, but countless other individuals and businesses. The new medical market will dramatically increase the patient base and legal spending on cannabis within the state. All the above factors should provide the perfect support for facilities like ours as the Alabama cannabis industry rapidly comes to maturity.

### Medical Market Size

The recently passed medical cannabis bill will allow for qualifying patients over the age of 18 to purchase cannabis in the state. The state's population is approximately 5.04 million people, and of those, only a portion will qualify and register to be medical cannabis patients. In medical cannabis markets in other U.S. states, we have seen patient adoption rates vary wildly depending on the makeup of the market. In medical cannabis markets,

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<sup>2</sup> Marijuana Business Daily, *MJBizCon*, 2022

<sup>3</sup> Facts and Factors market research report, 2021

patient adoption rates at the end of year one typically range from 0.5% to 2%. After the third year of operations, patient adoption rates typically rise to 2% to 4%. Rare outlying markets, such as Oklahoma, reached rates of 9%+ after several years but are not comparable to Alabama's market conditions. Patient adoption rates at the outset of Alabama's medical market will naturally begin at 0% until the AMCC starts accepting registrants and allowing physician certifications, which according to the state, will not occur until after business licenses have been awarded in mid-2023. Based on this, the patient adoption rates in Alabama are expected to be relatively low at the outset in comparison to other medical cannabis programs. Additionally, patient adoption rates are generally lower over time in regulatory schemes that disallow the sale of cannabis flower. Even under most conservative and liberal estimates for the total market size, we believe we will have an ample patient base, more than enough capacity and capability to serve the market, and also have opportunities for expansion in the future to meet the needs of those in our community as the patient numbers increase.

#### Target Market and Patient Base

Our goal is to service Alabama's medical cannabis patients across the state, in both high and low population regions. We have chosen a balance of high and low populations areas including: Birmingham, a high population center in the central region of the state, Owens Cross Roads, a low population suburb of the Huntsville metro area, and Demopolis, a low population city which is located in the most sparsely populated region of the state.

The number and location of other cannabis business licenses operational within the market affects our projected target patient base. As the area experiences an increase in competition through the establishment of more dispensaries, it will become gradually more difficult for one individual business to attract and retain patients. Entities wishing to enter the market at a far later stage may face substantial obstacles, which is why we are prioritizing the first mover advantage to reduce the risk of being unable to adequately stand out amongst other cannabis businesses in attracting potential patients.

#### Strategic Market and Marketing Opportunities

Our strategic, proactive approach to establishing our business is focused on maximizing the great opportunities presented in Alabama. We have undertaken substantial work and

research to establish a roadmap in our strategic marketing plan to make the most of each dollar spent. This initial analysis has shown us a number of opportunities that we believe we can effectively capitalize on for a successful launch and a prosperous operation in the long term. The first of these opportunities is the relative lack of cannabis business operations in the Birmingham, Demopolis, and Owens Cross Roads areas, in combination with our team's own long standing connections. Our locations in Birmingham, Demopolis, and Owens Cross Roads will serve to vault our cannabis business ahead of others in the state, as we will have access to a level of foot traffic and patient volume that few will be able to boast. This will also be made easier to achieve thanks to the substantial local support we have already received, which is in no small part due to the longevity of trust established between our team and the community in which we wish to operate. Through early preparation and planning we hope to be among the first medical cannabis businesses to open, allowing us to establish our patient base before the market saturates. We intend to use the state's sales data and our own sales data, once operational, as well as research of comparable markets, to cater our practices in order to have cannabis products for all uses and specifically built around our curated variety of products. By utilizing the most recent available data from the state and from our own sale's data, we will better be able to market to eligible individuals and educate those on what is necessary to know about the new medical cannabis marketplace and address what is unfamiliar to them about the products offered.

#### Competitive Analysis and Position

As this is the first cannabis licensing round in the state's history, we will be competing with all new applicants across the state. However, our thorough preparation and connections in Birmingham, Demopolis, and Owens Cross Roads make us an ideal candidate for licensure in those areas. The new medical cannabis program does not require vertical integration, allowing our business to specialize in what our founders know best: medical and retail operations. As a patient-focused organization, we will provide an unparalleled level of care and commitment to our service and medical grade products. This specialization, along with our owners' connections and established relationships with business and government entities, sets us ahead of other cannabis businesses that might wish to open in the Birmingham, Demopolis, and Owens Cross Roads areas. Though we

have recognized barriers and challenges for our business, they are outweighed by the many exceptional advantages of our strategy. We are in a prime position to learn from industry mistakes and adapt in skillful and innovative ways for the benefit of our market.

#### Advertising and Marketing Plan

We will develop a brand that emphasizes perfection in every aspect and fosters our goals of being a safe and trusted source of medical cannabis products and resource for medical cannabis knowledge. Specifically, we plan to cultivate a brand that captures our passion for patient education and therapy. Our advertising and marketing plans are first and foremost formed around compliance. Ala. Admin Code. r. 538-x-4-.17; Ala. Admin Code. r. 538-x-4-.17.01. Our advertising will not contain any statements, illustrations, or other material that would be appealing to minors. Ala. Code § 20-2A-61(b). Our advertising and marketing materials will always be appropriate to the subject matter and suitable for our target market. Our advertising will not encourage, promote, or otherwise create any impression that cannabis is legal, therapeutic, or beneficial, except as specifically authorized by the Act and Rules. Ala. Admin Code. r. 538-x-4-.17.02. We will not use a name, logo, sign, advertisement, or other marketing campaign or program unless the same, including all related materials, have been submitted to the AMCC. Ala. Admin Code. r. 538-x-4-.17.03. We will submit: the name, logo, sign, advertisement or other marketing campaign or program proposed for use; A brief description of the format, medium, and length of the distribution; A verification that an actual patient is not being used on the advertisement; Verification that an official translation of a foreign language advertisement is accurate; and A final copy of the advertisement, including a video where applicable, in a format acceptable to the AMCC. Ala. Admin Code. r. 538-x-4-.17.03.a-e. If required by the AMCC, we will add a specific disclosure in the advertisement in a clear and conspicuous manner so that the advertisement would not be false or misleading; make changes as necessary to protect the public health, safety, and welfare; or not use the advertisement. Ala. Admin Code. r. 538-x-4-.17.04.b; Ala. Admin Code. r. 538-x-4-.17.04.b.01-03. If we are aggrieved by the initial decision, we may submit a notice of appeal electronically in writing through the AMCC website, as well as appear and give information and oral argument, if requested. Ala. Admin Code. r. 538-x-4-.17.04.c.

We will not place or maintain, or cause to be placed or maintained, an advertisement of medical cannabis or any related product, in any of the following ways (Ala. Admin Code. r. 538-x-4-.17.05): Within 500 feet of the perimeter of a prohibited facility or any business or organization where, in the opinion of the AMCC, the placement of the advertisement targets or is attractive to minors; on a billboard; on a radio or television broadcast, including a system for transmitting visual images and sound that are reproduced on screens, and includes broadcast, cable, on-demand, satellite, cinema, social media, or another internet-based platform; on any handheld or other portable sign; with respect to public places, on a brochure, handbill, pamphlet, leaflet, or flyer directly handed, deposited, fastened, thrown, scattered, cast, or otherwise distributed to any person; left upon any private property without the consent of the property owners; on or in a vehicle, public transit vehicle, or public transit shelter; or, on or in a publicly owned or operated property. Ala. Admin Code. r. 538-x-4-.17.05.a-h. Any name, logo, sign, advertisement, or other marketing campaign or program of or on behalf our company, regardless of the medium, will not (Ala. Admin Code. r. 538-x-4-.17.06.a-h): include reference to, or be accompanied by, any image bearing a resemblance to a cartoon character or of any individual (actual or fictional) more than fifteen percent of whose audience is, or should be reasonably anticipated to be, composed of minors; market, distribute, offer, sell, license, or cause to be marketed, distributed, offered, sold, or licensed, any apparel or other merchandise related to the sale of medical cannabis; suggest, by direct or indirect reference, a relationship to edibles (including candy, cookies, brownies, cakes, and the like) or beverages; include designs or other presentational effects that are commonly used to target minors; suggest or otherwise indicate that the product or entity in the advertisement has been approved or endorsed by the AMCC, the State of Alabama or any person, entity or agency associated with the State of Alabama; advertise in a manner that is inconsistent with the medicinal and approved use of medical cannabis; encourage the use of medical cannabis for a condition other than a qualifying medical condition; contain any statement, design, representation, picture, or illustration that contains or communicates: false or misleading statements; names other than the registered name of the licensee's registered business name or an approved d/b/a, or the registered name of medical cannabis or related products; a depiction of cannabis plants or any part thereof, except with respect to signs, displays and

marketing material provided inside a dispensing site or on our website; slang terms and references to unlicensed uses of cannabis; disparagement of a competitor's products; obscene, indecent, or profane statements or depictions; or, statements as to the health benefits or therapeutic benefits of cannabis or medical cannabis, and statements as to the safety or efficacy of cannabis or medical cannabis unless supported by substantial clinical data. Ala. Admin Code. r. 538-x-4-.17.06.h.01-07. We will comply with adopted rules that establish restrictions and requirements for advertising, including signage, that may include limiting the media or forums where advertising may occur. Ala. Code § 20-2A-61(c). Under Ala. Admin Code. r. 538-x-4-.17.08, we will not: display external signage larger than sixteen inches in height by eighteen inches in width that is not attached to the entity's permanent structure or vehicle; illuminate a sign advertising a medical cannabis product or strain at any time; sell or otherwise distribute clothing, apparel, or wearable accessories, unless such sale or distribution is to an employee for purposes of identification while at the licensed facility; advertise medical cannabis brand names or utilize graphics related to medical marijuana on the exterior of any building or vehicle operated by our business; and, display medical marijuana, medical marijuana products, or medical marijuana paraphernalia that is visible from the exterior of the facility. Ala. Admin Code. r. 538-x-4-.17.08.a-e. We will not advertise or display any signage, logos, products, paraphernalia, or other identifying characteristics on the outside of our buildings or vehicles to alert the public that cannabis is being stored at our facility. Ala. Code § 20-2A-61(a). We will focus on our business philosophy and dedication to consistency to produce products that our patients feel they can trust. Plainly, our brand will be reliable, trustworthy, safe, and consistent, and we plan to provide an unparalleled professional service experience.

#### *Website Advertising*

We will develop a website in accordance with all applicable law. Ala. Admin Code. r. 538-x-4-.17.07.f. Our website will require each user's affirmation that the user is not a minor before access to the website is granted, and establish a web presence that advertises the name, business address, contact information, and services we provide. Ala. Admin Code. r. 538-x-4-.17.07. Our web presence will not allow for direct engagement between or among consumers or consumer-generated content. Ala. Admin Code. r. 538-x-4-.17.07.a. Our

website and web presence will not provide a medium for website users to transmit website content to minors nor will it target a consumer group with a high likelihood of reaching or appealing to minors. Ala. Admin Code. r. 538-x-4-.17.07.b and c. We will not display or otherwise post content that has not been submitted to the AMCC (if such content has been created or produced within Alabama or is specifically targeted to or available only to Alabama residents). Ala. Admin Code. r. 538-x-4-.17.07.d. Our website will not function to transact business or otherwise facilitate a sales transaction to consumers or businesses. Ala. Admin Code. r. 538-x-4-.17.07.e.

### Presenting Product Offerings

We plan to make employee and patient knowledge and education a cornerstone of our medical cannabis operation. To do so, we will provide employees with detailed education on regulations, cannabis, and product offerings. As our main touch point with medical cannabis patients, our certified dispensers will provide high quality education, consultation, information, responses to patient and caregiver questions, and instructions for use regarding all medical cannabis products at all times. Ala. Admin Code. r. 538-x-8-.05.03.d. To lay the foundation for excellence in this aspect of our dispensary operations, certified dispensers will be trained and certified by the AMCC on proper dispensing procedures, and our training program will go beyond the minimum educational thresholds established by the AMCC. Ala. Code § 20-2A-64(e)(2). Training will be an ongoing process for every certified dispenser and staff member, with continuing education, ongoing proficiency evaluations, and trainings that are both periodic and in response to discrete events. Furthermore, whenever changes occur in regulations or company policies, certified dispensers will undergo immediate retraining. Certified dispensers will also take and pass a medical foundations training course, as required by the AMCC. Ala. Admin Code. r. 538-x-4-.04.02.a. Certified dispensers will further complete a minimum of 10 hours of continuing education as approved by the AMCC to address proper dispensing procedures, prevention of abuse and diversion of medical cannabis, and other topics related to public health, safety and good business practices relating to the dispensation of medical cannabis. Ala. Admin Code. r. 538-x-8-.03.04. Our certified dispensers' education will also cover the lifecycle of the cannabis plant; cultivation methodologies; processing, extraction, and infusion techniques; different strains and their physical and physiological effects;

cannabinoids; terpenes; routes of administration and their relative effects; safe and proper usage of products; safe storage of products; recognizing signs of impairment; identifying, preventing, and responding to accidental ingestion or overconsumption; intended effects and side-effects; substance abuse signs, symptoms, and resources; up-to-date laws at the federal and state level, especially as they relate to possession, consumption, dispensing practices, and patient confidentiality; and, advancements and developments in the field of cannabis science.

### Business Development & Sales Strategy

Business development is the heart of any successful cannabis business operation. Even prior to beginning operations, we will implement detailed strategies to facilitate development, starting by building a strong presence in the market, achieving a positive cash flow, implementing a scalable marketing strategy, and sustaining business growth over time. Achieving market validation and building an initial supply chain and patient base will be the foundation of the business, from which we will expand to reach more patients. The first challenge for our dispensary will be to attract an initial pool of patients, who will then spread the word about our business because of our extraordinary product quality, selection, and service. We will also engage in marketing and advertising, to the extent allowed by law, helping to further develop our presence in the market and alert more licensed cannabis businesses, especially integrated facilities and processors, to the existence of our new medical cannabis dispensary. Finally, the business will sustain this growth by staying on the frontlines of advancements in the industry; hiring skilled employees, management, and executives; and, adapting to changes in the developing cannabis market.

### Supply and Distribution Channels

For our business to operate as a dispensary, it is integral that we establish supply channels within the Alabama market to provide the most patients with the best cannabis products possible. To do so, we will establish professional relationships with processor, integrated facility, and secure transporter licensees in the medical program. We have already begun making inroads with individuals and businesses which we believe will serve to benefit our patients and operations. We will implement this strategy in two ways. First, we will utilize our local connections to begin negotiations with other prospective cannabis



licensees in the area to establish relations. Once licenses are issued, we will enter into agreements with regional licensee partners, creating a supportive business network in our key geographic regions of the state. We have already made inroads with several qualified Alabama medical cannabis license applicants and are excited about expanding this network. Our legal team has already crafted agreements for this purpose that will allow us to enter into supply agreements efficiently. We will also leverage our favorable locations to attract partnerships from other licensees who want to sell their product and build their brand in Birmingham, Demopolis, or Owens Cross Roads.

For us, ethics, safety, and quality will be the determining factors in formally establishing contracts with any potential suppliers, partners, or vendors, and we will do our due diligence to ensure all of our business relationships meet our exceptional expectations. Additionally, we have learned over years of experience that without the expansion and auditing of State Testing Lab capabilities, the market could suffer a backlog that holds up product availability or decreases scrutiny for product safety testing, thereby increasing the chances of contaminated products and poorly served patients. We will pay close attention to the state's demand on testing labs and adjust our practices as necessary to ensure we maintain both a stable supply of products and that those products are proven safe for consumption.

### **9.9 Community Engagement Plan**

We have and will continue to foster relationships with, involvement with, and commitment to our community (including municipality or county) in which we intend to locate our dispensary locations. Ala. Admin Code. r. 538-x-3-.05.03.m.15.i. This plan will focus on efforts taken over the next three years in our proposed locations of Birmingham, Demopolis, and Owens Cross Roads. The plan will utilize multiple approaches: a social responsibility program designed to increase participation in the cannabis industry by disadvantaged persons, educational programs, and research, in addition to contributing to local non-profit organizations assisting our community, such as those for substance abuse treatment, veterans' assistance, and workforce development.

In total, our cannabis organization will allocate at least 2% of our net profits annually to help fulfill our commitment to the local community. Our Community Engagement Team is

comprised of individuals who have continually invested time and energy in bettering their Alabama communities. Our entire staff will participate in community engagement efforts and our Director of Community and Environmental Outreach will spearhead the implementation of our detailed plan. Our business will be a steward of the community, holding educational events and actively participating in community change and growth.

We have chosen Miles College to partner with as an educational partner. Miles College is a Historically Black College (“HBC”) just outside of Birmingham. Miles College has a deep legacy in the promotion of African American education and leadership development. This proud college played a key role during the Civil Rights movement as it served as a meeting and recruiting area for students leading peaceful protests. We have an agreement where we will make an annual donation of \$8,000 and consider ourselves fortunate to work with such a respected HBC.

We have also received a letter of reference from Stacey Brian Lewis, the Founder of Birmingham Jumpstart, a nonprofit that provides adult literacy, GED preparation, and English language acquisition educational services in the city of Birmingham. We believe that this is a crucial service that deserves more support, and intend to collaborate with Birmingham Jumpstart as we initiate operations.

### Commitment to Social Responsibility

Social responsibility is a cornerstone of our business and covers many aspects, such as sustainability, ethics, job creation, and reducing inequalities. We recognize we are in a unique position through our cannabis business to have an opportunity to help rectify historical injustices perpetrated against communities that have been disproportionately impacted by our country’s war on drugs. Therefore, we will establish a social responsibility program that will provide cannabis industry education and opportunities to disadvantaged communities as part of our plan for community engagement. Our mission is to increase participation in the cannabis industry by those who live in disproportionately impacted areas of the state, including those who have been subject to unjust cannabis-related laws through our social responsibility program. We will provide education for those new to cannabis, basic job skills training for those who lack professional experience, and mentorship. We will also oversee an internship and hiring program with Miles College that

will help one participant per semester gain employment in the industry. We believe there will be sizable interest in opportunities like this for individuals given the demand for cannabis but also the lack of hands-on experience for people in the state. For those already in the cannabis industry, we will implement a career accelerator program.

**Cannabis Industry Education:** As a part of our efforts to provide greater opportunities to disadvantaged individuals and businesses, we will provide free educational courses for those interested in beginning a career in the cannabis industry. We will cover skills and best practices for working as an efficient and effective employee in the cannabis industry. We will provide a basic overview of the cannabis plant and relevant scientific research. Our goal is to give a comprehensive overview of the endocannabinoid system, so that disadvantaged individuals and businesses understand how and why cannabis works in the human body. Accessing these courses and additional cannabis industry education will be made easily through resources offered at our physical location and through our online presence. If individuals require special accommodations to access this information, we will work with them on ensuring they can secure it in the most convenient way possible. This is essential for us in continuing to reduce the stigma long associated with cannabis and making learning about cannabis both accessible and engaging. Specific advertising rules do not apply to noncommercial messages, i.e., the content of which is primarily for charitable, educational, or public service purposes and does not overtly seek profit or promote our business or our products. Ala. Admin Code. r. 538-x-4-.17.09.

**Job Skills Training:** Some disadvantaged individuals and businesses may not have any working experience in professional environments, but we believe this lack of opportunity should not preclude them from working at our company as long as the person can follow our business style and philosophy, commitment to compliance, and uncompromising dedication to quality. This training will be accessible to all, and we will hold free trainings in the evenings and on weekends so that people who are working full time can more easily participate. In order to make attendance more convenient, we will hold trainings in a space that is close to public transportation lines and in more populated areas to increase attendance. We will also be sure to utilize our online presence and a portion of our marketing budget towards advertising these events to locals, particularly when we are first launching them after licensure and buildout of our dispensary locations.

Hiring Program: We will create a hiring program to connect disadvantaged individuals and businesses with employers in the cannabis industry by establishing partnerships with other Alabama cannabis businesses who share our passion for community involvement. Our partners will benefit by gaining a trusted source of candidates for their job openings and can have confidence that the candidates we advance will arrive at their new employer with the knowledge and training necessary to succeed in their roles. This is good practice not only for the success of our business, but for the improvement of the medical cannabis space at large by expanding the pool of knowledgeable and passionate individuals in a rapidly growing industry both statewide and nationally. On the candidate side of the hiring program, we will offer free services monthly where interested people can get feedback on their resumes and cover letters. We will conduct mock interviews upon request and provide improvement tips. Our goal is to help local cannabis businesses find qualified employees while also helping disadvantaged individuals and businesses to start their careers in cannabis. Having seen the toll that the criminalization of cannabis has had on millions, we believe this can serve as a positive step on the long road of improvement in the cannabis space.

### **9.10 Environmental Impact Statement**

Our Environmental Impact Statement outlines the details of the anticipated impact of our proposed operations, per facility, on the local environment. This includes our efforts and plans to build a relationship to foster cooperation and compliance with federal, state, and local agencies providing environmental oversight, and steps taken or will take to reduce or eliminate our carbon footprint and/or to achieve and maintain a positive environmental profile in each community we intend to locate and operate within the next three years. Ala. Admin Code. r. 538-x-3-.05.03.m.15.j. This plan is spearheaded by our Director of Community and Environmental Outreach.

Anticipated Impact: As a dispensary operation, the anticipated impact of our proposed operations on the local environment is minimal, and we have identified our most resource intensive processes and instituted plans for reducing that impact. For transportation needs, we will not operate vehicles, and we will seek to partner with an energy-efficient secure transportation partner in our local vicinity to mitigate energy usage and negative impacts.

We will use the hazard analysis and critical control points (“HACCP”) systematic approach to mitigate potentially hazardous impacts, such as in the use of chemical solutions in various sanitation processes and disposal of waste.

Relations with Agencies Providing Environmental Oversight: We plan to support the Alabama Department of Environmental Management (“ADEM”) in their commitment to keep everyone informed and involved regarding the environmental activities in their local communities. We have already reached out to and made contact with individuals at ADEM to determine how best to support their initiatives in the future. Alabama is blessed with a wealth and variety of natural resources which provide significant social, economic, and environmental benefits and opportunities for the citizens of Alabama. The mission at ADEM is to assure for all citizens of the State a safe, healthful, and productive environment.

Carbon Footprint Reduction and Maintaining a Positive Environmental Profile: We have taken steps and will continue to continue to reduce or eliminate our carbon footprint to achieve and maintain a positive environmental profile in each community where we intend to locate and operate a dispensary. Our environmental improvement initiatives include sustainable packaging, air filtration, odor mitigation, waste reduction and safe disposal, energy conservation, renewable energy, and water conservation and reuse. We are committed to outfitting our dispensaries with industry leading, energy efficient equipment and building materials, including equipment that is Energy Star Certified, when available. All such products, equipment, and supplies will meet energy efficiency criteria set by the US Environmental Protection Agency (“EPA”) or the US Department of Energy (“DOE”). To meet procurement needs, we plan to identify, vet, and source from third-party vendors that demonstrate compliance in areas such as USDA Organic, Energy Star, Green Seal, EPA WaterSense, U.S. Green Building Council’s Leadership in Energy and Environmental Design (“LEED”), cGMP, and International Organization for Standardization (“ISO”). We will choose domestically sourced, efficient, sustainable, and long-lasting products wherever possible, including compostable and recyclable options that replace single-use plastics. We will also continuously monitor developments in the cannabis and agricultural industries and beyond in order to incorporate the most efficient technologies and best practices wherever possible. This will be crucial during the first three-years of operations so we can improve our environmental methodologies for the future and to update where necessary. We will

also look at updating our use of new environmentally friendly technologies as they become available so we can maintain our commitment to the environment and its health.

Sustainable Packaging Plan: We are committed to making a good faith effort to use environmentally friendly, biodegradable packaging for our products and bulk materials in compliance with regulatory requirements. Another aim of our plan is to reduce or eliminate the use of single-use plastics and promote the use of recyclable or green packaging. We will use domestically sourced packaging to minimize pollution and use of fossil fuels from shipping and transportation. There are several compliant, sustainable alternatives to single-use product packaging available on the market, including compost-based, mushroom-based, hemp-based, and recycled paper packaging. Recyclable options may include glass bottles, aluminum tins, recycled polyethylene terephthalate “PET,” high-density polyethylene “HDPE,” or cardboard packages. We are committed to analyzing the life cycle impacts of every packaging product we source in order to accurately forecast end of life realities and recyclability and reusability. For dispensary-ready products, our packaging will be both sophisticated and informative, and we will collaborate with suppliers to promote and integrate reusable and refillable containers, when possible. Our labels will contain the universal state symbol approved by the Commission, printed in color at least one-half inch by one-half inch in size. Ala. Admin. Code r. 538-x-6-.05.02.i. We will continuously look outside our industry to incorporate cutting edge technology and the most sustainable, attractive, compliant, and practical packaging options. Our packaging plan will prioritize reputable suppliers and compostable, recyclable, or multi-use to prevent or minimize entry into local waste streams.

Air Filtration and Circulation Systems: The primary electrical-mechanical system of our air filtration and circulation system will be high-efficiency rooftop unit HVAC systems with fresh air economizers that will introduce fresh outside air into the building. The economizers will be controlled by interior carbon dioxide (“CO<sub>2</sub>”) sensors, which will modulate the amount of outside air introduced into the space based on the number of occupants in the facility at any time. The HVAC systems will include air purification systems, HEPA filters, carbon filters, or other similar or comparable environmentally friendly equipment. It will be operated in conjunction with odor control practices, which are also proven to mitigate the presence of Volatile Organic Compounds (“VOCs”).

Automated HVAC thermostat controls will constantly maintain humidity, airflow, and temperature in the facility. Controls will be verified several times each day by our staff and management and will follow a preventive maintenance schedule for the HVAC systems in accordance with the manufacturer's recommendations or with accepted practice.

Equipment will also be equipped with calibrated sensors to notify operators if replacement is required. Additionally, staff will be trained at regular intervals on the proper operation of doors, windows, vents, and HVAC systems to maintain the facility any airborne particulates are isolated and controlled. Staff will also be trained to monitor the seals and frames at all points of ingress and egress.

Odor Mitigation Practices: We are committed to controlling odors both inside and outside our dispensary facilities. Methods used to accomplish this mean employing carbon filters and inline fans, which will prevent any odors from leaving the facility. In addition, our dispensary will employ the use of Ona, an industrial-grade odor neutralizer. The purpose of controlling odors is to both minimize the exposure of our employees to VOCs and to ensure that odors from cannabis are not detectable off-site. The building's ventilation system will be augmented to create negative air pressure throughout the building to prevent air and odors from escaping outward when doors are opened. As part of our HVAC systems, we plan to install in-line air scrubbers such as Aeroclean 2000 "ECONO" air machines, or similar, to ventilation ducting. The air machines will turn over all air within the facility every 15 minutes to effectively remove odor. Secondary odor mitigation equipment includes the strategic placement of ONA Gel odor-absorbing canisters and heavy air curtains, particularly in areas where processed cannabis goods are stored. These canisters will minimize odors in areas further away from air intakes or with minimal ventilation. Furthermore, bulk cannabis products will be sealed in proper packaging at all times to further prevent odor and the release of VOCs.

Waste Reduction and Safe Disposal: We will make efforts to reduce our waste production as an overarching goal of our procedures. We will use recycled, biodegradable, compostable, and sustainable materials throughout our facilities. Our Standard Operating Procedures will outline policies for the safe, secure, compliant, and efficacious disposal of cannabis waste, materials, solvents, and chemicals. These will also be refined and updated as necessary over the course of our dispensary operations. Waste will be sealed and secured in appropriate

disposal locations to reduce odor, and at all times, employees will be required to wear appropriate PPE when handling waste, which may include, long-sleeve shirts, pants, gloves, closed-toe shoes, earplugs/earphones, masks or respirators, and eye protection. Hazardous waste will be managed and disposed of in accordance with our hazardous waste management standards and with appropriate PPE. Employees handling non-hazardous cannabis waste will also be required to wear appropriate PPE. In addition to cannabis waste, the disposal of cleaning chemicals, non-cannabis solid waste, non-hazardous and liquid waste will be conducted in a manner compliant with federal, state, and local laws, with employees being required to wear appropriate PPE at all times. We will also maintain an inventory of all cleaning chemicals and solvents and with detailed usage logs.

Energy Conservation Measures: We will install motion sensor lighting and occupancy sensor controls throughout our facilities to reduce electricity consumption, and we will also exclusively use light-emitting diode (“LED”) bulbs. As LED lighting uses 70-80% less energy than a traditional incandescent or Halogen bulb and lasts up to 25 times longer, we intend to replace all existing fluorescent and halogen lighting inside and outside our building with energy efficient LED lights. Our dispensaries will use ENERGY STAR refrigerators (20% reduction in energy) in our break room and product storage room. Additionally, if any of our building appliances need to be replaced (such as our hot water heater, central air conditioner, and central heat) we will replace them with energy efficient units rated as Energy Star or similar. Our hot water heater’s insulating jacket will reduce the number of times it will have to recharge, and therefore the amount of energy needed will be reduced. Insulation jackets can reduce standby heat losses by 25%-45%. Ensuring windows and doors are well sealed and providing ventilation through a central heat and air conditioning are other methods that will be used to be good stewards and conservators of energy. The dispensary will also commit to using LED bulbs and Energy Star (or similar rating) appliances and equipment such as a refrigerator and other basic dispensary electrical equipment in order to reduce our energy footprint. We will equip all doors with self-closing hinges, and doors and windows will be equipped with sensors that indicate an open or closed condition to prevent compromising the internal environment of our facilities, thereby reducing energy consumption. Smart meters and data loggers in the building will



enable us to obtain energy usage data to be used for ongoing energy audits, identifying areas of improvement, and rapidly responding to “out of condition” instances.

Renewable Energy Plan: Energy management will be a component of our sustainability KPI, and we are committed to conserving energy through the adoption of best “lean” practices that reduce overall energy demand, and to investing in renewable energy solutions to position our operation for a sustainable future. We will explore options for solar energy, wind energy, and recapturing and repurposing energy generated at our facilities.

Water Conservation and Purification: Water will be managed efficiently while operating our dispensaries. We plan to use water conserving fixtures and low flow toilets. Management will monitor our equipment regularly and respond to upkeep in a time effective manner, which will result in 46% to 68% of reduction in water use. The goal of our water use program is to conserve, purify, and reuse water to the greatest extent possible to minimize pressure on the municipal water system. Water use for our dispensing facilities will be minimal, as water will primarily be used for sanitation (washing hands, restroom facilities, etc.), and our facilities will be outfitted with low flow fixtures on sinks and toilets. We are committed to conserving, purifying, and reuse watering to the greatest extent possible in order to minimize pressure on the municipal water system.

### **9.11 Insurance Plan**

A critical feature of our risk mitigation efforts is sufficient insurance coverage from an insurance broker or agent that specifically works with cannabis operations to secure declarations pages and letters of intent from an A-rated insurer as to, at a minimum, casualty, workers’ compensation, liability, and (as applicable) auto or fleet policy. Ala. Admin Code. r. 538-x-3-.05.03.m.15.k. Our CCO will be responsible for acquiring and maintaining at all times our required and other types of insurance and risk management services for our medical cannabis dispensaries, with direct collaboration with our CEO.

We have secured a Letter of Intent from AssuredPartners to secure financial protection from a multitude of potential losses as detailed in this Plan. They are able to meet not only our needs for insurance to reduce liability at our dispensary locations, but to meet all municipal and state insurance requirements too. We engaged the Cannabis Practice of AssuredPartners as our outsourced risk management and insurance team to help develop a

risk analysis that will include several stages of our development: 1. Leasing/purchasing of our dispensary locations; 2. Construction activity to ready the site for operations; and, 3. Operational stage (once cannabis is on the premises). Part of this analysis will also consist of standard safety and loss control measures for entering and egress of the facilities, burglar alarms, fire protection, specific requirements for storing the inventory, cash, and vendor tracking systems.

We will maintain a minimum of two million dollars (\$2,000,000) of liability and casualty insurance and establish and at all times maintain the minimum level of other financial guarantees required by the AMCC for all licensees. Our liability insurance will include, at a minimum, workers' compensation insurance as well as 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 our dispensary facilities or our personnel; and loss, damage or injury to any foreseeable person as the result of any products derived from cannabis products that had once been in the custody or control of our dispensary facilities. Insurance policy types that we may additionally carry include, but are not limited to: Commercial Property, Commercial Products Liability, Products Liability, Private Company Management Liability, Cyber/Data Breach Insurance, Advertising Injury, Privacy Breach Notification and Mitigation, Dietary Supplement Manufacturers Errors & Omissions, Limited Civil Penalty Reimbursement, Products Recall Expense Indemnification, and/or Property in Transit Coverage. Our policies and endorsements will provide our dispensary locations and operations with the insurance coverage sufficient to indemnify and hold harmless the State and its officers and employees, if required by law.

# 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.**

Keith J. Smith

Printed Name of Verifying Individual

CEO

Title of Verifying Individual

*Keith J. Smith*

Signature of Verifying Individual

12/13/2022 | 12:20 PM PST

Verification Date

Yellowhammer Medical Dispensaries, LLC has members who have been involved in the cannabis industry in different parts of the country. We have never had issues engaging in purchase/sale agreements with processors after license award. We have included engagements with other applicants as well as our standard template agreements for supply, lab testing and secure transport. You will find the following in this Exhibit:

**10.1 Any Cultivator or prospective Cultivator**

This is not applicable because cultivators cannot supply dispensaries directly.

**10.2 Any Processor or prospective Processor**

The applicant has provided template purchase agreement to be used with a licensed Processor and a signed purchase agreement with Coosa Medical Manufacturing, LLC. Both of these documents are identified as “Business Relationships- Yellowhammer Medical Dispensaries- Attachment to Exhibit 10, Section 10.2”

**10.3 Any Secure Transporter or prospective Secure Transporter**

The applicant has provided a template Secure Transport Agreement to be used with a licensed Transporter after license award. Identified as “Business Relationships- Yellowhammer Medical Dispensaries- Attachment to Exhibit 10, Section 10.3”

**10.4 Any Integrated Facility or prospective Integrated Facility**

The applicant has provided a purchase agreement with INSA Alabama LLC and AlaBloom both of which are applicant’s for an Integrated Licenses. Both of these documents are identified as “Business Relationships- Yellowhammer Medical Dispensaries - Attachment to Exhibit 10, Section 10.4”

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

The applicant has provided a MOU for testing with Certus Labs and a template Lab Testing agreement for use after license award with other state licensed lab companies. Both of these documents are identified as “Business Relationships- Yellowhammer Medical Dispensaries -Attachment to Exhibit 10, Section 10.5”

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**Summary**

The applicant has provided a template purchase agreement to be used with a licensed Processor and a signed purchase agreement with Coosa Medical Manufacturing, LLC. The applicant has provided a template Secure Transport Agreement to be used with a licensed Transporter after license award. The applicant has provided a purchase agreement with INSA Alabama, LLC and AlaBloom both of which are applicants for an Integrated Licenses. The applicant has provided a MOU for testing with Certus Labs and a template Lab Testing agreement for use after license award with other state licensed lab companies.

**SALE AND PURCHASE AGREEMENT (TEMPLATE)**

Date: \_\_\_\_\_

Seller Name: Jane Doe  
Seller Position: CEO  
Seller Corporate Entity: Alabama Medical Cannabis Processing License Holder  
Seller Address: Alabama City, AL XXXX

Dear Mr. Smith:

This letter agreement (the “**Agreement**”) confirms the engagement of Yellowhammer Medical Dispensaries, LLC, an Alabama Limited Liability Company located at 17 20<sup>th</sup> Street North, Suite 300, Birmingham, Alabama 35203 (“**Buyer**”), and Alabama Medical Cannabis Processing License Holder, LLC an Alabama Limited Liability Company located at ALABAMA CITY, AL (“**Seller**”, and together with Buyer, the “**Parties**”, and each a “**Party**”) to render the sale of medical cannabis products in compliance under applicable Alabama laws and regulations (“**Product**”). Buyer and Seller hereby enter into this Agreement.

**Effective Date:** This Agreement shall be in effect from November 31st, 2023 until November 31<sup>st</sup>, 2024. (the “**Term**”).

**Scope:** This Agreement applies to the purchase (the “**Purchase**”) of the Product by Buyer from Seller, in accordance with the terms set forth herein.

**Product Prices and Base Quantity:** The purchase prices and/or base quantity and Product availability shall be determined by Seller. Throughout the Term, Seller reserves the right to unilaterally update the Prices and/or Base Quantity and Product availability and shall provide such notice to Buyer. All prices are exclusive of all sales, use and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any governmental authority on any amounts payable by Buyer.

**Delivery:** Seller shall make delivery FOB Buyer’s facility. Title to the purchased Products shall pass to Buyer upon delivery and acceptance of the Product by Buyer on the day of delivery. The risk of loss or damage to the Product sold hereunder shall pass from Seller to Buyer upon delivery of the Product by Buyer. Buyer shall be responsible for a delivery fee to be calculated by Seller and added to the purchase price for each order. Throughout the Term, Seller reserves the right to unilaterally update the delivery fee for any order.

All Products delivered hereunder shall be packaged in accordance with all applicable state laws and regulations, with the Product packaged separately and clearly labeled with identification of the applicable strain and weight of the contents.

**Supply:** Seller shall deliver to Buyer, FOB Buyer's facility listed above, packaged and labeled Product specified in **Exhibit A ("Order Form")**, as attached hereto and incorporated herein. In the event of any conflict between the terms of this Agreement and the terms of any purchase order or any other document issued by Buyer, the terms of this Agreement prevail.

**Payment:** Seller reserves the right to require that Buyer make a deposit payment in order for Seller to accept and fulfill Buyer's order. On the date that Seller delivers the Product, Seller shall present an accounting of the amount due, which shall include the Price of the Product delivered, quantity, name of Product, any taxes, delivery fees, subject to any credit adjustment for Buyer's deposit payments, and the correlated RFID number applied through the Medical Marijuana Seed-to-Sale ALABAMA system. Payment will be made in full in immediately available funds on the Payment Due Date as set forth in the Order Form, Ex. A, (the "**Payment Due Date**") via cash, automated clearing house, or certified check payable as directed by Seller. Buyer shall pay an 8% (eight percent) per annum interest charge on overdue amounts for the Product purchased hereunder.

**Representations:** During the Term, Seller shall comply with and manufacture the Product in accordance with regulations established by the Alabama Office of Medical Cannabis (the "**OMC**") and the State of Alabama related to the manufacture, production, handling, and transportation of medical cannabis and cannabis products ("**Applicable Regulations**"). In the event that any Product sold hereunder does not comply with Applicable Regulations, or does not comply with the terms of this Agreement, Buyer shall notify Seller in writing of any such non-compliance within two (2) business days following the Delivery Date of the relevant Product to Buyer, stating in reasonable detail the nature of such non-compliance and type and aggregate quantity of the Product to which such non-compliance applies (a "**Non-Compliance Notice**"). If such non-compliance can only be demonstrated by laboratory testing, the Non-Compliance Notice shall include documentation of the relevant test results. Seller shall have the right to replace any such non-complying Product with compliant Product within five (5) business days of receipt of the Non-Compliance Notice, which shall constitute full compliance by Seller of its obligation to supply Products with respect to such Purchase Order. If Seller does not provide replacement within five (5) business days, then Buyer's sole remedy shall be to receive a refund of the Price paid for the non-conforming Product based upon the price set forth in this Agreement. In the event of return of the Product by Buyer, Buyer shall pay Seller a restocking charge equal to fifteen percent (15%) of the Price.

<b>Governing Law:</b>	This Agreement shall be governed by the laws of the State of Alabama. Buyer submits to the jurisdiction and venue of any state court sitting in the State of Alabama.
<b>Force Majeure:</b>	The obligations of the Parties are contingent upon earthquakes, fires, storms, floods, freezes, material reductions, accidents, labor disputes, transportation embargoes, significant oil price increases, failure of machinery, acts of God or of any government (including the OMC), pandemics (including the COVID-19 pandemic) and any circumstances related to COVID-19 or any related epidemic, pandemic, state of emergency, government orders, government shutdowns, unavailability of labor, or materials or reasonable substitutes therefor, or other causes beyond any Party's reasonable control that relates thereto, including ceasing of operations by Seller, acts of war or terrorism, and other interferences beyond the Parties' reasonable control, to the extent the same prevent or delay the performance of the obligations herein contained.
<b>Taxes</b>	Unless otherwise indicated herein, prices do not include state, county, and/or municipal sales, use, excise or similar taxes applicable to the purchased Product, or the purchased Product's use by Buyer or the Buyer's customers. If Seller should be required to pay the same, Buyer shall be liable to pay to and to reimburse Seller for any such taxes. If required by law, Seller may collect sales or use taxes on its invoices for Product sold to Buyer hereunder.
<b>Security Interest</b>	Buyer hereby grants to Seller a security interest in the purchased Product to secure the payment of Seller's invoice for all or any portion of the purchase price that remains unpaid at any time. Buyer hereby authorizes Seller to execute on behalf of Buyer and to file one or more financing statements to evidence and perfect a security interest in the purchased Product with any governmental authority in any jurisdiction as Seller, in its sole and absolute discretion, deems necessary or desirable to protect the Seller's interests. Buyer shall execute at Seller's request any documents required by Seller to evidence and perfect such security interest, including individual or blanket financing statements, chattel mortgages, or similar instruments for filing in any such jurisdictions. Seller shall have all of the rights of a secured creditor under the Uniform Commercial Code or any similar law that may be applicable, including the right of repossession for non-payment.
<b>Limitation and Exculpation of Liability</b>	TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT SHALL SELLER BE LIABLE TO BUYER FOR LOSS OF PROFITS, REVENUE OR INCOME, OR FOR ANY INDIRECT, PUNITIVE, SPECIAL, EXEMPLARY, INCIDENTAL, CONSEQUENTIAL OR OTHER DAMAGES



ARISING FROM OR RELATED TO THIS AGREEMENT OR RELATED TO BUYER'S DEVELOPMENT, PRODUCTION OR SALE OF ANY NEW OR MODIFIED FORMULATIONS OR COMBINATIONS OF THE PURCHASED PRODUCT MADE BY BUYER, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. BUYER'S SOLE REMEDY FOR LIABILITY OR DAMAGES UNDER THIS AGREEMENT SHALL BE STRICTLY LIMITED TO REPLACEMENT OF ANY NON-CONFORMING PRODUCT OR A REFUND OF ANY FEES PAID FOR THE NON-CONFORMING PRODUCT BASED UPON THE PRICE AND ON THE TERMS OTHERWISE SET FORTH IN THIS AGREEMENT. BUYER UNDERSTANDS THAT IT MAY BE WAIVING RIGHTS WITH RESPECT TO CLAIMS THAT ARE AT THIS TIME UNKNOWN OR UNSUSPECTED.

**Indemnification**

Buyer shall indemnify, protect, defend, and hold Seller, its affiliates, and its and their respective officers, directors, employees, affiliates, equity holders, managers, members, contractors, agents, consultants, advisors, and representatives harmless for, from, and against all losses, costs, expenses, penalties, and other damages (including reasonable attorneys' fees and costs) of any nature, kind or description directly resulting from or arising out of third party claims stemming from: (a) any breach, inaccuracy or non-fulfillment of any representations, warranties, covenants or agreements made by Buyer in this Agreement or resulting from failure of Buyer to comply with the Alabama Medical Cannabis Act, as amended from time to time, and all Alabama regulations promulgated or otherwise thereunder, (b) any negligence, willful misconduct, defective sales-process, or defective handling of the purchased Product, excepting in each instance claims stemming from the gross negligence or willful misconduct of the Seller or its officers, directors, employees, or agents, or (c) the manufacturing, processing, design, formulation, and sale by Buyer of any processed products using the Product.

**Use of Names and Marks;  
Reverse Engineering**

Buyer represents, warrants and covenants that it shall not use, make reference to, publish, copy or otherwise designate, either orally or in writing, any logo, trademark, servicemark or tradename of the Seller ("**Mark(s)**"), except for the limited purpose of product displays or patient production information and only as allowable under the Applicable Regulations, without prior written consent of Seller. Upon the termination of this Agreement or at the written direction of Seller, Buyer shall discontinue the use of all Marks of the Seller and all legends adopted in accordance with this Section. Buyer shall leave in place all designations of Marks placed on the purchased Product (including Marks on any and all packaging therefor) by the Seller.

Buyer shall not use any portion of the purchased Product, whether

through planting, researching, studying, dissecting or through any other actions or methods (whether or not related to botany), to grow, create, genetically engineer, reverse engineer, or otherwise imitate or copy the Product.

In the event of a breach of any of the covenants contained in this Section, Seller shall be entitled to injunctive or other equitable relief because Seller will be caused irreparable injury and damage as a result of such breach. This right to injunctive relief shall include the right to both preliminary and permanent injunctions. Seller shall not be required to post a bond or any similar assurance if it brings any action in order to enforce any of the covenants contained in this Section.

**Medical Marijuana**

Each Party represents and warrants that it has obtained all AMCC and local approvals, permits, licenses, certificates, necessary for it to perform its obligations under this Agreement, and each Party covenants and agrees that, during the Term, it will maintain all such approvals and obtain any and all additional approvals that may be necessary for it to perform its obligations hereunder. Each Party will notify the other Party within 24 hours in writing if it learns or reasonably believes that it is not in full compliance with the terms of this Section. The Parties acknowledge that they are aware of and fully understand that despite the laws of the State of Alabama and the terms and conditions of this Agreement, holders of licenses to sell medical marijuana may still be arrested by federal officers and prosecuted under federal law. The Parties also expressly waive federal illegality as a defense to any Agreement enforcement action.

**WAIVER OF JURY TRIAL**

THE PARTIES KNOWINGLY AND WILLINGLY WAIVE ANY RIGHT THEY HAVE UNDER APPLICABLE LAW TO A TRIAL BY JURY IN ANY DISPUTE ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT OR THE ISSUES RAISED BY THAT DISPUTE.

**Attorneys' Fees**

In the event that any legal action or other proceeding is brought for the enforcement of these terms and conditions or in connection with any provision contained herein, the prevailing Party shall be entitled to recover its reasonable attorneys' fees, court costs and expenses, court costs, including, but not limited to, fees, costs and expenses incurred to collect fees, costs and expenses, and those fees and costs incurred incidentally to arbitration, mediation, investigation, discovery, travel, appellate proceedings, bankruptcy, collection, retention of expert witnesses, and post judgment proceedings.

**Additional Provisions:**

The provisions of this Agreement shall, except as otherwise provided herein, endure to the benefit of and be binding upon the Parties and their respective executors, administrators, successors, and assigns, each and every person so bound shall make, execute

and deliver all documents necessary to carry out this Agreement.

This Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and the transactions herein contemplated and replace all previous agreements and understandings, if any, between the parties with respect to the subject matter hereof and the transaction contemplated herein. Any Purchase Order previously entered into between the Parties shall also be governed by the terms of this Agreement.

Any notice to be given under this Agreement shall be in writing and delivered, faxed or mailed by prepaid registered mail or electronic mail, addressed to the party to whom it is to be given at the address hereinabove mentioned and such notice shall be deemed to have been given on the day of delivery or on the day it is faxed or e-mailed or on the fifth business day after mailing as aforesaid, as the case may be. Notices to Buyer shall include an email copy to

**EMAIL: [Jeffsmith205@gmail.com](mailto:Jeffsmith205@gmail.com)**

**NAME: Keith Smith**

Notices to Seller shall include an email copy to Jane Doe. Notice of change of address may be given by any Party in the same manner.

If any provision of this Agreement shall be held invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall attach only to such provision in such jurisdiction and shall not in any manner affect or render invalid or unenforceable such provision in any other jurisdiction or any other provision of this Agreement in any jurisdiction.

Except as provided therein, the failure on the part of one Party, in any one or more instances, to insist upon the keeping, performance or observance of any of the terms, conditions or provisions of this Agreement, or to exercise any right or privilege herein conferred, shall not be construed as relinquishment of that Party's right to require the future keeping, performance or observance of any such terms, conditions or provisions.

This Agreement may be executed in one or more counterparts each of which when so executed shall be deemed to be an original and such counterparts together shall constitute but one of the same instrument.

**Alabama Processing License Holder, LLC**

By: Alabama Processing License Holde

Name: Jane Doe

Title: CEO

Date: tbd

**Yellowhammer Medical Dispensaries, LLC**

By: Yellowhammer Medical Dispensaries LLC

Name: Keith Smith

Title: CEO

Date: tbd

## SALE AND PURCHASE AGREEMENT

Date: December 15, 2022

Seller Name: David Hardin  
Seller Position: CEO  
Seller Corporate Entity: Coosa Medical Manufacturing, LLC  
Seller Address: 3841 Village Center Dr., Hoover, AL, 35226

Dear Mr. Smith:

This letter agreement (the “**Agreement**”) confirms the engagement of Yellowhammer Medical Dispensaries, LLC, an Alabama Limited Liability Company located at 17 20<sup>th</sup> Street North, Suite 300, Birmingham, Alabama 35203 (“**Buyer**”), and Coosa Medical Manufacturing, LLC, an Alabama Limited Liability Company located at 3841 Village Center Dr., Hoover, AL, 35226 (“**Seller**”, and together with Buyer, the “**Parties**”, and each a “**Party**”) to render the sale of medical cannabis products in compliance under applicable Alabama laws and regulations (“**Product**”). Buyer and Seller hereby enter into this Agreement.

**Effective Date:** This Agreement shall be in effect from November 31st, 2023 until November 31<sup>st</sup>, 2024. (the “**Term**”).

**Scope:** This Agreement applies to the purchase (the “**Purchase**”) of the Product by Buyer from Seller, in accordance with the terms set forth herein.

**Product Prices and Base Quantity:** The purchase prices and/or base quantity and Product availability shall be determined by Seller. Throughout the Term, Seller reserves the right to unilaterally update the Prices and/or Base Quantity and Product availability and shall provide such notice to Buyer. All prices are exclusive of all sales, use and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any governmental authority on any amounts payable by Buyer.

**Delivery:** Seller shall make delivery FOB Buyer’s facility. Title to the purchased Products shall pass to Buyer upon delivery and acceptance of the Product by Buyer on the day of delivery. The risk of loss or damage to the Product sold hereunder shall pass from Seller to Buyer upon delivery of the Product by Buyer. Buyer shall be responsible for a delivery fee to be calculated by Seller and added to the purchase price for each order. Throughout the Term, Seller reserves the right to unilaterally update the delivery fee for any order.

All Products delivered hereunder shall be packaged in accordance with all applicable state laws and regulations, with the Product packaged separately and clearly labeled with identification of the applicable strain and weight of the contents.

- Supply:** Seller shall deliver to Buyer, FOB Buyer's facility listed above, packaged and labeled Product specified in **Exhibit A ("Order Form")**, as attached hereto and incorporated herein. In the event of any conflict between the terms of this Agreement and the terms of any purchase order or any other document issued by Buyer, the terms of this Agreement prevail.
- Payment:** Seller reserves the right to require that Buyer make a deposit payment in order for Seller to accept and fulfill Buyer's order. On the date that Seller delivers the Product, Seller shall present an accounting of the amount due, which shall include the Price of the Product delivered, quantity, name of Product, any taxes, delivery fees, subject to any credit adjustment for Buyer's deposit payments, and the correlated RFID number applied through the Medical Marijuana Seed-to-Sale ALABAMA system. Payment will be made in full in immediately available funds on the Payment Due Date as set forth in the Order Form, Ex. A, (the "**Payment Due Date**") via cash, automated clearing house, or certified check payable as directed by Seller. Buyer shall pay an 8% (eight percent) per annum interest charge on overdue amounts for the Product purchased hereunder.
- Representations:** During the Term, Seller shall comply with and manufacture the Product in accordance with regulations established by the Alabama Office of Medical Cannabis (the "**OMC**") and the State of Alabama related to the manufacture, production, handling, and transportation of medical cannabis and cannabis products ("**Applicable Regulations**"). In the event that any Product sold hereunder does not comply with Applicable Regulations, or does not comply with the terms of this Agreement, Buyer shall notify Seller in writing of any such non-compliance within two (2) business days following the Delivery Date of the relevant Product to Buyer, stating in reasonable detail the nature of such non-compliance and type and aggregate quantity of the Product to which such non-compliance applies (a "**Non-Compliance Notice**"). If such non-compliance can only be demonstrated by laboratory testing, the Non-Compliance Notice shall include documentation of the relevant test results. Seller shall have the right to replace any such non-complying Product with compliant Product within five (5) business days of receipt of the Non-Compliance Notice, which shall constitute full compliance by Seller of its obligation to supply Products with respect to such Purchase Order. If Seller does not provide replacement within five (5) business days, then Buyer's sole remedy shall be to receive a refund of the Price paid for the non-conforming Product based upon the price set forth in this Agreement. In the event of return of the Product by Buyer, Buyer shall pay Seller a restocking charge equal to fifteen percent (15%) of the Price.

<b>Governing Law:</b>	This Agreement shall be governed by the laws of the State of Alabama. Buyer submits to the jurisdiction and venue of any state court sitting in the State of Alabama.
<b>Force Majeure:</b>	The obligations of the Parties are contingent upon earthquakes, fires, storms, floods, freezes, material reductions, accidents, labor disputes, transportation embargoes, significant oil price increases, failure of machinery, acts of God or of any government (including the OMC), pandemics (including the COVID-19 pandemic) and any circumstances related to COVID-19 or any related epidemic, pandemic, state of emergency, government orders, government shutdowns, unavailability of labor, or materials or reasonable substitutes therefor, or other causes beyond any Party's reasonable control that relates thereto, including ceasing of operations by Seller, acts of war or terrorism, and other interferences beyond the Parties' reasonable control, to the extent the same prevent or delay the performance of the obligations herein contained.
<b>Taxes</b>	Unless otherwise indicated herein, prices do not include state, county, and/or municipal sales, use, excise or similar taxes applicable to the purchased Product, or the purchased Product's use by Buyer or the Buyer's customers. If Seller should be required to pay the same, Buyer shall be liable to pay to and to reimburse Seller for any such taxes. If required by law, Seller may collect sales or use taxes on its invoices for Product sold to Buyer hereunder.
<b>Security Interest</b>	Buyer hereby grants to Seller a security interest in the purchased Product to secure the payment of Seller's invoice for all or any portion of the purchase price that remains unpaid at any time. Buyer hereby authorizes Seller to execute on behalf of Buyer and to file one or more financing statements to evidence and perfect a security interest in the purchased Product with any governmental authority in any jurisdiction as Seller, in its sole and absolute discretion, deems necessary or desirable to protect the Seller's interests. Buyer shall execute at Seller's request any documents required by Seller to evidence and perfect such security interest, including individual or blanket financing statements, chattel mortgages, or similar instruments for filing in any such jurisdictions. Seller shall have all of the rights of a secured creditor under the Uniform Commercial Code or any similar law that may be applicable, including the right of repossession for non-payment.
<b>Limitation and Exculpation of Liability</b>	TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT SHALL SELLER BE LIABLE TO BUYER FOR LOSS OF PROFITS, REVENUE OR INCOME, OR FOR ANY INDIRECT, PUNITIVE, SPECIAL, EXEMPLARY, INCIDENTAL, CONSEQUENTIAL OR OTHER DAMAGES

ARISING FROM OR RELATED TO THIS AGREEMENT OR RELATED TO BUYER'S DEVELOPMENT, PRODUCTION OR SALE OF ANY NEW OR MODIFIED FORMULATIONS OR COMBINATIONS OF THE PURCHASED PRODUCT MADE BY BUYER, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. BUYER'S SOLE REMEDY FOR LIABILITY OR DAMAGES UNDER THIS AGREEMENT SHALL BE STRICTLY LIMITED TO REPLACEMENT OF ANY NON-CONFORMING PRODUCT OR A REFUND OF ANY FEES PAID FOR THE NON-CONFORMING PRODUCT BASED UPON THE PRICE AND ON THE TERMS OTHERWISE SET FORTH IN THIS AGREEMENT. BUYER UNDERSTANDS THAT IT MAY BE WAIVING RIGHTS WITH RESPECT TO CLAIMS THAT ARE AT THIS TIME UNKNOWN OR UNSUSPECTED.

**Indemnification**

Buyer shall indemnify, protect, defend, and hold Seller, its affiliates, and its and their respective officers, directors, employees, affiliates, equity holders, managers, members, contractors, agents, consultants, advisors, and representatives harmless for, from, and against all losses, costs, expenses, penalties, and other damages (including reasonable attorneys' fees and costs) of any nature, kind or description directly resulting from or arising out of third party claims stemming from: (a) any breach, inaccuracy or non-fulfillment of any representations, warranties, covenants or agreements made by Buyer in this Agreement or resulting from failure of Buyer to comply with the Alabama Medical Cannabis Act, as amended from time to time, and all Alabama regulations promulgated or otherwise thereunder, (b) any negligence, willful misconduct, defective sales-process, or defective handling of the purchased Product, excepting in each instance claims stemming from the gross negligence or willful misconduct of the Seller or its officers, directors, employees, or agents, or (c) the manufacturing, processing, design, formulation, and sale by Buyer of any processed products using the Product.

**Use of Names and Marks;  
Reverse Engineering**

Buyer represents, warrants and covenants that it shall not use, make reference to, publish, copy or otherwise designate, either orally or in writing, any logo, trademark, servicemark or tradename of the Seller ("**Mark(s)**"), except for the limited purpose of product displays or patient production information and only as allowable under the Applicable Regulations, without prior written consent of Seller. Upon the termination of this Agreement or at the written direction of Seller, Buyer shall discontinue the use of all Marks of the Seller and all legends adopted in accordance with this Section. Buyer shall leave in place all designations of Marks placed on the purchased Product (including Marks on any and all packaging therefor) by the Seller.

Buyer shall not use any portion of the purchased Product, whether



through planting, researching, studying, dissecting or through any other actions or methods (whether or not related to botany), to grow, create, genetically engineer, reverse engineer, or otherwise imitate or copy the Product.

In the event of a breach of any of the covenants contained in this Section, Seller shall be entitled to injunctive or other equitable relief because Seller will be caused irreparable injury and damage as a result of such breach. This right to injunctive relief shall include the right to both preliminary and permanent injunctions. Seller shall not be required to post a bond or any similar assurance if it brings any action in order to enforce any of the covenants contained in this Section.

**Medical Marijuana**

Each Party represents and warrants that it has obtained all AMCC and local approvals, permits, licenses, certificates, necessary for it to perform its obligations under this Agreement, and each Party covenants and agrees that, during the Term, it will maintain all such approvals and obtain any and all additional approvals that may be necessary for it to perform its obligations hereunder. Each Party will notify the other Party within 24 hours in writing if it learns or reasonably believes that it is not in full compliance with the terms of this Section. The Parties acknowledge that they are aware of and fully understand that despite the laws of the State of Alabama and the terms and conditions of this Agreement, holders of licenses to sell medical marijuana may still be arrested by federal officers and prosecuted under federal law. The Parties also expressly waive federal illegality as a defense to any Agreement enforcement action.

**WAIVER OF JURY TRIAL**

THE PARTIES KNOWINGLY AND WILLINGLY WAIVE ANY RIGHT THEY HAVE UNDER APPLICABLE LAW TO A TRIAL BY JURY IN ANY DISPUTE ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT OR THE ISSUES RAISED BY THAT DISPUTE.

**Attorneys' Fees**

In the event that any legal action or other proceeding is brought for the enforcement of these terms and conditions or in connection with any provision contained herein, the prevailing Party shall be entitled to recover its reasonable attorneys' fees, court costs and expenses, court costs, including, but not limited to, fees, costs and expenses incurred to collect fees, costs and expenses, and those fees and costs incurred incidentally to arbitration, mediation, investigation, discovery, travel, appellate proceedings, bankruptcy, collection, retention of expert witnesses, and post judgment proceedings.

**Additional Provisions:**

The provisions of this Agreement shall, except as otherwise provided herein, endure to the benefit of and be binding upon the Parties and their respective executors, administrators, successors, and assigns, each and every person so bound shall make, execute

and deliver all documents necessary to carry out this Agreement.

This Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and the transactions herein contemplated and replace all previous agreements and understandings, if any, between the parties with respect to the subject matter hereof and the transaction contemplated herein. Any Purchase Order previously entered into between the Parties shall also be governed by the terms of this Agreement.

Any notice to be given under this Agreement shall be in writing and delivered, faxed or mailed by prepaid registered mail or electronic mail, addressed to the party to whom it is to be given at the address hereinabove mentioned and such notice shall be deemed to have been given on the day of delivery or on the day it is faxed or e-mailed or on the fifth business day after mailing as aforesaid, as the case may be. Notices to Buyer shall include an email copy to

EMAIL: Jeffsmith205@gmail.com

NAME: Keith Smith

Notices to Seller shall include an email copy to Jane Doe. Notice of change of address may be given by any Party in the same manner.

If any provision of this Agreement shall be held invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall attach only to such provision in such jurisdiction and shall not in any manner affect or render invalid or unenforceable such provision in any other jurisdiction or any other provision of this Agreement in any jurisdiction.

Except as provided therein, the failure on the part of one Party, in any one or more instances, to insist upon the keeping, performance or observance of any of the terms, conditions or provisions of this Agreement, or to exercise any right or privilege herein conferred, shall not be construed as relinquishment of that Party's right to require the future keeping, performance or observance of any such terms, conditions or provisions.

This Agreement may be executed in one or more counterparts each of which when so executed shall be deemed to be an original and such counterparts together shall constitute but one of the same instrument.

DocuSign Envelope ID: 6EB2199C-61E7-44F2-90DB-1D3B791CDE62

**Coosa Medical Manufacturing, LLC**

By: David Hardin

Name: David Hardin

Title: CEO

Date: 12/15/2022 | 10:20 AM PST

**Yellowhammer Medical Dispensaries, LLC**

By: Keith J. Smith

Name: Keith Smith

Title: CEO

Date: 12/15/2022 | 10:29 AM PST

## PRODUCT TRANSPORT AGREEMENT

Date: \_\_\_\_\_

CARRIER Name: Steve Doe  
CARRIER Position: CEO  
CARRIER Corporate Entity: Alabama Cannabis Transport LLC  
CARRIER Address: Alabama City, AL XXXXX

Dear Keith:

This letter agreement (the “**Agreement**”) confirms the engagement of Yellowhammer Medical Dispensaries, LLC, an Alabama Limited Liability Company located at 17 20<sup>th</sup> Street North, Suite 300, Birmingham, Alabama 35203 (“**Yellowhammer**”), and Alabama Cannabis Transport, LLC an Alabama Limited Liability Company located at Alabama City, AL (“**CARRIER**”, and together with Yellowhammer, the “**Parties**”, and each a “**Party**”) to render the testing of medical cannabis products in compliance under applicable Alabama laws and regulations (“**Product**”). Yellowhammer and CARRIER hereby enter into this Agreement.

**NOW, THEREFORE**, in consideration of the mutual covenants, terms and conditions set out herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Carrier and Licensee (hereinafter, collectively, the “Parties,” or each, individually, a “Party”) agree as follows:

1. **TRANSPORTATION SERVICES.** Carrier shall provide to Licensee services in the location(s) and amounts, and pursuant to the schedules and rates as set forth herein and as further described in the accepted Statement of Work attached hereto and incorporated herein by reference as **Attachment A** (the “Transportation Services”). Additional and amended Statements of Work will be deemed issued and accepted only if signed and dated in writing by the Carrier and Licensee.

(A) During the term of this Agreement, Carrier shall provide the Transportation Services, which includes, but is not limited to, the following:

- (i) Transporting pre-packaged medical cannabis raw and processed materials and medical cannabis products for final sale (the “Goods”) from a Department-authorized location where Goods are available for collection and loading (the “Originating Location,”) using Carrier’s Department-approved vehicle to a Department-authorized location where Goods will be unloaded and delivered (the “Destination Location”), both Originating and Destination Locations located exclusively within the State of Alabama, and either the Originating or Destination Location identified as a Licensee facility on the manifest and trip plan;

- (ii) Supplying and making available the requisite vehicle and Transport Personnel when Licensee requests a shipment within forty-eight (48) to seventy-two (72) hours of the shipment being tendered hereunder;
  - (iii) Collecting, loading, transporting, unloading, and delivering shipments using Carrier's standard methods for shipment;
  - (iv) Monitoring the vehicle, Goods in the vehicle, and the vehicle's immediate surroundings for criminal activity, destruction of property, diversion of medical cannabis, and reasonably recognizable threats directly related to the Transportation Services;
  - (v) Maintaining a system of communicating and delivering or receiving manifests, trip plans, and delivery notifications, as appropriate, via METRC, telephone, emails, text messages, and other electronic communication methods;
  - (vi) Notifying Licensee of all accidents and occurrences Transport Personnel have actual knowledge of which materially impair the safety, condition, or delay the collection or delivery of the Goods; and
  - (vii) Maintaining a field supervisor on-call 24-hours a day, but in no event shall Carrier be required to monitor the Transport Personnel contemporaneously with the Transportation Services.
- (B) Licensee shall cooperate with Carrier in its performance of the Transportation Services; provide access to Licensee's premises, employees, contractors, and equipment as required to enable Carrier to provide the Transportation Services; and take all steps necessary to prevent Licensee-caused delays in Carrier's provision of the Transportation Services.
- (C) **Alabama Medical Cannabis Commission Action.** Transportation Services shall not include additional transportation-related services that the Alabama Medical Cannabis Commission (AMCC) requires Licensee to undertake in response to a Licensee complaint, investigation, suspension, revocation, or similar investigation or disciplinary matter (collectively, "AMCC Action"). In the event the AMCC requires Licensee's transportation service provider to assume additional responsibilities related to AMCC Action, Carrier and Licensee agree to negotiate in good faith the terms and consideration for such additional services in a written supplemental statement of work. Failure to reach an agreement shall not be deemed a "material breach" or be cause for termination of Transportation Services under this Agreement. As set forth in Attachment A, an Administrative Fee while AMCC Action is pending will be charged to Licensee if a DH AMCC SS Action directly or indirectly effects the Transportation Services, and such Administrative Fee shall be invoiced and due separate and distinct from entering a supplemental statement of work.
2. **TRANSPORT PERSONNEL.** Carrier shall furnish Licensee with armed drivers (the "Transport Driver"), and, if required, armed passengers (collectively, the "Transport Personnel").

- (A) **No Tolerance Policy for Workplace Harassment.** Carrier maintains a strict policy against all types of workplace harassment, including sexual harassment and other forms of workplace harassment. All forms of harassment of, or by, employees, vendors, visitors, customers, and clients are strictly prohibited and will not be tolerated. By entering this Agreement, Licensee agrees to abide by this policy in matters involving Transport Personnel. A copy of Carrier's workplace harassment policy is available upon request.
- (B) **Communicating Personnel Matters.** Each Party shall contact the other Party as soon as possible, but no later than twenty-four (24) hours, after learning of a personnel complaint or concern involving or related to Transport Personnel and any Licensee personnel, vendor, visitor, customer, or client (ex., allegations of workplace harassment). When investigating a personnel complaint or concern involving Transport Personnel, Licensee shall notify Carrier prior to interviewing its Transport Personnel.

### 3. SHIPMENT AND DELIVERY; PACKAGED GOODS.

#### (A) Shipment Requests; Shipment Scheduling Systems Currently in Place and Under Development.

- (i) Licensee shall initiate all shipment requests using Carrier's online website-based scheduling system or by completing Carrier's shipment request form and emailing it to Alabama Transport Email. For email-initiated shipments, Licensee shall contact Carrier's Shipping Contact identified in **Attachment A** to confirm receipt of the shipment request and Carrier's acceptance of the shipment request. Carrier shall accept any shipment request by confirming acceptance of the request by email or other electronic communication to the Licensee's shipping contact identified in **Attachment A** or by picking up the Goods specified in the shipment request. Carrier's acceptance of a shipment request, whether or not Carrier sends an email or other electronic communication following the request, shall serve as Carrier's acknowledgement that the requested Transportation Services are governed by the terms of this Agreement.
- (ii) Licensee shall notify Carrier a minimum of seventy-two (72) hours prior to Licensee's first shipment request. If applicable, Licensee shall notify Carrier of the date of the AMCC's onsite commencement inspection(s) and the result of the AMCC on site commencement inspections as soon as practicable.
- (iii) Licensee shall provide Carrier with the representative name(s) and contact information for the Originating and Destination Locations. Carrier shall provide Licensee with AMCC and METRC required information, including a description of Carrier's vehicle and the name(s) and Facility Agent Identification Card number(s) of Transport Personnel, to create a manifest or trip plan.

- (B) **Manifests and Trip Plans.** Each shipment under this Agreement shall be evidenced by a METRC-generated Cannabis Transportation Manifest (the "Manifest") showing the kind and quantity of Goods to be collected by Carrier at the Originating Location and to be delivered by Carrier to the Destination Location. Licensee and representatives of the Originating and Destination Locations are solely responsible for creating the Manifest

including entering into METRC the inventory of Goods to be shipped or received and the accuracy or inaccuracy of the inventory and Manifest. Carrier and its Transport Personnel shall not enter the inventory of Goods in METRC or create the Manifest. Prior to transporting the Goods, Carrier shall print the Manifest and create a trip plan. Carrier will provide the Manifest and trip plan to the Licensee and representatives of the non-Licensee Originating and Destination Location(s) as appropriate.

4. **CONDITION OF ORIGINATING AND DESTINATION LOCATIONS.** Licensee shall maintain the areas of Licensee-controlled Originating and Destination Locations where Goods will be loaded and unloaded free of debris and hazards. Transport Personnel shall not collect, load, unload or deliver Goods in any location, regardless of whether or not in Licensee's control, that Carrier or its Transport Personnel determine to be in an unreasonably hazardous condition. Carrier will not be liable for any penalty, loss, or damages sustained by Licensee or any third-party for not collecting or delivering Goods pursuant to this Section 4.
5. **GOODS TENDERED; WEIGHING GOODS.**
  - (A) Licensee shall tender, or cause representatives of third-party Originating and Destination Locations to tender Goods for shipment that are properly pre-packaged, marked, addressed, labeled, or otherwise identified in a manner appropriate to the Goods shipped to ensure safe transportation during ordinary handling in transit.
  - (B) Licensee and representatives of third-party Originating and Destination Locations shall determine and record the weight of each package shipped and are solely responsible for the accuracy or inaccuracy of the recorded package weight. Carrier and its Transport Personnel shall not weigh or record the weight of packages.
  - (C) Licensee shall properly and accurately describe the Goods in a shipment and declare its actual monetary value for transportation purposes on the Manifest;
  - (D) Licensee agrees to be bound by the accuracy of all descriptions, valuations, and other particulars furnished to the Carrier.
  - (E) Carrier shall not be liable for the content of packaged Goods. Carrier shall solely rely upon labeling provided by the Originating Location and what is discernable from the exterior of the packaged Goods.
6. **PRE-EXISTING OR CONCEALED DAMAGE.** Carrier shall not be liable for any preexisting or concealed damage of the Goods. So long as packaging remains sealed while in Carrier's custody and control, Carrier shall not be liable for any change in the cannabis including, but not limited to, mold, water content, pests, pesticides, and cross-contamination.
  - (A) **Prohibited Shipments.** LICENSEE SHALL NOT TENDER, OR CAUSE TO BE TENDERED, TO CARRIER HAZARDOUS MATERIAL, CANNABIS WASTE, PESTICIDES, HERBICIDES, ITEMS PROHIBITED BY ANY LAWS OR REGULATIONS THROUGH WHICH THE ITEMS ARE TO BE TRANSPORTED, OR

OTHER ITEMS THAT THE PARTIES AGREE WILL NOT BE TRANSPORTED BY CARRIER UNDER THIS AGREEMENT.

- (B) **Limitation on the Actual Value of Goods Shipped.** UNLESS OTHERWISE SPECIFICALLY AGREED IN A PRIOR WRITING, LICENSEE SHALL NOT TENDER OR CAUSE TO BE TENDERED TO CARRIER ANY SHIPMENT WITH AN ACTUAL VALUE IN EXCESS OF \$250,000 (TWO HUNDRED FIFTY THOUSAND DOLLARS) OR ANY SHIPMENT IN EXCESS OF THE DECLARED VALUE (the “Declared Value”). Providing a Declared Value significantly below the actual value of the shipment, without the prior written consent of Carrier, constitutes fraud against Carrier and may constitute insurance fraud.
- (C) **Delivery Schedule; Required Number of Transport Personnel.** One (1) Transport Personnel will perform the Transportation Services for a Licensee shipment with an estimated roundtrip period of twelve (12) hours or less. Two (2) Transport Personnel shall perform the Transportation Services for any shipment with an estimated roundtrip period of greater than twelve (12) hours, and under extreme weather conditions or elevated threat risk; and Licensee shall pay the hourly rate of all Transport Personnel. If Carrier reasonably anticipates that it will not be able to provide any portion of the Transportation Services on an agreed upon schedule, Carrier shall promptly notify Licensee and the AMCC of the delay in delivery and the proposed revised delivery schedule. Any time quoted by Carrier for collection and delivery are estimates only. Carrier will not be liable for any penalty, loss, or damages sustained by Licensee or any third-party resulting from a missed appointment or delay in the collection or delivery of Goods.

**7. NON-CONFORMING AND REJECTED GOODS; UNDELIVERABLE SHIPMENTS.**

- (A) Carrier shall promptly notify Licensee, upon the actual knowledge of Carrier or its Transport Personnel, of any shipment of Goods or packages:
- (i) From the Originating Location that do not conform to the Manifest;
  - (ii) That are rejected by the on-site employee or agent of the Destination Location; or
  - (iii) That are undeliverable, despite Carrier’s commercially reasonable efforts to deliver same.
- (B) Upon notification, Licensee shall provide Carrier with instructions for the immediate, efficient, and proper handling and disposition of the non-conforming, rejected, or undeliverable shipment or packages. Carrier shall not render any medical cannabis unusable. For Goods and shipments under Section 7(A), Carrier shall not be liable for any resultant third-party charges; Licensee shall reimburse Carrier for any resultant third-party charges or expenses paid by Carrier; and Licensee shall pay Carrier any additional fees pursuant to the terms of this Agreement.



8. **RECORDKEEPING.** Carrier and Licensee shall maintain complete and accurate records relating to the provision of the Transportation Services under this Agreement for a period of five (5) years.
9. **DESIGNATED CONTACT.** Each Party shall:
  - (A) Designate one of its employees or agents to serve as its primary contact with respect to this Agreement and to act as its authorized representative with respect to matters pertaining to this Agreement with such designation to remain in force unless and until a successor is appointed and the other Party is notified of the appointed successor.
  - (B) Require that a Party's designated employee or agent respond promptly to the other Party's request to ship, provide instructions, information, approvals, authorizations, or decisions that are reasonably necessary for a Party to perform its obligations in accordance with the requirements of this Agreement and ensure that the Party's materials or information are complete and accurate in all material respects.
10. **FEES, EXPENSES, AND PAYMENT TERMS.**
  - (A) In consideration of the provision of the Transportation Services by the Carrier and the rights granted to Licensee under this Agreement, Licensee shall pay the fees and rates set out in the Statement of Work attached hereto and made part hereof as **Attachment A**. Payment to Carrier of such fees and the reimbursement of expenses pursuant to this Section 10 shall constitute payment in full for the performance of the Transportation Services. Unless otherwise provided in the Statement of Work, Carrier shall invoice Licensee on a monthly basis and Licensee shall render payment to Carrier, without abatement, reduction, or setoff, within fifteen (15) days of Licensee's receipt of the invoice from Carrier. Carrier's invoice shall set forth in reasonable detail the calculation of the rates and charges arising during the period of time covered by the invoice. At Licensee's request, each invoice submitted to Licensee shall be accompanied by a copy of all Manifests, trip plans, or other receipts or documentation pertaining thereto.
  - (B) **Expenses.** Licensee shall reimburse Carrier for all reasonable expenses incurred in accordance with the Statement of Work within fifteen (15) days of Licensee's receipt of Carrier's request for reimbursement accompanied by receipts and reasonable supporting documentation.
  - (C) **Surcharges.** Carrier reserves the right to add a surcharge on its rates in the event of an increase in its costs resulting from any significant increases in insurance, fuel costs, introduction of government taxes on Transportation Services, or any other circumstances beyond Carrier's control and affecting the transportation industry in general and Alabama's medical cannabis industry in particular. All adjustments shall become affective thirty (30) days following Carrier's written notice of such surcharge.
  - (D) **Non-Disclosure.** The terms of this Agreement and the provisions, rates, and charges set forth in **Attachment A** were negotiated specifically between the Parties and only apply to

shipments transported by Carrier for Licensee. Therefore, Licensee agrees that it shall not disclose to any third parties the terms of this Agreement and the content of **Attachment A** without Carrier's prior consent.

- (E) **Method of Payment.** Payment shall be made in US dollars any commercially accepted manner that does not incur service fees, such as by check, direct deposit, or wire transfer among others, to be communicated by Carrier to Licensee. Licensee shall pay any payment service fees if it is unable to make payment pursuant to Carrier's preferred non-fee payment methods and for any checks returned for non-payment.
- (F) **Late Payments.** Except for invoiced payments that the Licensee has successfully disputed, all late payments shall bear interest at the lesser of (a) the rate of eight percent (8%) per month and (b) the highest rate permissible under applicable law, calculated daily and compounded monthly. Licensee shall also reimburse Carrier for all costs incurred in collecting any late payments, including, without limitation, attorneys' fees. In addition to all other remedies available under this Agreement or at law (which Carrier does not waive by the exercise of any rights hereunder), Carrier shall be entitled at its option to suspend the provision of any Transportation Services if the Licensee fails to pay any amounts when due hereunder and such failure continues for seven (7) days following written notice thereof, and such suspension or withholding of Transportation Services shall not be considered a breach or default of any of Carrier's obligations under this Agreement.
- (G) **No Set-Off Right.** Licensee shall not withhold payment of any amounts due and payable by reason of any set-off of any claim or dispute with Carrier, whether relating to Carrier's breach, bankruptcy or otherwise.
- (H) **Overcharge/Undercharge Claims.** Claims for alleged overcharges or undercharges shall be filed with the appropriate Party within one (1) month of the date of Carrier's invoice. Failure to file a claim with the other Party within said 1-month period shall forever bar any action at law for recovery of same. Any action at law to recover alleged overcharges or undercharges shall be commenced no later than one (1) year from the date that Carrier or Licensee has given written notice it has disallowed any part of the overcharge or undercharge claim.
- (I) **Unsatisfactory Credit Status.** If Carrier reasonably determines that Licensee's financial condition or creditworthiness is inadequate or unsatisfactory, then in addition to Carrier's other rights, Carrier may without liability or penalty take any of the following actions:
- (i) Accelerate all amounts owed by Licensee to Carrier under this Agreement and any individual shipment transaction;
  - (ii) On seven (7) day's prior written Notice, modify the payment terms specified under this Section 11 for outstanding and future individual shipment transactions, including requiring Licensee to pay cash in advance;
  - (iii) Cancel any previously accepted shipment requests;

(iv) Delay any future shipments;

(v) On seven (7) day's prior written Notice, terminate this Agreement; or

(vi) Any combination of the above.

(J) No actions taken by Carrier under Section 10(I) (nor any failure of Carrier to act under this Section 10) constitute a waiver by Carrier of any of its rights to enforce Licensee's obligations under this Agreement including, but not limited to, the obligation of Licensee to make payments as required under this Agreement.

11. **TAXES.** Licensee is responsible for all sales, use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by Licensee hereunder; provided, that, in no event shall Licensee pay or be responsible for any taxes imposed on, or with respect to, Carrier's income, revenues, gross receipts, personnel, or real or personal property, or other assets.
12. **RISK OF LOSS.** Carrier shall bear all risk of loss of and damage to or theft of the Goods commencing when Carrier accepts the Manifest containing the shipment of Goods in METRC. While on the property of the Originating Location, Carrier shall make reasonable efforts to confirm that the proffered Goods appear to match the description on the Manifest, load the Goods in the vehicle, and lock the cargo hold of Carrier's vehicle prior to accepting the Manifest in METRC. Said risk of loss ends when the on-site employee or agent of the Destination Location takes custody of the Goods even if the Destination Location's on-site employee or agent does not immediately weigh, scan, reject, or accept the delivery of all or some of the Goods into METRC.
13. **INSURANCE.** During the term of this Agreement, Carrier shall carry and maintain in full force insurance coverage which shall include workers' compensation insurance as required by Alabama laws covering all persons employed and contracted by Carrier engaged in the furnishing of services under this Agreement and general liability coverage for personal injury and property damage, which coverage shall cover the risks of false arrest, false imprisonment, malicious prosecution, libel, slander, and violation of right of privacy. Carrier shall carry and maintain a \$5,000,000 (five million dollars) excess liability policy and the certificate of insurance shall name Licensee as an additional insured. In the event Licensee requires insurance in types and amounts different than or greater than the coverage carried by Carrier, Carrier shall, if available, obtain such additional insurance at an additional charge to Licensee, with such additional charge to be determined after Carrier consults with its insurance Carriers. Licensee acknowledges that Carrier is not an insurer and that Licensee is solely responsible for assessing and obtaining adequate insurance coverage for all locations of Licensee where Carrier will perform Transportation Services, including, without limitation, all of Licensee's real and personal property and the business(es) conducted by Licensee at such locations. Each Party shall obtain and maintain insurance in amounts sufficient to cover their agreement to indemnify the other against losses, liabilities, and damages under this Agreement.

14. **INSURANCE CERTIFICATES.** On the written request of a Party, the other Party shall provide copies of certificates of insurance and policy endorsements for all insurance coverage required by under this Agreement, and shall not do anything to invalidate such insurance. This Section 14 shall not be construed in any manner as waiving, restricting, or limiting the liability of either Party for any obligations imposed under this Agreement (including but not limited to, any provisions requiring a Party hereto to indemnify, defend, and hold the other harmless under this Agreement).

15. **TERM, TERMINATION, AND SURVIVAL.**

(A) **Term of Services.** The term of Transportation Services will commence the first day Carrier provides Transportation Services to the Licensee and will continue thereafter until the completion of the Transportation Services as set forth in this Agreement (the “Service Term”), unless sooner terminated pursuant to this Agreement.

(B) **Term of Agreement.** This Agreement shall commence as of the Effective Date and shall continue thereafter until the completion of the Service Term (“Term of Agreement” or “Term”) unless sooner terminated pursuant to this Agreement.

(C) **Renewal Term.** Upon expiration of the initial Term, this Agreement shall automatically renew for additional successive one (1) year terms unless and until either Party provides written notice of nonrenewal at least sixty (60) days prior to the end of the then-current term, or unless and until earlier terminated as provided under this Agreement. In the event either Party provides timely notice of their intent not to renew this Agreement, then, unless earlier terminated in accordance with its terms, this Agreement terminates on the expiration of the then-current Service Term. In the event of automatic renewal, the fee and rate schedules shall be changed to reflect Carrier’s fee and rate structure and expenses in effect at the time of renewal.

(D) **Exclusive Use of Transportation Services.** Licensee shall use exclusively the Transportation Services of Carrier during the Term of this Agreement.

(D) **Termination.** Either Party may terminate this Agreement before expiration of the Term, effective upon written notice to the other Party (the “Defaulting Party”), if the Defaulting Party:

- (i) materially breaches this Agreement *or* any individual shipment transaction, and such breach is incapable of cure, or with respect to a material breach capable of cure, the Defaulting Party does not cure such breach within seven (7) days after receipt of written notice of such breach.
- (ii) Becomes insolvent or admits its inability to pay its debts generally as they become due;
- (iii) Is dissolved or liquidated or takes any corporate action for such purpose;
- (iv) Makes a general assignment for the benefit of creditors; or

- (v) Has a receiver, trustee, custodian, or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business.
  - (E) **Termination for Failure to Pay.** Notwithstanding anything to the contrary in this Agreement, Carrier may terminate this Agreement before the expiration date of the Term on written notice if Licensee fails to pay any amount when due hereunder:
    - (i) and such failure continues for five (5) business days after Licensee's receipt of written notice of nonpayment; or
    - (ii) two (2) or more times in any six (6) month period.
  - (F) Any Notice of termination under this Agreement automatically operates as a cancellation of any shipments that are scheduled to be picked-up after the effective date of termination, whether or not Carrier had accepted any shipment request. Regarding any shipments that are still in transit on termination of this Agreement, Carrier may require, in its sole and absolute discretion, that all deliveries of such shipments be made on either a cash-only or certified check basis.
  - (G) Upon the termination of the Agreement, each Party shall promptly return to the other Party any equipment, materials or other property in its possession or control, belonging to the other Party.
  - (H) **Survival.** The rights and obligations of the Parties set forth in this Agreement which, by its nature, should survive termination or expiration of this Agreement, will survive any such termination or expiration of this Agreement.
16. **STANDARD WARRANTIES.** Each Party represents and warrants to the other Party that:
- (A) Prior to performing any transportation services, it has obtained each necessary license from the AMCC;
  - (B) It has the full right, corporate power, and authority to enter into this Agreement and to perform its obligations hereunder;
  - (C) The execution of this Agreement by each individual whose signature is set forth at the end of this Agreement and the delivery of this Agreement have been duly authorized by all necessary corporate action;
  - (D) The execution, delivery, and performance of this Agreement will not violate, conflict with, require consent under or result in any material breach or default under the provisions of any contract or agreement to which it is a party; and
  - (E) This Agreement has been executed, and delivered by the Party and (assuming due authorization, execution, and delivery by the other Party) constitutes the legal, valid, and binding obligation of the Party, enforceable against the Party in accordance with its terms, except as may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws and equitable principles related to or affecting creditors' rights

generally or the effect of general principles of equity.

#### 17. SERVICE WARRANTY.

- (A) **Limited Warranty.** Carrier warrants to Licensee that it shall perform the Transportation Services using personnel of required skill, experience, and qualifications and in a professional and workmanlike manner in accordance with commercially reasonable industry standards for similar services and shall devote adequate resources to meet its obligations under this Agreement.
- (B) **Licensee's Exclusive Remedy for Breach of Service Warranty.** Except to the extent any claim is actually covered by applicable insurance policies, Licensee's exclusive remedy for Carrier's breach of the service warranty contained in Section 17(A) regarding any shipment is Carrier's refund of the purchase price of the corresponding individual shipment transaction. THIS SECTION 17(B) SETS FORTH LICENSEE'S SOLE REMEDY AND CARRIER'S ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTY SET FORTH IN SECTION 17(A).
- (C) **Disclaimer.** EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN SECTIONS 17(A), 29(A) (GENERAL COMPLIANCE WITH LAWS), AND 29(B) (COMPLIANCE WITH ALABAMA MEDICAL CANNABIS LAW), CARRIER MAKES NO WARRANTY, EXPRESS OR IMPLIED, WHATSOEVER REGARDING THE TRANSPORTATION SERVICES, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE. LICENSEE ACKNOWLEDGES THAT IT HAS NOT RELIED ON ANY REPRESENTATION OR WARRANTY MADE BY CARRIER, OR ANY OTHER PERSON ON CARRIER'S BEHALF, EXCEPT AS SPECIFICALLY PROVIDED IN SECTIONS 17(A), 29(A), AND 29(B) OF THIS AGREEMENT.

#### 18. INDEMNIFICATION.

- (A) **Mutual Indemnification.** Subject to the terms and conditions set forth in Section 18(B) (Exceptions and Limitations on Indemnification) and Section 19 (Indemnification Procedures), each Party ("Indemnitor") shall indemnify, hold harmless, and defend the other Party and its managers, officers, directors, employees, agents, successors, and permitted assigns (collectively, "Indemnitee") against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including professional fees and reasonable attorneys' fees, that are incurred by Indemnitee (collectively, "Losses"), to the extent they arise out of any third-party claim alleging:
- (i) any negligent or more culpable act or omission of Indemnitor (including any reckless or willful misconduct) in connection with the performance of its obligations under this Agreement; or

- (ii) any bodily injury, death of any person, or damage to real or tangible personal property caused by the negligent or more culpable acts or omissions of Indemnitor (including any reckless or willful misconduct).

Notwithstanding anything to the contrary in this Agreement, this Section 18(A) does not apply to any claim (whether direct or indirect) for which a sole or exclusive remedy is provided under another section of this Agreement.

**(B) Exceptions and Limitations on Indemnification.** Notwithstanding anything to the contrary in this Agreement, Indemnitor is not obligated to indemnify, hold harmless, or defend Indemnitee against any claim (whether direct or indirect) if such claim or corresponding Losses arise out of or result from Indemnitee's:

- (i) negligence or more culpable act or omission (including recklessness or willful misconduct); or
- (ii) bad faith failure to comply with any of its obligations set forth in this Agreement.

**(C) Sole Remedy.** SECTION 18(A) SETS FORTH THE ENTIRE LIABILITY AND OBLIGATION OF THE INDEMNITOR AND THE SOLE AND EXCLUSIVE REMEDY FOR THE INDEMNITEE FOR ANY DAMAGES COVERED UNDER SECTION 18(A).

**(D)** Notwithstanding anything herein to the contrary in this Agreement, the amount of losses, liabilities, and damages against which Indemnitor is obligated to indemnify, defend and hold harmless Indemnitee is limited to and shall not exceed the amount of insurance obtained by Indemnitor to cover his or its agreement to indemnify Indemnitor under this Agreement. To the extent the obligations of the Parties hereto to indemnify the other are covered by insurance, the Parties waive all rights against each other except such rights as they may have to the proceeds of such insurance as set forth in this Section.

**(E)** Each Party waives all of its rights of recovery under subrogation against the Indemnitees.

## 19. INDEMNIFICATION PROCEDURES.

**(A) Notice of Third-Party Claims.** Indemnitee shall give Indemnitor prompt written notice (a "Claim Notice") of any Losses or discovery of facts on which Indemnitee intends to base a request for indemnification under Section 18(A). Indemnitee's failure to provide a Claim Notice to Indemnitor under this Section 19 does not relieve Indemnitor of any liability that Indemnitor may have to Indemnitee, but in no event shall Indemnitor be liable for any Losses that result from a delay in providing a Claim Notice.

**(B) Control of Defense.**

- (i) **Indemnitor Control of Defense.** Indemnitor may assume, at its sole option, control of the defense, appeal, or settlement of any third-party claim that is reasonably likely to give rise to an indemnification claim under Section 18(A) (an "Indemnified Claim") by sending written notice of the assumption to Indemnitee on or before ten (10) business

days after receipt of a Claim Notice to acknowledge responsibility for the defense of such Indemnified Claim and undertake, conduct, and control, through reputable independent counsel of its own choosing (which Indemnitee shall find reasonably satisfactory) and at Indemnitor's sole cost and expense, the settlement or defense thereof. Indemnitee shall fully cooperate with Indemnitor in connection therewith; and may employ, at any time, separate counsel to represent it; provided, that Indemnitee is solely responsible for the costs and expenses of any such separate counsel.

(ii) **Indemnitee Control of Defense.** Notwithstanding anything to the contrary in this Section 19, Indemnitee may defend an Indemnified Claim with counsel of its own choosing and without the Indemnitor's participation if the Indemnified Claim is one for which Indemnitee properly gave Indemnitor a Claim Notice under Section 19(A) (Notice of Third-Party Claims), and Indemnitor fails to assume the defense or refuses to defend the Indemnified Claim under Section 19(B)(i) (Indemnitor Control of Defense). If Indemnitee assumes control of the defense, Indemnitor shall (a) reimburse Indemnitee promptly and periodically for the reasonable costs properly incurred in defending against the Indemnified Claim (including reasonable attorneys' fees and expenses); and (b) remain responsible to Indemnitee for any Losses indemnified under Section 18(A).

(C) **Settlement.** Indemnitor shall give prompt written notice to Indemnitee of any proposed settlement of an Indemnified Claim. Indemnitor may not, without Indemnitee's prior written consent, which Indemnitee shall not unreasonably withhold, condition, or delay, settle or compromise any indemnification-related claim or consent to the entry of any indemnification-related judgment. Indemnitee may not settle or compromise any claim or consent to the entry of any judgment regarding which it is seeking indemnification hereunder without the prior written consent of Indemnitor, which Indemnitor shall not unreasonably withhold, condition, or delay, unless the Indemnified Claim is one for which Indemnitee properly gave Indemnitor a Claim Notice under Section 19(A), and Indemnitor fails to assume the defense or refuses to defend the Indemnified Claim under Section 19(B)(i). Indemnitor's obligations under Section 18(A) shall terminate when a settlement is reached by one or both Parties the Indemnified Claim.

## 20. LIMITATION OF LIABILITY.

(A) **No Consequential or Indirect Damages.** EXCEPT FOR OBLIGATIONS TO MAKE PAYMENT UNDER THIS AGREEMENT, IN NO EVENT SHALL EITHER PARTY BE LIABLE UNDER THIS AGREEMENT TO THE OTHER PARTY OR ANY THIRD-PARTY FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES, OR DIMINUTION IN VALUE ARISING OUT OF, RELATING TO, OR IN CONNECTION WITH ANY BREACH OF THIS AGREEMENT, REGARDLESS OF (A) WHETHER SUCH DAMAGES WERE FORESEEABLE, (B) WHETHER OR NOT IT WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND (C)



THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE)  
UPON WHICH THE CLAIM IS BASED.

(B) **Maximum Liability.** EXCEPT FOR OBLIGATIONS TO MAKE PAYMENT UNDER THIS AGREEMENT, IN NO EVENT SHALL EITHER PARTY'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO CARRIER PURSUANT TO THIS AGREEMENT IN THE SIX (6) MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM OR TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000), WHICHEVER IS LESS.

21. **CUMULATIVE REMEDIES.** All rights and remedies provided in this Agreement are cumulative and not exclusive, and the exercise by either Party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the Parties or otherwise. Notwithstanding the foregoing, the Parties intend that a Party's rights under Sections 17(B) (Licensee's Exclusive Remedy for Breach of Service Warranties), 18 (Indemnification), and 20 (Limitation of Liability) are the Party's exclusive remedies for the events specified therein.
22. **INTELLECTUAL PROPERTY.** All intellectual property rights, including copyrights, patents, patent disclosures, and inventions (whether patentable or not), trademarks, service marks, trade secrets, know-how, and other confidential information, trade dress, trade names, logos, corporate names, and domain names, together with all of the goodwill associated therewith, derivative works, and all other rights (collectively, "Intellectual Property Rights") in and to all documents, work product, and other materials that are delivered to Licensee under this Agreement or prepared by or on behalf of the Carrier in the course of performing the Transportation Services except for any Confidential Information of Licensee or Licensee materials shall be owned by Carrier. Carrier hereby grants Licensee a license to use all Intellectual Property Rights free of additional charge and on a non-exclusive, worldwide, non-transferable, non-sublicensable, fully paid-up, royalty-free, and perpetual basis to the extent necessary to enable Licensee to make reasonable use of any deliverables and the Transportation Services.
23. **CONFIDENTIALITY.** All non-public, confidential, or proprietary information of the Parties, including, but not limited to, business plans and practices, concepts, products, services, software, code, security information, intellectual property, experimental work or prototypes, costs, sources of supply, pricing methods, client lists, prospective client lists, financial or technical matters, trade secrets, designs, plans, drawings, documents, data, business operations, know-how, inventions, operations, the marketing or promotion of products or services, pricing, discounts, rebates and business and information received from others, disclosed by either Party to the other Party, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated, or otherwise identified as

“confidential,” in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized by a Party in writing. This Section 23 shall not apply to information that is: (a) in the public domain; (b) known to a Party at the time of disclosure; (c) rightfully obtained by a Party on a non-confidential basis from a third-party; d) was or is independently developed by either Party without using any Confidential Information; e) disclosed in writing or orally pursuant to a AMCC written request to Carrier; or f) disclosed by Carrier officers or managers to the AMCC in the event Carrier has a good faith belief that Licensee implicated or intends to implicate Carrier in a DHSS Action. Upon either Party’s request, the other Party shall promptly return all documents and other materials received from the requesting Party. The requesting Party shall be entitled to injunctive relief for any violation of this Section.

24. **RELATIONSHIP OF THE PARTIES.** The relationship between the Parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment, or fiduciary relationship between the Parties, and neither Party shall have authority to contract for or bind the other Party in any manner whatsoever.
25. **NON-SOLICITATION.** Each Party agrees that during the Term of this Agreement and for a period of six (6) months following the termination or expiration of this Agreement, it shall not make any solicitation to employ the other Party’s personnel or independent contractors without the prior written consent of the other Party to be given or withheld in the other Party’s sole discretion.
26. **NON-EXCLUSIVE PROVISION OF SERVICES.** The Carrier retains the right to perform the same or similar type of services for third parties during the Term of this Agreement. Pursuant to AMCC regulations, Carrier will not, however: (a) cultivate, process or dispense cannabis; (b) perform the functions of a State Testing Laboratory; (c) make home delivery of cannabis or medical cannabis to anyone; (d) transport patients or caregivers to or from dispensing sites or any other licensees’ facilities; or (e) transport any cargo except cannabis, medical cannabis and associated products, materials, packages or containers.
27. **ACKNOWLEDGMENT OF CANNABIS BUSINESS.** Parties hereby acknowledge and agree that the Darren Wesley “Ato” Hall Compassion Act and its implementing regulations authorize the use and regulation of medical cannabis within the State of Alabama, and that the Alabama Medical Cannabis AMCC and Alabama Department of Agriculture and Industries oversee the medical cannabis program in Alabama. The activities contemplated by this Agreement may be illegal under state law unless each Party acts in compliance with applicable state and local laws, regulations, and ordinances. Under current Federal Cannabis Laws, the cultivation, harvesting, production, processing, marketing, distribution, sale, transfer, possession, and use of cannabis are currently illegal. “Federal Cannabis Law” means any U.S. federal law, civil, criminal, or otherwise, that is directly or indirectly related to the cultivation, harvesting, production, processing, marketing, distribution, sale, transfer, possession, and use of cannabis, cannabis, or related substances or products containing cannabis, cannabis, or

related substances, including without limitation the prohibition on drug trafficking under the Controlled Substances Act (21 U.S.C. § 801, et seq.), the conspiracy statute under 18 U.S.C. § 846, the bar against aiding and abetting the conduct of an offense under 18 U.S.C. § 2, the bar against misprision of a felony (concealing another's felonious conduct) under 18 U.S.C. § 4, the bar against being an accessory after the fact to criminal conduct under 18 U.S.C. § 3, and federal money laundering statutes under 18 U.S.C. §§ 1956, 1957 and 1960.

28. **WAIVER OF ILLEGALITY DEFENSE.** Each Party agrees that this Agreement's invalidity for public policy reasons or its violation of Federal Cannabis Laws is not a valid defense to any dispute or claim arising out of this Agreement. Each Party expressly waives the right to present any defense related to the federal illegality of cannabis and agrees that such defense shall not be asserted, and will not apply, in any dispute or claim arising out of this Agreement.

29. **COMPLIANCE WITH LAWS; LICENSES.**

(A) **General Compliance with Laws.** Except as provided under Section 29(B), each Party is and throughout the Term shall be in compliance with all federal, state, and local laws, ordinances, regulations, and orders that are applicable to this Agreement and its performance hereunder, other than Federal Cannabis Laws, except to the extent that failure to comply *would not*, in the aggregate, have a material adverse effect on a Party's ability to comply with its obligations under this Agreement. Licensee shall not request Transportation Services that would require Carrier or any of its representatives, subcontractors, or others to violate any law.

(B) **Compliance with Alabama Medical Cannabis Law.** Each Party is and throughout the Term shall be in compliance with all material requirements of State of Alabama and local medical cannabis laws, ordinances, orders, and regulations, including AMCC Regulations (collectively, "Alabama Medical Cannabis Law") that are applicable to this Agreement and its performance hereunder, except to the extent that failure to comply *could not*, in the aggregate, reasonably be expected to have an adverse effect on its ability to comply with its obligations under this Agreement. Licensee shall not request Transportation Services that would require Carrier or any of its representatives, subcontractors, or others to violate any Alabama Medical Cannabis Law.

(C) Without limiting the generality of the foregoing subsections (A) and (B), each Party shall at all times, at its own expense, obtain and maintain all certifications, credentials, fingerprint-based background checks, authorizations, licenses, and permits (including Alabama Medical Cannabis Facility Licenses and Facility Agent Identification Cards) necessary to conduct its business relating to the exercise of its rights and the performance of its obligations under this Agreement.

(D) In the event of a change of laws, rules or regulations impacting the Transportation Services under this Agreement, Licensee shall be responsible for any additional expenses incurred as a result of those changes.

30. **FURTHER ASSURANCES.** The Parties hereto shall, from time to time at the request of the other Party, without any additional consideration, and promptly following the receipt of the request, furnish the other Party such further information or assurances, execute and deliver such additional documents, instruments, and conveyances, and take such other actions and do such other things, as may be reasonably necessary or appropriate to carry out the provisions of this Agreement and give effect to the transactions contemplated hereby and thereby.
31. **ENTIRE AGREEMENT.** This Agreement, including and together with any related Statements of Work, exhibits, and schedules, constitutes the sole and entire agreement of the Parties with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, regarding such subject matter.
32. **NOTICES.** All notices, requests, consents, claims, demands, waivers, and other communications under this Agreement (each, a “Notice,” and with the correlative meaning “Notify”) must be in writing and addressed to the other Party at its address set forth below (or to such other address that the receiving Party may designate from time to time). Unless otherwise agreed herein, all Notices must be delivered by personal delivery, nationally recognized overnight courier, certified or registered mail (in each case, return receipt requested, postage prepaid), or email with confirmation of receipt. Except as otherwise

Notice to Licensee

Keith Jeff Smith  
Yellowhammer Medical Dispensaries, LLC  
17 20th street North, Suite 300  
Birmingham, AL 35203  
Phone: 205-767-8888  
jeffsmith205@gmail.com

Notice to Carrier

Alabama Cannabis Transport LLC,  
Address: XXX Street  
City: Alabama City  
State: Alabama Zip: XXXXX  
Email: act@gmail.com  
Phone:888-888-8888

provided in this Agreement, a Notice is effective only (a) on receipt by the receiving Party; and (b) if the Party giving the Notice has complied with the requirements herein.

33. **SEVERABILITY.** If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.
34. **AMENDMENT AND MODIFICATION.** This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each Party hereto.
35. **HEADINGS.** The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

36. **WAIVER.** No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. No waiver by any Party shall operate or be construed as a waiver in respect of any failure, breach, or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.
37. **ASSIGNMENT AND DELEGATION.** Except as explicitly stated in this Agreement, neither Party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld; provided, however, that Licensee may assign its rights and delegate its obligations in whole only, without such consent and upon thirty (30) days prior written notice to Carrier, to an entity to which Licensee's medical cannabis license identified in the Statement of Work is transferred pursuant to the Alabama Medical Cannabis Law. No assignment or delegation shall relieve the Licensee of any of its obligations hereunder unless the Carrier enters into a novation releasing the Licensee of its obligations under the Agreement. Any purported assignment or delegation in violation of this Agreement shall be null and void.
38. **SUCCESSORS AND ASSIGNS.** This Agreement is binding on and inures to the benefit of the Parties to this Agreement and their respective permitted successors and permitted assigns.
39. **NO THIRD-PARTY BENEFICIARIES.** This Agreement benefits solely the Parties to this Agreement and their respective permitted successors and assigns and nothing in this Agreement, express or implied, confers on any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.
40. **GOVERNING LAW.** This Agreement and all related documents including all exhibits attached hereto, and all matters arising out of or relating to this Agreement, whether sounding in contract, tort, or statute are governed by, and construed in accordance with, the laws of the State of Alabama, including its statutes of limitations, without giving effect to the conflict of law provisions thereof to the extent such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the State of Alabama.
41. **SUBMISSION TO JURISDICTION.** Any legal suit, action, or proceeding arising out of or relating to this Agreement, the other transaction documents or the transactions contemplated hereby shall be instituted in state court located in the state of Alabama in the city of Fairhope and the County of Baldwin, and each Party irrevocably submits to the exclusive jurisdiction of such court in any such suit, action, or proceeding.
42. **COUNTERPARTS.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A handwritten signed or secure e-signature copy of this Agreement delivered by

email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

43. **FORCE MAJEURE.** No Party shall be liable or responsible to the other Party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations to make payments to the other Party hereunder), when and to the extent such failure or delay is caused by or results from acts beyond the affected Party's reasonable control, including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national or regional emergency, revolution, insurrection, epidemic, pandemic, lock-outs, strikes or other labor disputes (whether or not relating to either Party's workforce), or restraints or delays affecting Carriers or inability or delay in obtaining supplies of adequate or suitable materials, or telecommunication breakdown or power outage. The Party suffering a Force Majeure Event shall give notice within seven (7) days of the Force Majeure Event to the other Party, stating the period of time the occurrence is expected to continue and shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized.

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be executed as of the Effective Date by their respective duly authorized officers.

**YELLOWHAMMER MEDICAL  
DISPENSARIES, LLC**

**Alabama Transport Company TBD**

By: \_\_\_\_\_  
Keith J. Smith  
CEO, President

By: \_\_\_\_\_  
Name: Steve Doe  
Position: CEO

**ATTACHMENT A  
STATEMENT OF WORK**

**I. TRANSPORTATION SERVICES.**

A. **Summary of Transportation Services.** Alabama Transport Company TBD (“Carrier”) shall provide Yellowhammer Medical Dispensaries, LLC (“Licensee”) with Transportation Services, including the collection, loading, transporting, unloading, and delivery of shipments of medical cannabis within the State of Alabama.

1. **Service Term:** One (1) year. The Service Term will commence the first day Carrier provides Transportation Services to the Licensee.
2. **First Day of Services:** Although the date may vary, Licensee projects that it will require Transportation Services for the first time on or about January 2023.
3. **Licensee Location:** 2160 Green Springs Highway, Birmingham, AL 35205
4. **Licensee Location Telephone No(s):** TBD
5. **Licensee Hours of Operation:** 9:00 a.m. CST – 5:00 p.m. CST
6. **Licensee Medical Cannabis License Nos.:** TBD

**B. Contacts.**

1. **Designated Contacts.**

Licensee Designated Contact:

Keith J. Smith, CEO

P)205-767-8888

Carrier Designated Contact:

Steve Doe

2. **Shipping Contacts.**

Licensee Shipping Contact:

Keith J. Smith, CEO

P) 205-767-8888

Carrier Shipping Contact:

Steve Doe

3. **Emergency contacts and telephone numbers.**

In case of an emergency,

Carrier shall contact:

**Keith J. Smith CEO**

In case of an emergency,

Licensee shall contact:

**Steve Doe: 888-888-8888**

P) 206-767-8888

C. **Vehicles.** Carrier's fleet of vehicles that will appear in ALABAMA STATE TRACKING SYSTEM include:

TBD

## II. SCHEDULES.

### A. Rate and Fee Schedules

1. **Monthly Rate:** TBD
2. **Transit Rate:** TBD
3. **Minimum Transit Time per shipment:** Two (2) hours
4. **Shipments Allotted per month:** TBD
5. **Shipment Rate above monthly allotment:** TBD
6. **Administrative Fee during DHSS Action:** TBD

### B. Number of Transport Personnel per Shipment.

1. Two (2) Transport Personnel for all shipments.

### C. Transit Time Calculation.

1. Estimated roundtrip travel time between Licensee Originating Location and the Destination Location(s) pursuant to Google Maps, MapQuest, or similar program or application; *plus*
2. Thirty (30) minutes for unloading procedures at the non-Licensee Destination Location(s). In the event Transport Personnel are required to wait or perform Transportation Services at the non-Licensee Destination Location(s) for longer than forty-five (45) minutes through no fault of Carrier, all such time shall be added to the transit time calculation in Carrier's sole discretion.

### D. Invoice and Payment Schedules.

1. **Monthly Fee.** Carrier will invoice Licensee the first monthly fee upon execution of this Agreement. Licensee shall make full payment of the first monthly fee prior to the earlier of (i) the anticipated First Day of Services identified above, or (ii) the first scheduled shipment. Thereafter, Licensee will be invoiced the monthly fee one month prior to the first day of the month for which the fee applies and full payment is due within fifteen (15) days of Licensee's receipt of Carrier's invoice. The monthly fee shall be paid prior to the first day of the month for which the monthly fee applies.



2. **Transit Time Fees.** Transit Time Fees will be invoiced after the fees are incurred. Full payment is due within fifteen (15) days of Licensee's receipt of Carrier's invoice.

**Alabama Cannabis Transport , LLC**

By: \_\_\_\_\_

Name: Steve Doe

Title: CEO

Date: TBD

**Yellowhammer Medical Dispensaries, LLC**

By: \_\_\_\_\_

Name: Keith Smith

Title: CEO

Date: TBD

**DISPENSARY SERVICES AGREEMENT**

This Dispensary Services Agreement (“**Agreement**”) is entered into as of December 7 2022 2022 (the “**Effective Date**”) by and between Yellowhammer Medical Dispensaries, LLC, an Alabama limited liability company, with its principle place of business at 17 20th Street North, Suite 300, Birmingham, AL 35203 (“**Dispensary**”) and INSA ALABAMA, LLC, an Alabama limited liability company, with its principle place of business at 218 Commerce St. Montgomery, Alabama (“**Integrated Facility**”).  
Montgomery, AL 36109

**RECITALS**

**WHEREAS**, Dispensary shall operate a state dispensary that shall be duly licensed and certified under all applicable state, local and other statutes and regulations to purchase or transfer of medical cannabis from a processor, to purchase or transfer medical cannabis from a cultivator (if the cultivator contracted with a processor to process its cannabis into medical cannabis on the cultivator's behalf), to purchase or transfer medical cannabis from an integrated facility;

**WHEREAS**, Integrated Facility shall operate an integrated facility that shall be duly licensed and certified under all applicable state, local and other statutes and regulations to, cultivate cannabis, process cannabis into medical cannabis, including proper packaging and labeling of medical cannabis products, to dispense and sell medical cannabis only to a registered qualified patient or registered caregiver, to transport cannabis or medical cannabis between its facilities, and to sell or transfer medical cannabis to a dispensary;

**WHEREAS**, Dispensary desires to engage Integrated Facility, and Integrated Facility desires to be engaged by Dispensary, related to the purchase of medical cannabis from Integrated Facility;

**NOW, THEREFORE**, in consideration of the above recitals, the representations, warranties and covenants contained herein, and for other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties hereto agree as follows.

**AGREEMENT**

1. Services.

1.1 Engagement. Dispensary hereby engages Integrated Facility to perform, upon the terms and conditions set forth in this Agreement, the duties and responsibilities more particularly described in Section 1.2 below (the “**Services**”).

1.2 Services. From time to time upon request of Dispensary and in agreement with Integrated Facility, Integrated Facility shall sell medical cannabis products to Dispensary and Dispensary shall buy medical cannabis products from Integrated Facility in compliance with all Laws and Regulations (as defined herein).

1.3 Limitation of Authority and Independent Contractor Status. Integrated Facility agrees that any authority granted to it by Dispensary under this Agreement relates solely to the Services. Integrated Facility shall not undertake any other activities for and shall not have any authority to bind Dispensary, other than any authority granted pursuant to this Agreement. The

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relationship of Dispensary and Integrated Facility is that of an independent contractor and nothing herein shall be construed as creating any other relationship.

1.4 Integrated Facility Cooperation. Dispensary and Integrated Facility agree to cooperate in good faith to furnish the Services.

2. Compensation and Expenses.

2.1 Compensation. Integrated Facility shall be compensated for its Services pursuant to this Agreement (the "**Compensation**") in a manner reasonably consistent with the nature and extent of the Services provided by Integrated Facility. Dispensary and Integrated Facility acknowledge and agree that Dispensary shall pay, or cause to be paid, to the Integrated Facility reasonable fees for the Services at the time of performance. Integrated Facility shall submit invoices to Dispensary upon providing Services and payment shall be due within thirty (30) days of such invoice date, unless otherwise agreed.

2.2 Expenses. Integrated Facility shall be entitled to reimbursement for reasonable incurred in performing the Services pursuant to this Agreement. All such expenses shall be directly related to the provision of Services and shall be subject to the prior approval of Dispensary. Dispensary shall reimburse Integrated Facility for approved expenses, in arrears, at the same time that it pays Compensation to Integrated Facility, provided that Integrated Facility submits a reasonably detailed itemization of all approved expenses incurred in connection with the provision of Services.

3. Indemnification. The Dispensary and Integrated Facility agree to indemnify, defend and hold harmless one another and their respective officers, directors, shareholders, agents, contractors, employees, successors and assigns from and against all liabilities, actions, losses or damages (including but not limited to reasonable attorneys' fees), (hereinafter "**claims**") arising out of or relating to any third-party claims based and caused by: (i) a breach of any terms, conditions, representations or warranties made by, or obligation of, the other party to this Agreement, (ii) negligence or willful act or omissions of the other, or its employees, agents, officers or directors or (iii) unauthorized or illegal acts or omissions by the other, or its employees, agents, officers or directors.

In no event shall either Dispensary or Integrated Facility be liable for any indirect, consequential, exemplary, incidental, special or punitive damages, including also lost profits, lost savings, lost opportunity costs or any other economic loss, of any type or nature, even if such party has been advised of the possibility of such damages.

4. Notices. Any notice required or permitted to be given under this Agreement shall be sent by utilizing electronic mail, with a copy sent prepaid by overnight mail utilizing a national courier with evidence of receipt (or if no electronic mail is available by overnight mail alone), addressed to the party to be notified at the following address or at such other address as may hereafter be furnished in writing to the notifying party:

If to Dispensary:

Yellowhammer Medical Dispensaries, LLC  
17 20th Street North, Suite 300  
Birmingham, AL 35203  
Attn: Keith J. Smith

If to Integrated Facility:

Insa Alabama, LLC  
218 Commerce St.  
Montgomery, AL 36104  
Attn: Greg Allen

Any notice sent in accordance with the requirements of this Paragraph 4 shall be effective on the date sent.

5. Nonwaiver. No delay or failure by either party to exercise any right under this Agreement shall constitute a waiver of that or any other right, unless otherwise expressly provided for herein.

6. Severability. If any provision of this Agreement in any way violates the laws of any state or jurisdiction, such provision shall be deemed not to be a part of this Agreement in that jurisdiction, and the parties agree to remain bound by all remaining parts hereof.

7. Confidentiality. Neither Dispensary nor Integrated Facility shall disclose any Confidential Information (as hereafter defined) of the other or any material terms received in connection with this Agreement or the Services without the other party's consent, except that each party may disclose such information (i) as required by law or applicable regulation, or (ii) as required in carrying out this Agreement. "Confidential Information" shall mean all information, of a party, not of general knowledge in the industry of such party relating to the business now or ever conducted by such party.

8. Term and Termination. The term of this Agreement shall be one (1) year. Dispensary or Integrated Facility may terminate this Agreement with thirty (30) days' notice to the other. Upon termination Integrated Facility shall be entitled to payment and approved expenses for Services performed to termination.

9. Privileged Licenses. Dispensary and Integrated Facility acknowledge that the other and its affiliates conduct business that is subject to, and exists because of, privileged licenses issued by governmental authorities. Dispensary and Integrated Facility therefore agree that, in the event that Dispensary or Integrated Facility shall determine, in its reasonable judgment (i) that the other is, or might be, engaged in, or about to be engaged in, any activity or activities that jeopardizes, or could jeopardize, it or its affiliates business licenses, or (ii) that the existence of this Agreement jeopardizes or may jeopardize, its or its affiliates business licenses, they shall have the right, upon notice to the other, to immediately terminate this Agreement, at which time the Agreement shall

cease and terminate and be of no further force and effect; provided, however, that the indemnity provisions of this Agreement shall survive any such termination.

10. **Compliance with Laws.** Throughout the term of the Agreement, each of the Dispensary and Integrated Facility shall cause its personnel, employees and independent contractors, and other personnel at such parties sole cost and expense, to conform to and comply with all present or future laws, statutes, ordinances, orders and rules, (including but not limited to the Darren Wesley "Ato" Hall Compassion Act (§ 20-2A-1, et seq., Ala. Code 1975 (as amended)) as well as any other regulations or requirements of any state, municipal or other government or department having jurisdiction over the performance of the Agreement or the Services ("Laws and Regulations").

11. **Permitting and Licensing.** Notwithstanding anything to the Contrary contained herein, Dispensary and Integrated Facility's obligations under this Agreement shall be contingent upon each party securing all standard, final, unappealable, and commercially acceptable permits and licenses and other approvals from all municipal, state and other authorities necessary to permit each party to enter into this Agreement and complete the transactions contemplated herein. Each party shall proceed diligently in a commercially reasonable manner to secure said permits, licenses, and approvals.

12. **Successors.** This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. The term "successor" shall include successors by merger or acquisition, including sale of stock or sale of assets.

13. **Assignment.** This is a personal services contract and may not be assigned or otherwise transferred without the prior written consent of the non-transferring party.

14. **Entire Agreement.** This Agreement contains the entire agreement of the parties hereto with respect to the subject matter hereof, and no change or modifications hereof shall be valid unless made in writing, signed by all of the parties hereto.

15. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which so executed shall be deemed to be an original, and all of which shall constitute one and the same agreement and may be executed in the original but electronically transmitted to all parties with the same force and effect as if an original, executed copy thereof had been delivered to all parties.

16. **Governing Law.** The validity, interpretation and performance of this Agreement shall be controlled by and construed under the laws of the State of Alabama and all disputes will be submitted to binding arbitration before one American Arbitration Association arbitrator in Montgomery, Alabama for resolution.

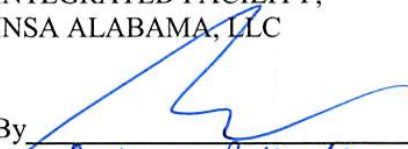
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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INTEGRATED FACILITY,  
INSA ALABAMA, LLC

By

  
Its Stephen M. Kelly / Authorized Signatory

DISPENSARY,  
YELLOWHAMMER  
MEDICAL DISPENSARIES, LLC

By

Keith J. Smith  
Its Manager

## MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (this “MOU”), dated as of \_\_\_\_\_, 2022 sets forth certain nonbinding understandings and binding agreements between AlaBloom, LLC, an Alabama limited liability company (“AlaBloom”), and Yellow Medical Dispensaries, 300 Poinciana Drive Homewood AL 35209, an Alabama limited liability company (the “Dispensary”), relating to the proposed business relationship between AlaBloom and Dispensary, whereby, pursuant to the Darren Wesley ‘Ato’ Hall Compassion Act, and the rules and regulations promulgated thereunder (the “Act”), and in compliance with the Act, AlaBloom intends to sell to Dispensary and Dispensary intends to buy from AlaBloom medical cannabis products (the “Proposed Transaction”). AlaBloom and Dispensary are sometimes referred to individually as a “Party” and collectively as the “Parties”.

1. MOU Subject to Definitive Agreement. This MOU is for discussion purposes only, and is not intended to constitute a legally binding or enforceable agreement or commitment on either Party, except for Section 3 which shall be binding on the Parties in accordance with its terms.

2. Scope. This Section 2 sets forth the scope of understandings of the Parties with respect to the Proposed Transaction. It is the present intention of the Parties that Dispensary would purchase from AlaBloom and AlaBloom would sell to the Dispensary certain medical cannabis products pursuant to the terms and conditions set forth in the Definitive Agreement entered into between the Parties upon each Party’s successful receipt of a license from the Alabama Medical Cannabis Commission pursuant to the Act.

(a) Definitive Agreement. The Parties intend to negotiate a formal written agreement that would govern the Proposed Transaction (“Definitive Agreement”). Binding obligations with respect to the Proposed Transaction shall only arise upon the execution of the Definitive Agreement by both Parties.

(b) Customary Provisions. The Definitive Agreement would contain such covenants, conditions, indemnities, representations and warranties as are customary for this type of transaction and as the Parties would mutually agree, including, but not limited to, purchase terms, purchase price, freight/delivery terms, timelines, term length, and confidentiality.

3. Binding Agreements. This Section 3 shall constitute a legally binding and enforceable agreement between the Parties. In consideration of the expenses that the Parties will incur in pursuing the Proposed Transaction and drafting and negotiating the Definitive Agreement, the Parties agree as follows:

(a) Due Diligence. Conclusion of the Proposed Transaction is subject to completion of a due diligence investigation by the Parties that yields satisfactory results to each Party.

(b) Costs and Expenses. Each Party shall be responsible for all of its costs and expenses associated with pursuing the Proposed Transaction, including without limitation

(i) the performance of its obligations under this MOU, (ii) conducting its due diligence investigation, and (iii) and drafting and negotiating the Definitive Agreement.

(c) Confidentiality. During the term of this MOU, either Party (in this capacity, referred to as the “Disclosing Party”) may disclose or make available to the other Party (in this capacity, referred to as the “Receiving Party”) information about its business affairs, products/services, confidential intellectual property, trade secrets, third-party confidential information and other sensitive or proprietary information, whether orally or in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as “confidential” (collectively, “Confidential Information”).

Confidential Information shall not include information that, at the time of disclosure: (i) is or becomes generally available to and known by the public other than as a result of, directly or indirectly, any breach of this Section 3(c) by the Receiving Party or any of its representatives; (ii) is or becomes available to the Receiving Party on a non-confidential basis from a third-party source, provided that such third party is not and was not prohibited from disclosing such Confidential Information; (iii) was known by, or in the possession of, the Receiving Party or its representatives before being disclosed by or on behalf of the Disclosing Party as established by documentary evidence; (iv) was or is independently developed by the Receiving Party without reference to or use, in whole or in part, of any of the Disclosing Party's Confidential Information; or (v) is required to be disclosed under applicable federal, state or local law, regulation or a valid order issued by a court or governmental agency of competent jurisdiction.

The Receiving Party shall: (i) protect and safeguard the confidentiality of the Disclosing Party's Confidential Information with at least the same degree of care as the Receiving Party would protect its own Confidential Information, but in no event with less than a commercially reasonable degree of care; (ii) not use the Disclosing Party's Confidential Information, or permit it to be accessed or used, for any purpose other than to exercise its rights or perform its obligations under this MOU and ultimately the Definitive Agreement, if the Parties come to terms; and (iii) not disclose any such Confidential Information to any person or entity, except to the Receiving Party's representatives who need to know the Confidential Information to assist the Receiving Party, or act on its behalf, to exercise its rights or perform its obligations under this MOU. The Receiving Party shall be responsible for any breach of this Section 3(c) caused by any of its representatives.

(d) Term and Termination. The rights and obligations of the Parties contained in this MOU shall expire upon the execution of the Definitive Agreement. Either Party may terminate this MOU after twelve (12) months from the date of this MOU without any obligation or liability to the other Party, provided however that Section 3(c), Section 3(e), and Section 3(f) shall survive such termination.

(e) Governing Law. This MOU shall be governed by and construed in accordance with the internal laws of the state of Alabama, without giving effect to any choice or conflict of law provision or rule (whether of the state of Alabama or any other



jurisdiction) that would cause the application of laws of any jurisdiction other than those of the state of Alabama.

(f) No Third-Party Beneficiaries. Nothing herein is intended or shall be construed to confer upon any person or entity other than the Parties and their successors or assigns, any rights or remedies under or by reason of this MOU.


(g) No Assignment. Neither this MOU, nor any rights or obligations hereunder may be assigned, delegated or conveyed by either Party without the prior written consent of the other Party.

(h) Counterparts. This MOU may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have executed this MOU as of the date set forth above.

AlaBloom Cultivation, LLC,  
an Alabama limited liability company.

By:   
Name: Shon Williams  
Title: Chief Executive Officer

Yellow Medical Dispensaries, LLC

By:   
Name: Jeffrey Smith  
Title:



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Yellowhammer Medical Dispensaries, LLC  
17 20th St N, Suite 300  
Birmingham, AL 35203  
Sent via email to [jeffrey@smithventures.com](mailto:jeffrey@smithventures.com)

December 8, 2022

MEMORANDUM OF UNDERSTANDING

Dear Jeffrey,

Certus Laboratories Alabama (“Applicant”), an Alabama limited liability company applying for a State Testing Laboratory License with the State of Alabama Medical Cannabis Commission (“AMCC”), is pleased to share this Memoranda of Understanding (“MOU”) detailing the proposed terms of a relationship between Certus Laboratories Alabama and Yellowhammer Medical Dispensaries, LLC.

Certus Laboratories Alabama aims to be a leading State Testing Laboratory with its testing facility in Mobile County. Certus Laboratories Alabama is interested in working with you, provided both companies obtain the requisite licenses issued by AMCC.

Contingent upon licensure by the AMCC, Applicant intends to utilize Yellowhammer Medical Dispensaries, LLC for the following services:

- perform required official testing on behalf of the AMCC, the results of which shall fulfill the testing requirements for cannabis and medical cannabis under the Act (see 20-2A-51, Code of Alabama 1975 (as amended)) and the Rules and Regulations of State Testing Laboratories for the AMCC.

While this document shall not itself constitute a binding legal agreement, the parties to this MOU will endeavor to finalize and execute a definitive agreement between the parties if Applicant is awarded a State Testing Laboratory license and Yellowhammer Medical Dispensaries, LLC is awarded a Dispensary license. Any agreement between the parties as described herein will be subject to and conditioned upon the execution of a formal written agreement.

We look forward to working with you.

Sincerely,

A handwritten signature in black ink, appearing to read "Amber Miller-Walker".

Amber Miller-Walker, Owner  
Certus Laboratories Alabama

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[support@certuslabshemptesting.net](mailto:support@certuslabshemptesting.net)

## PRODUCT TESTING AGREEMENT (TEMPLATE)

Date: \_\_\_\_\_

Tester Name: John Doe  
Tester Position: CEO  
Tester Corporate Entity: Alabama Lab Tester LLC  
Tester Address: Alabama City, AL XXXXX

Dear Keith:

This letter agreement (the “**Agreement**”) confirms the engagement of Yellowhammer Medical Dispensaries, LLC, an Alabama Limited Liability Company located at 17 20<sup>th</sup> Street North, Suite 300, Birmingham, Alabama 35203 (“**Yellowhammer**”), and Alabama Testing Lab License Holder, LLC an Alabama Limited Liability Company located at Alabama City, AL (“**Tester**”, and together with Yellowhammer, the “**Parties**”, and each a “**Party**”) to render the testing of medical cannabis products in compliance under applicable Alabama laws and regulations (“**Product**”). Yellowhammer and Tester hereby enter into this Agreement.

**Effective Date:** This Agreement shall be in effect from November 31st, 2023 until November 31<sup>st</sup>, 2024. (the “**Term**”).

**Scope:** This Agreement applies to the testing (the “**Testing**”) of the Product by Yellowhammer from Tester, in accordance with the terms set forth herein.

**Product Prices and Base Quantity:** The testing prices and/or base quantity shall be determined by Tester. Throughout the Term, Tester reserves the right to unilaterally update the Prices and/or Base Quantity and shall provide such notice to Yellowhammer. All prices are exclusive of all sales, use and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any governmental authority on any amounts payable by Yellowhammer.

**Delivery:** Yellowhammer will deliver or arrange for delivery of samples to Testing Lab unless otherwise agreed by the parties. Yellowhammer agrees that any sample(s) delivered to Testing Lab’s facility: has appropriate chain of custody documentation, including Alabama state traceability manifests, is documented accurately in all paperwork, and is representative of the harvest or lot indicated in the documentation.

All Products delivered hereunder shall be packaged in accordance with all applicable state laws and regulations, with the Product packaged separately and clearly labeled with identification of the applicable product name and weight of the contents.

**Supply:** Yellowhammer shall deliver to Tester, using an Alabama licensed medical cannabis transportation licensee, packaged and labeled

Product compliant with applicable Alabama rules and regulations. In the event of any conflict between the terms of this Agreement and the terms of any Purchase Order or any other document issued by Yellowhammer, the terms of this Agreement prevail.

**Payment:**

Tester reserves the right to require that Yellowhammer make a deposit payment in order for Tester to accept and fulfill Yellowhammer's order. On the date that Tester delivers the Product, Tester shall present an accounting of the amount due, which shall include the Price of the Product testing, quantity, name of Product, any taxes, delivery fees, subject to any credit adjustment for Yellowhammer's deposit payments, and the correlated RFID number applied through the Alabama Medical Marijuana Seed-to-Sale system. Payment will be made in full in immediately available funds on the Payment Due Date as set forth in the Order Form, Ex. A, (the "**Payment Due Date**") via cash, automated clearing house, or certified check payable as directed by Tester. Yellowhammer shall pay an 8% (eight percent) per annum interest charge on overdue amounts for the Product purchased hereunder.

**Representations:**

During the Term, Tester shall comply with and test the Product in accordance with regulations established by the Alabama Medical Cannabis Commission (the "**AMCC**") and the State of Alabama related to the testing, manufacture, production, handling, and transportation of medical cannabis and cannabis products ("**Applicable Regulations**"). In the event that any Product tested hereunder does not comply with Applicable Regulations, or does not comply with the terms of this Agreement, Yellowhammer shall notify Tester in writing of any such non-compliance within two (2) business days following the Delivery Date of the relevant Product to Yellowhammer, stating in reasonable detail the nature of such non-compliance and type and aggregate quantity of the Product to which such non-compliance applies (a "**Non-Compliance Notice**"). If such non-compliance can only be demonstrated by laboratory testing, the Non-Compliance Notice shall include documentation of the relevant test results. Tester shall have the right to replace any such non-complying testing results with compliant testing results within five (5) business days of receipt of the Non-Compliance Notice, which shall constitute full compliance by Tester of its obligation to supply testing results with respect to such Purchase Order. If Tester does not provide replacement within five (5) business days, then Yellowhammer's sole remedy shall be to receive a refund of the Price paid for the non-conforming testing results based upon the price set forth in this Agreement.

**Governing Law:**

This Agreement shall be governed by the laws of the State of Alabama. Yellowhammer and Tester submit to the jurisdiction

and venue of any state court sitting in the State of Alabama.

**Force Majeure:**

The obligations of the Parties are contingent upon earthquakes, fires, storms, floods, freezes, material reductions, accidents, labor disputes, transportation embargoes, significant oil price increases, failure of machinery, acts of God or of any government (including the AMCC), pandemics (including the COVID-19 pandemic) and any circumstances related to COVID-19 or any related epidemic, pandemic, state of emergency, government orders, government shutdowns, unavailability of labor, or materials or reasonable substitutes therefor, or other causes beyond any Party's reasonable control that relates thereto, including ceasing of operations by Tester, acts of war or terrorism, and other interferences beyond the Parties' reasonable control, to the extent the same prevent or delay the performance of the obligations herein contained.

**Taxes**

Unless otherwise indicated herein, prices do not include state, county, and/or municipal sales, use, excise or similar taxes applicable to the tested Product, or the tested Product's use by Yellowhammer or the Yellowhammer's Yellowhammers. If Tester should be required to pay the same, Yellowhammer shall be liable to pay to and to reimburse Tester for any such taxes. If required by law, Tester may collect sales or use taxes on its invoices for Product testing services sold to Yellowhammer hereunder.

**Personnel**

Tester shall assign employees and subcontractors with suitable qualifications to perform the Testing Services. Tester must independently verify testing results regardless of employee or subcontractor. While on Yellowhammer's premises, if applicable, Tester's employees and subcontractors shall comply with all reasonable security practices and procedures generally prescribed by Yellowhammer. Tester employees and subcontractors shall not be required to sign any waivers, releases or other documents to gain access to Yellowhammer's premises in connection with the performance of the Testing Services and any such waivers, releases or other documents shall be invalid and shall have no effect. Tester may replace or change employees and subcontractors. For the term of this Agreement and for twelve (12) months thereafter, Yellowhammer agrees not to solicit or retain the services of any person who is an employee of Tester and who performed Testing Services for Tester.

**Limitation and Exculpation of Liability**

TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT SHALL TESTER BE LIABLE TO YELLOWHAMMER FOR LOSS OF PROFITS, REVENUE OR INCOME, OR FOR ANY INDIRECT, PUNITIVE, SPECIAL, EXEMPLARY, INCIDENTAL, CONSEQUENTIAL OR OTHER DAMAGES ARISING FROM OR RELATED TO

THIS AGREEMENT OR RELATED TO YELLOWHAMMER'S DEVELOPMENT, PRODUCTION OR SALE OF ANY NEW OR MODIFIED FORMULATIONS OR COMBINATIONS OF THE TESTED PRODUCT TESTED BY YELLOWHAMMER, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. YELLOWHAMMER'S SOLE REMEDY FOR LIABILITY OR DAMAGES UNDER THIS AGREEMENT SHALL BE STRICTLY LIMITED TO REPLACEMENT OF ANY NON-CONFORMING TESTING OR A REFUND OF ANY FEES PAID FOR THE NON-CONFORMING TESTING BASED UPON THE PRICE AND ON THE TERMS OTHERWISE SET FORTH IN THIS AGREEMENT. YELLOWHAMMER UNDERSTANDS THAT IT MAY BE WAIVING RIGHTS WITH RESPECT TO CLAIMS THAT ARE AT THIS TIME UNKNOWN OR UNSUSPECTED.

**Indemnification**

Yellowhammer shall indemnify, protect, defend, and hold Tester, its affiliates, and its and their respective officers, directors, employees, affiliates, equity holders, managers, members, contractors, agents, consultants, advisors, and representatives harmless for, from, and against all losses, costs, expenses, penalties, and other damages (including reasonable attorneys' fees and costs) of any nature, kind or description directly resulting from or arising out of third party claims stemming from: (a) any breach, inaccuracy or non-fulfillment of any representations, warranties, covenants or agreements made by Yellowhammer in this Agreement or resulting from failure of Yellowhammer to comply with the Alabama Medical Cannabis Act, as amended from time to time, and all Alabama regulations promulgated or otherwise thereunder, or (b) any negligence, willful misconduct, defective sales-process, or defective handling of the tested Product, excepting in each instance claims stemming from the gross negligence or willful misconduct of the Tester or its officers, directors, employees, or agents.

**Use of Names and Marks;  
Reverse Engineering**

Yellowhammer represents, warrants and covenants that it shall not use, make reference to, publish, copy or otherwise designate, either orally or in writing, any logo, trademark, servicemark or tradename of the Tester ("**Mark(s)**"), except for the limited purpose of product displays or patient production information and only as allowable under the Applicable Regulations, without prior written consent of Tester. Upon the termination of this Agreement or at the written direction of Tester, Yellowhammer shall discontinue the use of all Marks of the Tester and all legends adopted in accordance with this Section. Yellowhammer shall leave in place all designations of Marks placed on the tested Product (including Marks on any and all packaging therefor) by the Tester.

Tester shall not use any portion of the tested Product, whether through planting, researching, studying, dissecting or through any other actions or methods (whether or not related to botany), to grow, create, genetically engineer, reverse engineer, or otherwise imitate or copy the Product.

In the event of a breach of any of the covenants contained in this Section, Tester shall be entitled to injunctive or other equitable relief because Tester will be caused irreparable injury and damage as a result of such breach. This right to injunctive relief shall include the right to both preliminary and permanent injunctions. Tester shall not be required to post a bond or any similar assurance if it brings any action in order to enforce any of the covenants contained in this Section.

**Medical Marijuana**

Each Party represents and warrants that it has obtained all AMCC and local approvals, permits, licenses, certificates, necessary for it to perform its obligations under this Agreement, and each Party covenants and agrees that, during the Term, it will maintain all such approvals and obtain any and all additional approvals that may be necessary for it to perform its obligations hereunder. Each Party will notify the other Party within 24 hours in writing if it learns or reasonably believes that it is not in full compliance with the terms of this Section. The Parties acknowledge that they are aware of and fully understand that despite the laws of the State of Alabama and the terms and conditions of this Agreement, holders of licenses to sell medical marijuana may still be arrested by federal officers and prosecuted under federal law. The Parties also expressly waive federal illegality as a defense to any Agreement enforcement action.

**WAIVER OF JURY TRIAL**

THE PARTIES KNOWINGLY AND WILLINGLY WAIVE ANY RIGHT THEY HAVE UNDER APPLICABLE LAW TO A TRIAL BY JURY IN ANY DISPUTE ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT OR THE ISSUES RAISED BY THAT DISPUTE.

**Attorneys' Fees**

In the event that any legal action or other proceeding is brought for the enforcement of these terms and conditions or in connection with any provision contained herein, the prevailing Party shall be entitled to recover its reasonable attorneys' fees, court costs and expenses, court costs, including, but not limited to, fees, costs and expenses incurred to collect fees, costs and expenses, and those fees and costs incurred incidentally to arbitration, mediation, investigation, discovery, travel, appellate proceedings, bankruptcy, collection, retention of expert witnesses, and post judgment proceedings.

**Additional Provisions:**

The provisions of this Agreement shall, except as otherwise provided herein, endure to the benefit of and be binding upon the



Parties and their respective executors, administrators, successors, and assigns, each and every person so bound shall make, execute and deliver all documents necessary to carry out this Agreement.

This Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and the transactions herein contemplated and replace all previous agreements and understandings, if any, between the parties with respect to the subject matter hereof and the transaction contemplated herein. Any Purchase Order previously entered into between the Parties shall also be governed by the terms of this Agreement.

Any notice to be given under this Agreement shall be in writing and delivered, faxed or mailed by prepaid registered mail or electronic mail, addressed to the party to whom it is to be given at the address hereinabove mentioned and such notice shall be deemed to have been given on the day of delivery or on the day it is faxed or e-mailed or on the fifth business day after mailing as aforesaid, as the case may be. Notices to Yellowhammer shall include an email copy to

**EMAIL: JEFFSMITH205@GMAIL.COM**

**NAME: KEITH SMITH**

Notices to Tester shall include an email copy to \_\_\_\_\_ Notice of change of address may be given by any Party in the same manner.

If any provision of this Agreement shall be held invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall attach only to such provision in such jurisdiction and shall not in any manner affect or render invalid or unenforceable such provision in any other jurisdiction or any other provision of this Agreement in any jurisdiction.

Except as provided therein, the failure on the part of one Party, in any one or more instances, to insist upon the keeping, performance or observance of any of the terms, conditions or provisions of this Agreement, or to exercise any right or privilege herein conferred, shall not be construed as relinquishment of that Party's right to require the future keeping, performance or observance of any such terms, conditions or provisions.

This Agreement may be executed in one or more counterparts each of which when so executed shall be deemed to be an original and such counterparts together shall constitute but one

of the same instrument.

**Alabama Testing Lab License Holder, LLC**

**Yellowhammer Medical Dispensaries, LLC**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: John Doe

Name: Keith Smith

Title: CEO

Title: CEO

Date: TBD

Date: TBD

# Exhibit 11 - Coordination of Information from Registered Certifying Physicians

## 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.**

Keith J. Smith

CEO

\_\_\_\_\_  
Printed Name of Verifying Individual

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

\_\_\_\_\_  
Signature of Verifying Individual

\_\_\_\_\_  
Verification Date

## **Introduction**

We understand the importance of having accurate information and a process for coordinating information as the health of our patients depends on it. Our Certified Dispenser is responsible for coordinating and receiving information and certifications from registered certifying physicians recommending medical cannabis products for patient and caregiver customers. Either our Certified Dispenser will coordinate or receive information and certifications, or they will oversee the process through an employee who has been scrupulously trained and are certain they will fully execute all responsibilities. Further, all employees who must interact with the patient registry, the Alabama Medical Cannabis Commission (“AMCC”) website, or the Statewide Seed-to-Sale Tracking System, will undergo pre-commencement IT certification for each database, demonstrating their proficiency in respect to those databases and the IT certification will be administered by a third-party IT provider the AMCC may designate. Ala. Admin Code. r. 538-x-4-.05.05.

## **Building the Relationship**

The first step to coordinating information from registered certifying physicians is the verification of the physician. Every physician we work with who is licensed to practice in Alabama who certifies or recommends a patient for the use of medical cannabis within Alabama pursuant to Ala. Code §§ 20-2A-1, et. seq. or who proposes to certify or recommend a patient for the use of medical cannabis within Alabama must obtain annually an Alabama Medical Cannabis Certification Permit from the Board. Ala. Admin Code. r. 540-X-25-.03. Our Certified Dispenser will check for the certifying physician’s registration in the Patient Registry by searching for the certifying physicians Certification Permit Identification Number and Medical License Number that is issued by the State Board of Medical Examiners. Ala. Admin Code. r. 538-x-2-.05.02.f. If the certifying physician is not in the Patient Registry, the Certified Dispenser will contact the certifying physician’s office and notify them of the lack of registration. We will never work with a physician who engages in any prohibited conduct outlined in applicable law. Ala. Code § 20-2A-32.

After confirming the certifying physician is in the Patient Registry the next step of the process is to verify the relationship between our company and the certifying physician. It will be the responsibility of the Certified Dispenser to establish and maintain relationships

between our company and the certifying physician's office. If this is the first time both parties are working with one another, the Certified Dispenser will send written communication, via email, introducing themselves, stating our company's goal of patient safety and asking for an online introductory meeting. The purpose of this meeting is to establish contact between both parties and establish methods of communication in the event either party needs to communicate with the other. After the meeting, an email will be sent confirming who the primary contact person is, their contact information, how and what timeframe they are reachable, as well as how to contact one another in case of emergency and who the secondary contact is meeting all the aforementioned requirements. This will be required for both our company and the certifying physician's medical practice.

### **Maintaining and Coordinating Information**

After verifying the certifying physician and establishing a means of communication, we will partner with the certifying physician to maintain data in the Patient Registry System that includes:

- The registered qualified patient's full legal name, date of birth, and home address;
- The registered qualifying physician's name and Alabama Medical Cannabis Certification Permit Number;
- The name of the patient's registered caregiver, if applicable;
- A description of the qualifying medical condition(s) and indication whether the qualifying condition is a terminal illness for which the registered qualified patient has a life expectancy of six (6) months or less;
- The daily dosage of medical cannabis (as measured by potency of delta-9-tetrahydrocannabinol) that the registered certifying physician is recommending to the registered qualified patient. Any daily dosage recommended by a registered certifying physician shall not exceed the limitations set forth by the AMCC for each of the qualifying medical conditions;
- The type or permissible forms of medical cannabis that the registered certifying physician recommends;

- The permissible length of duration of the certification, which shall not exceed ninety (90) days;
- A statement from the registered certifying physician certifying that a bona fide physician-patient relationship exists between the registered certifying physician and registered qualified patient;
- A statement from the registered certifying physician affirming that the registered qualified patient has been diagnosed with at least one qualifying medical condition by either the registered certifying physician or another qualified physician;
- A statement from the registered certifying physician that, prior to certifying the use of medical cannabis, he or she has, or has confirmed through primary source verification of the patient's medical records that another qualified physician has, attempted conventional medical treatments or therapies for the patient's qualifying medical condition, and that said conventional treatments and/or therapies have failed to result in successful outcomes, or that current conventional medical treatment indicates that the use of medical cannabis is the standard of care for the patient's qualifying medical condition;
- If the qualifying medical condition is based upon a terminal illness as defined in applicable law, a statement from the registered certifying physician that the patient is suffering from an illness or physical condition which the registered certifying physician professionally and reasonably expects to result in the patient's death in six (6) months or less after the date of the certification; provided, a registered certifying physician shall not recertify a patient as having a terminal illness if the patient has been certified as having a terminal illness for a period of twenty-four (24) months or more;
- An affirmation from the registered certifying physician that he or she, or his or her delegate, has obtained from the PDMP a report of information related to the registered qualified patient that includes, at a minimum, the twenty-four (24) months immediately preceding the date of the certification or recertification; and

- An affirmation from the registered certifying physician that he or she has informed the registered qualified patient of the risks and benefits of medical cannabis as it pertains to the patient's qualifying medical condition and medical history. Ala. Admin Code. r. 540-X-25-.10.05.b.1-13.

We will always comply with applicable laws and regulations and when dispensing medical cannabis to a patient, the certified dispenser, or another dispensary employee under the supervision of the certified dispenser, will enter such records into the Patient Registry and the Statewide Seed-to-Sale Tracking System. Ala. Admin Code. r. 538-x-8-.03.06. In congruity with the requirements of § 20-2A-54, Code of Alabama 1975 (as amended), we will support, participate in, and contribute to Metrc, the Statewide Seed-to-Sale Tracking System and ensure our third-party inventory and tracking systems, LeafLogix which was acquired by Dutchie, will properly interface with the Statewide Seed-to-Sale Tracking System and, as appropriate, with the Patient Registry. Ala. Admin Code. r. 538-x-4-.05.04. We will also confirm our technology and uploads to the Statewide Seed-to-Sale Tracking System are sufficient to allow access to said system by the AMCC, and, to the extent necessary and appropriate, patients and caregivers, qualified certifying physicians, other state agencies, other licensees, and law enforcement personnel. Ala. Admin Code. r. 538-x-4-.05.04.

### **Coordinating Changes of Information**

We understand as time progresses there may be changes to the patient's information in the Patient Registry. Information like that of addresses, daily doses, or caregiver and certifying physician information may change and we will monitor for changes in the Patient Registry and if necessary, email or call the certifying physician's primary contact regarding changes that affect our ability to dispense medical cannabis for the patient. Additionally, we recognize changes in the information may include voluntary relinquishments or termination of medical cannabis cards and that the registered certifying physician or the physician's designated representative will inform the AMCC by notation on the patient registry within 72 hours of: Receiving written notification of the patient's or caregiver's decision to voluntarily relinquish the patient's or caregiver's medical cannabis certification;

Determining that a patient is no longer under a diagnosis of a qualifying condition; Being notified of the death of the patient or caregiver; and/or, Learning that the caregiver has quit, been terminated, or for any other reason is no longer acting as caregiver with respect to the patient. Ala. Admin Code. r. 538-x-2-.09.02.

If there are any questions regarding the potential accuracy of changes in information, we will leverage our relationship with the certifying physician's office to clarify the changes of information with the primary contact. If we notice changes in the Patient Registry due to action taken by the AMCC, and if the changes in any way relate to the health of the patient, we will coordinate the information with the certifying physician's primary contact and notify them of the AMCC's action. For example, we will reach out to the certifying physician's primary contact when the AMCC issues a written reprimand to the patient or caregiver and include a notation of the reprimand in the patient registry. Ala. Admin Code. r. 538-x-2-.11.01.c.

### **Conclusion**

We have a plan to coordinate information with registered certifying physicians and our Certified Dispenser will oversee the successful execution of this plan. We will provide the training and resources for our Certified Dispenser to be able to execute their responsibility to the best of their ability and through building a relationship with the certifying physician's primary contact based on effective communication and an agreed process, we will mitigate the possibility of receiving inaccurate information from the Patient Registry. We fully embrace our role in serving our patients and are eager to work with registered certifying physicians to receive and coordinate information with them.



# Exhibit 12 - Plan for Point-of-Sale Responsibilities

## 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.**

Keith J. Smith

CEO

\_\_\_\_\_  
Printed Name of Verifying Individual

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

\_\_\_\_\_  
Signature of Verifying Individual

\_\_\_\_\_  
Verification Date

## **Introduction**

It is our policy that our certified dispensers will provide high quality education, consultation, information, responses to patient and caregiver questions, and instructions for use regarding all medical cannabis products at all times. Ala. Admin Code. r. 538-x-8-.05.03.d. To lay the foundation for excellence in this aspect of our dispensary operations, certified dispensers will be trained and certified by the AMCC on proper dispensing procedures, but our training program will go beyond the minimum educational thresholds established by the AMCC. Ala. Code § 20-2A-64(e)(2). Training will be an ongoing process for every certified dispenser, with continuing education, ongoing proficiency evaluations, and trainings that are both periodic and in response to discrete events. Furthermore, whenever changes occur in regulations or company policies, certified dispensers will undergo immediate retraining. This process guarantees that all certified dispensers will maintain compliance with all existing and forthcoming rules or regulations issued by the AMCC.

At a minimum, all our certified dispensers will have two years of education or experience in the fields of biology, biochemistry, chemistry, physiology, pharmacology, medicine, medical cannabis, nursing, pharmaceuticals, or a similar field. Ala. Admin Code. r. 538-x-8-.03.03. Certified dispensers will also take and pass a medical foundations training course, as required by the AMCC. Ala. Admin Code. r. 538-x-4-.04.02.a. Certified dispensers will further complete a minimum of 10 hours of continuing education as approved by the AMCC to address proper dispensing procedures, prevention of abuse and diversion of medical cannabis, and other topics related to public health, safety and good business practices relating to the dispensation of medical cannabis. Ala. Admin Code. r. 538-x-8-.03.04. Certificates of completion for all training and continuing education courses will be signed by the individual that completed the course and our Human Resources Director or other person on our team tasked with overseeing our educational compliance. Ala. Admin Code. r. 538-x-4-.04.03. We will maintain copies of these certificates for a minimum of three years. Ala. Admin Code. r. 538-x-4-.04.03.

Our certified dispensers' education will also cover the lifecycle of the cannabis plant; cultivation methodologies; processing, extraction, and infusion techniques; different strains and their physical and physiological effects; cannabinoids; terpenes; routes of

administration and their relative effects; safe and proper usage of products; safe storage of products; recognizing signs of impairment; identifying, preventing, and responding to accidental ingestion or overconsumption; intended effects and side-effects; substance abuse signs, symptoms, and resources; up-to-date laws at the federal and state level, especially as they relate to possession, consumption, dispensing practices, and patient confidentiality; and, advancements and developments in the field of cannabis science.

### **Our Four-Pronged Plan for Success**

To guarantee that our training program results in certified dispensers providing the highest quality point-of-sale education, consultation, provision of information, responses to patient and caregiver questions, and instructions for use regarding all medical cannabis products, we will focus on requiring mastery of the following four topic areas:

#### *(i) Product Knowledge and Awareness*

Our certified dispensers will be familiar with every product available at our dispensary, and they will be able to confidently explain these products in language easily understood by any patient or caregiver. Our certified dispenser will also be readily able to provide education regarding potential side effects, potential drug interactions, or other aspects of medical cannabis at the request of the patient or caregiver. Ala. Admin Code. r. 538-x-8-.03.07. We will require that certified dispensers maintain an up-to-date product catalog for reference (including product descriptions and prices) at all times. Certified dispensers will also be required to attend monthly meetings with representatives from our partner cultivation and processing licensees to learn more about their products and processes.

Moreover, our standard dispensing procedures will include providing a patient education form for first-time visitors, instructing patients on the educational materials available in-store and online, and, subscribe to a newsletter on advancements in cannabis. Well-educated patients and caregivers will be empowered to ask meaningful questions about their cannabis products and will be better able to decide exactly what products are right for them. Plus, we will require all our certified dispensers to meet on a weekly basis to discuss the various questions that patients and caregivers asked during the course of the week. Our certified dispensers will then prepare comprehensive answers to these questions

and maintain a running list in our internal computer system to respond to patient and caregiver questions more quickly and accurately in the future.

*(ii) Proper Use and Potency of Products*

Our certified dispensers will provide instructions on the proper administration of medical cannabis and will help patients and caregivers understand the effects of various products. Ala. Admin Code. r. 538-x-8-.03.07. Our certified dispensers will explain potency using standardized language with objective, descriptive explanations including, levels of THC and cannabidiol CBD present, expressed in absolute terms (milligrams) and relative terms (as a percent of the total chemical profile); relative ratios of THC to CBD; the presence or absence of various terpenes; and, absorption time. To help patients and caregivers understand the meaning of these figures, certified dispensers may use subjective explanations of potency, including relative comparisons of various products. Certified dispensers will speak in both objective and subjective terms about commonly experienced effects to provide patients and caregivers the most complete picture possible.

Certified dispensers may provide patients with administration instructions to slow the buildup of tolerance and help prevent negative side effects. Certified dispensers will explain that the onset of effects can be delayed, and to be cautious when taking cannabis products.

*(iii) Customer Service*

Our primary goal is that every patient and caregiver feel comfortable, respected, and cared for at our dispensary. Our certified dispensers will be required to have a friendly, compassionate, and knowledgeable outward appearance. They will be required to treat patients and caregivers with respect, particularly those who require more information and education than others, and they will be specially trained to accommodate people with disabilities. Our Certified dispensers will undergo a Responsible Vendor Training Program to become proficient in the best ways to communicate with patients and caregivers. Certified dispensers will always listen patiently and respond to any questions the patient or caregiver may have. Only then will our certified dispensers make recommendations within the bounds defined by the AMCC or elicit more information by asking questions to help determine their relative experience with cannabis products. For first-time users, certified dispensers will take care to explain the fundamental properties of cannabis products, commonly experienced effects, and the responsible use of cannabis.

Standard consultations with certified dispensers will include a discussion of the products available for sale at the dispensary, the physical, physiological, and psychological effects of each, and any factors that may influence the patient's preferred route of administration. Notably, our certified dispensers will never offer advice regarding the safety or effectiveness of medical cannabis, the recommended daily dosage, or type of medical cannabis recommended by the registered certifying physician. Ala. Admin Code. r. 538-x-8-.03.07. Our certified dispensers will always direct the patient or caregiver back to the registered certifying physician to address questions or provide advice on these issues. Ala. Admin Code. r. 538-x-8-.03.07. Certified dispensers will never make unscientific claims about the efficacy of cannabis in treating symptoms or diseases. Furthermore, our certified dispensers will never provide medical advice to patients, and they will never describe any cannabis product as capable of diagnosing, treating, or curing any medical condition.

Certified dispensers will, upon request, provide patients and caregivers with oral instructions for safe and proper consumption, potential side effects, and will demonstrate how to safely and properly use products. Ala. Admin Code. r. 538-x-8-.03.07. Certified dispensers will complete the guided dispensary experience by asking a few follow-up questions. Questions such as, "Do you feel fully educated on the products you are purchasing?" and, "Is there anything I can explain to make you feel more comfortable about your purchase?" will help gauge a successful and educational purchasing experience.

*(iv) Laws Governing Medicinal Cannabis Possession and Use*

We are committed to preventing the illegal use of our products. While it is the patient's and/or caregiver's responsibility to follow Alabama law, certified dispensers will facilitate adherence to the law by explaining to patients and caregivers—in clear terms—the laws which govern use of the cannabis products sold at our dispensary. This explanation will include both activities specifically allowed by law and activities specifically disallowed by law. Patients and caregivers will also be provided with supplementary written materials explaining applicable laws, including regulations promulgated by the AMCC and the Darren Wesley 'Ato' Hall Compassion Act.

**Conclusion**

By enacting rigorous, ongoing, and methodical training programs for our certified dispensers, plus regular meetings focused on curating safe, reliable, and informative patient and caregiver service interactions, we will establish a standardized and top-notch approach to providing point-of-sale education, consultation, provision of information, responses to patient and caregiver questions, and instructions for use regarding all medical cannabis products to all patients and caregivers that utilize our dispensary.

# Exhibit 13 - Confidentiality of Patient Information

## 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.**

Keith J. Smith

CEO

\_\_\_\_\_  
Printed Name of Verifying Individual

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

\_\_\_\_\_  
Signature of Verifying Individual

\_\_\_\_\_  
Verification Date

## **Introduction**

We will protect patient confidentiality and privacy as a foundational tenet of our dispensary operations. We will restrict the collection and storage of personal information by following guidelines under the Health Insurance Portability and Accountability Act ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act ("HITECH"), and by securing and preventing unauthorized access to confidential information using advanced cybersecurity technology.

Before dispensing medical cannabis, we will query the patient registry to confirm that the patient or caregiver holds a valid, current, unexpired, and unrevoked medical cannabis card. Ala. Code § 20-2A-64(e)(3)(a). We will not collect or store any patient payment information, such as credit card numbers or bank account details. If we elect to offer non cash payment options, we will contract with a third-party payment processor to facilitate these transactions without our dispensary retaining any patient data. While the State's Patient Registry will store relevant patient information, our Point of Sale ("POS") system will not maintain any records linking patient payment information to product purchases but will contain non-identifying proofs of purchase. Ala. Admin Code. r. 538-x-4-.07.12.o.01.

Our medical cannabis dispensing records will include the name of the patient; their medical cannabis card number; the name and medical cannabis card number of the caregiver if applicable; contact information of their certified physician, their comments, and the maximum recommended daily dosage; the amount and type of cannabis; and, the date and time the medical cannabis was dispensed. Ala. Admin Code. r. 538-x-8-.03.06.a-f. Any transaction information that we enter in the Alabama Medical Cannabis Patient Registry System will be maintained confidentially in accordance with HIPAA, and patient data will never be transferred, rented, traded, or sold. Ala. Code § 20-2A-35; Ala. Admin Code. r. 538-x-4-.07.12.o.09. We will secure the confidentiality of information in our databases by preventing access by unauthorized persons. Ala. Code § 20-2A-60(a)(17).

## **Employee Training**

Before authorization for work at our dispensary, all employees must complete comprehensive cybersecurity training, with additional education on a regular basis, as technology systems are updated, and new threats emerge. Our IT Director will revise



policies and procedures, test cybersecurity measures, and provide additional staff training. In addition, the IT Director will oversee security and software updates, run cybersecurity tests, revise policies and procedures, provide additional training for staff, and detail all relevant privacy laws and guidelines deemed appropriate for the company. Our IT Director has multiple years of experience in highly regulated industries, including healthcare. Upon licensure, we may contract with additional technology vendors to provide pre-employment and pre-commencement database training and IT certification for employees. Ala. Admin Code. r. 538-x-4-.05.05. These certifications must demonstrate database use proficiency and must be obtained by all employees who access any or all of: the patient registry, the AMCC website, or the Statewide Seed-to-Sale Tracking System. Ala. Admin Code. r. 538-x-4-.05.05. This IT certification will be administered by the third-party IT provider, or another, as the AMCC may designate. Ala. Admin Code. r. 538-x-4-.05.05.

We will take all necessary steps to guarantee the confidentiality of the information received, maintained, and uploaded to any of the above databases. Ala. Admin Code. r. 538-x-4-.05.07. Employee training for cybersecurity will also include: recognizing phishing emails; creating and maintaining strong passwords; avoiding dangerous websites or applications; and, any other company cybersecurity policies. At a minimum, all staff will undergo annual retraining on cybersecurity best practices. We and our cybersecurity contractors will provide staff with notices of emerging cybersecurity threats, such as new phishing scams or software vulnerabilities. We will also implement a policy prohibiting the sharing of employee-specific computer access credentials. Ala. Admin Code. r. 538-x-3-.05.03.m.16.i. Passwords will remain confidential and will not be shared among employees. Passwords must be at least 12 characters, will be required to pass a strength check, and must be changed every 90 days. Where feasible, our systems will use multi-factor authentication measures to offer further user verification. Employees will always lock their computer screen when away from their workstation. Other policies will include instruction for employees to never open or click on unsolicited email attachments. We will mandate usage of strong spam filters to prevent phishing emails from reaching employees.

Employees will also complete training on record access in our POS. This training will include use of these systems, our policies against tampering with electronic records, and

penalties for tampering with records, which will include termination of employment and reporting of any incidents to the AMCC and law enforcement. In addition to our policies against tampering, our inventory and sales software will log all access to and modifications to electronic records, including what was changed and which user changed it, providing further protection against theft or diversion facilitated or hidden by electronic records tampering. Ala. Admin Code. r. 538-x-4-.07.12.o.09.

### **Cybersecurity Procedures**

Our network security will comply with cybersecurity standards set by the International Society of Automation (“ISA”) and the International Electrotechnical Commission (“IEC”) standard 62443. Ala. Admin Code. r. 538-x-4-.05-.02. We will only utilize security software approved by our IT Director on all company owned devices to eliminate malware and phishing. Our facility will have computers with different operating systems, and we will safeguard all devices appropriately. Ala. Code § 20-2A-6.

HIPAA security consists of three areas for compliance: Administrative, Physical and Technical standards, which may include setting up separate networks for systems carrying confidential data, forcing log outs, and other standard security practices. 45 CFR 164. We will utilize a host of administrative, physical, and technical safeguards to comply with HIPAA at our facility, including but not limited to: security management process, assigned security responsibility, workforce security, information access management, security awareness training, security incident procedures, contingency planning, evacuation, facility access control, workstation use, workstation security, device and media controls, audit controls, integrity controls, person or entity authentication, and transmission security. All patient health information stored in our databases will be de-identified in accordance with HIPAA.

#### *Technical Security Measures*

Our Chief Operations Officer (“COO”) will keep all computer systems updated with the latest operating system, software, and firmware updates to patch potential system vulnerabilities. Our COO will also create and maintain plans for upgrading all system software and hardware. Our COO will enable automatic system updates on all computer systems, and systems will be routinely inspected to ensure that they are running the latest

and most secure updates. We will designate a member of management to conduct regular inspections of the information technology market to identify promising new security products and newly emerging cybersecurity threats. An enterprise-grade router equipped with a commercial security firewall and virtual private networking will provide capability for remote access through a secure, encrypted internet pathway. Any individual devices, such as laptops or tablets, will feature internal firewalls to provide further security. To prevent introducing compromised devices onto our network, we will prohibit employees, patients, and other visitors from connecting personal devices to our network.

Business-quality managed switches capable of Virtual LAN tagging will provide additional traceability and security for all network activities. Network management software will allow facility managers to monitor all network traffic to detect non-permitted network access or violations of network usage policies by employees. Through close management of network activity, management can identify potential insider security threats, such as unauthorized access/attempted access of confidential data or connection of unauthorized devices to the network.

HIPAA-compliant Microsoft Office 365 software will provide secure facility communication. All computers connected to our network will use firewalls and high-quality anti-virus/malware software. Physical hardware encryption measures such as Bitlocker will prevent theft of data in the event of a physical computer theft or physical hard drive access. We will encrypt all sensitive data stored on our servers using 256-bit encryption to prevent unauthorized access. We will regularly backup all data to secure off-site servers to avoid data loss in the event of a system failure, ransomware attack, fire, or other disaster at the facility. All backups will also be encrypted and password-protected to prevent unauthorized access or theft. We will create and maintain plans for upgrading all system software and hardware throughout our integrated facility. Ala. Admin Code. r.

538-x-4-.07.12.o.01. We will enable automatic system updates on all computers, and systems will be routinely inspected for security. We have a financial plan that accounts for all software and hardware purchases and their maintenance. Ala. Admin Code. r.

538-x-4-.05.03.

### *Incident Response*

Management will work with cybersecurity contractors to create plans for responding to incidents. In response to a security breach, we will conduct the following procedures: assess the nature and scope of the incident to determine if the breach was a malicious attack or a technical glitch; determine the source of the breach, such as a specific phishing email, downloaded application, or outside attack; identify and document the extent of the damage; immediately make a forensic image of any affected devices; implement measures to minimize damage; contain the attack and prevent it from spreading, such as by stopping ongoing network traffic caused by the attacker and disconnecting affected devices from the network; maintain detailed records of all steps taken; and, notify all relevant personnel, including management, IT personnel, security, law enforcement, the AMCC, and any affected patients.

#### *Data Breach Notifications*

We will comply with all applicable laws for notifications following a breach of security. Ala. Code § 41-9-642. For data breach notifications, our procedures will define “breach of security” as any unauthorized access to data containing unencrypted personal information that compromises the security, confidentiality, or integrity of personal information. We will use the definition of “personal information” from the Personal Information Protection Act: a username and password that would allow access to an online account, or an individual’s first name or first initial and last name linked with any one or more of the following (in unencrypted form): social security number; driver’s license, state identification card, or patient registry card number; bank account, credit card, or debit card number, access code, or password that could permit access to an individual’s financial account(s); medical information; health insurance information; or, unique biometric information. In the event of a data breach, we will provide written notice to all potentially affected individuals within 24 hours of discovering a breach, unless otherwise directed by law enforcement or the AMCC. Notice will primarily be electronic, consistent with the provisions of Section 101 of the federal Electronic Signatures in Global and National Commerce Act. 15 U.S.C. § 7001. Otherwise, notice will be a substitute notice in the form of regular U.S. mail and e-mails to all affected parties, conspicuous posting on our website, and notification to the AMCC and state-wide media.

# Exhibit 14 - Money Handling and 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.**

Keith J. Smith

CEO

\_\_\_\_\_  
Printed Name of Verifying Individual

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

\_\_\_\_\_  
Signature of Verifying Individual

\_\_\_\_\_  
Verification Date

## **Introduction**

We have developed robust financial practices with a double entry accounting system, and we will train all employees on appropriate money handling techniques. We have established procedures for our allocation of funds and remittance of taxes. These processes will be documented in our standard operating procedures (“SOPs”) and readily available for any staff to review. All finance SOPs will also be made available to the Alabama Medical Cannabis Commission (“AMCC”). Documents will be provided as needed to the Department of Revenue of the State of Alabama (“the Department”). We will always designate appropriate funds for prompt tax remittance as required by any local, state, or federal agency.

## **Financial Practices**

We will maintain our business’ financial accounts in the United States with FDIC regulated organizations, and fully disclose all credit practices. 31 U.S.C. § 5311 (2004), 118.3745(a)(4); F.D.I.C. C.2 § 121. Our financial records will be physically and digitally secured, and all staff will be trained on proper recordkeeping. Our SOPs include details on our electronic financial recordkeeping systems, and which personnel are allowed in cash storage restricted access areas. 31 U.S.C. s.5311 (1992), (b)(3-4). From these records, we will supply any documentation requested for law enforcement purposes. 31 U.S.C. § 5311(b)(1-2). We will comply with guidance issued by the Financial Crimes Enforcement Network (“FinCEN”), and we will only work with vendors or financial institutions who also comply with this Act. 31 USC § 5311 BSA 34.

We will contract with vendors for credit card processing, accounting, and armored-car services. Access to banking for cannabis businesses regularly comes with high monthly fees and extra expenses associated with cash handling. We have proactively created a positive relationship with CommerceOne, an Alabama bank based in Birmingham, to support our business in this matter. CommerceOne is a financially sound bank and reviewing the bank’s previous quarterly reports, CommerceOne has had five consecutive quarters of growth in revenue, net income, and total loans, indicating the positive trajectory of the company’s operations. We will maintain honest candor with financial entities about our cannabis transactions by providing details on our license, and we will supply all necessary

information to our banks in compliance with their customer identification program. 31 CFR § 1020.220(a)(2)(i)(A).

### **Accounting**

Our double entry accounting system will record, analyze, and classify our transactions, and will provide accountability of our assets and liabilities. Our Chief Financial Officer (“CFO”) will oversee monthly and year-end financial reconciliation of accounts payable and receivable. Our records will include gross sales, gross proceeds, gross receipts, and other books to determine our tax liability. Ala. Code § 40-23-9. Distinct records will be kept for the cultivation, processing, and dispensing aspects of our business. Ala. Code § 40-23-9. We will also work with a certified accountant familiar with the cannabis industry for tax filing. Our first tax return will be filed two and a half months after our license approval. Ala. Code § 20-2A-80(b)(3). We may file our taxes electronically. Ala. Code § 40-30-4. With these systems we will fully disclose our financial results and maintain GAAP conformity, including recognizing revenues and expenses on the accrual basis, and reconciliation of all accounts in a timely manner.

### **Money Handling**

We prioritize the safety of our community and will never launder money or consort with terrorists. 12 CFR § 21.11 (c)(4)(i); 31 U.S.C. s.5311 (2004), 118.3745(a)(3). We have developed protocols for beginning-of-day and end-of-day movement of medical cannabis and cash between secure areas and sales areas, as well as a plan for always maintaining security of daily cash on hand. Ala. Admin Code. r. 538-x-8-.05.03.m.10. We will have much higher volumes of cash than similar modern businesses since many credit card companies choose to not process cannabis transactions. Our agreement with CommerceOne incorporates large cash deposits each day. We will have a sufficient security force to protect our staff, products, and premises. All staff and vendors with access to money will undergo security and diversion training provided by our business.

Prior to the business operational hours each day, a manager and security guard will open the facility and check for any signs of intrusion or disruption. Once the facility is secured, the manager will open the secure storage area and perform cash deposit

verification. Cash deposit verification steps include: recount and verify the cash deposit prepared at the end of the close of business the previous day and send the deposit to the financial institution. Next, they will prepare each cash register to begin daily operations with a \$200 starting till. Each till will have a distribution of ones, fives, tens, and twenty-dollar bills, and sufficient coinage, including pennies, nickels, dimes, and quarters. Any non-standard bills or coin denominations, such as half-dollar coins or two-dollar bills, will be deposited to our financial institution. Finally, the manager on duty will secure the starting tills in the locking cash register drawers.

During business operational hours, a manager will always be available to dispensary staff for cash verification, or if additional bills or change are needed. Dispensary employees will collect taxes of 9% from each patient at the time of sale. Ala. Admin Code. r. 538-x-8-.03.08; Ala. Code § 20-2A-80(a); Ala. Code § 40-23-1. An additional state privilege tax will be added at a rate of 4% as a direct-to-consumer tax. Ala. Code § 40-23-26(a), (c). All money collected from this taxation will be paid to the Department. Ala. Code § 40-23-26(d).

At closing, each sales associate will close out and record their register for the day, and the manager will place their till in secure storage for the evening. Then the manager will count the cash present and verify this against the daily inventory sales records. All cash will be recorded on our daily monetary receipts and then placed in our secure cash vault. We will record cash receipts in our electronic accounting system for tax and reporting purposes. We will verify that all deposits cleared the bank the next day; deposits that are not reported by the next day or are reported at a different amount than our records will be reviewed. All financial transactions and movement of money will take place under video surveillance.

### **Tax Allocation and Remittance**

We will voluntarily disclose all taxes owed by our business and related information. We will allocate appropriate financial resources to fulfill our tax obligations at the local, state, and federal level. We will file our taxes promptly and with any required forms. Ala. Code § 40-11-4; Ala. Code § 40-23-7. We will accept any additional tax, penalty, or interest assessed upon us by the Department. Ala. Code § 20-2A-80(b)(5). Tax payments due to the



Commissioner of Revenue will be completed with a designated form. Ala. Code § 40-17A-2; Ala. Code § 20-2A-80(b)(5). We have an agreement with Canna Business Solutions to help us stay in compliance with taxes owed to the respective governmental bodies. Canna Business Solutions specializes in financial services and will be an excellent partner for our venture.

### *Local*

We will abide by all relevant taxation regulations put in place by the localities we plan to have our dispensaries in, which are Birmingham, Demopolis, and Owens Cross Roads. The minimum combined 2022 sales tax rate for Owens Cross Roads is 7%. This is the total of state, county, and city sales tax rates. We will adhere to the Alabama sales tax rate of 4% and the County sales tax rate is 0.5%. In addition, Owens Cross Roads sales tax rate is 2.5%. For Demopolis, the minimum combined 2022 sales tax rate is 10%. This is the total of state, county, and city sales tax rates. Along with the Alabama sales tax rate of 4%, the County sales tax rate is 3% and the Demopolis sales tax rate is 3%. Birmingham's minimum combined 2022 sales tax rate is 9%. This is the total of state, county, and city sales tax rates. To restate, the Alabama sales tax rate is currently 4%, the County sales tax rate is 1% and the Birmingham sales tax rate is 4%. We will only pay municipal or county tax once per sale. Ala. Code § 40-23-2.1.

### *State*

We will include in each monthly tax report details of our cash sales. Credit collections will be reported during the subsequent month once collections of credit sales have been processed. Ala. Code § 40-23-8. We will pay all due taxes at the time of reporting. We will pay all applicable privilege taxes levied against our net worth each year. Ala. Code § 20-2A-80(b)(1); Ala. Code § 40-14A-23. We will utilize charts provided by the State in Article 2 of the Alabama Business Privilege and Corporation Shares Tax regulations, and any related amendments, to calculate the amount of tax owed. Ala. Code § 40-14A-22(b); Ala. Code § 20-2A-80(b)(2).

### *Federal*

Any contribution provided to our business by the State of Alabama will be deducted from our reportable federal taxable income. Ala. Code § 40-18-35.3; 26 U.S.C. § 118(b)(2). We will make no other deductions or credits to our taxes. 26 U.S.C. § 280E. All owners, our business entity, and affiliates, will promptly pay federal income taxes. Treasury Regulation § 26.6072(b).

**Conclusion**

We will maintain detailed records of all inventories and income to support accurate calculations of our tax obligations. We will always welcome and accommodate the AMCC and their officials for an inspection. Ala. Code § 20-2A-55(d). We understand failure to cooperate could result in the seizure and impoundment of our books, ledgers, documents, writings, money receptacles, and records. Ala. Code § 20-2A-52(a)(3)(b). We will provide qualified patients with the maximum benefit of medical cannabis through protection of our products, compliant recordkeeping, and appropriate taxation. Ala. Admin Code. r. 538-x-1-.02

# Exhibit 15 - 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.**

Keith J. Smith

CEO

Printed Name of Verifying Individual

Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

Signature of Verifying Individual

Verification Date

### **15.1 Ensuring Accurate Recordkeeping**

We will obtain, install, and maintain our internal tracking systems through our third-party inventory system, Leaf Logix by Dutchie, which will interact with, as applicable, the Alabama Medical Cannabis Patient Registry System, the Statewide Seed-to-Sale Tracking System, and the AMCC website. Ala. Admin. Code r. 538-x-4-.07.12.o.01. We will ensure that our third-party inventory and tracking system properly interfaces with the Statewide Seed-to-Sale Tracking System and the Patient Registry System. Upon licensure we will demonstrate proof of purchasing and accessing our IT platforms, and our platforms will be regularly maintained and properly updated. Ala. Admin. Code r. 538-x-4-.07.12.o.01.

We will consistently maintain and annually review our plan for ensuring accurate recordkeeping, compliance with inventory protocols, and coordination of information and systems with vendors, patients, and others, as applicable. Ala. Admin. Code r. 538-x-4-.07.12.o.01. We will support, participate in, and contribute to the Statewide Seed-to-Sale Tracking System, and our technology and uploads to the Statewide Seed-to-Sale Tracking System will be sufficient to allow access by the AMCC, and, to the extent necessary and appropriate, patients and caregivers, qualified certifying physicians, other state agencies, vendors, other licensees, and law enforcement personnel, for all purposes as applicable. Ala. Admin. Code r. 538-x-4-.05.04. We will train all employees on their duties with our IT system and test their proficiency in the system before they begin any duties. All employees will fulfill their assigned duties and will learn to interact appropriately with the patient registry, the AMCC website, or the Statewide Seed-to-Sale Tracking System. Ala. Admin. Code r. 538-x-4-.05.05. These individuals will undergo pre-employment and pre-commencement IT certification administered by a third-party IT provider, or another as designated by the AMCC, for each database with which they must interact, demonstrating their proficiency in respect to those databases. Ala. Admin. Code r. 538-x-4-.05.05.

Further, we will designate a tracking system liaison and provide the AMCC the identity of the individual, by name and position, for the purposes of coordinating, monitoring, and updating the Statewide Seed-to-Sale-Tracking System. Ala. Admin. Code r. 538-x-4-.05.06.

### **15.1 Compliance with Inventory Protocols**

Upon licensure and an announced inspection, we will make our facilities, personnel, operations, and documentation available for review and auditing at the request of the AMCC inspector, and we will make available all IT files, including but not limited to our test results, any third-party inventory control and tracking systems, and the Statewide Seed-to-Sale Tracking System. Ala. Admin. Code r. 538-x-4-.02.02.b.02. Upon licensure, our third-party inventory and tracking systems will properly interface with the Statewide Seed-to-Sale Tracking System and, as appropriate, with the patient registry. Ala. Admin. Code r. 538-x-4-.05.04. Product tracking information will be updated in our databases at least daily and will be maintained for a minimum of six years (or more if requested by the AMCC, law enforcement personnel, or a court system with jurisdiction over a related matter). Ala. Admin. Code r. 538-x-4-.05.01.

During our dispensary operations, we will enter all transactions, account for all inventory, monitor patient usage, and log other relevant information as may be necessary or appropriate to our business, into the Statewide Seed-to-Sale Tracking System pursuant to applicable law. Ala. Admin. Code r. 538-x-8-.02.06.b. We will enter all transactions into the statewide seed-to-sale tracking system operated by the AMCC.

In the event of a recall, our notification protocols will alert other licensees and the AMCC through our internal inventory system and the Statewide Seed-to-Sale Tracking System. Ala. Admin. Code r. 538-x-8-.05.03.l.04. If aspects of our IT plan contributed to unsafe conditions requiring a recall, we will analyze and adjust our IT plan and internal protocols and processes to avoid recurrence. Ala. Admin. Code r. 538-x-8-.05.03.l.07.

### **15.1 Coordination of Information and Systems**

We will coordinate our information and systems with vendors, customers, and others based on our detailed plan to inventory and track cannabis and medical cannabis within the facility and to interface with Patient Registry, the Statewide Seed-to-Sale Tracking system. Ala. Admin. Code r. 538-x-4-.05.04. As a dispensary, we will use our access to the Alabama Medical Cannabis Patient Registry System to track patient and caregiver information (e.g., qualification, certification, medical cannabis card validity, and purchase limits). Ala. Code § 20-2A-35; Ala. Code § 20-2A-35(a); Ala. Code § 20-2A-35(b).

Working with the statewide seed-to-sale tracking system, we will retain a record of the date, time, amount, and price of each sale or transfer of medical cannabis to a registered qualified patient or registered caregiver, access to and coordination of which will be paid for and maintained by us. Ala. Code § 20-2A-54. At the time of dispensing medical cannabis, our certified dispenser, or another dispensary employee under the supervision of the certified dispenser, will enter into the patient registry and the Statewide Seed-to-Sale Tracking System (and attach to the package containing the medical cannabis) the following patient-specific information: the name and medical cannabis card number of the patient—and caregiver, if applicable; the name and contact information of the registered certifying physician; the amount and type of medical cannabis being dispensed; the physician’s dosing comments and maximum daily dosage recommendation; and, the date and time the medical cannabis was dispensed. Ala. Admin. Code r. 538-x-8-.03.06.a; Ala. Admin. Code r. 538-x-8-.03.06.f.

We will adopt and use primarily a third-party inventory control and tracking system that is capable of interfacing with the statewide seed-to-sale tracking system to allow us to enter or access information in the statewide seed-to-sale tracking system as required, and we will pay for and maintain our system. Our Leaf Logix by Dutchie inventory tracking system will feature all capabilities necessary to comply with the applicable requirements and more. Ala. Code § 20-2A-60. The Leaf Logix by Dutchie system is a cannabis ERP solution designed to manage operations and ensure continual compliance. Leaf Logix is equipped with a number of advantageous features, including: Reliable security on Microsoft Azure Cloud; Robust features to accommodate our unique business needs; Best-in-class support with professional and friendly technicians; Data-driven solutions to increase revenues; Up to date with the newest cannabis compliance regulations; and, Best-in-class efficient for managing growing pains as we begin our operations in Alabama.

### **15.2 Plan for Maintenance and Storage**

We are committed to maintaining and storing cannabis in a way that prevents contamination, diversion, and loss in compliance with all relevant regulations and requirements from the AMCC. Ala. Admin. Code r. 538-x-3-.05-3.m.16.b. Our dispensary facility will feature numerous process controls, protocols, and SOPs for maintaining and

storing our cannabis safely and compliantly, and our employees will be thoroughly trained on all applicable procedures before beginning operations. Primarily, we plan to utilize CRATIV packaging as our sustainable packaging solution for our dispensary's products. CRATIV packaging is recyclable, resealable, child-resistant, and compliant with all Alabama state regulations, leveraging their 50+ years of engineering experience to deliver truly sustainable packaging solutions to the cannabis industry and our medical dispensary operation.

Managers will train all employees in their respective departments on all SOPs for secure storage and recordkeeping, including SOPs for accessing the vault, secure storage areas, and any restricted access areas ("RAAs") housing plants or in-process materials. We will require all dispensing employees to complete training on storage SOPs and access to RAAs prior to beginning work at our facility. Our storage SOPs will integrate those for recordkeeping activities as well. Employees will be required to log all storage activities in our electronic inventory control system and Statewide Seed-to-Sale Tracking System to ensure traceability of all medical cannabis within our facility, no matter what stage of storage or dispensing the item is undergoing.

We will teach employees that medical cannabis should only be moved into and out of storage areas when necessary, and only when directed and accompanied by a manager. Managers will supervise all movement of products in and out of the vault or secure storage areas. Overnight, all products will remain securely locked and stored until a manager and employees arrive the next morning to begin facility operations.

We will store all cannabis and cannabis products inside of our enclosed, locked storage room or vault within our dispensary facility. Ala. Admin. Code r. 538-x-8-.05.03.m.09. The secure storage room will also be equipped with an industry-standard commercial-grade alarm system to alert of unauthorized entry. Ala. Admin. Code r. 538-x-8-.05.03.m.01. Whenever cannabis is received, individual batches of cannabis being received for storage and/or dispensing will be appropriately prepared, tagged or otherwise identified, and inserted in containers at the time of receipt.

Once products have passed testing, undergone packaging and labeling, and are ready for sale to patients and caregivers, employees will move inventory ready for sale from the in-process to the final product storage vault or secured, locked room. Keeping inventory

ready for sale separate from other facility inventory serves several purposes to enhance product safety and inventory security. All products that have not passed testing for potency and contaminants will remain in the vault, while products that have been tested, packaged, and approved for sale will be in a separate storage area.

We will conduct regularly scheduled maintenance and cleaning of all storage areas to ensure that they are properly maintained and kept in a clean and orderly condition, free from infestation by insects, rodents, birds, and pests. A minimum of once every two weeks, a manager with appropriate clearance will provide access to storage areas and will supervise employees as they perform all necessary maintenance and cleaning. We will perform cleaning procedures outside of business hours so as not to disturb operations.

The vault and secure storage area will be climate controlled, with specific temperature and humidity settings in place to maintain a cool, dry, and low humidity environment optimal for maintaining the integrity and quality of all medical cannabis and products. These measures will also prevent conditions in the room from becoming hospitable to potential bacteria or pests, which could potentially further compromise the integrity of the products in storage. Storing our cannabis within strict moisture and temperature controls will mitigate the development of mold or other contaminants on our products that could harm Alabama patients. We will also employ Integrated Pest Management (“IPM”) techniques in all areas where cannabis is stored. Additionally, we will incorporate odor controls, such as ONA gel canisters, positive pressure air systems, and air curtains, to prevent odors from escaping storage areas or contaminating other products.

#### *Limitation of Access*

To mitigate theft and diversion, we will limit access to cannabis storage areas to essential personnel by position, which may include our Leadership, Inventory Manager, Certified Dispensers, and other select authorized staff members. Our SOPs will identify the personnel with authorization to access our storage areas and will be updated pursuant to change. Furthermore, all storage areas will feature key-card access doors with commercial-grade locks and alarms. We will post signage at the entrance to each RAA notifying personnel that access is restricted and identifying which employees are permitted to access the area, which will feature locks and alarm systems to notify our facility of any



unauthorized entries. Ala. Admin. Code r. 538-x-8-.05.03.m.01. Usable cannabis products and cannabis related items will be highly secured and monitored to prevent theft and diversion. Our surveillance systems will provide 24/7 continuous monitoring of facility entry points and all Restricted Areas such as our usable cannabis storage area. Ala. Admin. Code r. 538-x-8-.05.03.m.04. We will maintain security of usable cannabis and related items by maintaining a secure and locked storage area, logging the quantity and quality of all cannabis and cannabis related products into our inventory management system, limiting and restricting access to authorized personnel, and maintaining a 24/7 video surveillance of the storage area.

### **15.5 Criminal Activity Plan**

Our criminal activity plan details the steps we will take in the event of criminal activity related to cannabis or medical cannabis within our possession and control. We will maintain, review, and update policies to report theft, diversion, or other loss of cannabis or medical cannabis to the AMCC and to law enforcement within 24 hours of the event or its discovery. Ala. Admin. Code r. 538-x-8-.05.03.m.15. Fortunately, our CEO is also a special deputy with the Jefferson County Sheriff's department and has helped our business establish a very close relationship with local law enforcement to facilitate ease and directness of communication in the case of any criminal activity on our premises.

Once discovered, management will initiate notification and investigation protocols to determine the cause of the criminal activity and will update internal procedures to mitigate any further criminal activity in the future. We will always comply with all investigations into criminal activity at our facility. We recognize the Alabama State Law Enforcement Agency, or a local law enforcement agency may search our facilities and property where there is probable cause to believe that a criminal law has been violated and the search is conducted in conformity with constitutional and state law. Ala. Code § 20-2A-7(f). We understand the AMCC may notify appropriate authorities regarding any misconduct, and we will cooperate fully in any criminal investigation that may lead to the imposition of charges and penalties against our business or any associated entity or individual. Ala. Admin. Code r. 538-x-4-.22.09. We will immediately report to the AMCC and local law enforcement any trespassing on our property or unlawful entry into our facility. If a trespasser manages to

enter the facility, employees will avoid the individual and shelter-in-place by remaining where they are, locking any entrances, activating the silent alarm, and contacting 911. In the event of an armed robbery, employees will follow the procedures outlined in our Security Plan. After an event, management will conduct a diversion/theft investigation after any facility interior trespassing event to determine how the unauthorized individual gained access to the facility and if diversion or theft occurred.

**Safety of Employees:** We will conduct our operations to refrain from any critical violation that could pose a clear and present danger to the safety of our employees, patients, caregivers, or the public. Ala. Admin. Code r. 538-x-4-.02.04.b.01. The safety of employees and others on the premises starts with screening for individuals through a national criminal background check. Prior to appointment, employment, or service to our operations, all officers, employees, contractors, and other individuals performing work of any character who would have access to cannabis, a medical cannabis facility, or related equipment or supplies, must submit to a state and national criminal background check. Ala. Code § 20-2A-59(a). Employees will undergo no less than ten (10) hours of continuing education of medical cannabis education and no less than five (5) hours of safety training that will include safety pertaining to criminal activity. Ala. Admin. Code r. 538-x-4-.04.02.b. All employees will complete comprehensive safety training prior to beginning work at our facility, which will include instruction on the facility's Emergency Action Plan ("EAP"), which we will construct to comply with all applicable regulations from the Bureau and the federal Occupational Safety and Health Administration ("OSHA"). We will adhere to the AMCC's training program for dispensers that addresses proper dispensing procedures, and other topics relating to public health and safety and preventing abuse and diversion of medical cannabis.

Our highest priority in operations is the safety of all personnel and patients/caregivers at our facility. Pursuant to guidelines from OSHA, we will establish an Emergency Response Team ("ERT") composed of our Chief Executive Officer ("CEO"), Chief Operating Officer ("COO"), Chief Compliance Officer ("CCO"), Director of Security, and HR Director. As mentioned above, our CEO is a special deputy with the Jefferson County Sheriff's department and our business has already formed a close relationship with local law

enforcement and emergency services through his contacts. We will rely on this relationship to receive the most immediate support from local law enforcement and emergency services possible in response to an emergency at our facility.

The ERT will: conduct research and compile our emergency and safety procedures, including general emergency response plans, a fire plan, and procedures for security breach and armed robbery response; train employees on these policies; and, supervise evacuations and other emergency response activities. Our ERT will maintain and review at least annually our criminal activity plan. Ala. Admin. Code r. 538-x-3-.05.03.m.16.e.

**Reporting Criminal Activity:** Our ERT will construct guidelines and procedures for reporting to and communication with regulatory bodies, law enforcement, and other licensed medical cannabis organizations. We will implement and train staff on these guidelines prior to our facility beginning operations. We will develop procedures for notification of the AMCC and law enforcement in accordance with the reporting requirements. Procedures will include when notification is required, who is to be notified, how notification is to occur, and who is responsible for performing the notification. A designated manager will notify the AMCC, the Alabama Police, and local law enforcement immediately after discovering any adverse loss, diversion, theft, criminal activity, or suspected criminal activity at our facility or from any vehicle transporting medical cannabis to or from our facility.

Our employees will be trained to contact 911 in the event of an emergency. In the event of any criminal activity, staff will contact law enforcement having jurisdiction over the area to report that a crime has been committed. We will keep lists of emergency phone numbers by all landline telephones. We will designate a member of management responsible for immediate notification of local law enforcement and notification of the AMCC within 24 hours of becoming aware of any alarm activation, an event requiring response by public safety personnel, breach of security; or, failure of the security alarm system due to a loss of electrical support or mechanical malfunction that is expected to last longer than 24 hours. All notifications will include details on the reported incident and any corrective measures taken. We will maintain records of all notifications in an auditable form for at least four (4) years after providing the notification.

**Preservation of Cannabis and Maintaining Access:** At all times we will maintain a plan, and review at least annually, 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. Ala. Admin. Code r. 538-x-4-.07.12.o.04. This will include steps for maintaining secure storage of our cannabis stock, maintaining adequate cannabis stock so that patients/caregivers can receive their medicine, notification procedures to our patients/caregivers, and communication with the AMCC and all law enforcement agencies. We will provide and maintain a plan for sufficient staffing of security guards at each facility where cannabis and medical cannabis is present to reasonably ensure the safety of employees and others on the premises; and at a minimum, provide one (1) security guard per facility during our business/operating hours. Ala. Admin. Code r. 538-x-8-.05.03.m.08. Our parking lot will be monitored and supported for the reasonable safety and security of customer patients and caregivers. Ala. Admin. Code r. 538-x-8-.04.02.

We will also maintain strong relationships with supplying licensees to be able to provide cannabis stock in a short time frame should ours be compromised by criminal activity. After a criminal event occurs, we will notify these licensees of our need for additional cannabis stock immediately. We will also comply with recommendations from the Drug Enforcement Administration (“DEA”) for pharmaceutical facilities handling controlled substances. For example, we will store medical cannabis and products at in compliance with DEA requirements for Schedule I controlled substances identified in Title 21, Part 1301.71 - 1301.77 of the Code of Federal Regulations, using securely locked safes or steel cabinets bolted to the floor in our secure storage room.

#### **15.6 – SOPs – EMERGENCY PROCEDURES/DISASTER PLAN**

We are committed to compliant and safe operations focused on emergency preparedness and adequately responding to emergencies to maintain employee and visitor safety and to assist in maintaining accountability of all medical cannabis and maintaining access for those who depend on it. Ala. Admin. Code r. 538-x-3-.05.03.m.16.f. To mitigate danger to employees and others on the premises, employees will undergo no less than five hours of safety training including safety pertaining to criminal activity. Ala. Admin. Code r.

538-x-4-.04.02.b. Our Director of Security and Security Guards will train staff on responding to various emergencies and natural disasters before they begin work. In response to an emergency, we will conduct the following procedures: assess the nature and scope of the emergency to determine which emergency service should be notified; determine the source of the impact, such as a specific employee, process, or outside event; implement measures to minimize damage; Contain the emergency and prevent it from spreading, such as by evacuating employees; maintain detailed records of all steps taken; notify all relevant personnel, including management, IT personnel, security, law enforcement, the AMCC, and any affected individuals or businesses; identify and document the extent of the emergency; and, immediately make a forensic copy of applicable surveillance devices, which may be used for later analysis or serve as evidence.

Employees will also be trained on various medical emergency situations. We will install easily accessible voice dialing phone systems, so that employees may more easily contact emergency services. We will keep Emergency Kits in marked locations throughout the facility for quick access in an emergency. Staff will check the emergency kit once per month to verify all contents are present, in working condition, and unexpired. We will also keep an emergency kit inside a designated “shelter in place” location in case severe weather approaches quickly and evacuation is not possible. Our “shelter-in-place” location will be an interior room or rooms within our facility, with space to take refuge. We will also designate an Emergency Response Team (“ERT”) to oversee all emergency plans and protocols at our facility. The ERT’s emergency plans will include procedures for employees to follow in the event of a hazardous situation, security breach, armed robbery, or violent event. The ERT will also develop any additional procedures as required by the AMCC in response to any special security concerns.

If a potential threat or hazardous situation is present outside of the facility, any employee on site will inform other employees and visitors of the threat, remain indoors, verify that all facility entrances are locked, and stay away from doors and windows. Employees will be trained to keep hazards outside and if possible, not allow any hazard or violent individual to access the inside of the facility. If a threat, hazard, or suspicious individual enters the facility, employees will contact security personnel immediately.

Primarily, employees will immediately call 911 or contact law enforcement agencies in response to a potential threat or suspicious individual.

**Preservation of Cannabis/Medical Cannabis:** We have also developed specific protocols for preserving all cannabis or medical cannabis products at our facility. To maintain an adequate stock of medical cannabis reserved for dispensing in case of emergency, we will regularly set aside a portion of our cannabis in the secure storage area marked as “in case of emergency.” Our facility and secure storage areas will feature environmental controls to preserve cannabis in ideal conditions. Detection equipment, including a professionally monitored fire alarm, will be present throughout the facility to alert building occupants of any emergency conditions. A qualified alarm technician will test all detection equipment at least every 30 days, and we will keep all equipment in good working order. We will strategically position fire alarms to be visible, audible, or perceivable from any location in the facility. A fire sprinkler system will provide coverage throughout the facility to immediately suppress any fire. All facility exterior doors will allow free egress by the facility’s occupants in case of an emergency. Ala. Admin. Code r. 538-x-8-.05.03.m.06. Fire extinguishers will be located throughout our facility, with as many available as is feasible for our space and recommended by the local Fire Department. Our facility will also feature other fire suppression equipment, such as overhead sprinklers and partitionable HVAC systems to prevent a fire from spreading from one room of our facility to another. As a coastal state, Alabama is at a relatively high risk for floods and hurricanes. In the case of flooding, we will train personnel to quickly respond to the threat to human health. Management will monitor persistent rains and storms within one hundred miles using online weather monitoring services, and severe weather alerts will be regularly communicated to personnel via company email, phone calls, and/or announcements over the facility’s communication system (e.g., a speaker system).

**Reasonable Efforts to Maintain Access:** Following an emergency, we are committed to taking reasonable steps to maintain access to medical cannabis for those who depend on it. We plan to develop and maintain a stock of cannabis reserved for dispensing in case of emergency. In the event of an emergency that might compromise the safety of the cannabis

at our facility, proper procedures for the safe removal, secure transportation, and compliant temporary storage are paramount to preserving the integrity of our cannabis and protecting the safety of our Alabama patients. Though the AMCC has yet to provide guidance on permitted activities following an emergency or disaster, should an emergency or disaster occur, we will request a Temporary Variance from the AMCC and receive approval before implementing our procedures in case an emergency renders our business unable to comply with regulatory requirements. Ala. Admin. Code r. 538-x-1-.08-1; 538-x-4-.08.06. Once approved, our plan will begin by removing cannabis stock in an orderly and secure fashion by collecting secure storage containers and loading them into emergency transportation vehicles. Staff will ensure that all cannabis that can be preserved by removal is tracked via a handwritten removal log and the Statewide Seed-to-Sale Tracking System, if the emergency allows. Any cannabis removed that was not tracked and recorded initially will be inventoried once the cannabis is secure in its temporary storage location. After being removed from our primary facility, cannabis stock will be transported to a secure temporary storage facility (if permitted by the AMCC), from which it can be safely dispensed to patients. To the extent possible, this temporary secure storage area will meet all requirements for secure storage of cannabis and will be fitted with commercial locks and alarm systems. Access protocols will remain the same and only designated employees will handle and transfer cannabis between the storage area and other areas of the temporary facility.

We will also proactively communicate with our patient and caregiver base following an emergency to facilitate their access to medical cannabis. We will send out notifications via all available communication channels to inform patients and caregivers that an emergency or disaster has occurred and where and when they will be able to collect their medical cannabis following the event. However, should the AMCC provide any guidance that differs from our proposed plan, we will alter our procedures to be compliant with any applicable regulatory requirements. Though we may not be able to immediately dispense cannabis following an emergency, we will take reasonable steps to dispense compliantly as soon as possible.

## **15.7 -SOPs – ALCOHOL, SMOKE, AND DRUG FREE WORKPLACE POLICY**

We will maintain at all times and review annually following this application process, a clear written Alcohol, Smoke, and Drug Free Workplace Policy, which will also be included in our Employee Handbook and/or Policies and Procedures Manual. Ala. Admin. Code r. 538-x-3-.05.03.m.16.g. Maintaining our workplace as alcohol, smoke, and drug free is paramount to maintaining an environment of security, safety, and health for our employees, patients, and any visitors at our medical cannabis facility. Our HR Director will maintain records related to the policy, including the detailed written policy itself and copies of signed employee signature pages confirming understanding of and consent to the policy, all of which will be available to the AMCC. Fortunately, our HR Director is an experienced HR executive who brings over a decade of experience in HR and people management to our organization. As Director of HR & Communications for Care Ventures, Inc. from 2011 to 2021, she interviewed, hired, and onboarded over 300 new employees for multiple healthcare companies in different healthcare settings, while also serving as a member of the company's Executive Council Committee, responsible for the overall operation of the company as well as strategic planning for the future. Her experience leading HR management at successful businesses gives her the expertise necessary to implement an effective alcohol, smoke, and drug free workplace policy at our Alabama dispensary.

We will require staff to sign documents stating they understand there is zero tolerance for alcohol and drug use at the workplace and that they will abstain from such use during work hours or while on our premises.

We are committed to maintaining a safe, alcohol-free, smoke-free, and drug-free work environment for all employees, agents, customers, and visitors. We will therefore explicitly prohibit the use, possession, solicitation for, or sale of personal cannabis, illegal drugs, alcohol, cigarettes, tobacco products, or prescription medication without a prescription on facility premises or while performing work-related assignments. All employees will complete training on our alcohol, smoking, and drug-free policy during onboarding and will read and consent to the policy in writing. Being impaired or under the influence of legal or illegal drugs or alcohol away from company premises, if such impairment or influence adversely affects the employee's work performance, the safety of the employee or of others, or damages our organization's reputation, may result in immediate job termination.



We will prohibit the presence of prohibited substances in employees' urine while at work on company property, or while on company business. We may therefore ask employees to submit to a drug and/or alcohol test at any time management feels that an employee may be under the influence of drugs or alcohol. Any company employee 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 an employee is tested for drugs or alcohol outside of the employment context, such as by law enforcement, and the results show a violation of this policy, or if an employee refuses a request to submit to testing under this policy, the employee may be subject to appropriate disciplinary action, including discharge from employment. In such a case, the employee will be given an opportunity to explain the circumstances prior to any final employment action becoming effective.

At all of our facilities, we will have surveillance cameras in place to monitor and record staff activity continuously. The cameras, along with "Cameras in Use" signs will be in conspicuous areas to discourage staff from engaging in any acts which would violate the integrity of an alcohol, smoke, and drug free workplace. Management will also monitor staff conduct by observing daily operations and make explicit notes if they suspect any activity violating this plan. We will prohibit staff from working while under the influence of any drugs or alcohol, including medical cannabis. Also, all staff are subject to random drug screenings, which can serve as a deterrent for employees.

We will have the proper standard operating procedures ("SOPs") in place that guarantee this zero-tolerance policy for alcohol- and drug-use which will outline the following steps and more, updated accordingly as the business begins and continues operation. Employees will be subject to testing based on (but not limited to) observations by the supervision of apparent workplace use, possession, or impairment and a member of the management team will be consulted before sending an agent for testing. Employees will also be subject to testing when they cause or contribute to accidents that seriously damage a company vehicle, machinery, equipment, or property or result in an injury to themselves or another employee requiring offsite medical attention in which there is a reasonable basis for concluding that drugs and/or alcohol use could have contributed to the incident.

In addition to random drug tests, we will also train management accordingly to uphold our SOPs and written policies. These trainings will help those in management identify key indicators of potential violations of the alcohol, smoke, and drug free workplace and walk them through the steps to confront any individual they suspect of such violations. Management will also educate and inform staff of these SOPs and inform them of the health and safety risks associated with being intoxicated while working within the workplace. To maintain a successful alcohol, smoke, and drug free workplace, we will ask staff to submit feedback on the effectiveness of our current SOPs and see if any changes or updates are necessary, with the aim of continuous improvement.

As new staff will enter operations throughout our business' lifecycle, it is paramount they are trained at the onset not only on all our SOPs, but specifically on maintaining our alcohol, smoke, and drug free workplace. Management will regularly, and at least annually, review our policies to maintain compliance with all guidance from the Commission and to ensure the policies reflect our company's vision for a fastidiously maintained alcohol, smoke, and drug free workplace. Our goal to have an alcohol, smoke, and drug free workplace is not only to implement such a policy but to maintain it and engrain it within our company culture. Following each of the steps outlined here, with a special emphasis on education, training, monitoring, and proper deterrence, we will be able to go above and beyond the requirements set by the State of Alabama and the AMCC for our medical cannabis workplace.

#### **15.8 – SOPs – EMPLOYEE SAFETY PLAN**

Our Employee Safety Plan will always comply with parallel OSHA Standards applicable in similar workplaces. We will aid in OSHA's mission of ensuring that employees work in a safe and healthful environment by setting and enforcing standards, and by providing training, outreach, education, and assistance. Both our CCO and Director of Quality Assurance have undergone OSHA and HIPAA training and will lead trainings on, reviews of, and updates regarding OSHA and HIPAA compliance for our facility and applicable operations. Their knowledge and expertise will help our dispensary implement and maintain a strict standard of compliance with OSHA and HIPAA regulations for the safety and protection of our employees and patients.

Under the Occupational Safety and Health Act of 1970, we have a responsibility as employers to provide a safe workplace. To this end, we will comply with all applicable OSHA Standards, which are the regulatory requirements established and published by OSHA pursuant to the Occupational Safety and Health Act of 1970 and subsequent laws. We will comply with the General Duty Clause of the OSH Act, which requires employers to keep their workplace free of serious recognized hazards. 29 USC 654. We will always follow mandatory standards for general industry and any other applicable standards, as well as any guidance specific to the cannabis industry. 29 CFR 1910. We will comply with standards for recording and reporting occupational injuries and illnesses. 29 CFR 1904. Since we will move and store cannabis products in our facility, we will also account for common hazards and solutions for warehouse workers, such as: Ergonomic and Musculoskeletal Disorders; Forklifts; Materials Handling; Slips, Trips, and Falls; Hazardous Chemicals; Emergency Planning; Electrical Hazards; Lockout/Tagout; Heat Illness; Automation and Robotics; Refrigerated Warehousing; Temporary Workers; and, Stress and Fatigue.

We will demonstrate and maintain standard operating procedures regarding our Employee Safety Plan in such a way that they can be readily accessed from the physical site of operations upon the request of inspectors, the AMCC, or AMCC staff. Ala. Admin. Code r. 538-x-3-.05.03.m.16.h. We will maintain at all times, and review at least annually, our employee safety plan that complies with parallel OSHA standards applicable to similar types of businesses (to the extent such standards can be extrapolated to fit our workplace). Ala. Admin. Code r. 538-x-4-.07.12.o.08. Our Director of Human Resources will review our Employee Safety Plan with the leadership team at least annually and adjust as needed.

Due to the potentially hazardous nature of our workplace, all team members are responsible for familiarity and compliance with OSHA, EPA, and state regulations regarding job safety and health protection. We will cooperate with all reasonable OSHA and EPA inspections and compliance reviews. We will provide training and materials explaining the applicable standards and guidelines for all employees during their initial work period, and periodically when applicable regulations are revised or added. All employees are required to participate, and a record will be maintained of all those in attendance. OSHA's Hazard Communication Standard requires that warning labels with orange and orange-red biohazard symbols be affixed to containers of regulated waste or, alternatively, red bags

may be used. Employees who may come into contact with hazardous materials are required to receive information and training after the start of employment. We will maintain additional information, including a copy of the safety data sheets (“SDS”), about any chemical used or stored in the facility, which is available to employees during working hours. Staff will undergo training on how to maintain OSHA safety protocols while on premises, such as: wearing PPE; allowing rest time for staff between tasks of 10-minute breaks every two hours of work and one hour lunch break between every four hours of work; and, reporting potential workplace hazards to our CCO. Applicable material safety data sheets will be readily available in dispensing areas. We will use the Hazard Analysis of Critical Control Points (“HACCP”) system to identify specific safety hazards and measure and control them to ensure the safety of our products. HACCP is a science-based, systematic tool used in various industries to assess safety hazards and establish control systems that focus on prevention rather than relying exclusively on managing collateral damage. We will use our HACCP system throughout all stages of production to avoid dangerous work environments throughout the dispensing workflow. Part of this process will be establishing Critical Control points throughout the production process and a system of measurements designed to monitor, evaluate, and control any variance or hazard to employee or visitor safety and security.

We will provide gloves, coveralls, and respirators for use in conjunction with hazardous and potentially health-afflicting materials. We will always refer to the list of registered sanitizing agents kept by the AMCC when procuring our supplies. To ensure worker and consumer safety, we will always identify, hold, and store toxic cleaning compounds, sanitizing agents, and other chemicals in a manner that protects against contamination. OSHA has identified falling and tripping as being major hazards associated with similar facilities and work environments. This is especially the case when floors are wet, damp, or otherwise coated in a way that makes them increasingly slippery. We will require employees to wear slip-resistant shoes within production areas.

We will utilize the following PPE for our employees’ safety: Hand Protection (e.g., protective gloves, nitrile gloves) where cut hazards or potential exposure to corrosive liquids, blood, chemicals, or other infections materials exist; Head Protection (e.g., hard hats) where danger of falling objects exist; Eye Protection (e.g., goggles or glasses) where

risk of eye injuries exists, such as punctures, abrasions, contusions, or burns; Face Protection (e.g., face shields) where danger of flying particles or materials exist; Foot Protection (e.g., steel-toed boots) where risks of foot injury from corrosive, poisonous, or hot substances, or from falling objects, crushing, or penetrating actions exist; Hearing Protection (e.g., ear plugs) where risks of hearing damage from occupational noise exist and exceed the acceptable sound levels of the OSHA Noise Standard; Respiratory Protection (e.g., respirator, gas masks) where respiratory health risks exist from inhaling smoke, fumes, particulate matter, etc.; Clothing Protection (e.g., plastic aprons) where risk of splashing chemicals exists; and, Sanitation Equipment (e.g., shoe booties, hair nets, beard nets) where staff will be handling food or drugs.

We will also keep Emergency Kits in marked locations throughout the facility for quick access in an employee safety emergency. Staff will check the emergency kit once per month to verify all contents are present, in working condition, and unexpired. The emergency kit will include: a fire extinguisher; bottled water; non-perishable food; flashlights with extra batteries; first aid kit (assorted bandages, gauze, antibiotic ointment, sterile gloves, tweezers, antiseptics, cleansing wipes, scissors, and common over-the-counter medications such as Tylenol and Benadryl); a basic toolbox (wrench, pliers, screwdriver, hammer); garbage bags; hand sanitizer; face masks or coverings; buckets; a battery-powered radio; a charged cellular phone with charging cord; and, a USB battery pack.

#### **15.9 – SOPs – CONFIDENTIAL INFORMATION AND CYBERSECURITY PLAN**

We will provide effective controls and procedures to guard against unauthorized access to our electronic systems or our confidential business data. We will create and maintain a dispensing plan for maintaining confidential information and providing cybersecurity for sensitive information with respect to patients and caregivers, and we will include within that plan a set of protocols for maintaining the confidentiality of patient information in accordance with HIPAA arising from or related to our access to the Patient Registry and/or from any other source. Ala. Admin. Code r. 538-x-8-.05.03.e. Our controls will include methods that protect against electronic records tampering. We will take all necessary steps to confidentially maintain records with any personally identifying or private business information. Ala. Admin. Code r. 538-x-4-.05.07. When creating policies for the security of

our hardware, software, and data, we have consulted regulations found in Title 45 of the Code of Federal Regulations, including the Health Insurance Portability and Accountability Act (“HIPAA”), and the Health Information Technology for Economic and Clinical Health Act (“HITECH”). We have also adopted best practices for cybersecurity used by HIPAA-compliant medical facilities, to prevent unauthorized access or theft of our data.

Our IT Director will oversee our compliant and confidential recordkeeping system. They will also perform regular audits of our records and update standard operating procedures (“SOP”) as needed to maintain compliance and accurate recording. Our IT Director is an experienced Software Engineer and Information Security leader. Over the past 4+ years he has served as a Principal Engineer for Shipt, leading software development projects in support of making grocery delivery available to 80% of households in 5,000+ cities. Previously, he served as a leader in the Healthcare Information Security space, in addition to numerous years designing and building custom software for small and large businesses across the country. With the company Influence Health, he performed application architecture advisory for multiple teams, led an Information Security team revamp in HIPAA regulated space and served as a manager, leading investigations after security events related to in-house applications/products. With his breadth of IT security expertise, he will develop and deliver trainings on HIPAA and related policies for our employees related to their job roles. Our IT Director will also receive support on HIPAA from our CCO, Director of Quality Assurance, and Director of Quality Control, who are all trained in HIPAA protocols and have expertise in HIPAA trainings for employees.

Employees that interact with the patient registry, AMCC website, or seed-to-sale system will earn certifications, prior to beginning their job, for each database they will use. Ala. Admin. Code r. 538-x-4-.05.05. All employee training will include online safety, including how to create strong passwords, avoid dangerous websites, and recognize phishing emails. We will also provide staff with notices of emerging cybersecurity threats, such as software vulnerabilities or new phishing scams. Our IT Director will keep all computer systems updated with an efficient and compliant operating system, software, and firmware updates to patch potential system vulnerabilities. They will also conduct regular analysis of the information technology market to identify promising new security products and detect newly emerging cybersecurity threats.

We will rely on our experienced IT Director to facilitate security and software updates, run cybersecurity tests, revise policies and procedures, provide additional training for staff, and other IT functions. Upon licensure approval, we may contract with additional technology vendors to provide specific database training for employees. Ala. Admin. Code r. 538-x-4-.05.05. Coordination of any data with our vendors will be tracked through the state medical cannabis patient registry and seed-to-sale systems, which we will maintain. Ala. Code § 20-2A-35.

Our network security will comply with cybersecurity standards set by the International Society of Automation (“ISA”) and the International Electrotechnical Commission (“IEC”) standard 62443. Ala. Admin. Code r. 538-x-4-.05-.02. We will utilize security software on all company owned devices, to eliminate malware and phishing. Our facility will have computers with different operating systems, and we will safeguard all devices appropriately. Ala. Code § 20-2A-6.

Our Leaf Logix inventory system will be directly compatible with the state seed-to-sale system and patient registry. Ala. Admin. Code r. 538-x-4-.05-.04. We will use tags to facilitate our inventory tracking that include bar codes, QR codes, RFID tags, NFC tags, or other equivalent system for assigning unique numbers to cannabis products. Ala. Code § 20-2A-63(i). This process may require additional hardware specific to scanning digital codes. We will create and maintain plans for upgrading all system software and hardware throughout our dispensary facility. Ala. Admin. Code r. 538-x-4-.07.12.o.01. We will enable automatic system updates on all computers, and systems will be routinely inspected for security. Our financial plan accounts for all software and hardware purchases and their maintenance. Ala. Admin. Code r. 538-x-4-.05.03.

Our cybersecurity plan focuses on minimizing the amount of data we retain and limiting opportunities for security breaches. We will maintain complete, accurate, and confidential records of all sales, transfers, and destruction of cannabis products. Each record will include the individual or cannabis business to whom the product is sold or transferred, and the quantity, variety, form, and cost of the cannabis items. Any interactions that we conduct with the Alabama Medical Cannabis Patient Registry System will be maintained confidentially in accordance with HIPAA. Ala. Code § 20-2A-35; Ala. Admin. Code r. 538-x-4-.07.12.o.09. Our medical cannabis dispensing records will include the name of the

patient; their medical cannabis card number; the name and medical cannabis card number of the caregiver if applicable; contact information of their certified physician, and their comments, and the maximum recommended daily dosage; the amount and type of cannabis; and, the date and time the medical cannabis was dispensed. Ala. Admin. Code r. 538-x-8-.03.06.a-f. All dispensing records will be maintained confidentially and securely. We will also maintain certain business records as confidential. We will keep a record of any individual that has been on our dispensary facility premises at any point in time. These records will include an individual name, time and date of entry, time and date of exit, and the reason for their presence, and we will maintain them for at least two years. Ala. Admin. Code r. 538-x-4-.07.12.o.11.i. Additionally, we will privately maintain our employee records including their personal information, resumes, references, payroll details, and job reviews. Our business records can be made available to the AMCC or law enforcement agencies as necessary.

HIPAA security consists of three areas for compliance: Administrative, Physical and Technical standards, which may include setting up separate networks for systems carrying confidential data, forcing log outs, and other standard security practices. 45 CFR 164. We will utilize a host of Administrative, Physical, and Technical safeguards to comply with HIPAA at our facility, including but not limited to: security management process, assigned security responsibility, workforce security, information access management, security awareness training, security incident procedures, contingency plan, evacuation, facility access control, workstation use, workstation security and device and media controls, audit controls, integrity controls, person or entity authentication and transmission security.

We will consistently utilize rigid recordkeeping practices throughout our facility, and in all business operations. Our SOPs will always be readily accessible at our dispensary facility upon the request of inspectors, the AMCC, or AMCC staff. Ala. Admin. Code r. 538-x-3-.05-.3m.16.i. We will always comply with AMCC inspections and provide access to records as necessary. Ala. Admin. Code r. 538-x-4-.02.02.b.02.

#### **15.10 – SOPs – WASTE DISPOSAL PLAN**

We are committed to providing a clean and safe experience for not only medical cannabis patients but for our employees and visitors as well. We will do this through a



multi-faceted waste disposal plan that incorporates a culture of compliance among our staff, as well as disposal practices and waste management procedures designed to protect the health of our customers, employees, and our local community. Therefore, we will always maintain and review at least annually, a plan for tracking and proper disposal of waste cannabis or medical cannabis, including all parts thereof, as applicable. Ala. Admin. Code r. 538-x-4-.07.12.o.10. Our plan will, at a minimum, leave no part of the disposed or waste cannabis or medical cannabis either usable or recognizable as such. Ala. Admin. Code r. 538-x-4-.07.12.o.10. Further, we will establish and maintain standards, procedures, and requirements for hazardous and chemical waste product storage and disposal, and chemical storage that comply with Chapters 27 and 30 of Title 22, Code of Alabama, 1975.

The primary objective of our waste disposal and sanitation plan is the health and safety of our customers, visitors, vendors, local community, and employees, with a particular focus on preventing the contamination of any cannabis and related cannabis items. This plan includes not only the compliant disposal of waste but also the careful management of waste to ensure that cannabis and related cannabis items do not contaminate the environment, and extends to the entire interior and exterior of our building.

Our standard operating procedures for waste encompass our cannabis waste, non-cannabis waste, recycling program, sustainability, and efforts to limit waste. Part of our environmental and sustainability plan is an effort to reduce our facility's production of waste and consumption of resources. Our water supplies will be sufficient for our facility activities and derived from a source that is a regulated water system. Our facility structure will include plumbing that is adequate to carry sufficient quantities of water to locations through the facility and convey sewage and waste from the facility without cross contamination of potable water and waste.

We will utilize Waste Management ("WM") to provide waste pickup and disposal services for our facility. Their local pickup services in Birmingham already have routes that will easily access our facility location and our facility employees can collect waste and dispose of it in cans/dumpsters as they would at home. Our staff will properly remove litter and waste, so they do not contribute to potential sources of contamination in areas where cannabis plants are located. Our facility will feature waste receptacles that are properly labeled and emptied at least daily. Since we are not permitted to reuse any tags that have

already been affixed to any cannabis products, we will be sure to compliantly sort and store these tags, so they are not reused. If we can recycle or compost the tags, we will seek to do so, with AMCC approval.

We will utilize our inventory tracking system to track all cannabis waste linked to unique identification numbers. Ala. Code § 20-2A-60(a)(1). We are committed to conservation and will strive to reduce waste in all segments of operations. Staff will follow detailed instructions related to waste disposal and transport, especially those that concern destruction and disposal of cannabis waste or hazardous materials. These policies and procedures will ensure maximum compliance with all requirements set forth by the AMCC and all relevant law, preventing diversion of cannabis waste and protecting the environment and people of Alabama from the negative effects of improper waste disposal.

We will demonstrate the ability to destroy unused or waste cannabis in accordance with applicable law. Ala. Code § 20-2A-62(c)(4). We may render the material unusable and unrecognizable in several ways utilizing grinders, shredders, or combining cannabis waste with non-cannabis organic waste until it is unrecognizable. Once rendered unrecognizable, waste will be collected and prepared for pickup by WM trucks.

Secure disposal and destruction of recalled and unusable cannabis are the final steps to assure that such products do not make their way back into the market and that associated waste and byproducts do not contaminate the environment. Prior to disposal, staff will remove cannabis products from their packaging and render them unrecognizable and unusable. Verification of this event will be performed by a manager and will be conducted in a restricted, secured, and surveilled access area. We will always enter these destruction and disposal records into the Statewide SeedTo-Sale Tracking System. Should more information about disposal be needed, we will provide, in writing, any additional information the AMCC may request.

Whenever we dispose of or destroy cannabis, we will destroy it or render it unusable and will create and maintain a written record of the disposal of the cannabis by our business and weigh the cannabis and update it in the inventory prior to disposal or destruction. The entire destruction process will be monitored, documented, and recorded; we will incorporate continuous electronic monitoring in our facility's operation, including unobstructed surveillance and monitoring of areas in which cannabis is destroyed.

Primarily, we plan to prepare waste for disposal and removal from our facility by WM, though we may occasionally choose to destroy on-site if necessary.

We will maintain electronic documentation of destruction and disposal for a period of at least five years, maintain detailed and accurate records of all recalls including the disposition of the cannabis product disposal process, and immediately implement additional changes required by future agency guidance on cannabis product waste management.

Our waste disposal will always comply with the associated rules set forth by the AMCC, the state, and our local Birmingham jurisdiction. We will render the medical cannabis and/or cannabis products unusable by grinding and incorporating the waste with other ground materials, so the resulting mixture is over 50% non-cannabis waste by volume. For cannabis waste to be disposed of in a landfill or other approved disposal method, we will mix the cannabis waste with mixed waste, such as paper, cardboard, plastic, soil, or other wastes approved by the AMCC (e.g., non-recyclable plastic, broken glass, and leather). If compost waste is permitted, cannabis waste may be mixed with: food waste, yard waste, vegetable-based grease oils, agricultural materials, biodegradable products and paper, clean wood, fruits and vegetables, plant matter, compost activators, or other AMCC-approved methods. In addition to cannabis waste, we will also dispose of agricultural waste, such as grow media, as well as any liquid waste, such as wastewater and nutrient mixes, in a manner compliant with federal, state, and local laws.

We have developed a plan that tracks all waste material throughout our facility from generation to disposal utilizing the Statewide Seed-To-Sale Tracking System. We are committed to conservation and will reduce waste in all segments of operations. Staff will follow detailed instructions related to waste disposal, especially those that concern destruction and disposal of cannabis waste, dispensary waste, or hazardous materials. These policies and procedures will ensure maximum compliance with all requirements set forth by the AMCC and all relevant law.

# Exhibit 16 - 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.**

Keith J. Smith

CEO

\_\_\_\_\_  
Printed Name of Verifying Individual

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

\_\_\_\_\_  
Signature of Verifying Individual

\_\_\_\_\_  
Verification Date

## **Policies and Procedures Manual Summary**

This Policies and Procedures Manual contains information to specifically inform our employees on how to perform important functions of their jobs, including safety documentation, opening and closing the location, accepting and managing payment, handling product refunds, maintaining a safe and secure workplace, and carrying out other important functions related to our employees. Templates of some of this documentation are included in the Manual's Appendix. Some of the policies included herein are our most important employment policies, and they are also available for reference in our Employee Handbook. The Table of Contents gives a complete overview of the entire Policies and Procedures Manual.

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YELLOWHAMMER MEDICAL DISPENSARIES, LLC  
POLICIES AND PROCEDURES MANUAL



**Policies and Procedures Manual Revision Log**

<b>Date</b>	<b>Description</b>	<b>P&amp;P Modified</b>	<b>Approved by</b>	<b>New Version #</b>

## **1001 – Policies and Procedures Manual Documentation**

### **PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions for numbering, cataloging, writing, and upkeep of the policies and procedures (P&Ps) at YellowHammer Medical Dispensaries (YMH).

### **RESPONSIBILITY**

- 1.2. The Department Manager or their designate is responsible for updating or writing a P&P.

### **PROCEDURE**

- 1.3. Section 3 is to be used to describe the steps in the procedure.
  - 1.3.1. Use tabs as needed for minor topics under each section.
  - 1.3.2. Use the numbering system in Appendix A for Departmental P&P number assignments.
  - 1.3.3. A hard copy of each P&P is to be kept bound in each department for ready access by all employees.
    - 1.3.3.1. The Department Manager is responsible for reviewing, revising, and updating any P&P and for putting an updated copy in the P&P notebook. The General Manager will have a copy of the current Alabama Medical Cannabis Laws to ensure it is compliant.
    - 1.3.3.2. The notebook must have a Table of Contents listing for the P&P's in the binder.
      - 1.3.3.2.1. The Table of Contents must list the P&P number, Title, and Revision or Review Date. Document that was changed in the table of contents, with a date and initial.
- 1.4. Electronic files are to be stored in the folder named Dispensary P&P's and Forms.
  - 1.4.1. In the Dispensary P&P folder, P&P's are to be filed by department as listed in Appendix A.

- 1.4.2. Folders are to be managed by the Director of Operations or the General Manager to ensure the most recent copy of each P&P is there. Only one copy of the P&P should be in the folder.
- 1.5. A hard copy of each form required for the P&P is to be kept bound for ready access by all employees.
  - 1.5.1. Making copies of copies should be discouraged to be sure forms used are legible.
- 1.6. Follow the formatting of the P&P template when creating procedures.
- 1.7. The top of the first page will contain basic information on the procedure:
  - 1.7.1. Company Name – YellowHammer Medical Dispensaries
  - 1.7.2. Revision Date – the date the P&P was last changed or created
  - 1.7.3. Procedure Number – per Appendix A
  - 1.7.4. Revision Number – New when created, 1.0 for the first change. Minor modifications are indicated by version 1.1. Major revisions are indicated by an incrementing the first digit (2.0). Alabama Medical Cannabis Laws number — the Alabama Medical Cannabis Laws number the P&P covers
  - 1.7.5. Subject – Title of the P&P
  - 1.7.6. Written by – Name of person writing the P&P; this does not change with revisions.
  - 1.7.7. Department Approval – Signature of Department Manager
  - 1.7.8. Executive Approval – Signature of Executive team member
- 1.8. The reviewer or reviser will sign the review or revision. The General Manager will review to make sure the P&P reflects Alabama Medical Cannabis Laws and company policy, and that frequencies of item completion meet departmental capabilities. The Executive who signs must determine whether revised P&P meets Alabama Medical Cannabis Laws.
- 1.9. The Footer on all pages will indicate the page number and number of pages.
- 1.10. The Header will contain the P&P #
- 1.11. Definitions
  - 1.11.1. “Association” means employment or volunteer status at a licensed grower, licensed processor, or licensed dispensary.

- 1.11.2. “Caregiver” means an individual 21 years old or older designated by a patient who has agreed to assist with a qualifying patient’s medical use of medical cannabis.
- 1.11.3. “Central Repository” means the Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services.
- 1.11.4. “Certifying physician” means a physician authorized by the State Board of Medical Examiners to certify patients for the use of medical cannabis.
- 1.11.5. “Commission” or “AMCC” means the Alabama Medical Cannabis Commission.
- 1.11.6. “Dispensary agent” or “Agent” means an owner, a member, an employee, a volunteer, an officer or a director of a licensed dispensary.
- 1.11.7. “Independent testing laboratory” means a facility, entity, or site that offers or performs tests of medical cannabis and products containing medical cannabis.
- 1.11.8. “Licensed dispensary” or “Dispensary” means an entity licensed by the Commission that acquires, possesses, repackages, processes, transfers, transports, sells, distributes, or dispenses, products containing medical cannabis, related supplies, related products including tinctures, aerosols, oils, or ointments, or educational materials for use by a qualifying patient or caregiver.
- 1.11.9. “Licensed premises” or “Premises” means the locations at which a licensed grower, licensed processor, or licensed dispensary operates.
- 1.11.10. “30-day supply” means:
  - 1.11.10.1. 120 grams of usable cannabis unless the physician determines this amount would be inadequate to meet the medical needs of the qualifying patient; or
  - 1.11.10.2. In the case of a medical cannabis-infused product, 36 grams of Delta9-Tetrahydrocannabinol (THC) unless the physician determines this amount would be inadequate to meet the medical needs of the qualifying patient.

## **REPORTS REQUIRED**

- 1.12. P&P Template

## **AUTHORIZATION FOR DEVIATION**

- 1.13. List what requirements there are for deviation from the procedure and who must authorize the deviation. This generally is very limited and should not be used much.
- 1.14. As example:
  - 1.14.1. The Director of Operations or General Manager must direct any deviation from the standard procedure.

## **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.15. List the requirements for approval, review, revision, and distribution of the procedure. Each P&P shall be reviewed at least annually from the date of last revision or review.
- 1.16. As example:
  - 1.16.1. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **1002 - Complaints and Adverse Events**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions complaints and adverse effects at YMH.

### **RESPONSIBILITY**

- 1.2. The Director of Operations or General Manager is responsible for maintaining and training this P&P.

### **PROCEDURE**

- 1.3. All agents are required to immediately inform the Director of Operations and/or General Manager of any complaint received from another agent, a representative of the Commission or another regulatory body, a patient or caregiver, or any other party. The General Manager or an agent authorized by the General Manager must document all complaints. The General Manager is responsible for training all agents to handle complaints, for investigating all complaints and for taking all appropriate measures to resolve complaints.

- 1.3.1. Supplies needed:

- 1.3.1.1. Agent registration card;
- 1.3.1.2. Computer with POS software; and
- 1.3.1.3. "YMH Complaint Log."

- 1.3.2. An agent may receive a complaint in person, by phone or via email;

- 1.3.2.1. A complaint may be received from another agent, a representative of the state/local government or another regulatory body, a patient or caregiver, or any other party;
- 1.3.2.2. It is a policy to make a good faith effort to resolve any complaint; and
- 1.3.2.3. As defined in the Alabama Medical Cannabis Commission ("the Regulations"), the term "serious adverse event" means an undesirable experience associated with the use of medical cannabis where the outcome

was death, life-threatening, hospitalization, disability or permanent damage, congenital anomaly/birth defect; required intervention to prevent permanent impairment or damage, or any other important medical event.

1.4. Any agent who receives a report of a serious adverse event must, to the best of his or her ability, obtain and record the following information:

- 1.4.1. Name of the person who is reported to have experienced the adverse event;
- 1.4.2. Qualifying patient registry number of the person who is reported to have experienced the adverse event, if known to the reporter;
- 1.4.3. Phone number and email address of the person who is reported to have experienced the adverse event;
- 1.4.4. Whether the patient's certifying physician has been contacted;
- 1.4.5. The name and phone number of the person reporting the adverse event, if the reporting party is not the person who experienced the adverse event;
- 1.4.6. The identity, route of administration, and dosage of the specific cannabis, cannabis-infused product, or cannabis concentrate used, if known;
- 1.4.7. The identity of any device(s) used to administer the product used, if known; and
- 1.4.8. A detailed description of the adverse event.

1.5. Once notification of a product complaint has been received, the General manager must:

- 1.5.1. Contact the complainant and gather information about the nature of the product complaint, including the product(s) involved, the persons affected, and whether the situation involved an adverse patient reaction, a quality-related issue, or a dispensing error;
- 1.5.2. Record the information gathered in the "YMH Complaint Log";
- 1.5.3. Assemble the personnel or experts needed to conduct a product complaint investigation, if necessary;
- 1.5.4. Conduct a thorough investigation into the complaint;
- 1.5.5. Determine the nature and potential causes of the problem;
- 1.5.6. Determine any other products that may potentially be affected;
- 1.5.7. Enter all information into the "YMH Complaint Log";

- 1.5.8. Determine the appropriate action, based on the general classifications provided below:
- 1.5.9. Product Recall: Product poses safety or health risk to patients due to physical, chemical, biological or immunological cause(s). This includes, but is not limited to, verified or suspected product contamination. Proceed to “Recall and Withdrawal” procedure;
- 1.5.10. Product Withdrawal: Quality-related issue with affected product(s) that does not pose an immediate health or safety risk to patients. Proceed to “Recall and Withdrawal” procedure;
- 1.5.11. Isolated Incident: An isolated incident with the affected product(s), such as an isolated dispensing error, labeling error or quality-related issue. Use discretion to determine appropriate measures for resolution, which may include a refund or product exchange; and
- 1.5.12. Record all measures taken to resolve the complaint in the “YMH Complaint Log.”
- 1.6. When a report of an adverse event is received:
  - 1.6.1. The General Manager and or Director of Operations must be immediately notified;
  - 1.6.2. The General Manager will review the information recorded by the agent who received the report;
  - 1.6.3. The General Manager will contact the affected person to confirm the report details and obtain additional information needed for determination, which may include:
    - 1.6.4. Other medications and supplements taken;
    - 1.6.5. The person’s medical issues;
    - 1.6.6. Risk factors, such as age, severity of illness, reduced function of any body systems;
    - 1.6.7. Time and route of administration and time at which adverse event was experienced;
    - 1.6.8. Allergies;



- 1.6.9. The General Manager will assess whether the reported outcome was any of the following, which indicate a serious adverse event:
- 1.6.9.1. Death;
  - 1.6.9.2. Life-threatening;
    - 1.6.9.2.1. Meaning person was at substantial risk of dying at the time of the adverse event, or if use or continued use of the product in question might have resulted in death;
  - 1.6.9.3. Hospitalization;
    - 1.6.9.3.1. Meaning if person was admitted to the hospital or the event prolonged hospitalization;
  - 1.6.9.4. If the person visited the emergency room but was not admitted to the hospital, evaluate whether other serious outcomes were experienced;
  - 1.6.9.5. Disability or permanent damage;
    - 1.6.9.5.1. Meaning the adverse event resulted in a significant, persistent or permanent change, impairment, damage, or disruption in the patient's body function, structure, physical activities, and/or quality of life;
  - 1.6.9.6. Congenital anomaly/birth defect;
    - 1.6.9.6.1. Meaning exposure to the product prior to conception or during pregnancy is suspected to have resulted in an adverse outcome in the child;
  - 1.6.9.7. Required intervention to prevent permanent impairment or damage;
    - 1.6.9.7.1. Meaning medical or surgical intervention was necessary to avoid permanent impairment of body function or prevent permanent damage to a body structure;
  - 1.6.9.8. Any other serious or important medical event;
    - 1.6.9.8.1. Meaning the event does not fit the other serious outcomes, but may jeopardize the patient and may require medical or surgical intervention/treatment to prevent one of the other outcomes;
  - 1.6.9.9. Examples: Severe breathing problems requiring emergency room treatment, seizures/convulsions that do not result in hospitalization, etc.
- 1.6.10. The General Manager will use the World Health Organization - Uppsala Monitoring Center ("WHO-UMC") causality assessment system, to estimate

- whether it is likely that there is a causal relationship between the adverse event and the medical cannabis; and
- 1.6.11. On the basis of the WHO-UMC assessment, the presence or absence of serious outcomes, and other key findings, the Clinical Director of the cultivation operation will determine whether the incident meets the criteria for a serious adverse event and that the medical cannabis is possibly, likely, or certain to be a causal factor in the adverse event;
  - 1.6.12. If a causal link is possible or certain, but no serious outcomes were experienced, the incident will be considered a substantive product-related complaint and must be responded to accordingly;
  - 1.6.13. If a causal link is possible or certain and one or more serious outcomes were experienced, the incident will be considered a serious adverse event and must be responded to accordingly; and
  - 1.6.14. If a causal link is unlikely and no serious outcomes were experienced, the General Manager must investigate to determine if a voluntary withdrawal would be appropriate.
- 1.7. When a complaint is received and is determined to be associated with a serious adverse event, the General Manager will promptly report the complaint to the AMCC.
- 1.7.1. The licensee from which the medical cannabis or medical cannabis product originated; and
  - 1.7.2. The certifying physician caring for the patient.
- 1.8. Response to a Substantive Complaint or Serious Adverse Event
- 1.8.1. If, after investigation, a complaint is determined to be substantive or associated with a serious adverse event, YMH will:
    - 1.8.2. Gather the necessary resources for product tracking;
    - 1.8.3. Promptly determine the batch number of the product that is the subject of the complaint;
    - 1.8.4. Investigate batch production logs to determine if there was deviation from the standard operating procedure during production;

- 1.8.5. Submit a portion of the retention sample of the batch to an independent testing laboratory for follow-up testing to determine if the sample meets specification; and
- 1.8.6. If follow-up testing or investigation of production logs reveals the batch fails to meet specifications, YMH will:
  - 1.8.6.1. Order a recall of all products derived from or included in the batch (proceed to “Recall and Withdrawal”);
  - 1.8.6.2. Notify all patients, caregivers, and licensees who may have obtained the affected products; and
  - 1.8.6.3. Offer and pay reimbursement for any returned products;
- 1.8.7. If investigation of production logs reveals a deviation from the standard operating procedure during production, YMH may:
  - 1.8.7.1. Order a recall of all products derived from or included in the batch (proceed to “Recall and Withdrawal”);
  - 1.8.7.2. Notify all patients, caregivers, and licensees who may have obtained the affected products; and
  - 1.8.7.3. Offer and pay reimbursement for any returned products.

## **REPORTS REQUIRED**

- 1.9. YellowHammer Medical Dispensaries Complaint and Concern Log

## **AUTHORIZATION FOR DEVIATION**

- 1.10. The Director of Operations or General Manager must direct any deviation from the standard procedure.

## **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.11. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and

collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **1003 - Confidentiality**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions for the confidentiality Policy at YMH.

### **RESPONSIBILITY**

- 1.2. The Director of Operations or General Manager is responsible for maintaining and training this P&P.

### **PROCEDURE**

- 1.3. Information held by YMH regarding patients, caregiver and agents is confidential and shall not be disclosed by any agent without the written consent of the individual to whom the information applies or as required under law or pursuant to an order from a court of competent jurisdiction provided. However, the Commission may access this information to carry out official duties. Any release of information by a company agent must be reported to the General Manager immediately. All agents will attend training prior to working or volunteering at YMH to learn state and federal statutes regarding the confidentiality of information related to the medical use of cannabis.
  - 1.3.1. Patient confidentiality training includes, but is not limited to:
    - 1.3.1.1. A description of information required from patients and caregivers;
    - 1.3.1.2. An explanation of what information should not be collected from patients;
    - 1.3.1.3. Procedures for handling and storing customer information; and
    - 1.3.1.4. An advisement regarding the disclosure of any patient or caregiver information without written consent is a terminable offense.
  - 1.3.2. Exceptions include:
    - 1.3.2.1. A court order release (to be handled by the Director of Operations and/or legal counsel only) and;

- 1.3.2.2. Access by the Commission or patients certifying physician to carry out official duties.
- 1.4. YMH is committed to maintaining detailed patient records and gathering data on patient reactions to cannabis products, while protecting patient confidentiality and remaining compliant with HIPAA at all times. YMH must maintain records on qualified patients and dispensing actions for the purpose of tracking and monitoring inventory, to prevent and discourage unlawful activity, and to maintain compliance with laws and regulations pertaining to recordkeeping.
  - 1.4.1. However, because YMH must handle and access individually identifiable health information to maintain compliance and dispense medicine to patients in need, it is critical that policies and procedures are in place to protect the privacy of individually identifiable health information and adhere to national standards for the security of electronic protected health information. Furthermore, it is of utmost importance that all agents are trained to appropriately handle and protect confidential information.
- 1.5. YMH has developed policies and procedures regarding patient records, which are HIPAA-compliant and will be implemented by all agents. In order to assure that all identifying information about a qualified patient or legal representative is kept in compliance with the privacy and security rules of HIPAA (45 CFR 164), all Employees will receive mandatory training on the confidentiality of records, security measures for electronic health information, and privacy protections. The Director of Operations, and the General Manager, will develop and implement this training protocol.
  - 1.5.1. The training will include a description of information required from patients and legal representatives, an explanation of information that should not be collected from patients, procedures from handling and storing patient information, and notice that any disclosure of any patient or legal representative information without written consent is a terminable offense.
    - 1.5.1.1. Exceptions include court orders, which will be handled by appropriate management personnel, and access required by the Commission to carry out official duties. Such training, YMH's confidentiality policies, and the HIPAA-

compliant POS system, which securely stores confidential information and limits agent access to such information will assure that all confidential information is collected, stored, and accessed in a manner that protects qualified patients and patient legal representatives.

1.6. A patient's personal identifying information and a physician's identifying information maintained by the Commission are confidential and exempt from public records. Confidential patient information includes, but is not limited to:

1.6.1. Patient's name;

1.6.2. Patient's address;

1.6.3. Patient's telephone number;

1.6.4. Government-issued identification number;

1.6.5. All information pertaining to the physician's order for cannabis; and

1.6.6. All information pertaining to the dispensing of a physician's order of cannabis.

1.7. Access to the Registry and all confidential and exempt information contained therein will be restricted to approved Dispensary agents who must access confidential registry information for the purpose of verifying the authenticity of a physician's order for cannabis, checking whether the order had been previously filled, and determining whether the order was written for the person attempting to have it filled.

1.7.1. As previously discussed, all agents of YMH who must access confidential information in the registry to complete their work tasks will be required to complete a course on their responsibilities related to confidentiality and request access to the registry. In an effort to protect sensitive patient information, the General Manager will determine the minimum number of personnel who need access to the registry to maintain efficiency, and only those agents will be authorized to request registry access.

1.7.1.1. In addition to the confidentiality course for registry access, agents who obtain registry access will be informed that all information released from the registry remains confidential and exempt from public records, and that each agent who receives access to such confidential information is responsible for maintaining the confidentiality and exempt status of the information received.

1.7.1.2. Agents with registry access will also be informed that anyone who willfully and knowingly violates these confidentiality and public records exemption provisions commits a third-degree felony and may be subject to punishment.

1.8. Maintaining the confidentiality and exempt status of patient and physician information contained in the Registry is critical for a number of reasons.

1.8.1. Medical treatment is a private matter; the choice made by a physician and patient to use cannabis for treatment of a certain condition or symptoms is not an exception to this rule. If registry information is not kept confidential and exempt from public records, inappropriate parties could become aware of the patient's personal choice to use cannabis as well as the patient's diseases or medical conditions.

1.8.2. Such information could potentially be used to embarrass, discriminate against, and harass the patient and physician. With the patient's best interest in mind, it is critical that all agents protect patient and physician confidentiality in accordance with the provisions set forth in the confidentiality course as well as all applicable state laws and HIPAA provisions.

1.8.3. YMH does not qualify as a covered entity under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and therefore is not required to adhere to the requirements of the Administrative Simplification regulations.

1.8.4. YMH is not a covered entity because YMH will not conduct any of the covered transactions detailed in 45 Code of Federal Regulations (C.F.R.) Part 162. However, because certain agents will have access to the electronic Registry, and therefore to individually identifiable health information, YMH will comply with HIPAA security standards for the protection of electronic health information (45 C.F.R. Part 164 Subpart C) and provisions for the privacy of individually identifiable health information (45 C.F.R. Part 164 Subpart E).

1.9. General Security Standards for the Protection of Electronic Health Information

1.9.1. YMH will:



- 1.9.1.1. Ensure the confidentiality, integrity, and availability of all electronic protected health information created, received, maintained, or transmitted by YMH;
  - 1.9.1.2. Protect against any reasonably anticipated threats or hazards to the security or integrity of electronic protected health information;
  - 1.9.1.3. Protect against any reasonably anticipated uses or disclosures of electronic protected health information that are not permitted or required under 45 C.F.R. Part 164 Subpart E;
  - 1.9.1.4. Ensure that all agents comply with the security standards for the protection of electronic health information; and
  - 1.9.1.5. Periodically review and modify security measures implemented to protect electronic health information to ensure that reasonable and appropriate security measures are provided for the protection of electronic protected health information.
- 1.10. Specific Security Measures for the Protection of Electronic Health Information
- 1.10.1. In order to comply with HIPAA security standards, YMH will:
    - 1.10.1.1. Implement policies and procedures to prevent, detect, contain, and correct security violations;
    - 1.10.1.2. Analyze potential risks and vulnerabilities to the confidentiality of electronic protected health information accessed by authorized agents through the registry;
    - 1.10.1.3. Apply appropriate sanctions against agents who fail to comply with the security policies and procedures;
    - 1.10.1.4. Implement procedures to regularly review records of access to the registry and any other electronic protected health information. This may include the maintenance of a list of agents with access to the registry and periodic review of their registry access;
    - 1.10.1.5. Implement policies and procedures to ensure that agents authorized to access protected health information through the registry have appropriate access, and to prevent agents who are not authorized to access the registry

from obtaining access to any electronic health information. The General Manager will be responsible for determining if providing an agent with authorization to seek registry access is appropriate and providing authorization to certain agents to request registry access from the Commission;

- 1.10.1.6. Implement procedures for terminating access to the registry and any protected health information held or received by YMH;
- 1.10.1.7. Implement security measures, such as measures for protection against malicious software, the provision and monitoring of individual agent log-ins and password management measures, and train all agents on their responsibilities related to these measures;
- 1.10.1.8. Identify and respond to suspected or known security incidents;
- 1.10.1.9. Establish and implement procedures to maintain copies of patient information and order fulfillment records, and to restore this information if any data is lost;
- 1.10.1.10. Implement policies and procedures, including a security plan and access control measures, to limit physical access to the registry, the electronic automated data processing/point-of-sale (POS) system and the facilities in which these electronic information systems are housed;
- 1.10.1.11. Implement policies and procedures for the final disposition of protected patient information;
- 1.10.1.12. Implement technical policies and procedures for electronic information systems that contain protected patient information to allow access only to those agents that have been granted access rights by the General Manager. This will include assignment of unique user identifiers for the purpose of identifying and tracking users, automatic logoffs, and mechanisms for encrypting and decrypting protected information;
- 1.10.1.13. Implement policies and procedures to protect electronic protected health information from improper alteration or destruction;

- 1.10.1.14. Implement technical security measures to guard against unauthorized access to electronic health information that is being transmitted over an electronic communications network; and
- 1.10.1.15. Train each agent employed on HIPAA security standards and their responsibilities related to compliance with these standards. Agents will be trained upon hire, at least once annually thereafter, and each time YMH's measures for adherence to these standards are modified.
- 1.10.2. If health information does not identify an individual and there is no reasonable basis to believe that the information can be used to identify an individual, that information is not considered individually identifiable health information. All agents must adhere to the following requirements as a condition of employment:
  - 1.10.2.1. All agents must adhere to YMH's provisions for the protection of all individually identifiable health information held or transmitted in any form or media, whether electronic, paper, or oral. Protected information includes a patient's qualifying medical condition;
  - 1.10.2.2. A patient's individually identifiable health information may not be disclosed to anyone other than the patient, unless required by law, required by regulation, or if the patient specifically authorizes disclosure (in writing);
  - 1.10.2.3. The minimum possible number of agents will be authorized to access individually identifiable health information, and uses and disclosures of identifiable health information will be kept to a minimum. Agents who are not authorized to do so may not attempt to access individually identifiable health information of patients under any circumstances and agents who are authorized to use or disclose such information may not use or disclose more private identifiable health information than is necessary for the task at hand;
  - 1.10.2.4. Agents who are not specifically authorized by the General Manger to access individually identifiable health information may only have access to de-identified information, such as patient records that include only a unique patient identifier instead of the patient's name;

- 1.10.2.5. All de-identified health information must meet the standard and implementation specifications for de-identification under 45 C.F.R. 164.514(a) and (b);
- 1.10.2.6. All agents must adhere to the permitted and required uses and disclosures of protected health information, which will be established by YMH once more information about the features of the registry is available;
- 1.10.2.7. Agents with knowledge of any coding system used to de-identify health information may not, under any circumstances, be disclosed to or discussed with other agents of YMH, as their level of clearance may be unknown, contractors, or any person external to YMH. If an agent is unsure whether an individual should be privy to the de-identification systems utilized by YMH, that agent should seek immediate clarification from his or her supervisor or the General Manager;
- 1.10.2.8. All agents must undergo training in regards to policies and procedures for maintaining the privacy of individually identifiable health information. Training will be completed upon hire and at least once annually, with training updates when privacy protection measures are modified;
- 1.10.2.9. YMH may, for internal purposes only, gather and maintain data from patients regarding reactions to cannabis products. Any agent authorized to handle, input, and/or store such data must ensure that all patient identifiers are redacted or de-identified prior to entering that data in any electronic system. Data gathered may not include patient names, addresses, phone numbers, email addresses, social security numbers, medical record numbers, license numbers, vehicle identifiers, photographic images, recommending physician names, or any other information that could potentially identify the patient. Such data may only be maintained in YMH's electronic cloud-based storage system as a limited data set, as defined in 45 C.F.R. 164.514. The General Manager will be authorized to use de-identified data for research purposes and to share such data with recommending physicians without violating patient confidentiality or privacy;

1.10.2.10. Agents who handle individually identifiable health information must shred documents containing such information before discarding them; and

1.10.2.11. All agents with access to individually identifiable health information will be required to secure such information with lock and key, if in paper format, or with a passcode, if in electronic format. It is strictly prohibited to share keys or passcodes with other individuals, including other agents.

## **REPORTS REQUIRED**

1.11. None Required

## **AUTHORIZATION FOR DEVIATION**

1.12. Director of Operations or General Manager must direct any deviation from the standard procedure.

## **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

1.13. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

### **1004 – Drug and Alcohol-Free Workplace Policy**

Yellowhammer Medical Dispensaries (YMH) is committed to maintaining a workplace free of substance abuse. No employee is allowed to consume, possess, sell, purchase, or be under the influence of alcohol or illegal drugs, as defined by federal law, on any property owned by or leased on behalf of YMH, or in any vehicle owned or leased on behalf of Yellowhammer Medical Dispensaries YMH.

The use of over-the-counter drugs and legally prescribed drugs is permitted as long as they are used in the manner for which they were prescribed and provided that such use does not hinder an employee's ability to safely perform his or her job. Employees should inform their supervisor if they believe their medication will impair their job performance, safety or the safety of others, or if they believe they need a reasonable accommodation when using such medication.

YMH will not tolerate employees who report for duty while impaired by the use of alcohol or drugs. All employees should report evidence of alcohol or drug abuse to their supervisor or the General Manager immediately. In cases in which the use of alcohol or drugs creates an imminent threat to the safety of persons or property, employees are required to report the violation. Failure to do so may result in disciplinary action, up to and including termination of employment. As a part of our effort to maintain a workplace free of substance abuse, YMH employees may be asked to submit to a medical examination and/or clinical testing for the presence of alcohol and/or drugs. Within the limits of federal, state, and local laws, YMH reserves the right to examine and test for drugs and alcohol at our discretion.

As a condition of your employment with YMH, employees must comply with this Drug and Alcohol-Free Workplace Policy. Be advised that no part of the Drug & Alcohol Use Policy shall be construed to alter or amend the at-will employment relationship between YMH and its employees.

Employees found in violation of this policy may be subject to disciplinary action, up to and including termination of employment.

### **1005 – Equal Employment Opportunity**

YellowHammer Medical Dispensaries (YMH) is an Equal Opportunity Employer. Employment opportunities at YMH are based upon one's qualifications and capabilities to perform the essential functions of a particular job. All employment opportunities are provided without regard to race, religion, sex, pregnancy, childbirth or related medical conditions, national origin, age, veteran status, disability, genetic information, or any other characteristic protected by law. This Equal Employment Opportunity policy governs all aspects of employment, including, but not limited to, recruitment, hiring, selection, job assignment, promotions, transfers, compensation, discipline, termination, layoff, access to benefits and training, and all other conditions and privileges of employment.

YMH will provide reasonable accommodations as necessary and where required by law so long as the accommodation does not pose an undue hardship on the business. This policy is not intended to afford employees with any greater protections than those which exist under federal, state, or local law.

YMH strongly urges the reporting of all instances of discrimination and harassment, and prohibits retaliation against any individual who reports discrimination, harassment, or participates in an investigation of such report. YMH will take appropriate disciplinary action, up to and including immediate termination, against any employee who violates this policy.



## **1006 – Anti-Discrimination and Anti-Harassment Policy**

### **SEXUAL & OTHER UNLAWFUL HARASSMENT**

YellowHammer Medical Dispensaries (YMH) is committed to a work environment in which all individuals are treated with respect. YMH expressly prohibits discrimination and all forms of employee harassment based on race, color, religion, sex, national origin, age, disability, military or veteran status, or status in any group protected by state or local law.

Sexual harassment is a form of discrimination and is prohibited by law. For purposes of this policy sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when this conduct explicitly or implicitly affects an individual's employment, unreasonably interferes with an individual's work performance, or creates an intimidating, hostile, or offensive work environment. Unwelcome sexual advances (either verbal or physical), requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of employment; (2) submission or rejection of the conduct is used as a basis for making employment decisions; or, (3) the conduct has the purpose or effect of interfering with work performance or creating an intimidating, hostile, or offensive work environment.

Sexual and unlawful harassment may include a range of behaviors and may involve individuals of the same or different gender. These behaviors include, but are not limited to:

- Unwanted sexual advances or requests for sexual favors.
- Sexual or derogatory jokes, comments, or innuendo
- Unwelcomed physical interaction
- Insulting or obscene comments or gestures
- Offensive email, voicemail, or text messages

- Suggestive or sexually explicit posters, calendars, photographs, graffiti, or cartoons
- Making or threatening reprisals after a negative response to sexual advances
- Visual conduct that includes leering, making sexual gestures, or displaying of sexually suggestive objects or pictures, cartoons or posters
- Verbal sexual advances or propositions
- Physical conduct that includes touching, assaulting, or impeding or blocking movements
- Abusive or malicious conduct that a reasonable person would find hostile, offensive, and unrelated to the Company's legitimate business interests
- Any other visual, verbal, or physical conduct or behavior deemed inappropriate by YMH.

Harassment on the basis of any other protected characteristic is also strictly prohibited.

### **COMPLAINT PROCEDURE**

YMH strongly encourages the reporting of all instances of discrimination, harassment, or retaliation. If you believe you have experienced or witnessed harassment or discrimination based on sex, race, national origin, disability, or another factor, promptly report the incident to your supervisor. If you believe it would be inappropriate to discuss the matter with your supervisor, you may bypass your supervisor and report it directly to the Human Resources Director.

Any reported allegations of harassment or discrimination will be investigated promptly, thoroughly, and impartially.

Any employee found to be engaged in any form of sexual or other unlawful harassment may be subject to disciplinary action, up to and including termination of employment.

## **RETALIATION PROHIBITED**

YMH expressly prohibits retaliation against any individual who reports discrimination or harassment, or assists in investigating such charges. Any form of retaliation is considered a direct violation of this policy and, like discrimination or harassment itself, will be subject to disciplinary action, up to and including termination of employment.

## **1007 – Hiring Procedures**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions for hiring, termination and upkeep of the recordkeeping at YMH.

### **RESPONSIBILITY**

- 1.2. The Director of Operations and/or General Manager is responsible for maintaining and training this P&P.

### **PROCEDURE**

- 1.3. The following sections outline the process of planning for, acquiring and managing the human resources of the Dispensary function of YMH. These staffing processes and procedures are designed to guarantee that YMH will acquire and maintain adequate numbers of personnel with appropriate skills to meet the operational needs of the organization to meet patient demand, while maintaining complete compliance with regulations and with YMH's high standards of professionalism and service.
  - 1.3.1. The procedure outlines the process of acquiring personnel, describes responsibilities assigned to each position, discusses transition of staff to new job duties, and describes policies and procedures that the General Manager will use to manage personnel in each position.
- 1.4. The Director of Operations in coordination with the General Manager will develop and maintain a staffing plan for the Dispensary. The staffing plan will be designed to ensure that the facility is appropriately staffed for efficient operations and that additional positions are filled in accordance with patient demand and financial feasibility.

- 1.4.1. The Director of Operations and/or General Manager, will review and update the staffing plan quarterly as YMH proceeds through the business life cycle including the start-up, growth, establishment, expansion and maturity stages. The General Manager will determine how to fill each position needed utilizing staff or outside resources.
- 1.5. Agents of YMH must meet all requirements of the Alabama Medical Cannabis Laws and be properly registered with the Commission prior to beginning any employment.
- 1.6. It is a company policy to terminate any agent if they are found to have violated any provision of law or regulation and to report any such violation to the Commission and law enforcement as appropriate and in accordance with company termination policies and Alabama Medical Cannabis Laws.
- 1.7. All agents are subject to all applicable policies established by YMH in this document, the Agent Manual or as otherwise directed by management at any other time. The General Manager is responsible for personnel policy and procedure documentation, maintenance, implementation and training.
- 1.8. It is Company policy not to employ any person who has a misdemeanor conviction for a drug related offense in any capacity. Alabama Medical Cannabis Laws prohibits any individual with a drug felony from working as an agent.
- 1.9. The General Manager will maintain a personnel record (separate from payroll records to be kept for 7 years) for each agent for at least 60 months after termination of the agent's affiliation with the YMH and will include, at a minimum, the following:
  - 1.9.1. All materials submitted to the Commission pursuant to all applicable laws and regulations;
  - 1.9.2. Documentation of verification of references;
  - 1.9.3. The signed job description or employment contract that includes duties, authority, responsibilities, qualifications and supervision;
  - 1.9.4. Documentation of all required training and the signed statement of the individual indicating the date, time and place he or she received said training and the topics discussed, including the name and title of presenters;

- 1.9.5. A copy of the application that the company submitted to the Commission on behalf of any prospective agent;
  - 1.9.6. Documentation of periodic performance evaluations, written warnings and performance notes;
  - 1.9.7. A record of any disciplinary action taken; and
  - 1.9.8. All background check reports obtained in accordance with applicable laws and regulations.
- 1.10. The Director of Operations and/or General Manager will maintain records documenting the stipend, salary and wages paid to each agent and any executive compensation, bonus, benefit or item of value paid to any individual affiliated with the company, including members of the company. Such records will be maintained for a period of at least five (5) years.
- 1.11. The staffing process will be managed and directed by the General Manager in coordination with the Administrative Controller, and consists of five continuous elements:
- 1.11.1. Planning;
  - 1.11.2. Acquisition;
  - 1.11.3. Training;
  - 1.11.4. Transition; and
  - 1.11.5. Termination.
- 1.12. The plan for Dispensary staffing is based on business plan assumptions and will be adjusted by the Director of Operations and/or the General Manager in accordance with actual operating needs.
- 1.13. A substantial level of operational risk is introduced when operating without a sufficient number of staff possessing the necessary skills or experience to fulfill their job tasks, or when relying heavily on outside resources to facilitate operations. In order to avoid introducing operational risk, the job skills needed for each position in the facility will be established and agents will be assessed in accordance with the

skills needed for their position, thereby allowing the identification and correction of any job skills risk. The three key components of skill set assessments follow:

- 1.13.1. The General Manager will prepare a Job Skills Gap Assessment for every position filled in the dispensary.
- 1.13.2. Each agent's supervisor will complete a Job Skills Gap Assessment upon acquisition, at the beginning and end of a probationary period, and once per year thereafter in conjunction with the annual review period.
- 1.14. The Director of Operations and/or General Manager will review the assessments and address any job skills risk.
- 1.15. The Director of Operations and Board will estimate all staffing needs based on market expectations and current resources.
- 1.16. The General Manager will periodically conduct Job Skills Gap Assessments to determine human resources needs based on the known skill gaps and strengths of each agent.
  - 1.16.1. Analysis of Job Skills Gap Assessments will help identify situations where demand for certain skills exceeds supply, such as when critical work demand or personnel numbers or competencies will not meet future needs. It will also help identify situations where future supply will likely exceed demand.
- 1.17. The Director of Operations will review Job Skills Gap Assessments with the General Manager; the two will collaboratively produce suggestions for staffing adjustments, contained in a staffing estimate for the next quarter.
- 1.18. If acquisitions or terminations are proposed, the staffing estimate proposal will be presented to the Board who will approve, deny, or modify the estimate in accordance with projected patient demand and the financial situation of the company as a whole.
- 1.19. Approved staffing estimates will guide additional staff acquisition, termination, transfer, or modification.

- 1.20. The General Manager will acquire all necessary staff. Acquisition will take place in multiple phases – fewer agents will be needed in initial phases of operation and more agents will be added to adequately staff the Dispensary as the patient population increases.
- 1.21. In later operational phases, acquisition process may vary depending on the vacant position and any special circumstances including Board approval for a direct non-solicited hire.
- 1.22. The acquisition process will be managed by the Director of Operations and/or General Manager, and will always include, at a minimum:
  - 1.22.1. Performing a criminal background check on the selected candidate to determine eligibility for Commission registration;
  - 1.22.2. Provide Pre-employment drug screening;
  - 1.22.3. Submittal of fingerprints to the central repository.
  - 1.22.4. Application to the Commission for registration;
    - 1.22.4.1. Submitted materials of application to include; the name, address, date of birth, social security number, proof of fingerprint submittal to the Central Registry, request for criminal history background of the prospective agent.
  - 1.22.5. Providing new staff with the Employee Manual, which they will be required to review, accept and acknowledge in writing;
  - 1.22.6. New hire orientation and training upon successful registration; and
  - 1.22.7. Completion of the probationary period.
- 1.23. The acquisition process typically involves the following:
  - 1.23.1. Identification of need;
  - 1.23.2. Job classification and job description preparation;
  - 1.23.3. Solicitation of the vacant position utilizing the methods that best fit the position including, but not limited to:
  - 1.23.4. Reviewing resumes, cover letters, and required job applications for qualified candidates including those with relevant experience and those with complementary skills and a strong potential for growth;



- 1.23.5. Internal posting;
  - 1.23.6. Partner posting (consultants, non-profit partners, vendors, etc.);
  - 1.23.7. External posting;
  - 1.23.8. Local college and or other programs focusing on pharmacy; or
  - 1.23.9. Executive search firm.
- 1.24. Performing and recording in the Job Candidate Log reference checks on qualified candidates including:
- 1.24.1. Verification of address and education; and
  - 1.24.2. Verification of former and current employment.
  - 1.24.3. Recording of information from former supervisors on the candidate's performance if available;
  - 1.24.4. Scheduling first interviews with a member of the Management Team;
  - 1.24.5. Scheduling second interviews (with strong candidates) with the Director of Operations and the General Manager;
  - 1.24.6. Delivery of an offer letter to the 1st choice candidate;
  - 1.24.7. Performing a criminal background check on the selected candidate to determine eligibility for an agent identification card on the basis of Commission requirements and to identify any other possible disqualifying items;
  - 1.24.8. Application to the Commission for issuance of a Dispensary agent identification card; and
  - 1.24.9. Completion of the probationary period.
- 1.25. Consultants may be utilized when approved by the Board and General Manager. All consulting contracts will contain suitability provisions and require compliance with all applicable laws and regulations.
- 1.25.1. Consultants will receive a written copy and acknowledge all policies and procedures. Consultants may be used for circumstances, including but not limited to, when the staff does not possess the necessary qualifications for necessary operations; where third-party services are desired for separation of duties (i.e.

- accounting, audit and compliance); if the position does not call for a full-time agent but requires a specific skill set; during the period a necessary position is vacant; or for any other reason deemed acceptable by the Board.
- 1.26. Pursuant to Alabama Medical Cannabis Laws, all Dispensary agents will apply to the Commission for an agent identification card prior to beginning employment at the YMH. Once issued the card will be donned at all times while on the premises of the dispensary.
- 1.27. All Dispensary agents will be issued a Dispensary agent identification card from the Commission prior to commencing work at the Dispensary. YMH will not hire any person that is not eligible for Commission-Issued Dispensary agent identification card. The card shall:
- 1.27.1. Include a photograph of the agent taken no more than 6 months before the date of the application;
  - 1.27.2. Be renewed every 2 years;
  - 1.27.3. Remain the property of the Commission and the Commission may order the return of seizure of an identification card if the registration is revoked or expires;
  - 1.27.4. If lost or stolen or destroyed, a copy of notification to the Commission shall be evidence of registration until a new card is obtained from the Commission;
  - 1.27.5. If lost or stolen or destroyed, within 24 hours of becoming aware of the loss the General Manager shall:
    - 1.27.5.1. Report the loss, theft or destruction to the Commission;
    - 1.27.5.2. Apply for a replacement card;
    - 1.27.5.3. Pay a replacement card fee specified in Alabama Medical Cannabis Laws 10.62.35.
- 1.28. In order to provide equal employment and advancement opportunities to all individuals, employment decisions at YMH will be based on merit, qualifications and abilities. All managers and supervisors will comply with Equal Employment Opportunity Commission (EEOC) guidelines when managing personnel issues. YMH will not discriminate in employment opportunities or practices on the basis of:

- 1.28.1. Race, national origin or ethnic background;
- 1.28.2. Height and weight;
- 1.28.3. Credit rating or economic status;
- 1.28.4. Religious affiliation or beliefs;
- 1.28.5. Citizenship;
- 1.28.6. Marital status, civil partnership or number of children.

### **REPORTS REQUIRED**

- 1.29. None required

### **AUTHORIZATION FOR DEVIATION**

- 1.30. The Director of Operations or General Manager must direct any deviation from the standard procedure.

### **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.31. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **1008 – Termination Procedures**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions for terminating procedures at YMH.

### **RESPONSIBILITY**

- 1.2. The Director of Operations and/or the General Manager is responsible for maintaining and training this P&P.

### **PROCEDURE**

- 1.3. It is company policy to ensure that agent terminations are handled in a professional manner with minimal disruption to ongoing work functions.
- 1.4. It is Company policy to terminate any agent if they are found to have violated any provision of law or regulation and to report any such violation to the Commission and law enforcement authorities as appropriate and in accordance with company termination policies.
- 1.5. Approval from the Director of Operations and/or the General Manager prior to any termination except when an agent has been found stealing, diverting product, knowingly distributing product to an unauthorized person or any other criminal activities.
- 1.6. Any manager, owner, or director who fails a level-2 background screening or any agent who fails an internal background screening will be terminated immediately. The Director of Operation and/or General Manager will inform the Commission immediately if a person ceases to work, manage or otherwise be associated with the operation due to failure of a level-2 background check.
- 1.7. No Company agent may engage in or permit conduct at any Company facility that is in violation of company policy, state law, local ordinance or Alabama Medical Cannabis Laws, including but not limited to:

- 1.7.1. Making a false statement on an application or in any accompanying statement that the Commission may require;
  - 1.7.2. Knowingly making a false statement on an internal or submitted report;
  - 1.7.3. Consuming or allowing use of alcohol or any controlled substance at the facility or on the property;
  - 1.7.4. Causing or permitting the facility to be operated in an unsafe manner, which will be reported to the Commission as necessary;
  - 1.7.5. Unlawful sale or diversion of cannabis or cannabis products, which will be reported to law enforcement and the Commission immediately;
  - 1.7.6. Providing direct financial compensation to an agent of any vendor; or
  - 1.7.7. Speaking to the media without permission from a member of the executive management team.
- 1.8. YMH may terminate employment or other association immediately with any agent who:
- 1.8.1. Has been convicted in a court of law of one or more violations of the applicable laws and regulations or the regulations issued by the Commission;
  - 1.8.2. Has knowingly engaged, permitted or condoned inside or outside of the establishment the illegal sale or negotiations for sale or the use, of any controlled substance identified in the Controlled Substances Act;
  - 1.8.3. Has been convicted of a felony or any drug-related offense;
  - 1.8.4. Engages or assists in the diversion of cannabis or cannabis products, which will be reported to law enforcement officials and the Commission by the Board or Dispensary General Manager; or
  - 1.8.5. Has permitted YMH to operate in an unsafe manner, which will be reported to the Commission by the Board or Dispensary General Manager as necessary.
- 1.9. Any failure to comply with any provision of company policies and procedures, law, ordinance or regulations that does not result in Commission sanctions may still result in immediate termination and disassociation from YMH.
- 1.9.1. The Manager will refer any major infraction to the Board and General Manager for review and determination.

- 1.9.2. The General Manager has the authority to suspend access to the company's facilities by any individual in question while a timely decision is made.
- 1.9.3. Should the infraction involve one or more members of the Board or managing partners they may not be permitted to vote until the other Board members approve a resolution.
- 1.10. The Director of Operations and dispensary management must ensure proper documentation of the termination in the agent file.
- 1.11. Voluntary termination of employment occurs when an agent informs his or her supervisor of agent's resignation or termination is deemed to have occurred when an agent is absent from work for two consecutive workdays and fails to contact his or her supervisor (job abandonment).
- 1.12. An involuntary termination of employment, including layoffs and stand-downs over 30 days is a management-initiated dismissal;
- 1.13. Termination may be for any legal reason, including but not limited to, misconduct, tardiness, absenteeism, unsatisfactory performance, inability to perform, etc. In some cases, progressive discipline may be used, prior to termination, to correct a performance problem. However, certain types of agent misconduct are so severe that one incident of misconduct will result in immediate dismissal without prior use of progressive discipline; and
- 1.14. Prior to an involuntary termination, consideration will be given to an agent's service and past contributions to the company. The possibility of transfer or demotion will be explored in all cases except those that involve gross misconduct.
- 1.15. Upon receipt of an agent's resignation, the manager must notify the General Manager and Director of Operations with pertinent information including the agent's reason for leaving, last day of work and other details;
- 1.16. The General Manager shall determine an agent's last day of work based on the type of termination and the sensitivity of their position;
- 1.17. The General Manager shall manage and document the termination process including:

- 1.17.1. Returning all company property (i.e., keys, Commission identification, ID cards, parking passes, etc.);
- 1.17.2. Report to the Commission the status of employee and return Agent identification;
- 1.17.3. Review of benefits status; and
- 1.17.4. Completion of an Exit Interview Questionnaire. The exit interview provides employees the opportunity to freely express views about working at the company and will be held in strict confidence.
- 1.18. The Director of Operations and/or General Manager will compile data from exit interviews to determine if feedback to an agent's supervisor or changes to operations, policies or procedures are needed;
- 1.19. A termination summary will need to be completed by the unit manager; and
- 1.20. Agents or managers who possess the credentials to enter restricted or controlled areas of any the company are required to check out and debrief with the Dispensary General Manager or Administrative Controller no later than their last day of employment.
- 1.21. A termination due to the death of an agent will be made effective as of the date of death; and
- 1.22. Upon receiving notification of the death of an agent, the Director of Operations and/or General Manager must notify the appropriate benefits providers immediately.
- 1.23. As soon as possible upon termination the Company shall:
  - 1.23.1. Take custody of the terminated registered agent's identification card;
  - 1.23.2. Obtain keys or other entry devices from the terminated agent; and
  - 1.23.3. Ensure the terminated agent can no longer gain access to the dispensary.
- 1.24. Within 1 business day of the termination the company shall:
  - 1.24.1. Notify the Commission;
    - 1.24.1.1. Of the termination and the circumstances of termination; and
    - 1.24.1.2. Whether the terminated agent has returned the identification card; and
    - 1.24.1.3. Initiate delivery of the terminated agent's identification card to the Commission.

- 1.25. An agent who resigns or is discharged will be paid through the last day of work, plus any unused PTO, less outstanding loans, advances or other agreements the agent may have with the company. Final pay due, upon the death of an agent, will be paid to the deceased agent's estate; and
- 1.26. It is the responsibility of the agent's manager to ensure that the Director of Operations and/or the General Manager receives the terminating agent's time record in sufficient time to process the final paycheck.
- 1.27. YMH is able to monitor and control the cost of unemployment insurance by being responsive to regulatory authorities.
- 1.27.1. Typically, the General Manager must submit employer information to the appropriate state office within seven days of request.
- 1.27.1.1. Failure to respond in a timely manner often results in unemployment compensation awards to former employees who otherwise may not qualify.

#### **REPORTS REQUIRED**

- 1.28. None required

#### **AUTHORIZATION FOR DEVIATION**

- 1.29. The Director of Operations or General Manager must direct any deviation from the standard procedure.

#### **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.30. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.



## **2001 – Sales & Cash Management**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions that will ensure that all sales and transactions are carried out in accordance with state laws and regulations.

### **RESPONSIBILITY**

- 1.2. The Director of Operations or General Manager is responsible for maintaining and training this P&P.

### **PROCEDURE**

- 1.3. No unlawful sales transactions are permitted or tolerated by YMH. Required identification and recordkeeping measures are addressed as well as training requirements for agents and terminable offenses.
  - 1.3.1. Additional measures address delivery sales, wholesale sales, preparation of taxes, and required accounting measures. The plan provides a list of prohibited transactions and provisions for secure cash management. The General Manager is assigned oversight responsibilities for ensuring the accuracy and maintenance of all sales records.
- 1.4. YMH must ensure that no unlawful sales transactions are permitted or tolerated in accordance with state laws and regulations. All agents must report any diversion or unlawful sales witnessed or suspected to a dispensary manager or the General Manager as soon as possible as a condition of employment.
- 1.5. The General Manager must ensure that no cannabis or cannabis products are sold by YMH agents unless all required quality assurance testing has been completed and the results are available for viewing by agents, other licensees, patients and caregivers as requested or at time of sale.
- 1.6. The general manager must ensure all transactions are documented in the inventory control system and all purchases from 'deli style counter' (if applicable) are properly

weighed on a NTEP (legal for retail trade) scale that has been inspected and certified and is integrated with the point of sale system.

- 1.6.1. If products are pre-packaged, the net total weight should be verified at the time of sale on each pre-packaged product. If the package weight is more than 10% different than the labeled net weight, do not sell the product and notify the manager as soon as possible to investigate the difference. Documentation regarding licensing of the scale must be maintained by the General Manager and made available to the Commission upon request.
- 1.7. The Dispensary Manager is responsible for all sale transitions including on-site, on-line and delivery (if applicable) transactions. The General Manager must ensure all agents working in the facility are properly trained on all sales procedures.
- 1.8. The General Manager, in coordination with the Director of Operations must ensure that any point of sale system used for sales transactions complies with all regulatory requirements, YMH policies, and provides sufficient controls to prevent unlawful sales or sales over established purchase limits. The point of sale system must interface with Commission systems (METRC) as required. The agent must ensure point of sale system records:
  - 1.8.1. For each person who purchases cannabis or patient products from YMH:
  - 1.8.2. The number of the patient's registry card;
  - 1.8.3. The date on which the card was issued; and
  - 1.8.4. The date on which the card will expire.
  - 1.8.5. The agent's registration card number;
  - 1.8.6. Any information requested by the Commission regarding nonresidents who have purchased cannabis from the YMH;
  - 1.8.7. Verification of the identity of a person to whom cannabis or cannabis products are sold or otherwise distributed;
  - 1.8.8. Such other future information as the Commission may require;
  - 1.8.9. The General Manager must ensure the point of sale system encrypts and protects the personal identifying information of registry card holders; and

- 1.8.10. No personal information of a card holder may be divulged by any agent for any purpose not specifically authorized by law as a condition of employment.
- 1.9. Prior to any sale, an agent must:
  - 1.9.1. Verify the identity of registry card holder or the designated primary caregiver. If an agent is unsure if the individual present matches the photograph on the registry identification card, he or she should request a second photo ID from the individual for verification;
  - 1.9.2. Confirm that the patient is properly registered in the point of sale system;
  - 1.9.3. Verify the validity of the registry identification card of the patient or the designated primary caregiver. If the agent suspects the registry identification presented is not valid for any reason, he or she should request a review by the unit manager or General Manager for approval; and
  - 1.9.4. Verify the remaining balance of medical cannabis or infused THC products for the patients 30-day supply.
- 1.10. An agent completing a sales transaction must ensure the following information is properly recorded in the point of sales system for each transaction:
  - 1.10.1. The name and registry card identification number of the patient or their primary caregiver;
    - 1.10.1.1. The amount (total equivalent usable cannabis weight) dispensed;
    - 1.10.1.2. Whether the patient or their caregiver received the medical cannabis;
    - 1.10.1.3. The date and time of the transaction;
    - 1.10.1.4. The agent's registry card identification number; and
    - 1.10.1.5. The registration number of the YMH.
- 1.11. If the point of sale system does not record the above information for any reason, the transacting agent must notify the general manager of the system failure immediately.
- 1.12. All agents must ensure cannabis and cannabis products are stored behind the counter or other barrier so that patients and caregivers visiting the facility do not

have direct access to the product. No patient or caregiver is permitted to touch any product containing cannabis or THC prior to the completion of the sale.

1.13. The General Manager must ensure the dispensary is operational during posted hours. The General Manager shall ensure the hours comply with the hours of operation disclosed to the Commission. The Director of Operations must visibly post the hours of operation in the facility.

1.14. The General Manager must ensure that accurate accompanying material is provided with each sale of cannabis and cannabis products. The accompanying material must be printed in no smaller than 12-point font (no italics allowed) and contain the following:

1.14.1. A disclosure of any pesticides applied to the cannabis plants and growing medium during production and processing (must be provided by the vendor when the inventory is received);

1.14.2. A disclosure of any pesticides applied to the cannabis plants and growing medium during production of the cannabis used to create the extract added to the edible cannabis products or cannabis-infused products and the type of extraction method used, including any solvents, gases, or other chemicals or compounds used to produce or that are added to the extract;

1.14.3. The following warnings:

1.14.3.1. “Warning: This product may have intoxicating effects and may be habit forming. Smoking is hazardous to your health”;

1.14.3.2. “There may be health risks associated with consumption of this product”;

1.14.3.3. “Should not be used by women who are pregnant or breast feeding”;

1.14.3.4. “For use only by the person named on the label of the dispensed product. Keep out of the reach of children”; and

1.14.3.5. “Marijuana can impair concentration, coordination and judgment. Do not operate a vehicle or machinery under the influence of this drug,” or “Products containing marijuana can impair concentration, coordination and judgment. Do not operate a vehicle or machinery under the influence of this

drug,” and “Caution: When eaten or swallowed, the intoxicating effects of this drug may be delayed by two or more hours.”

- 1.15. Each agent must offer any appropriate patient education or support materials in addition to the accompanying materials at every visit including, but not limited to, test results and the name of the laboratory, manufacturer information, or cannabis genetics information. The dispensary General Manager must ensure this information is readily available.
- 1.16. The Director of Operations and the General Manager must ensure the point of sale system prints labels for each product that are compliant with all regulations. Each agent must verify the label(s) printed and affixed to all cannabis packages sold contains the following information:
  - 1.16.1. Company’s name and address;
  - 1.16.2. Lot number, date of harvest and name and registration number of the vendor’s facility;
  - 1.16.3. Date of sale;
  - 1.16.4. Net weight;
  - 1.16.5. Patient’s name and registration number (and caregiver name if a caregiver purchase); and
  - 1.16.6. Cannabinoid profile, potency levels and terpene profile.
  - 1.16.7. The total milligrams of active cannabinoids and terpenes in the product (as verified by test results from an independent lab);
  - 1.16.8. Extraction method and solvent, gas and chemicals used (if applicable); and
  - 1.16.9. A list of major allergens.
- 1.17. No agent may dispense more than 120 grams of cannabis to any one patient or their designated primary caregiver in any single 30-day period. The point of sales system must be reviewed for previous purchases prior to completing any sale.
  - 1.17.1. The maximum allowable quantity of cannabis products and cannabis- infused products is an amount that is equivalent to 120 grams of usable cannabis. Any

- agent who sells product to an individual that exceeds the 120 gram limit may be terminated;
- 1.17.2. The Director of Operations and the General Manager must ensure that the point of sale system adequately flags and prohibits any over limit sales. Cannabis product weight must be included in the calculation of the sales limit based on the total cannabinoid content provided by the manufacturer; and
  - 1.17.3. The General Manager must also ensure a sign is posted in the facility that states unambiguously the legal limits on the possession and sale of cannabis for medical purposes.
- 1.18. Any YMH agent may refuse to dispense cannabis or cannabis products to any patient or caregiver that is above allowable limits or in the opinion of the agent, the patient, caregiver or the public would be placed at risk without fear of management retribution. Each time the patient or caregiver requests and does not obtain cannabis or cannabis products from YMH, the agent must record in the patient record:
- 1.18.1.1. The date;
  - 1.18.1.2. The name and registry card number of the patient; and
  - 1.18.1.3. The reason the cannabis or cannabis products was not provided.
- 1.18.2. All agents must refuse to sell cannabis or cannabis products to a patient or caregiver they suspect may be diverting product and notify the unit manager the General Manager immediately.
  - 1.18.3. If an individual attempts to use a qualifying patient or caregiver identification card to whom it has not been issued, any registered dispensary agent to whom it is offered shall confiscate it and initiate the return of the card to the Commission within 5 business days.
- 1.19. YMH agents may not:
- 1.19.1. Dispense, deliver or otherwise transfer cannabis to a person other than a patient or caregiver holding a valid registry identification card;

- 1.19.2. Provide cannabis to another cannabis business except as specified in YMH policies, and procedures and applicable laws and regulations and approved by the Director of Operations and/or the General Manager;
  - 1.19.3. Acquire cannabis, cannabis products or cannabis plants, except through the cultivation of cannabis by another licensee, or patient or caregiver, as specified in applicable laws and regulations and approved by the general manager;
  - 1.19.4. Acquire, possess, cultivate, deliver, transfer, transport, supply or dispense cannabis for any purpose except to assist authorized patient and caregivers in compliance with all YMH policies and procedures;
  - 1.19.5. Give away any cannabis except in accordance with applicable laws and regulations and as approved by a unit manager;
  - 1.19.6. Adulterate cannabis, including adulteration with psychoactive additives or other illicit substances; and
  - 1.19.7. Violation of any of the above policies may lead to immediate termination.
- 1.20. All cannabis products for delivery must be packaged for final delivery in the facility processing the sale:
- 1.20.1. Orders received through the secure website must be verified by phone or email prior to packaging or delivery scheduling;
  - 1.20.2. Two agents are required to verify the accuracy of any order fulfillment, including confirming invoice and manifest information, as follows:
    - 1.20.2.1. Quantities;
    - 1.20.2.2. Weights;
    - 1.20.2.3. Labels;
    - 1.20.2.4. Items;
    - 1.20.2.5. Receipt information;
    - 1.20.2.6. Customer or company information;
    - 1.20.2.7. Payment information; and
    - 1.20.2.8. Estimated delivery schedule.

1.21. All sales, tax transactions and operating expenses must be recorded properly, accurately and completely entered in the point of sale system and accounting system. The general manager must ensure that if the point of sale system is not functional for any reason that all transactions are properly recorded manually and entered into the system as soon as it is available. The Director of Operations and the General Manager must ensure all bookkeeping activities for each transaction are performed accurately and in a timely manner.

1.21.1. Sales records and invoices must be created and maintained in the point of sale system or other cloud based system after termination of operations.

1.22. The Director of Operations and the General Manager must ensure a system of internal controls is maintained for cash handling and accounting functions. Tight controls must remove opportunities for unauthorized access to cash by agents or external parties:

1.22.1. Dual custody is required any time cash is transferred from the register to the safe and from the facility to the bank;

1.22.2. Petty cash must be controlled by the General Manager. The petty cash account should be limited to \$1,000. All receipts and vouchers must be accounted for and the drawer must always be in balance;

1.22.3. ATM and pin debit transactions must be reconciled weekly by the General Manager.

1.23. The General Manager must ensure proper separation of duties including the separation of the following activities:

1.23.1. Making deposits and recording accounting entries;

1.23.2. Approving petty cash transaction and replenishing the petty cash account;

1.23.3. Issuing payments and reconciling bank statements; and

1.23.4. Approving expenses and initiating payments.



1.24. The General Manager is responsible for the security of all cash. The following cash security measures must be followed:

1.24.1. All deliveries must be paid online by credit or debit card if applicable. Wholesale sales may be paid by wire transfer only if approved by the Director of Operations;

1.24.2. Cash must be counted in a secure and locked area with appropriate surveillance;

1.24.3. Insurance coverage should be maintained to provide the maximum amount of cash coverage required; and

1.24.4. Cash handlers will be assigned daily.

1.25. Executive management performs oversight of accounting and audit activities:

1.25.1. The Company's CPA firm must be selected by executive management and perform an annual audit of all financial transactions and reporting; and

1.25.2. A "whistle blower" policy exempts agents who report the mishandling of cash from retribution.

## **REPORTS REQUIRED**

1.26. None.

## **AUTHORIZATION FOR DEVIATION**

1.27. The Director of Operations or General Manager must direct any deviation from the standard procedure.

## **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

1.28. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and

collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **2002 – Tax Collection and Payment**

### **1. ACCOUNTING PROCEDURES**

Yellowhammer Medical Dispensaries (YMH) will use both internal resources and outside professional services to maintain financial integrity, transparency, and compliance. We will have a dedicated Chief Financial Officer (CFO) who will oversee all financial matters. This includes the maintenance of a documented system of accounting policies and procedures. He or she will oversee the management of all outsourced functions. The CFO will manage the general operations of the accounting department, including the design of an organizational structure adequate for achieving the department's goals and objectives. Finally, the CFO will oversee the management of cash reconciliations and preparation of bank deposits.

To support the CFO, we shall hire a Staff Accountant. The Staff Accountant provides full-cycle accounting services for a legal cannabis retailer on an ongoing basis. The Staff Accountant will be responsible for the following items.

- Transactional Accounting – General bookkeeping, billing, accounts payable, account reconciliation, payroll processing, fixed assets, etc.
- Complex Journal Entries – Creating, adjusting, and entering journal entries
- Prepare Monthly Financial Statements – Balance Sheet, Income Statement, Statement of Cash Flows, Profit & Loss, Budget vs. Actual and financial analysis
- Pre-Tax Preparation – Work with the contracted CPA to complete Annual Tax Organizer and provide accounting support or assist in annual reviews or audits when necessary
- Maintain Electronic/Paper Files – Ensure accurate and organized filing system
- Period Closing & Year-End Reporting

- Advisor Coordination – Circulate information to advisors (i.e., CPA, bankers, attorneys, wealth managers) regarding taxes, legal and insurance, and obtain updated information for financial statement preparation
- Bill Pay – Set up calendar of due dates and bill pay process; work with vendors and purchasing manager to ensure vendor licensing and tax information is on file

It is the commitment of YMH that all accounting practices are done in accordance with Generally Accepted Accounting Principles (GAAP) rules. Alabama can trust that the company intends on operating a fully compliant cannabis operation that maintains full transparency in financial record keeping.

## **2. FINANCIAL RECORDKEEPING**

Yellowhammer Medical Dispensaries (YMH) will prepare an annual financial report (hereinafter, the "Annual Report") and submit it to the State Manager (or his or her designee).

The Annual Report will:

- Be filed and submitted no later than April 30 every calendar year for each preceding calendar year.
- Summarize the quarterly reports that were filed with the State Board of Equalization in the previous year.

Have the following appendices:

- A copy of any and all documents, records, or forms submitted to the State Board of Equalization for the reporting year), which in any manner documents transaction activities relating to the operation of the Commercial Cannabis Business. This includes, but is not limited to, Board of Equalization Form 401, or its electronic equivalent.

- YMH will maintain any and all records or documents that serve as the basis for preparing the Annual Report for a period of seven (7) years.
- YMH will enter the information required in the inventory tracking system in accordance with finalized state regulations and Alabama State and Municipal Code. The detailed specifications of YMH inventory tracking system are included below, and in the Point of Sale Software Description section of this application.

## **2003 – Opening Procedures**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions for the opening operations at YMH.

### **RESPONSIBILITY**

- 1.2. The Director of Operations or General Manager is responsible for maintaining and training this P&P.

### **PROCEDURE**

- 1.3. You must display your agent registration card on you at all times while on the licensed premises. Maintain a sharp awareness when arriving and entering the facility. Supervisory personnel must immediately check out a panic button and check in with the General Manager upon arriving to work.

- 1.3.1. Supplies needed for opening:

- 1.3.1.1. Agent registration card;
- 1.3.1.2. Computer with POS software;
- 1.3.1.3. Panic button;
- 1.3.1.4. Facility keys and/or access codes; and
- 1.3.1.5. “Daily Checklist.”

- 1.3.2. Below are the required Opening Tasks:

- 1.3.2.1. Manager on Duty will review the previous shift entries in the Operations Log and/or receive a shift turn over report from previous shift’s manager;
- 1.3.2.2. Secure agent registration card on yourself at all times while on premises;
- 1.3.2.3. Clock in and check in with the General Manager;
- 1.3.2.4. Check out panic button (If required);
- 1.3.2.5. Turn on the computer and log into the POS system;

- 1.3.2.6. Log into Company email and chat system;
- 1.3.2.7. Complete the 'Opening Tasks' on the "Daily Checklist" immediately upon beginning shift; and
- 1.3.2.8. Perform additional duties as assigned.
- 1.3.3. Perform and audit accounts and Patient Info:
  - 1.3.3.1. Review intake forms in downtime and update patient/caregiver profiles in the POS or tracking software;
  - 1.3.3.2. Clear duplicate profiles and "expired" patient/customer documents;
  - 1.3.3.3. Audit patient/customer profiles from the previous day; and
  - 1.3.3.4. Audit and process pre-order forms.
- 1.3.4. Update Menus Online and In-Store Menu Boards:
  - 1.3.4.1. Leafly, WeedMaps or other app menus;
  - 1.3.4.2. Website or other online menus as needed;
  - 1.3.4.3. In-store menu as needed; and
  - 1.3.4.4. Digital, on-screen menu as needed.
- 1.3.5. Stock the following supplies, as needed:
  - 1.3.5.1. Bathroom supplies;
  - 1.3.5.2. Reception area supplies, (cups, magazines, handouts, pens etc.); and
  - 1.3.5.3. Forms and paperwork.
- 1.3.6. Report Transfers, Sales and New Patients:
  - 1.3.6.1. Report receiving, outgoing transfers and all sales transactions in the appropriate log or POS system. You should be able to complete this report by exporting the information from the POS system into the state mandated reporting software; and
  - 1.3.6.2. Review and complete any other state mandated reports.
  - 1.3.6.3. Begin daily audit procedure. See procedure for "Audits."
  - 1.3.6.4. Verify menus are accurate and reflect current inventory; and
  - 1.3.6.5. Complete daily inventory control procedure. See procedure for "Inventory Control."
- 1.3.7. Other Duties:
  - 1.3.7.1. Check email, mailbox;

- 1.3.7.2. Send General Messenger messages/notes, etc.;
- 1.3.7.3. Supervise all employees to ensure they are completing opening duties and daily tasks;
- 1.3.7.4. Follow security procedures. Check to verify alarm systems, DVR and all locks are in working order;
- 1.3.7.5. Ensure facility is clean and presentable; and
- 1.3.7.6. Perform additional duties as assigned.

### **REPORTS REQUIRED**

- 1.4. YellowHammer Medical Dispensaries Daily Checklist
- 1.5. YellowHammer Medical Dispensaries Operations Log

### **AUTHORIZATION FOR DEVIATION**

- 1.6. The Director of Operations or General Manager must direct any deviation from the standard procedure.

### **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.7. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.



## **2004 – Closing Procedures**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions for the closing daily operations at YMH.

### **RESPONSIBILITY**

- 1.2. The Director of Operations or General Manager is responsible for maintaining and training this P&P.

### **PROCEDURE**

- 1.3. You must display your agent registration card on you at all times while on the licensed premises. Maintain a sharp awareness when leaving and exiting the facility. Supervisory personnel must return all panic buttons and check out with the General Manager prior to leaving work.

- 1.3.1. Supplies needed for closing:

- 1.3.1.1. Agent registration card;
- 1.3.1.2. Computer with POS software;
- 1.3.1.3. Panic button;
- 1.3.1.4. Facility keys and/or access codes; and
- 1.3.1.5. “Daily Checklist.”

- 1.3.2. Below are the required Closing Tasks:

- 1.3.2.1. Manager on Duty will review the day’s shift entries in the Operations Log and/or prepare a shift turn over report for the next day’s shift’s manager;
- 1.3.2.2. Secure agent registration card on yourself at all times while on premises;
- 1.3.2.3. Complete the ‘Closing Tasks’ on the “Daily Checklist” immediately prior to ending shift; and
- 1.3.2.4. Stock the following supplies, as needed:
  - 1.3.2.4.1. Bathroom supplies;

- 1.3.2.4.2. Reception area supplies, (cups, magazines, handouts, pens etc.); and
- 1.3.2.4.3. Forms and paperwork.
- 1.3.3. Report Transfers, Sales and New Patients:
  - 1.3.3.1. Report receiving, outgoing transfers and all sales transactions in the appropriate log or POS system. You should be able to complete this report by exporting the information from the POS system into the state mandated reporting software; and
  - 1.3.3.2. Review and complete any other state mandated reports.
- 1.3.4. Begin daily audit procedure. See procedure for "Audits."
- 1.3.5. Complete daily inventory control procedure. See procedure for "Inventory Control."
- 1.3.6. Other Duties:
  - 1.3.6.1. Send General Messenger messages/notes, etc.;
  - 1.3.6.2. Supervise all employees to ensure they are completing closing duties and daily tasks;
  - 1.3.6.3. Perform additional duties as assigned.
- 1.3.7. Perform and audit accounts and Patient Info:
  - 1.3.7.1. Log out of Company email and chat system;
  - 1.3.7.2. Log out of the POS system and turn off the computer;
  - 1.3.7.3. Check in panic button (If required);
  - 1.3.7.4. Clock out and check out with the General Manager;
  - 1.3.7.5. Follow security procedures. Check to verify alarm systems, DVR and all locks are in working order;
  - 1.3.7.6. Ensure facility is clean and presentable; and
  - 1.3.7.7. Arm perimeter and secure room alarm systems, secure and lock all doors and windows, and leave facility.

## **REPORTS REQUIRED**

- 1.4. YellowHammer Medical Dispensaries Daily Checklist.doc
- 1.5. YellowHammer Medical Dispensaries Operations Log

## **AUTHORIZATION FOR DEVIATION**

- 1.6. The Director of Operations or General Manager must direct any deviation from the standard procedure.

## **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.7. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **2005 – Daily Audits**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions for the daily internal audits at YMH.

### **RESPONSIBILITY**

- 1.2. The General Manager or their designate is responsible maintaining and training this P&P.

### **PROCEDURE**

- 1.3. The General Manager is responsible for conducting daily audits as well as other periodic audits on an ongoing basis. Any discrepancy identified must be reported to the General Manager and investigated.

- 1.3.1. Supplies needed are:

- 1.3.1.1. Agent registration card;
- 1.3.1.2. Computer with POS software;
- 1.3.1.3. Deposit bag; and
- 1.3.1.4. Change bag.

- 1.3.2. Daily Audit tasks:

- 1.3.2.1. Reconcile cash registers with POS system;
- 1.3.2.2. Reconcile debit/cashless ATM with the POS system;
- 1.3.2.3. Match ATM batch receipts with ATM totals from previous shift(s);
- 1.3.2.4. Turn on cash registers and confirm they are in working order;
- 1.3.2.5. Count cash registers to verify each drawer starts at \$200;
- 1.3.2.6. Count petty cash, change bag and previous night's deposit and verify all amounts match the POS system, and any staff reports;
- 1.3.2.7. Secure deposit with the completed bank slip in the deposit bag and then secure in the vault.
- 1.3.2.8. Prepare deposit for armored vehicle pick up on scheduled days;

- 1.3.2.9. Enter every deposit in the bank and/or armored car log. Verify the numbers match in all logs with the POS system, and any staff reports;
- 1.3.2.10. Verify menus are accurate for the next day and match inventory stock lists and POS system;
- 1.3.2.11. Review transactions from the previous day, verify discounts were applied correctly and match patients in the POS system; and
- 1.3.2.12. Make relevant notes on patient profiles as required.
- 1.3.3. Periodic and Continuous Audits:
- 1.3.4. Check the state mandated reporting requirements; ensure the POS system matches the state tracking software; and
- 1.3.5. Complete a weekly audit on ancillary products, office supplies, bathroom supplies and other basic facility supplies (cleaning products, paper towels, cups, etc.).
- 1.4. In the unlikely event of a federal raid, the General Manager must:
  - 1.4.1. Call the owners and legal counsel repetitively until someone is reached;
  - 1.4.2. Demonstrate exemplary behavior for Dispensary staff to follow during a raid;
  - 1.4.3. Cooperate and be polite showing respect to law enforcement officers at all times;
  - 1.4.4. Do not resist and comply with officer requests (if asked to lay on the ground, etc.);
  - 1.4.5. Do not touch or purposefully make physical contact with law enforcement officers;
  - 1.4.6. Do not refer to manager or co-workers using any term of employment, use "Spokesperson" instead;
  - 1.4.7. Limit communication to:
    - 1.4.7.1. "I do not consent to a search;"
    - 1.4.7.2. "Am I being charged with a crime?", or;
    - 1.4.7.3. "Am I free to go?", if they say yes:
      - 1.4.7.3.1. Write down the name and badge number of the officer speaking; and

- 1.4.7.3.2. Depart the scene and wait to be contacted by the General Manager.
- 1.4.8. Do not say anything more than necessary, and wait for legal counsel; and
- 1.4.9. Remember your Miranda Rights. You have the right to remain silent. You have the right to speak with a lawyer and have him/her present while you are being questioned.

## **REPORTS REQUIRED**

- 1.5. None Required

## **AUTHORIZATION FOR DEVIATION**

- 1.6. The Director of Operations or General Manager must direct any deviation from the standard procedure.

## **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.7. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **2006 – Greeting Patients**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions for greeting and assisting patients at YMH.

### **RESPONSIBILITY**

- 1.2. The General Manager or their designate is responsible maintaining and training this P&P.

### **PROCEDURE**

- 1.3. The receptionist is responsible for greeting new and returning patients, other staff and any official visitors to YMH. The receptionist sets the tone for the patient or caregiver's visit and is responsible for making each person feel welcome in the Dispensary, while also gauging all persons for potential security risk prior to allowing entry to the waiting room.

- 1.3.1. Supplies needed:

- 1.3.1.1. Agent registration card; and

- 1.3.1.2. Panic button.

- 1.3.2. Be enthusiastic and welcoming when greeting patients and caregivers;

- 1.3.3. The receptionist is each customer's first point of contact and sets the tone for the customer's experience. Starting with your greeting, facilitate a positive atmosphere and create a warm and inviting environment for patients and caregivers; and

- 1.3.4. Whenever possible, try to remember patient and caregiver names and faces. In general, customers greatly appreciate being remembered by name. It lets them know they are valued and their patronage is appreciated.

- 1.4. Greeting Incoming Customers and Visitors:

- 1.4.1.1. Upon entry to the dispensary's entry vestibule, greet the person warmly and ask them for their photo identification and AMCC Patient ID card;
- 1.4.1.2. If you recognize the patient or caregiver from a previous visit, greet them familiarly by saying something like "welcome back!" or "nice to see you again";
- 1.4.1.3. If you do not recognize the patient or caregiver, ask if it is their first time visiting the YMH and welcome them;
- 1.4.1.4. Verify the identity of the holder of the qualifying patient or the designated primary caregiver; and
- 1.4.1.5. Once verification is obtained, allow the patient or caregiver into the waiting room and instruct him or her to wait in the waiting area for check in.
- 1.4.2. If the person is a visitor rather than a patient or caregiver:
  - 1.4.2.1. Ask for identification, the reason for the visit or if they are accompanying a patient / caregiver in need of assistance (visitor accompanying a patient or caregiver must be 21 years of age or older);
  - 1.4.2.2. If the visit was not arranged or they are not accompanying a patient / caregiver, consult with the General Manager; and
  - 1.4.2.3. Once the visit is approved, allow the visitor to wait in the waiting room and proceed with visitor check in.
- 1.5. The Patient Care Advisor is responsible for providing superior customer service to new and returning patients to the dispensary and their caregivers.
  - 1.5.1. Supplies needed:
    - 1.5.1.1. Agent registration card; and
    - 1.5.1.2. Computer with POS software.
  - 1.5.2. It is YMH policy to provide superior customer service to all patients and caregivers. Fulfilling this policy is a key responsibility of the Patient Care Advisor. Make sure to greet patients and caregivers as they arrive and acknowledge them as they leave.



- 1.5.3. Make sure they have all of their belongings, including their ID and registry card, before they exit and provide a warm goodbye. Remember, this is a retail environment and the customer always comes first. If there are any discrepancies or complaints, consult with the General Manager and address the situation to the best of your ability immediately. If you feel the situation has not been handled adequately, raise the issue to upper management.
  - 1.5.4. It is important to maintain a medical tone at all times with patients and caregivers. Cannabis culture is still adapting to a regulated environment, and it is YMH policy that all agents maintain a medical tone in order to contribute to the progress in the perception of cannabis as medicine.
  - 1.5.5. If you feel that a conversation with a patient or caregiver is becoming inappropriate, simply remind them that agents are required to maintain strict standards when discussing medical cannabis and products.
  - 1.5.6. To further legitimize the use of medical cannabis and to help invalidate the stigma associated with its use, avoid slang such as “weed”, “pot”, “grass”, “joint”, “doobie”, “stoned”, etc. Replace these terms with “medical cannabis”, “flowers”, “dosing” and “medicating”.
- 1.6. The Patient Care Advisor must be prepared to provide assistance to all patients, including patients with disabilities. The same high quality of care will be provided to patients with disabilities and patients without disabilities.
    - 1.6.1. Supplies needed:
      - 1.6.1.1. Agent registration card;
      - 1.6.1.2. Standard informational sheet; and
      - 1.6.1.3. Printed current menu.
    - 1.6.2. It is a policy to treat all customers equally and provide the same quality dispensary experience to all patients, including patients with disabilities. YMH will implement any measures necessary, within reason, to ensure patients with disabilities have equal access to medical cannabis and dispensary services.

- 1.6.3. It is a policy to follow the Americans with Disabilities Act requirements to allow service animals on the premises:
  - 1.6.3.1. Only limited inquiries are allowed! Staff may ask two questions to patients with service dogs:
    - 1.6.3.2. Is the dog a service animal required because of a disability?; and
    - 1.6.3.3. What work or task has the dog been trained to perform? Staff must not ask about the person's disability, require medical documentation, require a special identification card or training documentation for the dog, or ask the dog to demonstrate its ability to perform the work or task.
- 1.6.4. Allergies and fear of dogs are not valid reasons for denying access or refusing service to people with service animals. When a person is allergic to dog dander and a person using a service animal must spend time in the same room, (for example, in a school classroom or at a homeless shelter), both should be accommodated by assigning them, to different locations within the room or preferably different rooms in the facility;
- 1.6.5. A person with a disability cannot be asked to remove his/her service animal from the premises unless: (1) the dog is out of control and the handler does not take effective action to control it or (2) the dog is not housebroken. When there is a legitimate reason to ask that a service animal be removed, staff must offer the customer with the disability an opportunity to obtain goods or services without the animal's presence;
  - 1.6.5.1. Establishments that sell or prepare food must allow service animals in public areas, even if state or local health codes prohibit animals on the premises;
- 1.6.6. People with disabilities who use service animals cannot be isolated from other patrons, treated less favorably than other patrons or charged fees that are not charged to other patrons without animals. In addition, if a business requires a deposit or fee to be paid by patrons with pets, it must waive the charge for service animals;

1.6.7. If a business such as a hotel normally charges guests for damage they caused, a customer with a disability may also be charged for damage caused by the customer or the service animal; and

1.6.7.1. Staff is not required to provide care for a service animal.

1.7. The General Manager must create a standard informational sheet to be provided to hearing impaired patients, which will be made readily available to all employees. A Patient Care Advisor will provide a hard copy of the standard informational sheet and the current menu to hearing impaired patients upon check in.

1.7.1. Any agent assisting hearing impaired patients may also have to communicate by writing and reading. The standard information sheet should include the following text, at a minimum:

1.7.1.1. "Welcome to YellowHammer Medical Dispensaries!";

1.7.1.2. To make a purchase, we need to see a valid photo ID and your valid medical cannabis registry card. These documents will be returned to you as soon as we verify your information is correct in our system;

1.7.1.3. As a medical cannabis cardholder in the State of Alabama, you are able to purchase 120 grams in any one 30-day period;

1.7.1.4. Our current menu is on display and available in the waiting room and sales stations;

1.7.1.5. Please let us know if you have any questions and we will do our best to answer them.

1.7.2. Please hold doors and provide verbal (polite) directions as needed to help the patient or customer navigate the store.

## **REPORTS REQUIRED**

1.8. None Required

## **AUTHORIZATION FOR DEVIATION**

- 1.9. The Director of Operations or General Manager must direct any deviation from the standard procedure.

## **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.10. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **2007 – Managing Patient Flow, Interactions, and Sales**

### **RETAIL PATIENT FLOW AND INTERACTIONS**

Our vision for Yellowhammer Medical Dispensaries (YMH) is to create a welcoming, warm and embracing Adult-use and Medical Cannabis Retail store in the State. Our preferred location offers convenient public transport options, on-site parking and nearby major access roads, whilst the building itself can be readily and safely secured and managed.

YMH will serve to enhance the cannabis experience, choice and values of the Alabama community, offering an experience catering to the needs, expectations and wants of the local adult-use and medical patient caregiver clientele.

We have built our business model on 4 core value propositions:

**Delivering Unmatched Cannabis Care:** We aspire to offer the most caring cannabis experience in the market – focusing on holistic wellness, health and healing through balance and plant-based medicine. That’s our brave ambition at least. **Highest Product and Quality Service Available:** We will only ever sell products that align with our mission and values – clean, tested, compliant, honest, crafted with integrity and care.

**Being Locally Relevant:** Whilst we are a globally outward looking cannabis culture business, every operation that we are involved with has a strong focus on building a localized footprint – we carry this approach forward in every aspect of the business from attempting to work with through to having a preference for hiring local staff, building a locally relevant business plan and working with local community organizations.

**Respecting Diversity and Accessibility:** We value and encourage diversity, inclusiveness and accessibility for all.

To drive sales, we will offer a number of in-store shopping experiences:

1. **Grab-and-Go:** For regular consumers that know what they want, this counter allows them to enter the store and be out within 2-minutes.

2. **Budtender Service:** Less regular consumers have the option of interacting with our experienced and knowledgeable Budtenders. We will have a Master Budtender on the floor at all times – this ‘expert’ shall be recruited from a health and wellness background with formal training in either human anatomy, chemistry or plant science so that they can deliver a more advanced knowledge base.
3. **1-on-1 Shopping:** Our Retail store will have 2 private shopping nooks with a full range of products so that shoppers can easily ask questions in a more private setting. We found the experience highly enjoyable and based on the experience from this Retail store, shoppers using this service increase their basket size +25% on average.

## **CUSTOMER INTERACTION**

### **The Role of The Retail Team**

The overarching purpose of the Retail Team is to act as an ambassador for customers and the facility, to educate and inform customers about the facility and activism within the cannabis community, and to ensure YMH is in strict compliance with all city, county, state, and federal regulations about customer registration and facility access.

### **“CUSTOMER CARE” VS RETAIL**

YMH has a unique specialized service relationship with their customers. We differ from other retail industries in the sense that, in addition to moving through sales in an efficient manner, it also requires increased sensitivity to individual customer needs. The methods utilized by the team at YMH to ensure this level of sensitivity and care, are:

- Customers are more important than staff conversations. When a customer approaches, all staff conversations must stop IMMEDIATELY and the customer’s needs attended to immediately. This ensures that customers feel absolutely cared for and never as if they are “interrupting” a YMH Member.
- Kindness, warmth, & focus. Ensure that every customer is treated with kindness, warmth, and focused attention.

- Actively listening. Listen to customers very carefully to carefully determine their individual needs.
- Knowledge of the products. Have extensive knowledge of cannabis laws and legal/license requirements, customer limits, local and state regulations, etc., and constantly further that knowledge through personal study and research so that you can confidently guide customers through their experience at YMH.
- Separate work & personal life. Maintain a separation of their personal and work lives so that they are calm and focused for customers.

### **CONTINUOUS LEARNING**

There are several skills within the Retail Team that are straightforward, such as checking in an existing customer into the customer database. Once learned, these basic skills need minimal or no further development. Yet, working at YMH, there are additional, important skills that should be continuously developed and improved over time. YMH Budtenders must continuously deepen their knowledge of laws and regulations, as well as customers' rights, regarding the cannabis industry locally, statewide, and federally. In addition, associates will continuously grow their ability to effectively interact with all types of customers and all kinds of situations in a way that makes customers feel cared for and taken care of.

### **RETAIL TEAM STRUCTURE**

The Retail Team is comprised of three main “stations:”

- Customer Reception
- New Customer Orientation
- Budtenders

When scheduled in the Retail Team, associates will primarily be assigned to work either Customer Reception or New Customer Orientation, and may switch between those stations

throughout a shift when directed by their supervisor. All Yellowhammer Medical Dispensaries (YMH) Budtenders should be able to perform all job functions of these stations.

In addition to Customer Reception and New Customer Orientation, all YMH Budtenders are required to perform a limited number of tasks pertaining to Customer Services. There are other tasks associated with this station that are considered advanced skills and will be taught to individual YMH Budtenders as deemed appropriate by the Retail Store Manager.

Aside from the three main stations in the Retail Team, there is also one official Retail Store Manager on duty. Only YMH management personnel may fill the role of Retail Store Manager. The Retail Store Manager is the go-to person for the Retail Team and is responsible for overseeing all the Retail Team tasks and staff during the shift. This person is also the main contact for customer questions and/or complaints, as well as visitor and media inquiries.

## **CUSTOMER RECEPTION**

When customers enter the facility, they are greeted by a uniformed security guard. This guard visually inspects the customer's state-issued ID. Security will be trained to recognize false identification. If the information appears to be current and valid, the security guard will direct the customer to the reception desk. If the documents appear to be incomplete, out of date, or otherwise invalid, the security guard will explain the reason for denial of entry and politely request that the person return when they have all the necessary documentation. Once the customer reaches the reception desk, office staff requests the customer's ID and, if applicable, their recommendation for cannabis for verification. The customer is also given a copy of the YMH New Customer Form to review and sign while he or she is waiting for verification. A digital copy is made of each customer's photo ID and, if applicable, their recommendation for cannabis, to create a customer file (if one does not already exist).

Budtenders will be responsible for consulting and advising qualified patients about their Cannabis recommendations, and adult-use and medical patients about their options for products, and products and accessories sold at YMH. Budtenders will be responsible for checking a patient's recommendation, records, to see how much and what kind of product that customer or patient is allowed to be dispensed. The duties listed are not exhaustive, and



additional responsibilities may be assigned by the Retail Store Manager or other members of the management team.

Once verified, the Customer is must fill out our New Customer Form. The New Customer Form collects data including name, date of birth, and contact information, but also asks the customer to agree to a series of statements, including but not limited to:

- Agreement to not distribute/exchange cannabis to/with non-customers
- Agreement to not use cannabis for non-adult-use and medical use
- Agreement to follow all YMH rules and regulations
- Agreement to keep YMH up to date to any changes in customer status
- Agreement to follow all state and local laws regarding cannabis possession and use

A digital copy of the signed New Customer Form is maintained, and the customer is given a copy for their records. This ensures customers have access to their New Customer Form, and to the policies and responsibilities that come along with YMH customer.

Customers will then be given an orientation and tour of the facility by office staff. Office staff verbally informs the customer of the general process of using the facility services, including alternative health programs and other customer services, and gives the customer additional written documentation including rules and various handouts regarding services and customer opportunities. Once orientation is complete, the customer is then allowed to approach the facility counters and purchase cannabis medications and other products.

## **CUSTOMER RULES**

- No customer shall consume any cannabis on property.
- No customer shall be allowed onto facility property that appears to be under the influence of cannabis, alcohol, or other drugs.
- No customer shall be allowed to bring any guest onto property.

- No customer shall sell, exchange, display, present, give, trade, barter, or otherwise release control and/or allow use of their cannabis purchase to any other customer, except to return their purchased products to an authorized representative of YMH.
- No customer, employee, or guest shall behave in an aggressive manner toward any other customer, employee, or guest.

## **ONLINE ORDERING SYSTEM**

YMH will use an online ordering system to allow customers to place orders ahead of time for express pickup. Our Point of Sale allows us to provide customers with an up-to-date menu of offerings, pricing, and any promotional information. For example, customers are able to easily browse current offerings and compare prices side-by-side.

The interface is simple and intuitive – allowing users to select a product, select an amount, and place an order. The order confirmation process provides customers with an overview of their order, including products, quantity, pricing, an opportunity to enter a promotional code for a discount if applicable, and an opportunity to provide YMH staff with instructions regarding the order.

One of the benefits of YMH online ordering system is that it has a built-in customer education component. There are materials that provide a broad overview of cannabis-related information as well as very specific information about unique cannabis strains or cannabis products that customers may be interested in.

## **PRODUCT DISPLAY**

At YMH we take great care in keeping the flow and crowd under control at all times. We have strategically placed various product displays throughout different tables, counters, and areas, so that the sales floor is never congested, security can control the safety and security of patrons and products, and our customers are kept genuinely interested in the cannabis products and ancillary merchandise we have to offer. Below are some photo examples of how we display products behind protected display cases, and under control of the budtenders at all times.

## **DESCRIPTION OF FACILITY COUNTER**

A facility floor works much like that of a jewelry counter. Due to the small size and high value, cannabis samples and products are always kept behind either the back wall behind a facility counter, or in glass viewing displays.

Every Budtender is responsible for inventory. Each Budtender's register area is on surveillance to assure there are no opportunities for theft. The inventory in the cabinet is accounted for each morning and evening, during opening and closing, respectively, and signed witness by both the facility manager and the Budtender.

All cannabis items for sale will be displayed in enclosed cases. If a customer would like to take a closer look at any one sample, the Budtender will take the sample out to let the customer inspect the sample. Each sample will be individually viewed. Each sample will be put back before another can be taken out to be viewed. After the customer selects his or her medication, the Budtender retrieves the items the customer wishes to purchase, the Budtender scans each item for sale, bags those items, and then places the bag on the counter near the Budtender. The Budtender then takes payment for the items. Once the items are paid for, the Budtender hands the bagged items to the customer.

## **2008 – Refusal of Sale**

### **1. PURPOSE**

1.1. The purpose of this procedure is to provide instructions for refusing a sale at YMH.

### **RESPONSIBILITY**

1.2. The Director of Operations and General Manager is responsible for maintaining and training this P&P.

### **PROCEDURE**

1.3. Any employee may refuse to dispense medical cannabis or medical cannabis products to any patient or caregiver whom would exceed the allowable limit, or in the opinion of the agent that the patient, caregiver, or the public would be placed at risk, without fear of management retribution.

1.4. All agents must refuse to sell medical cannabis or medical cannabis products to a patient or caregiver whom they suspect may be diverting product and must notify the General Manager immediately. Each time a patient or caregiver requests and does not obtain medical cannabis or medical cannabis products from YMH, the agent must record in the patient record in the POS:

1.4.1. The date;

1.4.2. The name and registry cardholder's number; and

1.4.3. The reason the medical cannabis or medical cannabis products were not provided.

1.5. Employees will be trained on how to recognize the Signs of Medicine Abuse or Instability in the Medical Use of Cannabis

1.5.1. According to the Diagnostic and Statistical Manual for Mental Disorders, 4th edition (DSM-IV), substance abuse refers to an unhealthy pattern of substance use resulting in significant problems in one or more of the following ways:

- 1.5.1.1. Recurrent substance use resulting in a failure to fulfill major role obligations at work, school or home (e.g. repeated absences or poor work performance related to substance use; substance related absences, suspensions or expulsions from school; neglect of children or household);
  - 1.5.1.2. Recurrent substance use in situations in which it is physically hazardous (e.g. driving an automobile or operating a machine when impaired);
  - 1.5.1.3. Recurrent substance related legal problems (e.g. arrests for intoxication or disorderly conduct); and
  - 1.5.1.4. Continued substance use despite recurrent social or interpersonal problems caused or exacerbated by the effects of the substance (e.g. arguments with spouse about consequences of intoxication, physical fights, etc.).
- 1.5.2. Recognizing medicine abuse in patients and/or patient caretakers may be difficult. Be cognizant of behaviors that may demonstrate abuse or instability. Such behaviors may be exhibited by, but are not limited to: an unkempt appearance or lack of personal hygiene, child neglect, restlessness, paranoid thinking, poor memory or difficulty concentrating.
- 1.5.2.1. Do keep in mind, any of these behaviors may be related to the mental or physical health of a patient, or a symptom of an illness. If you suspect a customer is abusing medical cannabis or if an agent reports suspicion, notate it in the patient's record.
  - 1.5.2.2. If a primary caretaker or patient is clearly intoxicated (in a state of diminished physical and/or mental control), YMH reserves the right to refuse service. Ultimately, an agent must use his or her best judgment when deciding to refuse a sale and may do so without fear of reprisal from management. If a sale is refused, record the incident in patient record.

## **REPORTS REQUIRED**

### 1.6. None Required

## **AUTHORIZATION FOR DEVIATION**

- 1.7. The Director of Operations or General Manager must direct any deviation from the standard procedure.

## **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.8. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **2009 –Patient Check-in**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions for Checking in a patient or caregiver.

### **RESPONSIBILITY**

- 1.2. The Director of Operations or General Manager is responsible for maintaining and training this P&P.

### **PROCEDURE**

- 1.3. The receptionist operating the check in desk is responsible for checking in new and returning patients, other staff and any official visitors to the Dispensary. The supplies needed differ depending on the type of person to be checked in, but all of the following supplies should be readily available to the greeter in order to assist persons entering the premises quickly and efficiently.

- 1.3.1. Supplies needed:

- 1.3.1.1. Agent registration card;
- 1.3.1.2. Computer with POS software;
- 1.3.1.3. Document scanner;
- 1.3.1.4. Visitor badge (if applicable); and
- 1.3.1.5. “Dispensary Visitor Log” (if applicable).

- 1.4. New Patient Process:

- 1.4.1. Greet the patient or caregiver warmly and ask for a state issued photo ID or driver’s license, AMCC Patient ID card;
- 1.4.2. Compare the photo on the ID to the prospective customer’s likeness;
- 1.4.3. Provide the new patient with a “Patient Intake Form” to complete and sign:

- 1.4.4. Verify the patient's registration and written certification in the Commission Registry;
  - 1.4.5. Scan his/her ID and AMCC Patient ID card with the document scanner. Save the scan of the ID as JPEG and PDF files;
  - 1.4.6. Review the completed "Patient Intake Form" and make sure it was filled out correctly. If so, return the patient's documentation and check them in;
  - 1.4.7. Review the intake form and enter the information into the patient's POS profile. Sign and date the intake form, and scan it with the document scanner;
  - 1.4.8. Under "supporting documents" add the following in this order:
  - 1.4.9. Driver's License or State-Issued Photo ID (.JPEG) and (.PDF) formats;
  - 1.4.10. AMCC Patient ID card
  - 1.4.11. Intake Form;
  - 1.4.12. Rules and Regulations Agreement;
  - 1.4.13. AMCC PATIENT ATTESTATION FORM.
  - 1.4.14. Provide patient with amount of Cannabis able to purchase within their 30-day supply;
  - 1.4.15. Provide an estimate of waiting time. If the dispensary is busier than usual, overestimate wait time;
  - 1.4.16. Encourage the patient or caregiver to make his or herself comfortable in the waiting room and to browse the educational materials available during the wait; and
  - 1.4.17. The Patient Care Advisor will greet him/her in the waiting room and take him or her to the sales area when ready
- 1.5. Returning Patient:
- 1.5.1. Greet the patient or caregiver warmly and ask for a state issued photo ID or driver's license and AMCC Patient ID card;
  - 1.5.2. Compare ID photo to the customer's likeness;
  - 1.5.3. Bring up the patient's profile in the POS system;



- 1.5.4. Click their registry card file. Compare the file against the physical copy of the AMCC Patient ID card, noting date of birth, registry card #, name, and address;
  - 1.5.5. Update information as necessary (ID expiration date, date of birth, etc.) in accordance with procedure for “Updating Patient Information”; and
  - 1.5.6. If everything matches our files and the ID and registry cards are not expired, check him or her in using the POS system;
  - 1.5.7. Provide patient with amount of Cannabis able to purchase within their 30-day supply;
  - 1.5.8. Provide an estimate of waiting time. If the Dispensary is busier than usual, overestimate wait time;
  - 1.5.9. Encourage the patient or caregiver to make his or herself comfortable in the waiting room and to browse the educational materials available during the wait; and
  - 1.5.10. The Patient Care Advisor will greet him/her in the waiting room and take him or her to the sales area when ready.
- 1.6. Except as described below, the only persons who may be on the premises of a dispensary are:
- 1.6.1.1. A dispensary agent;
  - 1.6.1.2. A patient who is registered and has a current written certification;
  - 1.6.1.3. A registered caregiver;
  - 1.6.1.4. An inspector
  - 1.6.1.5. Child under the age of 7 may accompany a parent / guardian that is over the age of 18
  - 1.6.1.6. Visitor that is solely here to accompany a patient / caregiver in need of assistance to and from the service area (must be 21 years of age or older)
- 1.6.2. Any person other than those listed above must obtain a visitor identification badge from an agent before entering the premises of the YMH. A person who obtains a visitor identification badge including, without limitation, an outside vendor or contractor:

- 1.6.3. Must be escorted and monitored by an agent at all times he or she is on the premise;
  - 1.6.4. Must visibly display his or her visitor identification badge at all times he or she is on the premises; and
  - 1.6.5. Must return the visitor identification badge to an agent upon leaving the premises.
- 1.7. YMH shall maintain a "Visitor Log," which includes the name of the visitor and the date, time and purpose of each visit by a person other than those authorized to be on the premises. YMH shall make its visitor log available to the Commission upon request. The Dispensary Visitor Log will be maintained for two years.
- 1.7.1. Visitor Check-In Procedure:
    - 1.7.1.1. Upon arrival of the visitor, ask about the reason for the visit. YMH does not accept unannounced visitors, with the exception of state inspectors and Commission authorities;
    - 1.7.1.2. All visitors must provide a current, state issued photo ID to verify they are over 21 years of age;
    - 1.7.1.3. Scan the visitor's photo ID and save the image to the computer;
    - 1.7.1.4. Security / Receptionist will check in the visitor using the "Visitor Log." Necessary information includes: printed name, signature, driver's license number, date, time, reason for visit, badge number and an agent chaperone's initials;
    - 1.7.1.5. Issue a visitor laminate badge to wear around his or her neck. Explain the badge is property of YMH and it must be returned before leaving;
    - 1.7.1.6. Ensure the visitor has an agent escorting them at all times throughout the visit. However, a State Inspector from the Commission may make scheduled or unscheduled inspections un-chaperoned at his or her request; and
    - 1.7.1.7. Make sure the visitor checks out and returns the badge before exiting the facility.

1.8. The Security team member and receptionist is responsible for prohibiting unauthorized persons from entering sensitive areas of the facility as well as for recognizing signs of abuse of medical cannabis by patients.

- 1.8.1. Supplies needed;
- 1.8.2. Agent registration card;
- 1.8.3. Computer with POS software;
- 1.8.4. Document scanner; and
- 1.8.5. Panic button.

1.9. If the patient or caregiver does not have valid identification AND a valid medical cannabis registry number, politely explain that you are required by the State of Alabama to collect these documents prior to allowing them to enter or purchase medical cannabis products.

1.10. Any approved visitor who does not bring a valid, state-issued photo ID must also be prohibited from entering the premises. The receptionist and/or security team member must consult with the General Manager if an unauthorized person refuses to leave and may contact local law enforcement if the issue persists. The panic button may be used if the situation becomes life threatening, such as if a person begins making threats or brandishes a weapon.

## **REPORTS REQUIRED**

- 1.11. YellowHammer Medical Dispensaries Visitor Log

## **AUTHORIZATION FOR DEVIATION**

- 1.12. The Director of Operations or General Manager must direct any deviation from the standard procedure.

## **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.13. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review

date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **2010 – Anti-Diversion**

### **1. PURPOSE**

- 1.1. The purpose of the plan is to provide comprehensive policies and procedures to be implemented by management in order to ensure that diversion of cannabis is prevented. All cannabis in the process of production, preparation, transport, or dispensing shall be housed and stored in such a manner as to prevent diversion.

### **RESPONSIBILITY**

- 1.2. The Director of Operations or General Manager is responsible for maintaining and training this P&P.

### **PROCEDURE**

- 1.3. The provisions outlined herein include strict security measures to prevent agent or third-party theft or transfer of cannabis products by an authorized customer to an unqualified individual. Supply-chain security is designated as a primary job duty of all managers, reinforcing a company-wide culture of responsibility. The General Manager will be responsible for the development and implementation of the Anti-Diversion plan.
- 1.4. Specific considerations regarding anti-diversion measures include methods for increased authorized customer accountability and guidelines for education, training, and proper product handling. This includes the use of automated dispensing and cash vault machines for greater product control and outlines methods for identifying, recording, and reporting diversion, theft, or loss, and correcting all errors and inaccuracies in inventories.
- 1.5. YMH has established a loss prevention strategy focused on anti-diversion and prevention of breaches in product security. YMH acknowledges that the most effective way to ensure the safety and security of Employees, facilities and products is by implementing thorough prevention strategies. All agents are required to have a comprehensive knowledge of the diversion and trafficking prevention measures and

to incorporate prevention measures into daily work activities. In the event of theft or loss from YMH, all Employees are required to immediately report the incident to the Dispensary Manager and General Manager. These persons will contact the Board, local law enforcement, and the Commission.

- 1.6. All cannabis and cannabis products within YMH will be stored in a vault within a limited access inside a secure product storage room in order to prevent diversion, theft, or loss. The General Manager and his designees will conduct periodic checks to assure all locks and security equipment in the secure product storage room are maintained in good working order.
- 1.7. Any area used for storing, dispensing, and performing any other activity involving cannabis will be located within the enclosed and locked facilities (Operations Zone) which will protect operations from view. The area in which cannabis or cannabis products are stored has 24-hour surveillance, is protected from unauthorized entry via the access control system and securely locked at all times, other than when required to add, move or remove products from storage.
- 1.8. All cannabis products in any phase of the Dispensary cycle will be in a secure limited access location in the Dispensary, and access will only be granted to a minimum number of authorized personnel necessary for efficient operations.
- 1.9. Diversion includes, but is not limited to, agent or third-party theft or transfer of cannabis products by an agent or authorized customer to an unqualified individual. Best practice dictates that YMH must demonstrate control and security over controlled substances inventory, create strict divisions of duties and implement oversight procedures developed by management to prevent opportunities for diversion.
- 1.10. The General Manager is responsible for the development and implementation of the company's Anti Diversion Plan. The Board is responsible for oversight of the Anti-Diversions Plan effectiveness. All Employees, registered patients and caregivers are responsible for ensuring a culture of responsibility and reporting. All agents will be trained to identify indicators of diversion, including:

- 1.10.1. Patients or caregivers requesting split orders of the same product;

- 1.10.2. Suspicious behavior;
  - 1.10.3. Parking lot surveillance; and
  - 1.10.4. Other indications of planned diversion.
- 1.11. Any agent who participates in, allows or fails to report diversion shall be reported to law enforcement as necessary and terminated in accordance with the Employee Manual and Alabama Medical Cannabis Laws. Additionally, all sensitive transactions related to the purchasing and sale of cannabis and cannabis products require two agents to verify the transaction in accordance with the YMH's P&P's.
- 1.12. It is imperative that all employees embrace the Anti-Diversion Plan and share in discrepancy-resolution and diversion-prevention responsibilities. Working together, administration, dispensary operations units shall make recommendations to the General Manager regarding the policies and procedures for the handling controlled substances.
- 1.13. The Director of Operations and General Manager must regularly review information from external sources including other managers, law enforcement, trade associations, advocacy groups, etc. and patients and caregivers related to factors that may impact the incentive for diversion (i.e. system-wide cannabis shortages, changes in law, etc.). If the General Manager concludes a change in diversion risk based on environmental factors, a risk mitigation plan must be developed and implemented.
- 1.14. All Employees shall report any suspicion of theft or diversion to a Company manager or supervisor immediately as a condition of employment. Any occurrence of diversion, theft or loss of cannabis will be handled in accordance with the Anti-diversion plan.
- 1.15. The Dispensary will immediately notify the Commission and the Alabama State Police of any verified loss, theft, or diversion of cannabis from YMH, and will additionally provide notice to local law enforcement if a reduction in the quantity of medical cannabis in inventory is due to suspected criminal activity.
- 1.16. Prior to commencement of association with YMH, all agents will be thoroughly screened and subject to a background check. Any person with a history of theft or

diversion, or with a felony drug conviction, will not be eligible to be employed by or volunteer for YMH.

- 1.17. Visitors must be handled in accordance with the Visitation Protocol. Visitors must be approved by the appropriate manager, recorded in the Visitor Log, and accompanied by an Employee at all times.
- 1.18. Visitors must never be granted access to areas where security equipment, cash, cannabis or cannabis products are present unless absolutely required for provision of services.
- 1.19. Two agents are required to receive any cannabis or cannabis products into inventory at any location. Each agent must confirm by signature the accuracy of the delivery invoice, identification numbers, number of containers, the total inventory count received, and the accuracy of the entry of the inventory into the POS system in accordance with the Receiving Plan.
  - 1.19.1. Two agents are required to move inventory from a storage area to the packaging area for packaging and distribution.
  - 1.19.2. All agents are required to have a good working knowledge of the Anti-diversion plan and to implement prevention measures into daily activities.
  - 1.19.3. Only main facility entrances will be used for access to the facility. Auxiliary doors will only be used in case of emergency egress.
  - 1.19.4. Storage rooms will be secured with a lock that can be opened from the inside so that agents are not locked inside during an incident.
  - 1.19.5. Managers will vary agent lunch and break schedules to ensure maximum coverage.
  - 1.19.6. Agents should be trained to greet every visitor to a facility immediately and look each visitor directly in the eyes noting any nervousness or strange behavior in the visitor.
  - 1.19.7. Limited and restricted access areas will be cleaned regularly to remove old fingerprints. Oil or wax- based cleaners will not be used.



- 1.20. Each agent handling cash will be trained by the General Manager with respect to handling cash and incidents related to handling cash. The General Manager and Dispensary Manager(s) are responsible for the development and implementation of cash management procedures, if needed. If the Dispensary cannot avoid cash transactions, cash will be secured in a money safe separate from cannabis product within the vault room.
- 1.21. At least two agents (the term “agents” includes all personnel, including managers) are required for opening, closing and operation;
- 1.21.1. An agent will inspect the business for forcible entry before entering the business and survey the premises before admitting others;
- 1.21.2. Security equipment will be inspected after opening and prior to closing to ensure the necessary surveillance of all operating activities;
- 1.21.3. At closing, agents will survey the premises for someone hiding in the facility, near the building entrance or in the parking lot; and
- 1.21.4. At closing, one agent will enter the parking lot first while the second watches him or her enter his or her vehicle before the second enters his or her vehicle.
- 1.22. Every agent is responsible for reporting suspicious activities and persons to a supervisor or a Manager. The Manager will notify law enforcement when a potential risk is identified. Should the person leave before the law enforcement officer’s arrival, the Manager will note the time to retrieve surveillance records, and record a description of the suspect and his/her vehicle for possible police use. Examples of suspicious activity could involve coworkers, patients, vendors or unknown persons and include:
- 1.22.1. Persons monitoring business operations;
- 1.22.2. Persons asking about closing times, volume of business, the amount of money on hand, etc.;
- 1.22.3. Persons who appear to loiter in the area examining the business layout and operations; and
- 1.22.4. Persons waiting for a lull in activity and fewer customers.

- 1.23. The Dispensary will use a robbery and burglary alarm system. Agents will be trained by a manager on the panic alarm system, including the location of fixed alarms, the appropriate use of personal alarms and accidental activation procedures. A minimum of two agents at the Dispensary will carry a personal silent alarm with them at all times while on-site. The robbery and burglary alarm system will include the following requirements:
- 1.23.1. Coverage of all entrances and exits, rooms with exterior windows or walls, roof hatches, skylights, and storage rooms containing safes;
  - 1.23.2. Silent duress alarm triggered by a specific code that signals that the alarm user is being coerced to turn off the system;
  - 1.23.3. Audible panic alarm, which is activated by a device and signals a life threatening or emergency situation requiring law enforcement response;
  - 1.23.4. Silent hold up alarm, which is activated by a device and signals a robbery in progress;
  - 1.23.5. Ability to remain operational during a power outage and ensure all access doors are not solely controlled by an electronic access panel, such that locks are not released during power outage.
- 1.24. The General Manager will maintain a list of non-emergency police department contacts for YMH, and will maintain regular communication with each contact advising of any changes in the security environment or any suggested modifications to procedures. The General Manager will engage these agencies to support YMH's security mission through:
- 1.24.1. Collaborative training and exercises;
  - 1.24.2. Observation patrols provided by the Allegany County's Police Department;
  - 1.24.3. Rapid response to incidents; and
  - 1.24.4. Proactive meetings.
- 1.25. The Anti-Diversion Plan details extensive provisions that YMH has developed to ensure comprehensive control of inventory from "seed to sale" in compliance with

the Alabama Medical Cannabis Laws. YMH's priorities for securing inventory center on controlling access to areas of facilities in which cannabis and cannabis products are present, the inventory control systems utilized, the detailed inventory records maintained, and the physical security of the Dispensary facilities and properties.

- 1.26. Audits and inventory counts will be performed in order to ensure a quick resolution of discrepancies and errors.
- 1.27. The Dispensary Manager, General Manager, and Director of Operations will perform a periodic review of system administrators and responsible agents to prevent diversion opportunities.
- 1.28. Audit procedures will ensure a full inventory of cannabis and cannabis products monthly, as a minimum requirement.
- 1.29. The General Manager and the Dispensary Manager in coordination with the Director of Operations will develop and employ standard deviation measures utilizing historical data to evaluate the activities of all system users and purchases; the measures will be revised annually at a minimum, but as often as needed to accurately reflect current operating data.
- 1.30. Any inventory discrepancies discovered by any agent will be reported to a manager upon discovery. Any discrepancies discovered during a shift will be resolved before the end of the shift.
- 1.31. The General Manager will report all unresolved inventory discrepancies to the Commission and Alabama State and County Police as necessary.
- 1.32. The General Manager will monitor unresolved inventory discrepancies on a daily basis.
- 1.33. The General Manager will approve the reconciliation entry of any inventory discrepancy.
- 1.34. All cannabis and cannabis products awaiting disposal must be stored in a secured and locked container, recorded and disposed of in accordance with Green Waste Disposal Plan.

## **REPORTS REQUIRED**

1.35. None.

## **AUTHORIZATION FOR DEVIATION**

1.36. The Director of Operations or General Manager must direct any deviation from the standard procedure.

## **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

1.37. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **2011 – Product Returns and Refunds**

### **RETURN AND RECALL PROTOCOLS**

Cannabis may be returned to our facility for several reasons:

- it is no longer needed by the patient or the patient’s registration has expired or been revoked,
- it is found to be defective by the patient, or
- it has been recalled by the dispensary due to quality concerns with the associated batch.

***Product No Longer Needed.*** If cannabis is returned because it is no longer needed or the patient’s registration expires or is revoked, then pending verification that it was in fact dispensed by our facility, the patient will receive a receipt indicating the type, date, and amount of returned cannabis.

***Product Returned as Unsatisfactory.*** YMH believes that a customer-friendly return policy is essential to all aspects of our operation. We would like to be made aware as soon as possible of any product safety issues that have escaped our screening process so that we can promptly analyze and correct the problem. An unaccepting attitude toward product returns will only discourage reporting of quality concerns and encourage diversion for monetary gain. We will serve our mission better by supporting the return of products that patients find unsatisfactory. Our goal is to develop a policy that neither discourages nor incentivizes returns.

Any products returned for quality reasons are weighed and sent for inspection and analysis. If evidence of pests, contamination, or other defects is found, the inventory tracking system will identify all products derived from the same plant or batch (regardless whether they are still in our dispensary or have been dispensed to patients, caregivers, or other dispensaries), allowing us to do wider testing and remediate, protect, or dispose of inventory as needed and recall products when necessary.

Patients will be informed of our return policies and rules both verbally and in writing when making a purchase at our dispensary. We will make sure patients understand that:

- to return products, they must first make, in advance, an appointment specifically for this purpose,
- cannabis damaged by improper storage by the patient may be returned, but shall not be replaced,
- the cannabis must have in fact been purchased at our facility and have been the most recent purchase made by the patient or by the patient's designated caregiver on the patient's behalf.

***Recalled Cannabis.*** Customer health and safety is a top priority for YMH. Accordingly, YMH is committed to consistently offering quality, safe, effective cannabis. To this end, YMH will prevent any defective, misrepresented, or contaminated products, or products of insufficient quality, from being sold at its licensed dispensary. Upon the discovery of product contamination, safety concerns, consumer adverse reaction, or quality-related issues, YMH will quickly and efficiently carry out recall procedures in order to protect the health and wellbeing of the consumers.

**A. Product Recall.** A recall is generally undertaken when there is verifiable evidence that a product is defective or has health and safety hazards that reasonably could or already has caused adverse reactions or health problems. The classification of a recall typically involves the presence of bacteria, a substance that may cause a potential allergic reaction, or some other contaminant that could cause adverse reactions in consumers, whether such reaction is serious or temporary. YMH may also recall when there are prior to an official recall when health or safety risks are suspected, but not yet verifiable.

**B. Examples of Situations Requiring Recall.** The following list, which is not exhaustive, identifies incidents requiring a recall:

- Cannabis product found to contain any amount of pesticide residue from an illegal/restricted chemical.

- Cannabis product found to exceed the microbiological contamination, mycotoxin, or heavy metal limits established by the State.
- Cannabis product found to have more than maximum allowable amount (PPM) of residual solvent.
- Known, assumed or suspected cannabis product contamination by chemical, physical, or microbiological hazards. Incorrect labeling which may constitute a breach in product safety, quality, or legality standards.
- Notification from a licensee that products supplied were found to pose risks for any of the above reasons.
- Known or suspected malicious contamination.
- Internal quality assurance re-testing of improperly stored packaged cannabis products reveals contamination or adulteration.
- Severe consumer adverse reaction to cannabis product, once investigated and reasonably suspected or determined to be due to cannabis product quality- or safety-related issues, and therefore not likely to be an isolated incident.
- Cross allergen discovered or unknown allergen discovered in the batch and lot.

**C. Responsibilities During Recall.** The Retail Manager will be primarily responsible for the determination for engaging a recall and oversight of the execution of recall procedures. In some circumstances, YMH may bring in a qualified third-party contractor to assist with determining whether a recall is necessary or to participate in procedural oversight during the recall.

**D. Recall and Withdrawal Team.** The Retail Manager will select a recall team, composed of the “persons most knowledgeable” in YMH and most qualified to handle the recall, which will be responsible for executing the recall procedures. The team will be responsible for coordinating all aspects of a product recall.

**E. Initial Steps of a Product Withdrawal/Recall.** After being notified of an incident that may require a product recall (or after determining a complaint warrants a recall), YMH will do the following:

- Proper Recall Notice Handling and Investigation. The person receiving the recall notice will follow complaint response and investigation plan set forth in the product complaint procedures.
- Provide Notifications – Provide notification to YMH legal counsel, management personnel, and state agencies as required:
  - i. The Retail Manager will notify legal counsel in writing that a situation meets the criteria for a recall. Any recommendations by counsel for alternative procedures must be approved; and
  - ii. The Retail Manager must notify the state within 24 hours of determining the recall.
- Whether or not adverse reactions or serious health issues have already occurred from use of the product;
- Degree of hazard to specific segments of the consumer base who are likely to use the product;
- Degree of seriousness of the health hazard to which the consumer base at risk would be exposed; and
- Likelihood of occurrence of hazard.

YMH will assign the recall event to one of the following classes, in accordance with FDA guidelines and the level of hazard involved:

**Class I:** A situation in which there is a reasonable probability that the use of or exposure to the product will cause serious adverse health consequences.



**Class II:** A situation in which use of or exposure to the product may cause temporary or medically reversible adverse health consequences or where the probability of serious adverse health consequences is remote.

**Class III:** A situation in which use of or exposure to the product is not likely to cause any adverse health reaction, but may pose safety risks (e.g. non-hazardous labeling violation substantiated by test results)

## **3001 – Cannabis Storage**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions for handling and storage of cannabis and products that contain cannabis.

### **RESPONSIBILITY**

- 1.2. The Director of Operations and General Manager are responsible maintaining and training this P&P.

### **PROCEDURE**

- 1.3. All inventory stored on the Dispensary will be secured in a limited access area and tracked consistently. The Director of Operations in coordination with the General Manager will develop, implement, and maintain handling and storage measures that prevent spoilage, molding, and other damage while preparing for distribution.
- 1.4. The Director of Operations in coordination with the General Manager is responsible for ensuring compliance of all storage areas:
  - 1.4.1. All cannabis and cannabis products must be stored in an enclosed and locked vault where no toxic or flammable materials are kept;
  - 1.4.2. Adequate lighting, ventilation, temperature, humidity, space, and equipment must be provided in all cannabis and cannabis product storage areas;
  - 1.4.3. All storage areas must be maintained in a clean and orderly condition;
  - 1.4.4. All storage areas must be kept free from infestation by insects, rodents, birds, and pests of any kind; and
  - 1.4.5. All storage areas must be maintained in accordance with applicable laws and regulations as well as YMH's secure storage provisions.
- 1.5. In accordance with YMH policy and Alabama Medical Cannabis Laws, all finished cannabis and cannabis-infused products, and cannabis in the process of packaging,

distribution, transfer, or sales will be stored in such a manner as to prevent diversion, theft or loss.

- 1.5.1. All cannabis and cannabis-infused products within the Dispensary will be stored in a vault located within the operations zone with limited access in the interior of the building;
  - 1.5.2. In accordance with Alabama Medical Cannabis Laws, all cannabis that is stored will be stored in a secure location within the Dispensary, to which access is limited to a minimum number of authorized personnel;
  - 1.5.3. All vaults, security equipment, and secure areas used for the production and storage of cannabis will be securely locked and protected from entry, other than during the time required to move or replace cannabis;
  - 1.5.4. All cannabis and cannabis infused products must be returned to a secure, locked area (Vault) at the end of any process or and at the end of the day (i.e. Dispensary products on display);
  - 1.5.5. Access to cannabis products must be restricted by the General Manager. Only necessary personnel must receive access rights to areas housing security equipment, cannabis, cannabis products or cash.
- 1.6. All agents must ensure that safes, vaults, and any other equipment or areas used for the packaging or storage of cannabis and cannabis products are securely locked and protected from entry at all times, except for the actual time required to remove or replace cannabis. The Director of Operations and the General Manager must ensure that adequate surveillance of the storage area is provided and the camera's field of view is not be obstructed.
- 1.7. Pursuant to Alabama Medical Cannabis Laws and YMH policy:
- 1.7.1. Storage areas are restricted to the General Manager, Dispensary Manager, and any essential agent designated by the managers to enter the limited access area;
  - 1.7.2. The General Manager will approve and witness the transfer of cannabis from the vault to packing and Packaging to vault;

- 1.7.3. Storage areas will have full surveillance camera coverage in accordance with the Alabama Medical Cannabis Laws;
  - 1.7.4. Storage areas will provide adequate lighting, ventilation, temperature, sanitation, humidity, space, equipment, and security conditions for the storage and packaging of cannabis.;
  - 1.7.5. Cannabis that is outdated, damaged, deteriorated, misbranded, or adulterated, or with open or damaged containment or packaging, will be stored separately in a quarantined area until time of destruction; and
  - 1.7.6. The Dispensary Manager or General Manager will verify the weights of all cannabis inventory prior to storage.
- 1.8. It is YMH policy to remove all cannabis and cannabis infused products from the sales area after each business day and store these products in the vault.
- 1.9. Cannabis and cannabis products may only be removed from secure storage in the sales area by an agent authorized by the Director of Operations, General Manager or Dispensary Manager:
- 1.9.1. Only to dispense the cannabis or cannabis product;
  - 1.9.2. Only immediately before the cannabis is dispensed; and
  - 1.9.3. Only by a registered agent of YMH.
- 1.10. The General Manager is responsible for the oversight of product storage. He or She must ensure the separate or defined areas or other comparable control systems are utilized to ensure the prevention of contamination or miscalculation or misuse of any component in any step of the production process, including packaging, labeling, storage or dispensing of cannabis or cannabis products. These control areas must be established for:
- 1.10.1. Receipt, identification, storage and withholding from use of components, product containers, closures and labels, pending the appropriate sampling, testing or examination by the quality control unit before release for manufacturing, processing, or packaging;

- 1.10.2. Holding rejected components, product containers, closures and labels before disposition;
- 1.10.3. Storage of released components, product containers, closures and labels;
- 1.10.4. Storage of in-process materials;
- 1.10.5. Dispensary operations;
- 1.10.6. Packaging and labeling operations.

### **REPORTS REQUIRED**

- 1.11. None required

### **AUTHORIZATION FOR DEVIATION**

- 1.12. The Director of Operations or General Manager must direct any deviation from the standard procedure.

### **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.13. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **3002 – Inventory Control**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to outline the operational procedures for inventory management in compliance with Alabama Medical Cannabis Laws.

### **RESPONSIBILITY**

- 1.2. The Director of Operations or General Manager is responsible for maintaining and the training of the P&P.

### **PROCEDURE**

- 1.3. The General Manager is assigned responsibility for oversight of all inventory management activities and for implementing and enforcing the contained policies and procedures.
- 1.4. It is established that the General Manager will ensure the cumulative inventory of cannabis and usable cannabis reflects the projected needs of qualifying patients.
- 1.5. The Board and the General Manager will work collaboratively to assure that inventory is tracked from seed to sale, counted and recorded at required intervals, and that any discrepancies are reported to the appropriate authorities as outlined in the Anti-Diversion Plan.
- 1.6. The POS system is accurate and capable of producing, upon request, reports on all cannabis and cannabis products in storage, and that has been dispensed. All inventory policies and procedures relevant to the acquisition, receipt and transport of cannabis are comprehensively addressed.
- 1.7. Discrepancies identified during inventory that are not due to documented causes will be reported to the General Manager and the causes will be investigated. Any suspected cases of diversion, theft, loss and any criminal action involving YMH or an Employee will be reported to the Local Authorities and the Commission. The General Manager will also report any verifiable incident of theft or loss of cannabis to the local authorities and the commission.

- 1.8. The Director of Operations is responsible for oversight of all inventory control and management. The responsibilities include, but are not limited to: real-time inventory tracking, inventory counts and audits, reconciliation of inventory discrepancies, preparing transfers, packaging and labeling final cannabis products, inventory recordkeeping, and reporting.
- 1.9. The General Manager is also responsible for developing and implementing inventory training for all agents, and will have the authority to delegate specific inventory control, management, or recordkeeping tasks to qualified managers or agents.
- 1.10. The Director of Operations will have oversight of the inventory control system for the facility. The General Manager and Dispensary Managers have responsibility for ensuring accurate recording and accountability of all inventory, as well as accurate recording of all inventory movements in the Dispensary.
- 1.11. The General Manager must ensure the cumulative inventory cannabis and cannabis products reflect the projected needs of qualified registered patients. Production and procurement volumes should be sufficient to meet, but not substantially exceed, registered patient needs
- 1.12. The General Manager is responsible for the accurate real-time reporting of cannabis inventory. The selected automatic data processing/point-of-sale (“POS”) system, the POS System will be used for real-time inventory management and tracking cannabis throughout operations. The system utilized involves reporting daily beginning and ending inventory including:
  - 1.12.1. Cannabis or Products that contain cannabis in any form such as flower or concentrates;
  - 1.12.2. Cannabis products in process;
  - 1.12.3. Finished cannabis and cannabis products;
  - 1.12.4. All damaged, defective, expired or contaminated cannabis and cannabis products awaiting disposal;
  - 1.12.5. Acquisitions;
  - 1.12.6. Sales;
  - 1.12.7. Shipments or transfers; and

- 1.12.8. Disposals of unusable cannabis.
- 1.13. The entirety of the Dispensary will be covered by surveillance video cameras. All Dispensary activities, including inventory management and control activities, will be recorded by surveillance cameras and the footage will be stored in a secure location on and off site. Surveillance footage can be watched in real-time, on the display monitor in the security room, or stored footage can be accessed for review. Constant, comprehensive surveillance camera coverage provides an additional protection against diversion or theft and allows verification and surveillance of all inventory activities.
- 1.14. The General Manager or his/her designee must ensure that the inventory management system (i.e., the POS system) is maintained and provides adequate documentation of all cannabis product movements from acquisition to sale;
- 1.15. The General Manager or his/her designee must ensure that the POS system requires verification of patient registration, order contents, and order fulfillment status before an Employee may dispense any cannabis product;
- 1.16. The General Manager or his/her designee must ensure that the POS system either interfaces with METRC or requires an Employee to enter a dispensing action into the Registry immediately upon dispensing a cannabis product to a qualified registered patient or patient's legal representative;
- 1.17. The General Manager or his/her designee must ensure that the POS system maintains patient profiles and records, and protects patient privacy and confidentiality in accordance with HIPAA standards and Alabama Medical Cannabis Laws, and restricts access to confidential patient information through the issuance of user permissions;
- 1.18. The General Manager or his/her designee will conduct an initial comprehensive inventory of all cannabis products, which will be recorded in the POS system;
- 1.19. The General Manager or his/her designee must maintain procedures which reconcile cannabis products acquired with cannabis products disposed, in storage, on display in the sales area, in transport, and dispensed on-site in real-time.



Significant variances must be documented, investigated by the General Manager and reported to the Board for review. This will enable the company to promptly detect diversion, theft, or loss;

- 1.20. The General Manager or his/her designee will ensure that all required cycle counts and electronic inventory management activities. Quarterly comprehensive inventory counts will be conducted under the General Managers supervision and reconciled to the perpetual inventory records in the POS system.
- 1.21. Significant variances or discrepancies will be documented, investigated by the Board, and reported to the Commission if criminal activity is suspected;
- 1.22. The General Manager or his/her designee will keep records of all cannabis products sold or otherwise disposed the Dispensary. These records will include, at a minimum:
  - 1.22.1. Name and form of the cannabis product dispensed;
  - 1.22.2. Batch and lot number(s);
  - 1.22.3. Amount of the cannabis product dispensed;
  - 1.22.4. Lab results pertaining to the specific cannabinoid levels;
  - 1.22.5. Sales price;
  - 1.22.6. Date of sale;
  - 1.22.7. Name and identification number of the qualified registered patient or patient's legal representative to which the cannabis product was dispensed; and
  - 1.22.8. If disposed, the name, form, batch number, quantity, date, manner of disposal and reason for disposal for any cannabis products destroyed.
- 1.23. At least once every 30 days, the General Manager or his/her designee will conduct an inventory audit:
  - 1.23.1. The General Manager or his/her designee will compare physical inventory counts conducted by an agent with electronic inventory records in the POS;
  - 1.23.2. Using this method, the General Manager or his/her designee will promptly detect diversion, theft, or loss and take immediate action to reconcile inventory discrepancies, if any;

- 1.23.3. The General Manager or his/her designee will conduct the audit and produce an inventory audit report for the Board at least once every 30 days;
  - 1.23.4. If any inventory discrepancy is identified during the audit, the General Manager will conduct an investigation, identify the source of the discrepancy, and take corrective action; and
  - 1.23.5. Discrepancy investigation and resolution will be recorded, and records maintained for a minimum of five (5) years. The Commission will be notified of any discrepancy and all corrective actions taken with five (5) business days.
- 1.24. The General Manager or his/her designee will receive a receipt for any sample of cannabis product or record that is removed from the Dispensary by a Commission representative. No other persons may remove samples of cannabis products from any the premises.
- 1.25. The General Manager or his/her designee will oversee the documentation of all inventory procedures conducted in the dispensary and ensure that all inventory records are maintained. Inventory will be comprehensively tracked and recorded in the POS system, and standard or custom reports can be produced upon demand. The POS system will also maintain agent records, transportation records, records of recall or withdrawal activities, analytical test results, and any other type of record pertaining to operations or products.
- 1.26. YMH utilizes a secure cloud-based document management system for the electronic storage of all required records, including but not limited to: business records, compliance-related records, and security records. All inventory documentation required will be retained for at least five (5) years and records will be made available to the Commission upon request.
- 1.27. The General Manager or his/her designee will maintain an internal Inventory Log to record:
- 1.27.1. The date of an inventory process;
  - 1.27.2. A summary of the inventory findings;
  - 1.27.3. Any discrepancies found;

- 1.27.4. Discrepancy resolution, if any; and
- 1.27.5. The name, identification number, and title of the agent or manager who conducted the inventory process.
- 1.28. All Employees are responsible for identifying and recording dispensing errors. All dispensing errors will be recorded on an internal Dispensing Errors Log.
- 1.29. The General Manager must be notified immediately to determine necessary corrective actions and must review monthly at a minimum to identify means for preventing and dispensing errors.
- 1.30. The General Manager must determine if the dispensing error requires correction and shall contact any affected patients as soon as possible. If a dispensing error resulted in dispensing of a cannabis product to an individual other than a qualified registered patient or a qualified patient's legal representative, the General Manager will immediately notify the Commission and take appropriate corrective action, in accordance with Alabama Medical Cannabis Laws. Recordable dispensing errors include, but are not limited to:
  - 1.30.1. Wrong product;
  - 1.30.2. Expired product;
  - 1.30.3. Wrong label on product;
  - 1.30.4. Missing product from sale;
  - 1.30.5. Wrong patient name/identification number;
  - 1.30.6. Unauthorized person;
  - 1.30.7. Wrong quantity;
  - 1.30.8. Wrong potency; and
  - 1.30.9. Wrong route of administration.
- 1.31. The General Manager or his/her designee are responsible for ensuring that all cannabis and cannabis products are:
  - 1.31.1. Labeled clearly and unambiguously as medical cannabis;
  - 1.31.2. Not presented in packaging that is appealing to children;

- 1.31.3. Regulated and packaged on the basis of the concentration of THC or weight, depending on product type;
  - 1.31.4. Packaged and labeled in a manner to allow tracking using the POS; and
  - 1.31.5. Prepared and packaged in accordance with the standard operating procedures.
- 1.32. The Director of Operations and the General Manager will develop, implement, and maintain detailed written procedures for the receipt, identification, storage, handling, sampling, and approval or rejection of product constituents and packaging materials;
- 1.33. Each container or group of containers for product constituents and packaging materials must be identified with a distinctive code (i.e. batch, lot, or control number) for each lot in each shipment received for traceability.
- 1.34. Each agent engaged in receiving operations must be trained in process and confirmation of specifications to be met for product constituents and packaging materials including:
- 1.34.1. Identity;
  - 1.34.2. Strength and composition; and
  - 1.34.3. Purity, including limits on those types of contamination that may adulterate or may lead to adulteration of cannabis, such as filth, insect infestation, microbiological contamination, or other contaminants. The method of administration and any hazards to certain customer populations must be considered when developing specifications.
  - 1.34.4. The supplier's documentation for each shipment must be reviewed to ensure the product constituents and packaging materials are consistent with what was ordered prior to entering receipt into the inventory management system;
  - 1.34.5. Product constituents and packaging materials must be stored under quarantine until they have been checked for conformity to specifications and approved by the General Manager or his or her designee;
  - 1.34.6. Re-inspection of product constituents and packaging materials must be performed, as appropriate, for identity, purity, strength, and composition and

- approved or rejected as necessary (e.g., after storage for long periods or after exposure to air, heat or other conditions that might adversely affect the constituent or packaging); and
- 1.34.7. Outdated or incorrect labels must be rejected and properly disposed of so that they cannot be used again.
- 1.35. YMH has selected a cannabis-industry-specific POS system, 365 Cannabis as the electronic inventory control system for cannabis and cannabis products. the POS System will be used for inventory management and control purposes; the following sections detail inventory management features comprehensively, including how the system will be used to track cannabis throughout operations:
- 1.35.1. 365 Cannabis is a comprehensive POS, compliance, and business management software system, of which inventory management is only one of many functions;
  - 1.35.2. 365 Cannabis was selected because it is HIPAA-compliant and has abundant, customizable features that satisfy industry system requirements and assure future compatibility with METRC and any Commission-selected electronic tracking system;
  - 1.35.3. 365 Cannabis provides comprehensive, real-time inventory management;
  - 1.35.4. Each day's beginning inventory, sales, disbursements, disposal of unusable cannabis or cannabis product and ending inventory is recorded;
  - 1.35.5. The POS System makes it simple for Employees to isolate the location of any item or input in history;
  - 1.35.6. These capabilities ensure that cannabis or cannabis products may not be diverted, and guarantees the ability to recall items as necessary;
  - 1.35.7. The POS System is designed to produce labels that incorporate the tracking numbers of all cannabis and other inputs so that the finished salable product and its Lab results may be documented and traced backward through the sale of the finished product to registered patients and patient legal representatives.

- 1.36. Management personnel will utilize the system to facilitate compliant operations, inventory control, diversion prevention, product tracking and recall, recordkeeping, and bookkeeping, among other items.
- 1.37. The cloud-based system assures that all records will be secure, complete, legible, and current, while remaining printable. the POS System will collect and store all records for a minimum of five (5) years electronically and will permit record printing for storage in paper format onsite if required or desired.
- 1.37.1. 365 Cannabis is a comprehensive, integrated POS system and, broadly, provides:
- 1.37.1.1. Tracking and recordkeeping of acquisitions and distributions;
  - 1.37.1.2. Comprehensive real-time inventory tracking;
  - 1.37.1.3. Financial and employee recordkeeping;
  - 1.37.1.4. Transportation records;
  - 1.37.1.5. Sales/dispensing records;
  - 1.37.1.6. Waste disposal records; and
  - 1.37.1.7. Records of unaccounted inventory.
- 1.38. The POS system is cloud-based, accessible by the Board and General Manager or his/her designees 24 hours a day, seven days a week, and provides for instant location of all products in inventory. The system allows complete inventory control, which documents beginning inventory, acquisitions, sales, disposal, and ending inventory.
- 1.39. In addition to the real-time, comprehensive inventory tracking provided by the system, the Board requires that physical inventories are conducted daily, weekly, monthly, quarterly, and annually by the General Manager or his/her designee. The real-time, perpetual inventory system will be verified with the mandatory physical inventory counts. Inventory audits will be conducted at least monthly and as often as desired thereafter.
- 1.40. The POS System provides a way for YMH to comprehensively manage inventory, provides a point-of-sale functionality that is integrated with the inventory

management features and can interface with the METRC, and stores and manages patient records while maintaining confidentiality and privacy protection in accordance with HIPAA standards.

- 1.41. 365 Cannabis will integrate acquisitions with cannabis product inventory ready for dispensing, patient orders, sales transactions and inventory dispensed, and disposed cannabis products. Bar codes will be used to track packaged cannabis products, providing continuous inventory management and tracking of all cannabis product movements and disbursements. Entries into the system when a cannabis product is transported, and/or dispensed to a qualified registered patient or patient's legal representative, will assure that all inventory movements and disbursements may be comprehensively tracked in real time.
- 1.42. Dispensing processes will be guided, controlled, and recorded by the system in the following ways:
  - 1.42.1. Each cannabis product package will be affixed with a bar code that automatically enters the product into inventory and provides access to comprehensive production records, including test results, when scanned;
  - 1.42.2. The system will require the agents receiving a shipment of cannabis products to enter required information about the acquisition and will alert the agent if the order presented does not match the shipping manifest;
  - 1.42.3. When moved into general storage, the cannabis product will be scanned and moved into cannabis product inventory eligible for sale;
  - 1.42.4. The system will require verification of a patient's identity, registration and balance of 30-day supply prior to sale;
  - 1.42.5. The ordered cannabis products are scanned and the system and will alert the agent if the order can be fulfilled or if the cannabis products presented exceed 30-day supply limit;
  - 1.42.6. The point-of-sale interface will accept payment for the order, automatically mark the cannabis product as sold, and subtract them from cannabis product inventory. Once integrated with METRC, the system will automatically record dispensing actions and order fulfillment; and

- 1.42.7. Throughout the process, the system will track the cannabis product's movements and will provide comprehensive records from the final sale to a qualified registered patient back to the initial procurement of the cannabis source material.
- 1.43. Immediately upon arrival to the facility, two agents, designated by the General Manager or as able to receive inventory, must weigh, re-inventory, and account for all cannabis products received in the inventory system and on surveillance video:
  - 1.43.1. Containers must be physically examined for evidence of tampering;
  - 1.43.2. Each agent must confirm by signature the accuracy of the delivery invoice (manifest), product tracking numbers, number of containers or packages, the total inventory count received, and the accuracy of the entry of the inventory into the POS system;
  - 1.43.3. Any discrepancy must be reported to the General Manager or his/her designee immediately to be investigated. Unresolved discrepancies must be reported to the General Manager;
  - 1.43.4. All cannabis products received must have complete and accurate labels, bar codes that can easily be scanned into the POS system, and be accompanied by electronic records of test results.
- 1.44. Receipt of cannabis products must be recorded in the POS system:
  - 1.44.1. The General Manager or his/her designee must inspect a shipment's contents to ensure the quality, safety, and content of the cannabis products before they are released for dispensing;
  - 1.44.2. When receiving cannabis products, the following information must be recorded:
  - 1.44.3. A description of the cannabis or cannabis products received, including the batch or lot number, quantity of cannabis products or weight of cannabis, the production date, and the CBD and THC percentage by weight;
  - 1.44.4. The name and identification number of the agent who delivered the shipment;



- 1.44.5. The name and identification number of the agent receiving the shipment on behalf of YMH; and
  - 1.44.6. The date and time of acquisition.
- 1.45. The POS System is designed to interface with a state's verification or registry system. Once the dispensary is licensed, METRC will allow the system integration. METRC verification and recordkeeping requirements set forth below will be completed through the POS system, thereby streamlining the verification and recordkeeping process. Whether completed manually by an agent in METRC or automatically through the POS system integrated with METRC, the following verifications and records of dispensing actions will be satisfied for each sale:
- 1.46. Before dispensing any cannabis products to a qualified registered patient or the patient's legal representative, a Dispensary Agent must:
    - 1.46.1. Enter the Registry;
    - 1.46.2. Verify that the patient has an active registration;
    - 1.46.3. Verify that the order presented matches the order contents as recorded by the physician in the registry; and
    - 1.46.4. Verify that the order has not already been dispensed.
  - 1.47. The Dispensary Agent must enter the dispensing action into the Registry immediately after dispensing the cannabis product to the qualified registered patient or the patient's legal representative. This will be automatically entered into METRC as the agent finalizes the sales transaction.
  - 1.48. The system will be configured to limit purchases to any the remaining balance of the 30 day supply, as recorded in METRC. The system will be configured to allow sales to patients at or below the maximum amount dictated by their physician and/or Alabama Medical Cannabis Laws. If the amount of cannabis product requested by the patient or patient's legal representative exceeds the ordered amount for that patient, the POS System will flash a warning and will not permit the transaction to take place. All sales denied will be recorded in an internal log as well as in the patient's record in the POS System; the General Manager or his/her designee will periodically review

records of sales denied to identify potential diversion risks and suspicious activity. Amounts allowable for each patient will be configured into the system through coordination with physician orders available in METRC; once the POS System is integrated with the METRC, dispensing limits for each patient will be automatically updated when a new order is submitted.

- 1.49. As a combined POS system, the POS System will provide the sole point-of-sale system used by YMH and will maintain confidential patient records. The General Manager or his/her designee must ensure that the POS System provides sufficient controls to prevent diversion, dispensing to a person other than a qualified registered patient or patient's legal representative, or fulfillment of an order that has already been fulfilled, and also provides comprehensive real-time tracking of all inventory sold. the POS System POS function will:
  - 1.49.1. Maintain a current patient profile for all qualified registered patients who purchase cannabis products including:
    - 1.49.1.1. The patient's unique identification number in the POS System;
    - 1.49.1.2. The patient's Commission issued identification number;
    - 1.49.1.3. Date of registration issuance;
    - 1.49.1.4. Date of registration expiration; and
    - 1.49.1.5. Balance of 30-day supply.
  - 1.49.2. Prompt the Patient Coordinator to verify the identity and current registration of the qualified registered patient or patient's legal representative in the Registry upon patient check-in, to satisfy regulatory compliance items and prevent unauthorized persons from accessing the secure sales room;
  - 1.49.3. Automatically verify or require the Dispensary Agent to manually access METRC to verify the patient's data, including verification that the order has not been fulfilled. The bar codes on the cannabis products presented for dispensing will be scanned and the POS System will alert the employee and prevent transaction fulfillment if the order presented exceeds balance of 30 day supply;

- 1.49.4. Prevent an Employee from dispensing to a patient or patient's legal representative a greater quantity of cannabis products than the amount contained in the physician's order in the Registry;
- 1.49.5. Record the following transaction information:
  - 1.49.5.1. The internal and, if applicable, Commission issued identification number of the patient or patient's legal representative;
  - 1.49.5.2. The name, form, and quantity of the cannabis product(s) dispensed;
  - 1.49.5.3. The barcode and batch number for each package dispensed;
  - 1.49.5.4. The sales price;
  - 1.49.5.5. Transportation information, if the cannabis products were delivered;
  - 1.49.5.6. The date and time of the transaction;
  - 1.49.5.7. The Employees identification number; and
  - 1.49.5.8. The Dispensary location, License number and contact information.
- 1.50. Automatically remove all cannabis products dispensed from electronic inventory in the system, once the transaction is complete. These products will be marked as dispensed, and will be recorded as such in the daily inventory reports;
- 1.51. Automatically enter or prompt employee to manually enter the following information in the Registry:
  - 1.51.1. Date dispensed;
  - 1.51.2. Time dispensed;
  - 1.51.3. Quantity of cannabis product dispensed; and
  - 1.51.4. Form of cannabis product dispensed.
- 1.52. Encrypt and protect the personal identifying information of patients and patient legal representatives.
- 1.53. The General Manager or his/her designee is responsible for maintaining accurate inventory levels and for the reconciliation of the disposition of each cannabis product. Additional production-area-specific inventory measures include, but are not limited to:

- 1.53.1. Reconciliation of cannabis products ordered, acquired, dispensed, in storage, and disposed of will be performed to identify any unaccounted inventory. Such calculations will be performed by a General Manager or his/her designee and independently verified by the Director of Operations;
  - 1.53.2. When reconciliation identifies an inventory discrepancy, the General Manager will conduct an investigation and determine, to the extent possible, the source of the discrepancy. The deviation will be documented, justified, and approved by the General Manager and the Director of Operations;
  - 1.53.3. Each cannabis product dispensed or disposed of by the operation will be accompanied by detailed records of the cannabis product's final disposition and will be properly accounted for in electronic inventory records in the POS System; and
  - 1.53.4. The ultimate fate of any scrap, cannabis waste, and any rejected constituents or packaging materials will be recorded.
- 1.54. The POS system is cloud-based, accessible by the Board and the General Manager or his/her designee 24 hours a day, seven days a week, and provides for instant location of all products in inventory, whether raw input materials, finished products in storage, or cannabis products dispensed. The system allows complete inventory control, which documents beginning inventory, acquisitions, sales, disposal, and ending inventory on a daily basis.
- 1.55. The POS system will record all inventory movements and dispensing activities, the date of occurrence, and the electronic signature and unique identification number of the agent utilizing the system. Each patient's record, all inventory records, and all transaction records will maintain an audit trail and back-up system so that no initial entry can be made illegible and the record is protected from loss, damage, or unauthorized use. This process allows for the proper monitoring and tracking of all inventory and purchases, and prevents record falsification.
- 1.56. The General Manager or his/her designee shall perform inventory counts on a regular basis utilizing a cycle count method. A cycle count requires the General Manager or his/her designee to perform a complete count of inventory over a period

of time counting inventory groups (e.g., topical, sublingual, pre-filled vaporizer, suppository, trans-dermal, flower etc.) individually:

- 1.56.1. The General Manager or his/her designee will ensure that cycle counts are completed on schedule with minimal possible impact on regular operations;
  - 1.56.2. The General Manager or his/her designee must review any discrepancies and approve all inventory management system adjustments;
  - 1.56.3. Discrepancies identified during inventory counts, diversion, theft, loss and any criminal action involving YMH or any person employed by YMH; must be reported to the Board, director of Operations, General Manager and the Commission; and
  - 1.56.4. All counts must be recorded in an internal Inventory Log and entered into the POS system immediately if counted on paper or by recording device.
- 1.57. Shifts Counts – cannabis products in retail sales area, cash drawer count and detailed report on credit cards and cashless ATMs, if applicable;
  - 1.58. Daily Counts – acquisitions, cannabis products of each type in sales area;
  - 1.59. Weekly Counts – all cannabis products in storage, vaporizer devices;
  - 1.60. Monthly Counts – complete inventory (including cannabis products awaiting disposal and quarantined cannabis products); and
  - 1.61. Quarterly Counts - complete inventory with second count witnessed by General Manager or his/her designee.
  - 1.62. All physical inventory counts will be recorded, and records will show, at a minimum:
    - 1.62.1. Time and date of inventory;
    - 1.62.2. Summary of inventory findings;
    - 1.62.3. Name, signature and title of individual who conducted the inventory and the General Manager or his/her designee who oversaw the inventory count; and
    - 1.62.4. The product name and quantity of cannabis products at the Dispensary.

- 1.63. The General Manager will conduct a complete and accurate physical inventory of all cannabis products monthly and produce a report of the audit for the Director of Operations.
- 1.64. The General Manager will annually produce an internal audit report on the findings of the monthly comprehensive inventory counts for that year, which will be presented to the Board. The General Manager will maintain records of the monthly audits for a minimum of five (5) years and will provide the documentation to the Commission upon request.
- 1.65. If a General Manager or other Dispensary Manager identifies a reduction in the amount of cannabis products in inventory not due to documented causes, it must be reported to the General Manager;
  - 1.65.1. The General Manager will conduct an investigation, determine where the loss has occurred and take and document corrective action;
  - 1.65.2. If the reduction in the amount of cannabis products in inventory is due to suspected criminal activity by an agent, the Director of Operations will report the agent to the Board, the Commission and to the appropriate law enforcement agencies;
  - 1.65.3. If theft or loss is verified, it will be documented by the General Manager or his/her designee and reported to local law enforcement and the Commission; and
  - 1.65.4. Documentation of theft or loss will be maintained in the secure cloud-based storage system for a minimum of five (5) years and provided to the Commission upon request.
- 1.66. Physical inventory counts and real-time, electronic inventory in the POS system will be compared, and all discrepancies will be investigated. Cross-checking of periodic physical inventory counts with perpetual inventory records in the system will allow the identification, documentation, investigation and immediate reporting of significant variances that cannot be accounted for.
- 1.67. Any inventory discrepancies discovered by any agent will be reported to the General Manager and/or Director of Operations upon discovery. If the General

Manager or his/her designee identifies a significant variance between physical inventory counts and inventory accounted for in the system that is not due to documented causes, it will be reported to the Board. The Director of Operations in coordination with the General Manager will conduct an investigation, using the POS system, will determine where the loss has occurred, and pursue and document corrective action.

- 1.68. The Director of Operations will report all inventory discrepancies and corrective actions to the Commission and law enforcement authorities as necessary. If any reduction in the amount of cannabis products in inventory is due to suspected criminal activity by an agent, the Director of Operations will report the agent to the Commission and to the appropriate law enforcement agencies. Documentation of all inventory variances, reconciliation, resolution, and reporting will be stored in the system and retained in physical form through printing of PDF documents, and will be readily available to present the Commission or law enforcement upon request or in the event of an unannounced inspection or audit.
- 1.69. In order to assure that unusable cannabis products are properly disposed of and not diverted or stolen, YMH has implemented a number of internal inventory controls pertaining to waste:
- 1.70. Immediately prior to mixing and disposal, all cannabis waste (i.e. unusable cannabis products) will be weighed on a POS System system-integrated scale, recorded, and entered into the POS System. The General Manager or his/her designee will perform these duties in an area under video surveillance;
  - 1.70.1. At multiple points in the waste disposal process, the General Manager or his/her designee will record key items in the internal Waste Disposal Log and in the POS System, as described in the Green Waste Disposal Plan;
  - 1.70.2. All records will be traceable by batch number and product barcode; and
  - 1.70.3. All records will be kept for a minimum five (5) years and made available to the Commission upon request.

- 1.71. The POS System will record and securely store all sales transaction entries, the date of sale, and the electronic signature and unique identification number of the Dispensary Agent fulfilling the sale. Each patient's record will include documentation of all sales and will maintain an audit trail and back-up system so no initial entry can be made illegible, and so the record is protected from loss, damage, or unauthorized use. These records allow for proper monitoring and tracking of all purchases and demonstrates that all required verifications of patient registration and physician's order were executed prior to dispensing.

### **REPORTS REQUIRED**

- 1.72. YellowHammer Medical Dispensaries Inventory Log  
1.73. YellowHammer Medical Dispensaries Error Log

### **AUTHORIZATION FOR DEVIATION**

- 1.74. The Director of Operations or General Manager must direct any deviation from the standard procedure.

### **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.75. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.



### **3003 – Receiving P&P**

#### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions for receiving cannabis and cannabis infused products at YMH.

#### **RESPONSIBILITY**

- 1.2. The Director of Operations and General Manager is responsible Maintaining and training this P&P.

#### **PROCEDURE**

- 1.3. The General Manager or his/her designee is responsible for ordering and coordinating inventory shipments and executing the procedure for receiving inventory. Only the General Manger or his/her designee may confirm shipping manifest and order contents.
- 1.4. Supplies needed:
  - 1.4.1. Agent registration card;
  - 1.4.2. NTEP certified scale;
  - 1.4.3. Computer with POS software;
  - 1.4.4. Visitor badge; and
  - 1.4.5. “Visitor Log.”
- 1.5. Vendors must sign in at the front desk as a visitor using the “Visitor Log” and be issued a visitor badge. See procedure for “Checking in Visitors.” The General Manager or his/her designee must escort the vendor back to the appropriate area to review the order;
- 1.6. Along with an agent, count products and cross-reference the order’s contents with the POS system. Verify all identifying product information matches; and

- 1.7. An agent must chaperon the vendor at all times while visiting the facility, escort him or her out of the store after the order is received and make sure the visitor badge is returned prior to the vendor's exit.
- 1.8. The Delivery Agent must sign in as a visitor at the front desk using the "Visitor Log," be issued a visitor badge and the General Manager must escort the delivery agent back to the appropriate area for order verification;
- 1.9. The General Manager or his/her designee must confirm the Delivery agent is listed on the accompanying shipping manifest and in the POS system. The General Manager or his/her designee and another agent must also confirm the following information matches the shipping manifest:
  - 1.9.1. The transportation agent is carrying appropriate identification;
  - 1.9.2. The packaging is secure, undamaged, and appropriately labeled;
  - 1.9.3. Each package in the shipment is labeled as described in the electronic manifest;  
and
  - 1.9.4. The contents of the shipment are as described in the electronic manifest;
  - 1.9.5. Record the confirmations in the electronic manifest;
  - 1.9.6. Obtain in the electronic manifest the signature or the identification number of the transportation agent who delivers the shipment;
  - 1.9.7. Record in the electronic manifest the date and time the receiving agent takes custody of the shipment;
  - 1.9.8. Enter the products containing Cannabis into the inventory control system;
  - 1.9.9. Segregate the items in the shipment from the inventory until the item can be inspected;
  - 1.9.10. Inspect each item to ensure that the packaging of each item is undamaged, accurate and complete; and
  - 1.9.11. Upon determining the item passes inspection, release the item into the inventory.
- 1.10. The transportation agent shall provide a copy of the electronic manifest for the shipment to the receiving licensee.

- 1.11. The transportation agent shall provide the completed electronic manifest to the shipping licensee.
- 1.12. The shipping licensee shall retain the electronic manifest for the shipment for 5 years.
- 1.13. Discrepancy in the Shipment.
- 1.14. If the licensee finds evidence of a theft or diversion within 1 business day the licensee shall report the theft or diversion to the Commission and to the Alabama State Police.
- 1.15. Within 30 business days of discovering the discrepancy, the licensee shall:
  - 1.16. Complete an investigation;
  - 1.17. Amend the licensee's standard operating procedures, if necessary; and
  - 1.18. Send a report of the investigation to the Commission.
- 1.19. The shipping licensee shall submit to the Commission:
  - 1.19.1. Within 7 business days of the observation of the discrepancy, a preliminary report of an investigation of a discrepancy; and
  - 1.19.2. Within 30 business days a final report of the investigation.
- 1.20. Along with a second agent to verify, the General Manager or his/her designee must count all products and make sure the product information matches the "packing slip" and the POS system;
- 1.21. The General Manager or his/her designee and a second agent must verify each product is labeled with all of the required information listed in the reference guide section "Packaging and Labeling Rules and Regulations", including:
  - 1.21.1. All weight verifications must be done so using a certified scale;
  - 1.21.2. If all the identifying information and counts are correct, accept and finalize the order;
  - 1.21.3. If the counts are not correct, quarantine the order and follow-up with the supplier;
  - 1.21.4. Once all counts are confirmed and the paperwork is signed and completed, create or finish the "purchase order" in the POS system; and

- 1.21.5. Both agents must sign order sheets and invoices. Make two copies: one for the vendor and one for YMH.
- 1.22. In addition to the order verification procedure above, different processes must be followed depending on the packaging of the flower bud delivered, for example, an order of thirty (30) 3.5-gram product packages, versus a large bulk package of 105 grams.
- 1.23. Pre-packaged orders: For orders of flower bud that are pre-packed into individual product packages, the General Manager or his/her designee along with a second agent must verify the quantity, content and labeling of each individual container before accepting the order into inventory.
- 1.24. All of the required information listed in the procedure for “Receiving Orders” must be labeled on each individual container. The quantity of each product package and its contents must match the original order form, the shipping manifest and the “packing slip” included with the order. All weight verifications must be done so using a NTEP certified scale.
- 1.25. Bulk orders: For orders of flower bud that are delivered in a bulk package, the General Manager or his/her designee with a second agent must follow the procedure for “Receiving Orders.” All weight verifications must be done so using a NTEP certified scale.
- 1.26. METRC Packages must be rejected if:
  - 1.26.1. Any packages listed on manifest do not match the received packages,
    - 1.26.1.1. Weight,
    - 1.26.1.2. Contents, or
    - 1.26.1.3. Description.
  - 1.26.2. Any package appears damaged or contaminated
  - 1.26.3. Rejected packages shall
    - 1.26.3.1. Be clearly identified on manifest, by highlighting, circling, or underlining item

- 1.26.3.2. The entire package line item must be returned to delivery person to return to vendor
  - 1.26.3.3. The delivery person must sign the manifest which indicates the rejected items
  - 1.26.3.4. A copy of the manifest shall be given to the delivery person and the rejected items entered in METRC Package Receipt/Rejection Log
- 1.27. Once the order is verified and accepted,
- 1.27.1. The General Manager or his/her designee shall sign the manifest
  - 1.27.2. The METRC tag information and manifest shall be noted on and filed with the METRC Package Receipt/Rejection Log
  - 1.27.3. The General Manager or his/her designee or agent must follow the procedure for "Filling Product Display Jars." Each flower display jar must be labeled with the product's barcode generated by the POS system.
- 1.28. YMH must provide with all cannabis concentrates and cannabis-infused products sold to patients or their caregiver accompanying material that discloses any pesticides applied to the cannabis plants and growing medium during production of the cannabis used to create the extract added to the cannabis concentrates or cannabis-infused products and the type of extraction method used, including, without limitation, any solvents, gases or other chemicals or compounds used to produce or that are added to the extract.
- 1.29. It is the responsibility of the General Manager or his/her designee to acquire this information for all product orders from all other licensees supplying YMH. The General Manager or his/her designee must ensure that the accompanying information is provided to each patient or his or her caregiver upon the purchase of any product.

## **REPORTS REQUIRED**

- 1.30. YellowHammer Medical Dispensaries Visitor Log
- 1.31. YellowHammer Medical Dispensaries METRC Package Receipt/Rejection Log

## **AUTHORIZATION FOR DEVIATION**

- 1.32. The Director of Operations or General Manager must direct any deviation from the standard procedure.

## **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.33. Standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **4001 – Packaging and Labeling**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions for Packaging and Labeling of Cannabis and products that contain cannabis.

### **RESPONSIBILITY**

- 1.2. The Director of Operations and General Manager is responsible for maintaining and training this P&P.

### **PROCEDURE**

- 1.3. All materials used for handling cannabis or cannabis product must be approved by the General Manager and comply with all local and state laws and regulations. All storage areas must provide adequate lighting, ventilation, temperature, sanitation, humidity, space, equipment and security conditions for the production and manufacture of cannabis.
- 1.4. The agent responsible for carrying out the packaging procedure must complete the following handling and storage policies and procedures. The agent, prior to use and handling, must inspect all materials for handling and storage for cleanliness. Storage procedures must be executed once the procedure is complete. All work areas, contact surfaces, utensils and tools must be cleaned and sanitized prior to use according to the requirements listed in the procedure for Sanitation and Hygiene.
- 1.5. In addition to your required uniform, the following shall be clean or new prior to each use:
  - 1.5.1. Nitrile gloves (required);
  - 1.5.2. Lab coat (or similar clothing);
  - 1.5.3. Hair nets or beard nets (required if applicable);
  - 1.5.4. Safety glasses (if necessary or desired); and
  - 1.5.5. Disposable respirator (if necessary or desired).

## 1.6. Supplies:

- 1.6.1. Agent registration card;
  - 1.6.2. NTEP certified Scale;
  - 1.6.3. Label printer;
  - 1.6.4. Computer with POS software;
  - 1.6.5. Food-grade storage containers;
  - 1.6.6. Storage container labels;
  - 1.6.7. Designated storage area.
- 1.7. An agent engaged in the packaging of cannabis must not have contact with exposed, finished cannabis product with his or her bare hands and shall use suitable utensils, including, without limitation, spatulas, tongs, single-use gloves, or dispensing equipment when handling exposed, finished cannabis product; and
- 1.8. An agent engaged in the packaging of cannabis must minimize bare hand and arm contact with exposed cannabis products that are not in a finished form.
- 1.9. Any area of the dispensary used for storage of cannabis in any form is considered a restricted access area and shall have a sign posted at all entryways stating: “Do Not Enter – Restricted Access Area – Access Restricted to Authorized Personnel Only”;
- 1.10. Nothing shall prohibit members of the Commission, local law enforcement or other federal, State or local government officials from entering any area of a Dispensary if necessary to perform their governmental duties;
- 1.11. An agent engaged in the packaging or dispensing of cannabis must ensure that all cannabis and non-cannabis ingredients that are being stored, in-process, or are finished product are stored in food-grade storage containers in a designated, limited-access storage area that is at least six inches from the ground, with enough space to permit regular inspection and cleaning;
- 1.12. All storage containers must be cleaned and sanitized in between uses; and
- 1.13. It is Company policy that all storage containers containing cannabis or non-cannabis ingredients are labeled, at a minimum, with the following information:
- 1.13.1. Net and gross weight or quantity of contents stored in the storage container;



- 1.13.2. Lot or batch number of the cannabis products stored (if applicable);
  - 1.13.3. Harvest date of the stored product (if applicable);
  - 1.13.4. “Best-by” date of the stored product (if applicable); and
  - 1.13.5. Whether the finished cannabis products stored have completed and passed testing (if applicable).
- 1.14. A Dispensary Manager must review all cannabis products in storage at the beginning of each day and all non-cannabis products weekly to ensure accurate inventory counts and that products have not expired in storage. The Dispensary Manager must ensure products being used in production are used in a “first-in, first-out” fashion. All products in process, quarantine, or storage must be properly labeled.
- 1.15. You must collect the following items and have them on hand prior to beginning to package and label cannabis flower. All work areas, contact surfaces, utensils, and tools must be cleaned and sanitized prior to use according to the requirements listed in the procedure for Sanitation, and Hygiene.
- 1.16. YMH will employ strict control over labeling materials issued for use in labeling operations for cannabis products. Employees responsible for packaging and labeling must execute the following procedure when packaging, labeling.
- 1.17. Personal Protective Equipment (PPE)
- 1.18. In addition to your required uniform, the following shall be clean or new prior to each use:
- 1.18.1. Nitrile gloves;
  - 1.18.2. Lab coat;
  - 1.18.3. Hair net or beard net (if necessary or desired);
  - 1.18.4. Safety glasses (if necessary or desired); and
  - 1.18.5. Disposable respirator (if necessary or desired).
- 1.19. All equipment used while packaging and labeling cannabis product must be made of non-toxic and non-corrosive materials. All supplies shall be in sanitary condition and good working order prior to packaging and labeling product:

- 1.19.1. Agent registration card;
  - 1.19.2. NTEP certified scale;
  - 1.19.3. Computer with POS system;
  - 1.19.4. Label printer;
  - 1.19.5. Barcode scanner;
  - 1.19.6. Approved labels;
  - 1.19.7. Approved bulk containers and/or approved packaging; and
  - 1.19.8. "Package Examination Log."
- 1.20. The procedures for packaging and labeling finished cannabis product are contained herein. These procedures are designed to ensure that all products are properly packaged and labeled and that all state tracking requirements are fulfilled.
- 1.21. All cannabis intended for distribution must be packed in a sealed, labeled container;
- 1.22. Product packages will need to be labeled with a variety of important items, including Net Weight and Gross Weight. Net Weight is the weight of the cannabis product alone. Gross Weight is the combined weight of the cannabis product and the package;
- 1.23. It is a violation for anyone other than the end user to alter, obliterate or destroy any label attached to a medical cannabis container to administer the product;
- 1.24. When entering a new package in the POS system, you must select the appropriate "Item." Each "Item" is tracked by Harvest Batch ID (Lot # + Strain Code; e.g. 37B), which is linked to the individual IDs of all products in the batch, and product type (i.e. trim or buds). Consult with your supervisor about internal naming conventions for "Items."
- 1.25. After cannabis-product has been packaged and labeled, a second agent not involved with the initial packaging and labeling procedure must examine the labeling materials issued for a batch for identity and conformity to the labeling specified in the applicable production or control records. The agent responsible for examination must:

- 1.25.1. Examine packaged and labeled products during finishing operations to provide assurance that the containers and packages have the correct labels;
  - 1.25.2. Collect a representative sample of units at the completion of finishing operations and ensure that the samples are visually examined for correct labeling; and
  - 1.25.3. Record the results of the examinations performed in the "Package Examination Log."
  - 1.25.4. YMH must use a measuring equipment device or "scale" that is certified legal for trade, professionally calibrated on a routine basis.
- 1.26. Anytime an employee packages cannabis, cannabis concentrates or cannabis-infused products they must individually package, label and seal the cannabis or cannabis products in unit sizes such that no single unit contains more than a 120 grams supply of cannabis or;
- 1.27. For cannabis, cannabis concentrates or cannabis-infused products that are intended to be dispensed or sold to a holder of a valid registry identification card or his or her designated primary caregiver:
- 1.27.1. The text used on all labeling must be printed in at least 10-point font and may not be in italics; and
  - 1.27.2. Each label must be at least 2¾ inches high by 4 inches wide; and
  - 1.27.3. Bear a finished-product lot number and expiration date;
  - 1.27.4. The label shall bear a clear warning that:
  - 1.27.5. The contents may be lawfully consumed only by a qualifying patient named on an attached label;
  - 1.27.6. It is illegal for any person to possess or consume the contents of the package other than the qualifying patient; and
  - 1.27.7. It is illegal to transfer the package or contents to any person other than a transfer by a caregiver to a qualifying patient;
  - 1.27.8. Bear a clear warning to keep the package and its contents away from children other than a qualifying patient;

- 1.27.9. Bear the Alabama Poison Control Center emergency telephone number;
  - 1.27.10. Bear the name of the licensee that packaged the medical Cannabis finished product and the telephone number of the licensee for reporting an adverse patient event;
  - 1.27.11. Bear any allergen warning required by law;
  - 1.27.12. Bear a listing of the non-medical Cannabis ingredients;
  - 1.27.13. Bear an itemization, including weight, of all cannabinoid and terpene ingredients specified for the product, and concentrates of any cannabinoid of less than one percent shall be printed with a leading zero before the decimal;
  - 1.27.14. Leave space for a licensed dispensary to attach a personalized label for the qualifying patient.
- 1.28. No agent may alter, obliterate or destroy any label attached to a cannabis or cannabis product container or package. The General Manager is required to make changes to any label and to approve of any label disposal.
- 1.29. All packaging operations must be supervised by the General Manager or his/her designee and performed utilizing a NTEP Legal for Trade certified by the Department of Agriculture. Such scales shall be integrated into the POS system whenever possible.
- 1.30. All cannabis products should be contained and sealed within a compliant, child-resistant bag before exiting the store. The exit bag should need to be opaque, re-sealable, and ASTM approved. Patients may pay a small fee for the package and you may need to enter the CPU code to add the item to the checkout list before finalizing purchases.
- 1.31. The entire order is then bagged up to deter the patient/caregiver from opening it while on the premises. No agent shall procure, use, or package any Cannabis in any unauthorized packaging material. A package of medical Cannabis for finished product shall:
- 1.31.1. Be plain:
  - 1.31.2. Be Opaque;

1.31.3. Be temper evident, and applicable or appropriate, child resistant.

## **REPORTS REQUIRED**

1.32. YellowHammer Medical Dispensaries Package Examination Log

## **AUTHORIZATION FOR DEVIATION**

1.33. The Director of Operations or General Manager must direct any deviation from the standard procedure.

## **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

1.34. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **5001 - Training**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions on the training program at YMH. YMH employs a strategy of module-based training. Each module covers a single topic in-depth for general training or for job-specific training and will be maintained for reporting and management purposes.

### **RESPONSIBILITY**

- 1.2. The General Manager or his/her designee is responsible for maintaining the P&P as well as the integrity of the training program. The Board may add additional training or modify training as needed.

### **PROCEDURE**

- 1.3. YMH will train all agents as necessary and required in order to perform all job duties and functions safely. It is company policy to ensure that all agents receive professional and appropriate training on items including, but not limited to: compliance, cannabis science, worker safety, security (including prevention of diversion and theft), emergency management, inventory control, operational procedures, proper maintenance and sanitation of equipment and supplies. No agent or consultant may work on-site prior to receiving orientation training or when any required critical training is eight (8) weeks or more past due.
- 1.4. Dispensary Agents shall sign a daily attendance record which will be kept with a syllabus of topics covered and filed with the employee's training records in the personnel file.
- 1.5. Training record shall be reviewed bi-annually, any commission or cannabis science related topics shall be refreshed as needed, and at least annually.
- 1.6. Each agent must receive, read, and acknowledge their understanding of the material.
- 1.7. Training modules include:
  - 1.7.1. Standard Operating Procedures

- 1.7.2. New agent orientation;
  - 1.7.3. Sales and customer care;
  - 1.7.4. Train the trainer;
  - 1.7.5. Cannabis ingestion methods.
  - 1.7.6. Monthly meetings;
  - 1.7.7. Compliance, regulation and law;
  - 1.7.8. Inventory management
  - 1.7.9. Diversion detection and prevention;
  - 1.7.10. HR Policies, including:
    - 1.7.10.1. Anti-Bullying;
    - 1.7.10.2. Sexual Harassment; and
    - 1.7.10.3. The Employee Handbook.
  - 1.7.11. Dispensary security;
  - 1.7.12. Safety procedures, including responding to;
    - 1.7.12.1. A medical emergency;
    - 1.7.12.2. A fire;
    - 1.7.12.3. A chemical spill; and
    - 1.7.12.4. A threatening event such as:
      - 1.7.12.4.1. An armed robbery;
      - 1.7.12.4.2. An invasion;
      - 1.7.12.4.3. A burglary; or
      - 1.7.12.4.4. Any other criminal incident.
  - 1.7.13. Cannabis science;
  - 1.7.14. Recordkeeping;
  - 1.7.15. Sanitation and hygiene;
  - 1.7.16. Quality assurance and quality control;
  - 1.7.17. Recall and withdrawal;
- 1.8. All personnel will receive a Training Manual, the Employee Manual, and attend new agent orientation prior to commencing employment. Orientation is a formal welcoming process that is designed to make the new agent feel comfortable,

informed about YMH. New agent orientation is conducted by a management representative and includes an overview of YMH's history, an explanation of YMH's core values, vision and mission statement; and goals and objectives. In addition, the new agent will be:

- 1.8.1. Given an overview of benefits, tax and legal issues;
  - 1.8.2. Provided time to complete any necessary paperwork;
  - 1.8.3. Given all codes, access cards, keys and procedures needed to navigate within the workplace;
  - 1.8.4. Introduced to the support staff and management personnel throughout the facility;
  - 1.8.5. Instructed regarding the job description; and
  - 1.8.6. Assisted with getting started on specific job functions.
- 1.9. All personnel will receive ongoing training in interpersonal communication, soft skills, empathy, active listening, and patient focused customer care. This will include basic salesmanship methods, but will focus on customer engagement and satisfaction, rather than 'hard' sales methods.
- 1.10. YMH utilizes the "train the trainer" method throughout the organization. The benefits for trainer managers include enhanced skills and knowledge, mastery of materials and knowledge transfer to dispensary personnel.
- 1.11. The dispensary is required to hold monthly meetings. The General Manager will create an agenda for each meeting addressing operational issues and reinforcing training priorities. Updates to any training module that do not require a re-training as determined by the General Manager will be addressed at the monthly meetings.
- 1.12. All personnel will have a thorough understanding of the legal and regulatory requirements of YMH in general and specifically related to their duties in the dispensary. All compliance aspects of the Training Manual will be highlighted in the training.
- 1.13. Compliance training must familiarize agents with the statutory definition of cannabis. All employees will receive updated training annually at a minimum and



more often as necessary or in response to modifications in applicable laws and regulations.

- 1.14. Safety training is focused on agent, visitor, facility and cannabis safety. The training will be work-area-focused and address all safety items, which covers OSHA standards for worker safety. Safety topics include the handling, use and storage of hazardous materials, pesticide safety, workplace hazards, safety best practices, and personal protective equipment.
- 1.15. All agents will receive an orientation of the safety policy and rules upon initial employment, and are required to bring to the attention of their supervisor any unsafe or non-compliant conditions or practices. Safety training will be provided as often as necessary and annually at a minimum.
- 1.16. Dispensary-specific security training is focused on agent, facility, and cannabis security. All agents will be trained to identify indicators of diversion, including suspicious behavior, parking lot surveillance and other indications of planned diversion.
- 1.17. Training will also familiarize agents with facility security features, including the surveillance system, alarm system, and access control system. The training will address all security items. Security training will be provided as often as necessary and annually at a minimum.
- 1.18. Dispensary agents in Security and Management roles will also be trained on crisis management, non-aggressive verbal engagement and de-escalation methodologies.
- 1.19. Emergency management training is focused on protecting human assets, inventory assets and physical assets in the event of an emergency. Third-party trainers may be utilized as necessary.
- 1.20. The training will address, at a minimum, proper response to release of hazardous materials, fires, security threats, and alarms, as well as hurricane preparedness. Emergency management training will be provided as often as necessary and annually at a minimum.
- 1.21. Inventory management and diversion prevention training is focused on inventory management and control, and measures for preventing and identifying

diversion. All agents will be trained to report any suspected theft or loss to their immediate supervisor, who will pass the information along to the General Manager for investigation and reporting to the Commission and appropriate law enforcement authorities immediately. Inventory management and diversion prevention training will be provided as often as necessary and annually at a minimum.

- 1.22. Cannabis science training materials may be obtained from Americans for Safe Access; the Director of Operations is authorized to select additional materials and must approve alternate materials selected by any other trainer.
- 1.23. Cannabis science training will emphasize topics that are relevant to operations, including cannabinoids and other cannabis constituents. Training will be offered at least annually, and more often in response to significant scientific developments, will address:
  - 1.23.1. The endocannabinoid system;
  - 1.23.2. Cannabinoid, terpene/terpenoid, and flavonoid constituents of cannabis;
  - 1.23.3. Therapeutic properties of cannabinoids;
  - 1.23.4. Cannabidiol (CBD) and its effect on qualifying conditions;
  - 1.23.5. High-CBD cannabis strains and genetics;
  - 1.23.6. Cannabinoid potency throughout the flowering cycle;
  - 1.23.7. Clinical trials and recent cannabis research, including research on cannabis genetics;
  - 1.23.8. Internal research and development projects, if applicable;
  - 1.23.9. Lighting research;
  - 1.23.10. Analytical testing and interpretation of test results; and
  - 1.23.11. Scientific findings regarding delivery methods and product types.
- 1.24. Recordkeeping training is focused on familiarizing agents with regulatory and operational recordkeeping requirements to ensure compliance and comprehensive recordkeeping.

- 1.25. Training will clearly identify each agent's role and responsibilities in regards to recordkeeping activities. Recordkeeping training will be provided at least once annually, and more often as necessary.
- 1.26. Sanitation and hygiene training will be focused on sanitation and hygiene requirements for personnel, the facility, and equipment and supplies. Training will be dispensary-specific and clearly identify the agent's role and responsibilities in regards to maintaining a sanitary and hygienic workspace and complying with relevant best practices in order to prevent contamination, infestation, and degradation of cannabis.
- 1.27. Specific sanitation requirements and Good Handling Practices will be addressed. Sanitation and hygiene training will be provided at least once annually and more often, if necessary, to correct unsanitary or non-hygienic practices.
- 1.28. Recall and withdrawal training will cover aspects of the recall and withdrawal plan that are relevant to operations, including recall and withdrawal definitions and classifications, required notifications and records, tracking affected inventory, and destruction of affected cannabis and products that contain cannabis. Recall and withdrawal training will be provided at least once annually.
- 1.29. The room care training module will cover various requirements for maintaining all rooms used for the processing of cannabis, including but not limited to, sanitation and hygiene protocols and schedules for each room, standard room turnover and disinfection procedures, and daily, weekly, and monthly room upkeep tasks.
- 1.30. The training will cover all items on the room care checklists and all room care procedures and will be designed to ensure that all rooms are kept clean and sanitary. All personnel will be trained upon acquisition and at least once annually thereafter, with more frequent trainings if desired by the General Manager or in response to procedural changes.
- 1.31. The cannabis product production-training module covers preparation and proper use of production equipment, quality assurance, sanitary conditions and cleanliness, food safety and sanitation, environmental controls and operating procedures for the production of each type of cannabis product.

- 1.32. CGMPs and all operating manuals for production equipment will be incorporated into the training module. In addition, the training will extensively cover sanitary and safe handling, production and storage of the cannabis products. After initial training upon acquisition, processing personnel will be trained at least once annually and more often as necessary or desired.
- 1.33. The routes of administration training module will train the various routes of administration for the cannabis product line, as well as the general characteristics, dosage control and assembly or device options related to each route of administration. After initial training upon acquisition, processing personnel will be trained at least once annually and more often as necessary or desired.
- 1.34. The equipment maintenance-training module will cover the various maintenance requirements for all machines, equipment and utensils used in the facility, including cleaning and sanitation requirements, disassembly and re-assembly as necessary, and mandatory checks of equipment functioning.
- 1.35. The training will cover all items on the equipment maintenance checklists. All personnel will be trained upon acquisition and at least once annually thereafter, with more frequent trainings if desired by the General Manager or in response to procedural changes.
- 1.36. The packaging and labeling training will cover approved finished cannabis product packaging, mandatory labeling criteria, and inventory control as it relates to packaging and labeling. All personnel will be trained upon acquisition and at least once annually thereafter, with more frequent trainings if desired by the General Manager or in response to procedural changes.
- 1.37. HR training will cover Alabama labor laws, whistle-blower policy, anti-bullying, sexual harassment, and employment policies
- 1.38. YMH's training program is essential to achieving quality, efficient and compliant operations. The Director of Operations shall evaluate the training program annually. Based on the results of the evaluation, the Director of Operations or General Manager shall implement necessary changes and determine the need for re-training of staff. Major training program changes must be approved by the Board.

1.39. The General Manager shall solicit and record feedback on the quality and efficacy of a training module from agents that received the training. Feedback may be solicited utilizing the following methods:

1.39.1. Post-training group discussions;

1.39.2. Individual interviews; and

1.39.3. Anonymous surveys.

### **REPORTS REQUIRED**

1.40. YellowHammer Medical Dispensaries Training Matrix

1.41. YellowHammer Medical Dispensaries Staff Training Records

### **AUTHORIZATION FOR DEVIATION**

1.42. The Director of Operations or General Manager must direct any deviation from the standard procedure.

### **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

1.43. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **5002 – Job Descriptions**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide general descriptions of staff positions at YMH.
- 1.2. The specific duties and titles may shift or be joined as necessary to perform business operations or adjust to meet compliance and operation needs.

### **RESPONSIBILITY**

- 1.3. The Director of Operations or their designate is responsible for updating or writing a P&P.

### **JOB DESCRIPTIONS**

#### 1.4. Managing director:

- 1.4.1. Responsibilities: responsible for approving and updating company policies and procedures; approving executive-level compensation plans; strategic vision; maintaining YMH mission statement; updates and financial projections; develop a strategic plan to advance YMH's mission and objectives; to promote revenue, profitability, and growth as an organization; evaluate the performance of EMT members for compliance with established policies and objectives of YMH; present reports at annual meetings; public relations representative, including representing the company in media and other public forums; and
- 1.4.2. Qualifications: regulated medical cannabis industry experience preferred but not required; undergraduate business management degree preferred, but not required and/or a master's in business administration (MBA) or other relevant business experience or degrees; analytically and socially adept corporate management; experience in navigating a company in a hyper-compliant environment; experience in strategic planning and execution; knowledge of contracting and negotiating; knowledge in public relations, principals and practices; professional written and verbal communication and interpersonal

skills; ability to communicate and interact with individuals at all levels of government and to work effectively with a wide range of constituencies in a diverse operational environment.

1.5. Director of Operations:

1.5.1. Qualifications: direct experience managing a large staff base in a heavily regulated environment; at least business management degree preferred, but not required; analytically and socially adept; able to take responsibility for operations while maintaining a problem-solving orientation; simultaneous focus on short- and long-term goals; able to identify and respond to problems quickly and appropriately; professional written and verbal communication and interpersonal skills; ability to review and understand financial documents, including cash flow, balance sheets, financial projections; experience with overseeing cannabis operations in a regulated state strongly preferred; familiarity with operational, financial, quality assurance, and management procedures and regulations strongly preferred; must pass level-2 background check; and

1.5.2. Duties and responsibilities: ensuring compliance and operational efficiency in all operations and facilities; developing and overseeing implementation of policies and procedures; ensuring facility safety, sanitation, and maintenance of all equipment and systems; supervising managers of all operational units, as well as administrative, inventory, security, and transportation functions; providing the direction and goals for the company. Creation and maintenance of personnel records; oversight and coordination of acquisition, transfer, and termination procedures; oversight of all aspects of the staffing process as described herein; conducting job skills gap assessments; development and implementation of agent training programs in coordination with unit managers and other relevant personnel; addressing agent performance issues; addressing agent complaints and guiding conflict resolution; ensuring agent acknowledgement and compliance with all policies contained in the employee manual.

1.6. Chairman:

1.6.1. Responsibilities: sales management and maintenance of sales relationships with registered cultivation and processing companies; business management degree preferred, but not required and/or business administration or other relevant business experience or degrees; development and maintenance of strategic partnerships; overseeing financial projections and operational revisions in coordination with the managing director; oversight of marketing and advertising materials; management of all marketing and sales activities; implementation of the community integration initiatives; and the continuous development and maintenance of the corporate image; and supporting all functions of the managing director, director of operations and the board; creating, communicating and implementing the organization's vision, mission, and overall direction; evaluating the success of the organization; maintaining awareness of both the external and internal competitive landscape, opportunities for expansion, customers, markets, new industry developments and standards;

1.6.2. Qualifications: professional written and verbal communication and interpersonal skills; sales experience and skills; management of an operational and sales team; demonstrated philanthropic engagement; managing a close-knit team that is responsible for generating YMH's revenue; knowledge of accounting principles and ability to understand complex financial documents. Professional written and verbal communication and interpersonal skills; commercial real estate experience, including an understanding of property leasing, zoning, and acquisition, or other real estate agreement documents.

#### 1.7. General Manager:

1.7.1. The general manager will report directly to the board. The general manager will be on-site at the dispensary facility of employment full-time;

1.7.2. Qualifications: at least five years of experience in a position with managerial responsibilities or degree in business management or other applicable field required; experience in retail management strongly preferred; medical field experience strongly preferred; detailed knowledge of HIPAA security standards



- or experience in a HIPAA-regulated workplace strongly preferred; thorough understanding of state and local medical cannabis laws and rules and how they apply to the operations of YMH; excellent communication skills and attention to detail; effective time management and ability to multitask; ability to work in a fast-paced, changing and challenging environment; proficiency in windows-based software and point-of-sale applications; must pass level-2 background check; and
- 1.7.3. Duties and responsibilities: fulfilling roles and responsibilities of dispensary manager until operations necessitate establishment of distinct position and acquisition of person to fill the position; day-to-day management of operations and personnel of the dispensary in accordance with state laws, Alabama Medical Cannabis Laws, best practices, and YMH standards; training, supervision and support of dispensary managers, and all dispensary personnel; ordering and receiving cannabis products; maintaining facility compliance and sanitation; follow-up on product complaints and determining need for recall or withdrawal; responding to patient complaints, requests, concerns, suggestions and taking steps to resolve conflicts.

#### 1.8. Dispensary Assistant Manager:

- 1.8.1. The dispensary assistant manager will report directly to the general manager and will be responsible for supervising all patient coordinators and dispensary agents in their unit. The dispensary manager will be on-site at the dispensary facility of employment full time;
- 1.8.2. Qualifications: at least 1 year of experience in a management position, preferably in a regulated industry; retail experience preferred; proficiency with windows-based software and point-of-sale applications; thorough understanding of state and local medical cannabis laws and rules and how they apply to the operations of YMH; excellent communication skills and attention to detail; effective time management and ability to multitask; customer service experience and excellence; proficiency in windows-based software and point-of-sale applications; must pass level-2 background check; and

1.8.3. Duties and responsibilities: assisting general manager in management of day-to-day operations; supervision of patient coordinators and dispensary agents in their day-to-day functions; support of general manager functions and leadership; reporting all observed divergences from established policies and procedures to general manager; participating in training activities; employee scheduling; updating employees on revisions to policies and procedures, as well as providing information about new or modified YMH cannabis products or accessories; responding to all agent questions, concerns or suggestions and taking steps to resolve internal conflicts; delegation of tasks to dispensary agents and patient coordinators in order to maintain a compliant and clean facility; assisting general manager with ordering and receiving cannabis products; filling in when general manager is off duty assisting with maintaining a sanitary and compliant dispensary facility.

#### 1.9. Patient Coordinator:

1.9.1. Patient coordinators will report directly to the dispensary manager, and may be asked to fulfill patient care advisor or other duties at times;

1.9.2. Qualifications: experience in office environment preferred; strong attention to detail, organizational skills, and time-management abilities; excellent customer service skills; proficiency in windows-based software and internet navigation; general familiarity with Alabama medical cannabis laws and regulations; familiarity with confidentiality and privacy protections strongly preferred; must pass company background check; and

1.9.3. Duties and responsibilities: patient coordinator(s) will be responsible for executing tasks assigned by general manager or dispensary manager; welcoming patients and providing exceptional service; verifying patient registration in the registry; patient intake and creation and maintenance of patient records; maintaining patient confidentiality and privacy in compliance with applicable state laws, HIPAA standards, and YMH policies and procedures; managing patient flow and communicating with dispensary agents to maintain operational

compliance and efficiency; notifying supervisor of suspicious patient activity; controlling initial access to limited access area; answering dispensary phones and email; maintaining organization and cleanliness of waiting room and patient intake space.

1.10. Patient Care Advisors:

- 1.10.1. The patient care advisors will report directly to the dispensary manager, and may be asked to fulfill patient coordinator duties at times;
- 1.10.2. Qualifications: excellent customer service skills; experience with point-of-sale applications and proficiency with windows-based software; knowledge and understanding of state medical cannabis laws and regulations and their relation to dispensary operations; knowledge of cannabis routes of administration and/or medical cannabis; experience handling confidential information and/or familiarity with measures and standards for protecting confidentiality and privacy strongly preferred; experience working in a regulated environment preferred; must pass company background check; and
- 1.10.3. Duties and responsibilities: patient care advisor(s) will be responsible for executing tasks assigned by general manager and/or dispensary manager; assisting patients once their registration has been verified and records updated by the patient coordinator; verify patient's in the registry, that they are in compliance with Alabama Medical Cannabis Laws, that order presented does not exceed 30 day limit in registry; record order fulfillment in the registry in compliance with regulatory requirements; point-of-sale functions and ensuring compliance in transactional inventory tracking, cash handling, and product security; dispensing cannabis products; maintaining patient confidentiality and privacy; educating and counseling patients on their order contents, product offerings and their applicability to their qualifying condition, administration, dosing, potential side effects, and methods for reporting adverse effects; maintaining up-to-date knowledge on products and services offered at the

dispensary facility; provide patients with forms and instructions for providing product feedback for research purposes.

#### 1.11. Greeter

1.11.1. Greeter(s) will report directly to the dispensary manager, and may be asked to fulfill patient care advisor or other duties at times;

1.11.2. Qualifications: excellent customer service skills; proficiency with windows-based software and experience with point-of-sale applications and; ability to answer multi-line phone system knowledge and understanding of state medical cannabis laws and regulations and their relation to dispensary operations; basic knowledge of cannabis routes of administration and/or medical cannabis; experience handling confidential information and/or familiarity with measures and standards for protecting confidentiality and privacy strongly preferred; experience working in a regulated environment preferred; must pass company background check; and

1.11.3. Duties and responsibilities: greeter(s) will be responsible for executing tasks assigned by general manager and/or dispensary manager; answering phones, emails and other communications; assisting patients with necessary documentation as a patient of YMH; verify patient's in the registry, that they are in compliance with Alabama Medical Cannabis Laws, acknowledging they have remaining balance of 30 day limit in registry; record order fulfillment in the pos in compliance with regulatory requirements; point-of-sale functions and ensuring compliance in transactional inventory tracking, cash handling, and product security; dispensing cannabis products; maintaining patient confidentiality and privacy; educating and counseling patients on their order contents, product offerings and their applicability to their qualifying condition, administration, dosing, potential side effects, and methods for reporting adverse effects; maintaining up-to-date knowledge on products and services offered at the dispensary facility; provide patients with forms and instructions for providing product feedback for research purposes.

1.12. Security Team Member:

- 1.12.1. Security team member(s) will report directly to the general manager, and may be asked to fulfill greeter at times;
- 1.12.2. Qualifications: experience providing on-site security and/or experience as a law enforcement officer and/or loss prevention strongly preferred; must be comfortable with unarmed non-violent de-escalation crisis response; knowledge of organizational, physical, and technical security measures required; experience managing or working in a secure facility required; familiarity with a range of security technologies required, including surveillance, alarm, and access control systems; knowledge of methods for screening and monitoring personnel preferred; must pass level-2 background check; excellent customer service skills; proficiency with windows-based software; position and will be filled by a distinct individual on day one of operations; and
- 1.12.3. Duties and responsibilities: ensuring the security and safety plans for the dispensary; checking id's; monitoring behavior of patients and other businesses patrons; conducting periodic checks of security equipment function and overseeing maintenance of all security equipment; monitoring surveillance footage; ensure both patient and non-patient areas are secure and safe; assessing, identifying, and correcting security risks; recommending security policies and procedures when deficiencies are detected; overseeing access control issuance and special authorizations to enter restricted areas; periodically auditing access control system to identify attempts at unauthorized access; developing and implementing plans and procedures for screening and monitoring employees; monitoring patient flow to advert diversion; assisting in any investigation of non-conformance obtaining to security breech; maintain a safe environment for patients and staff during the unlikely event of a crisis .

## REPORTS REQUIRED

- 1.13. N/A

## **AUTHORIZATION FOR DEVIATION**

- 1.14. The Director of Operations or General Manager must direct any deviation from the standard procedure.

## **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.15. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **6001 – Product Quality Control**

### **1. PRODUCT QUALITY CONTROL**

Yellowhammer Medical Dispensaries (YMH) shall make cannabis products available for sale only if the following are met:

- 1.1 The cannabis products were grown by a licensed cultivator and/or processed by a licensed manufacturer;
- 1.2 The cannabis products were delivered to the Retailer by a licensed distributor;
- 1.3 The cannabis products were accompanied by a “passing” certificate of analysis from an independent testing laboratory;
- 1.4 The licensed distributor confirmed a successful quality assurance review of the cannabis products;
- 1.5 YMH verified that the cannabis products have not exceeded their expiration or sell-by date, if one is provided; The cannabis products are properly packaged or labeled;
- 1.6 YMH shall not package or label cannabis products.
- 1.7 Employees shall not alter, obliterate, or destroy labels attached to cannabis products.
- 1.8 For guidelines on assessing whether a cannabis product is properly packaged, refer to the Packaging of Cannabis Products, Labeling Requirements, and Labeling Restrictions portion of this document. Once cannabis products are purchased by customers, they must be placed in opaque exit packaging before exiting the Retail premises.

### **2. QUALITY ASSURANCE**

Prior to receiving a shipment from a distributor, YMH employees shall adhere to the following protocol:

- 2.1 Cross-reference the certificate of analysis from the laboratory to ensure that it corresponds to the delivered cannabis products.
- 2.2 Check to ensure that the labels on the cannabis products comply with the Labeling Requirements and Restrictions (outlined in this document).
- 2.3 Check to ensure that the packaging complies with applicable Packaging Requirements (outlined in this document).
- 2.4 Check to ensure that the packaging has not been tampered with.
- 2.5 Check for signs of deterioration.
- 2.6 Ensure that the weight or count of the cannabis product shipment is identical to the weight or count specified in the shipping manifest.

### **3. STORAGE**

- 3.1 The Retail Director will be responsible for developing, implementing, and maintaining storage area procedures for the retail that ensure compliance with required processes and any applicable laws. All cannabis inventory will be locked and secured in the limited access Safe Room, demonstrated on the floor plan. This safe will contain all cannabis inventory under commercial grade locks, reinforced walls, and surveillance cameras inside and outside the safe. The only employees with access to the Safe Room shall be the Retail Store Manager, Quality Control Manager and Security Staff. No Budtender or other employee shall have access to the Safe Room, to limit the possibility of internal diversion. All storage areas will be maintained in a clean and orderly condition, free from infestation by pests of any kind, and be in accordance with security requirements established by YMH. Storage areas must comply with the following guidelines:
- 3.2 Storage areas must have adequate lighting, ventilation, temperature, humidity, and space.



- 3.3 All cannabis products will be stored in a fully enclosed and locked room where no toxic or flammable materials are kept.
- 3.4 Cannabis products must be stored in a manner that prevents contamination, cross-allergen contact, and deterioration.
- 3.5 Cannabis products must be stored separately and distinctly from each other by:
  - 3.6 Separating the cannabis products according to type;
  - 3.7 Implementing a color-coding system;
  - 3.8 Separating and storing cannabis products by cultivator, manufacturer or other licensed entities.
- 3.9 All cannabis products will be stored in an organized manner with appropriate identification evidencing the type of product, strength, dosage form, weight, or quantity of contents.
- 3.10 Cannabis products that are outdated, damaged, deteriorated, mislabeled, contaminated, or whose containers or packaging have been opened or breached will be kept in a separate, secure area from other stored cannabis products.
- 3.11 All cannabis products shall be stored in a manner to prevent diversion, theft, or loss.
- 3.12 Only 2 (two) employees are allowed in the storage area at one time.
- 3.13 Employees entering and exiting the storage area to store products or clean the storage area must indicate their activity in the inventory software.
- 3.14 All cannabis products will be returned to the secured and locked storage room at the end of the business day.

3.15 All employees will ensure that storage rooms are securely locked and protected from entry at all times, except for the actual time required to remove or replace cannabis products.

3.16 Unauthorized individuals are not allowed in the storage area.

#### **4. PRODUCT COMPLAINTS**

4.1 All employees must follow the protocol below after a complaint has been made:

##### 4.2 Receipt of Complaint

4.1.1 Product complaints can be communicated verbally, electronically, or in writing.

4.1.2 The Client Management Team receives and pre-screens client complaints to determine whether there may be a potential impact to consumer health, safety, or non-compliance with regulations.

4.1.3 Each complaint will be assigned a sequential complaint number and documented in the Product Complaint Log.

4.3 The following information must be filled out on the Complaint Record and in the Product Complaint Log:

- a. Name of the complainant;
- b. Complainant phone number;
- c. Complainant e-mail address;
- d. Complainant address;
- e. Type of complaint (verbal, electronic, written);
- f. Affected product (lot number); and
- g. Nature of the complaint.

4.3.1 Any additional information or supporting documents obtained from clients must be attached to the completed complaint form.

4.3.2 The recipient of the complaint must sign and date the form, along with any attachments, and the complaint form must then be immediately forwarded to Quality Assurance.

4.3.3 If the complaint requires an immediate response or corrective, the recipient (in consultation with QA) must either take the required action or communicate with the proper person to take the required action.

#### 4.4 Quality Assurance Investigation, Findings and Recommendations

a. Upon receipt of the complaint, the supervisor or quality control personnel shall review the complaint and determine the appropriate action that should be taken under the particular circumstance.

b. The supervisor or quality control personnel shall use their discretion in determining whether an investigation should follow the complaint.

4.4.1 If an investigation is needed, it shall include the following:

a. Contact with the complainant to clarify or otherwise obtain missing information, if any.

b. Investigation of other products to ensure their quality based on the type, name, and description of the product in the complaint.

#### 4.5 Complaint Resolution

4.5.1 Customer Care must contact the client and provide information on the necessary steps taken regarding the product and the complaint.

4.5.2 If product destruction is required and the client agrees to destruction of the product, confirmation of the amount of product destroyed and proof of destruction must be submitted before a replacement order can be sent.

4.5.3 If product destruction is required and the client opts to return the product, the procedure in P&P Product Recalls and Returns must be followed.

#### 4.6 Complaint Close-Out

4.6.1 Prior to close-out, QA will review the Complaint record to verify completion of the following: Investigation (if appropriate);

- a. Corrective/preventative actions;
- b. Adequate response to the complaint;
- c. All records of communication must be attached;
- d. Client was informed of the conclusion of the complaint and any additional concerns have been resolved.
- e. If all components of complaint handling were completed, the complaint can be closed. QA must update the CF Complaint Log.
- f. The original copy of the Complaint Record and Investigation Report (if required) are kept with Quality Assurance for trending analysis.

### **5. CREATING AND MAINTAINING WRITTEN RECORDS OF PRODUCT COMPLAINTS**

5.1.1 The quality control personnel shall maintain written records for every product complaint and subsequent investigation. The record shall include:

5.1.2 The name and the description of the cannabis product;

5.1.3 The batch number or UID of the cannabis product, if available;

5.1.4 The date the complaint was received and the name, address, and/or telephone number of the complainant, if available;

5.1.5 The nature of the complaint including, if known, how the product was used;

5.1.6 The reply to the complaint, if any; and findings of the investigation and/or follow-up action taken after an investigation was performed.

## **6002 – Safety Plan**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide policies and procedures for ensuring compliance with Occupational Safety and Health Administration (“OSHA”) regulations for workplace safety.

### **RESPONSIBILITY**

- 1.2. The Director of Operations and General Manager is responsible for maintaining and training this P&P.

### **PROCEDURE**

- 1.3. The Safety Plan describes YMH’s safety policies and measures in place for assuring that best safety practices are implemented at all times in the Dispensary. The policies and procedures established herein will be strictly enforced, as the safety of agents, products, and the surrounding community is one of our foremost business considerations.
- 1.4. Safety topics addressed herein include required quarterly inspections, YMH’s four-point worker safety and health program, the use and maintenance of Safety Data Sheets (“SDS”), required Personal Protective Equipment (“PPE”), safety training for Employees, hazard communication policy, general safety rules, and facility safety requirements. As a condition of employment, all Employees and managers must comply with all applicable safety policies, practices, and procedures, which will be listed in the YMH Employee Manual and will be provided to each agent upon acquisition. Safety training will be provided as often as necessary and annually at a minimum. This Plan demonstrates Company’s concern for the safety of our workers, products, and facilities and our ability to establish and maintain a safe and OSHA-compliant workplace.

- 1.5. The Dispensary will be inspected quarterly to identify potential hazards using the OSHA Self-Inspection Checklist to prevent hazardous material and chemical incidents that could result in injury and/or illness to any agent or visitor;
- 1.6. It is established that requirements of OSHA's Hazard Communication standard will be met. The General Manager is assigned the responsibility of conducting job-specific hazard training on chemicals used;
- 1.7. Copies of SDS for all hazardous chemicals to which agents may be exposed will be available by hard copy in each chemical storage area of the facility in a designated SDS binder;
- 1.8. Safety rules addressed include those relevant to accident and hazard reporting, drug and alcohol use, work-related injuries, and the required use of PPE. Enforcement measures and disciplinary actions detailed are to be implemented in response to violations of the safety rules established herein;
- 1.9. All emergency situations, including chemical spill response, will be handled by local emergency response agencies in accordance with the emergency management section of the P&P's;
- 1.10. Procedures are established herein for injury claims and policies related to workers' compensation and benefits are provided; and
- 1.11. The General Manager will designate a Safety Coordinator, which entails responsibility for ensuring adherence to this Plan. The Safety Coordinator will serve as the primary Company contact for safety-related matters.
- 1.12. YMH will:
  - 1.12.1. Provide a workplace free from serious hazards;
  - 1.12.2. Promote the overall health and safety of all of our agents;
  - 1.12.3. Maintain open communication between owners, managers, and agents about the potential risks and hazards associated with any of the work to be performed for YMH;
  - 1.12.4. Provide clear safety policies and procedures intended to reduce the potential risks and hazards as much as possible; and

- 1.12.5. Establish mechanisms for evaluating and improving those policies and procedures on an on-going basis.
- 1.13. YMH recognizes that systematic management policies, procedures and practices are fundamental to the reduction of work-related injuries and illnesses. To this point, YMH will institute and maintain a Four-Point Workplace Program based on the Safety and Health Program Management Guidelines issued by OSHA and described in the Small Business Handbook.
- 1.14. The components of the program are addressed throughout this Plan. This program will go beyond compliance with specific OSHA standards to address all hazards, seeking to prevent injuries and illnesses whether or not stipulated as a compliance item. YMH's Four-Point Workplace Program will include the following four elements:
  - 1.15. Management Commitment and Agent Involvement:
    - 1.15.1. Management will regard worker safety and health as a fundamental value and will apply its commitment to safety and health protection with vigor; and
    - 1.15.2. Employee involvement will provide the means through which agents will develop and express their own commitment to safety and health protection, for their own benefit and for that of their coworkers.
- 1.16. The following measures will be taken to ensure management commitment and employee involvement:
  - 1.16.1. The Board, in coordination with the General Manager, will set and clearly communicate a workplace policy on safety and health in Dispensary operations and facility conditions;
  - 1.16.2. The Safety Coordinator, in coordination with the General Manger, will establish and communicate a clear goal for the safety and health program and objectives for meeting that goal;
  - 1.16.3. Top management will be visibly involved in implementing the program;



- 1.16.4. All Employees will be involved in the structure and operation of the program and in the decisions that affect their safety and health;
  - 1.16.5. Responsibility for all aspects of the program will be assigned and communicated;
  - 1.16.6. Adequate authority and resources will be provided to responsible parties so that assigned responsibilities can be met;
  - 1.16.7. All managers and employees will be held accountable for meeting their responsibilities so that essential tasks will be performed; and
  - 1.16.8. Program operations will be reviewed at least annually to evaluate their success in meeting their goals and objectives so that deficiencies can be identified and the program and/or the objectives can be revised when they do not meet the goal of effective safety and health protection.
- 1.17.      Worksite Analysis:
- 1.17.1. The worksite will be continually analyzed in a variety of ways to identify all existing and potential hazards; and
  - 1.17.2. Effective management actively analyzes the work and worksite to anticipate and prevent harmful occurrences.
- 1.18.      In order to ensure all hazards are identified and anticipated and that the health and safety components of the worksite are sufficiently analyzed, the Safety Coordinator in coordination with the Administrative Controller will:
- 1.18.1. Conduct comprehensive baseline worksite surveys for safety and health and periodic comprehensive update surveys;
  - 1.18.2. Analyze planned and new facilities, processes, materials, and equipment;
  - 1.18.3. Perform routine job hazard analyses (see Exhibit D);
  - 1.18.4. Provide for regular site safety and health inspections so that new or previously missed hazards and failures in hazard controls are identified;

- 1.18.5. Provide a reliable system for employees to notify management personnel about hazardous conditions without fear of reprisal and to receive timely and appropriate responses;
  - 1.18.6. Provide for investigation of accidents and “near miss” incidents so that their causes and means for their prevention are identified; and
  - 1.18.7. Analyze illness and injury trends over time so that patterns with common causes can be identified and prevented.
- 1.19. Hazard Prevention and Control:
- 1.19.1. Hazard prevention and control will be triggered by a determination that a hazard or potential hazard exists; and
  - 1.19.2. Once a hazard or potential hazard is recognized, elimination or control must be accomplished in a timely manner in order to prevent unsafe and unhealthful exposure.
- 1.20. The following measures will be taken to satisfy the hazard prevention and control component of the program:
- 1.20.1. Establish procedures for the purpose of ensuring that all current and potential hazards are corrected or controlled in a timely manner;
- 1.21. Require the provision of hazard prevention and control training, a disciplinary system for non-compliance, appropriate PPE, and appropriate administrative controls;
- 1.21.1. Provide for facility and equipment maintenance to prevent hazardous breakdown;
  - 1.21.2. Plan and prepare for emergencies and conduct training and drills so that emergency response will be timely; and
  - 1.21.3. Establish a medical program which includes availability of first aid on site and of physician and emergency medical care nearby, so that harm will be minimized if injury or illness does occur.

- 1.22. Safety and Health Training:
  - 1.22.1. Safety and health training will address the safety and health responsibilities of all Employees on the Dispensary premises; and
  - 1.22.2. Safety and health training will be modified as the size and complexity of the Dispensary operation increases and will be tailored to the nature of the hazards and potential hazards at the site.
- 1.23. Safety and health training modules will be developed with the following aims in mind:
  - 1.23.1. To ensure that all agents understand the hazards they may be exposed to and how to prevent harm to themselves and others from hazard exposure, so that employees accept and follow established safety and health protections;
  - 1.23.2. To ensure that supervisors understand their safety and health responsibilities and the reasons for them, including:
    - 1.23.2.1. Analyzing the work under their supervision to identify potential hazards;
    - 1.23.2.2. Maintaining physical protections in their work areas; and
    - 1.23.2.3. Reinforcing employee training on the nature of potential hazards in their workspace and on needed protection measures, including providing performance feedback and enforcing safe work practices disciplinarily.
- 1.24. To ensure that managers understand their safety and health responsibilities.
- 1.25. Provide a workplace free from serious hazards and promote the overall health and safety of all of our agents;
- 1.26. Comply with the standards, rules and regulations established under the authority of OSHA, including implementing a safety plan based on the four-point workplace safety program and other management guidelines issued by OSHA;
- 1.27. Examine workplace conditions and require regular, comprehensive inspections to ensure facility and equipment conditions conform to applicable OSHA standards;

- 1.28. Make sure agents only use safe tools and equipment and that all such equipment is properly maintained;
- 1.29. Use color codes, posters, labels or signs to warn agents of potential hazards when applicable;
- 1.30. Establish and update operating procedures and effectively communicate them to agents so that they follow all safety and health requirements;
- 1.31. Provide safety training in a language and vocabulary all agents can understand;
- 1.32. Implement a written Hazard Communication Policy and train agents on the hazards they may be exposed to in the course of their work and proper precautions. A copy of SDS for all hazardous chemicals will be readily available;
- 1.33. Provide medical examinations and training as required by OSHA standards;
- 1.34. Post, at a prominent location within the workplace, the OSHA Job Safety and Health: It's the Law poster informing agents of their rights and responsibilities;
- 1.35. Report to the nearest OSHA office all work-related fatalities within 8 hours, and all work-related in-patient hospitalizations, all amputations and all losses of an eye within 24 hours;
- 1.36. Keep records of all work-related injuries and illnesses, emergencies, and incidents in accordance with OSHA recordkeeping requirements;
- 1.37. Conduct regular and unplanned inspections and evaluations of all facilities, equipment, procedures and work processes, and keep records for all such inspections and evaluations. Procedures will be developed and implemented to immediately address all non-compliance issues that may be discovered as a result of an inspection or evaluation;
- 1.38. Provide agents, former agents and their representatives with access to the Log of Work-Related Injuries and Illnesses (OSHA Form 300);
- 1.39. Provide agents and/or their authorized representatives with access to agent medical records and exposure records;
- 1.40. Provide the OSHA compliance officer with the names of authorized agent representatives who may be asked to accompany the compliance officer during an inspection;
- 1.41. Not discriminate against agents who exercise their rights under the OSH Act;

- 1.42. If necessary, post OSHA citations at or near any work area involved. Each citation must remain posted until the violation has been corrected, or for three working days, whichever is longer. Abatement verification documents or tags will be posted; and
- 1.43. Correct cited violations by the deadline contained in the OSHA citation and submit required abatement verification documentation.
- 1.44. The general Responsibilities for all Employees is to:
  - 1.44.1. Adhere to all safety policies and procedures established by YMH;
  - 1.44.2. Participate in inspections and evaluations as necessary by providing documentation, records, information, examples etc.;
  - 1.44.3. Report safety concerns to a manager or the internal Safety Coordinator; and
  - 1.44.4. Report injury and/or illness incidents immediately and follow all applicable procedures.
- 1.45. Each Employee is responsible for the safe performance of their various tasks. Although, not all work procedures can be addressed, the following non-inclusive items are examples of safety-related duties required of Employees:
  - 1.45.1. Do not stand on equipment or work surfaces to reach high places; always use a ladder or step stool;
  - 1.45.2. Keep floor clear of water by mopping up spills to avoid slips and falls;
  - 1.45.3. Use, handle, store, and dispose of all chemicals in accordance with the manufacturer's label and information on the MSDS (if applicable);
  - 1.45.4. Wear appropriate PPE when handling hazardous materials or hazardous waste, and when directed by the Dispensary Manager; and
  - 1.45.5. Ensure all safety and exhaust equipment is operational on a daily basis and confirm prior to beginning any work activity.
- 1.46. The policies, procedures, and rules contained herein are designed to establish the highest possible degree of safety in Dispensary operations. Compliance with all

provisions is mandatory; all Employees must follow these rules as a condition of employment by YMH.

- 1.47. Non-compliance will be met with disciplinary action. The typical disciplinary actions taken for non-compliance with various safety requirements will be clearly communicated to all Employees upon acquisition.
- 1.48. The Safety Plan applies to all Employees (including managers), other Company personnel while on the Dispensary facility premises, and contractors.
- 1.49. Employees will be given a physical copy of the Plan upon acquisition and informed of their responsibility for understanding and complying with all provisions of the Plan. Each Employee will be given a chance to thoroughly read the Plan and will be encouraged to ask their supervisor for clarification on any items that remain unclear. Each Employee must then sign and return the acknowledgment form.
- 1.50. The Safety Coordinator and Dispensary Manager will periodically review the Plan to ensure they are applicable and up-to-date on all compliance items and industry best practices. Any time the Plan is updated, all Employees must be notified, and an updated electronic copy of the Plan will be circulated via email.
- 1.51. An additional physical copy of the Plan will be maintained on site at the Dispensary facility for reference and an electronic copy will be stored in the cloud-based recordkeeping system. The Administrative Controller will furnish additional copies of the Plan upon request by an Employee.
- 1.52. Employees will be subject to disciplinary action for violations of YMH safety rules, policies, and procedures. The General Manager is responsible for the enforcement of safety rules in the Dispensary. If a minor violation is detected, the Employee in question will be afforded instructive training and counseling to assure a clear understanding of why their behavior constitutes an infraction and the proper conduct under Company guidelines.
- 1.53. All training will be documented on a safety rule violation notice form and stored in the agent's personnel file. Nothing in this Plan will preclude management from terminating an agent for a safety violation if deemed appropriate. YMH will not adopt a progressive discipline system in relation to safety non-compliance; any

safety violation may lead to an agent's termination without prior violations if deemed appropriate for the severity of or circumstances surrounding the violation.

- 1.54. Management reserves the right to impose any of the following disciplinary actions, when deemed appropriate:
  - 1.54.1. Verbal warning with documentation in personnel file;
  - 1.54.2. Written warning outlining nature of offense and necessary corrective action with documentation in personnel file; or
  - 1.54.3. Termination.
- 1.55. Management, including the Safety Coordinator, will be subject to the above disciplinary actions for any of the following reasons:
  - 1.55.1. Repeated safety rule violations by agents under their supervision;
  - 1.55.2. Failure to provide adequate training prior to job assignment;
  - 1.55.3. Failure to report accidents and provide medical attention to agents injured at work;
  - 1.55.4. Failure to control unsafe conditions or work practices;
  - 1.55.5. Failure to maintain good housekeeping standards and cleanliness in their departments;
  - 1.55.6. Repeated failure to comply with established management safety responsibilities; or
  - 1.55.7. Blatant and intentional disregard of the safety provisions contained herein.
- 1.56. It is the policy of YMH to designate an agent as the internal Safety Coordinator, who will oversee all safety related matters and serve as chair for the Dispensary Safety Committee.
- 1.57. It is the policy of YMH to appoint members of a Safety Committee comprised of at least one manager and one agent and at least one owner or member of the Board.
- 1.58. The Board, and the Safety Coordinator will approve all appointments to the Committee. The Safety Coordinator will serve as the Committee's chair and he/she may appoint a vice-chair to help oversee the functions of the Committee.

- 1.59. The purpose of the Committee is to oversee all safety related matters and serve as a decision-making authority for the Dispensary safety matters, including those regarding certain incident reports, safety concern reports, suggested policy evaluations/revisions, and any possible changes to this Plan. The Committee may facilitate meetings and/or communication with governing officials and other entities regarding site safety inspections, evaluations or vendor relationships.
- 1.60. The Committee will meet at least once quarterly for the facility's first year of operation, and at least annually thereafter. The Committee will create a report of all matters addressed and/or discussed by the Committee and make such reports available to all owners, managers and agents.
- 1.61. The Safety Coordinator is responsible for overseeing implementation of the facility's safety program. The Safety Coordinator will:
- 1.61.1. Annually review organization safety policy and rules;
  - 1.61.2. Maintain accurate records and annually report the results of workplace accident and injury trend analysis;
  - 1.61.3. Recommend actions to reduce the frequency and severity of accidents and illnesses;
  - 1.61.4. Integrate safety rules, reminders and best practices into the day-to-day activities of all agents;
  - 1.61.5. Coordinate the new agent orientation and safety training programs;
  - 1.61.6. Coordinate with the Administrative Controller to assist Company in ensuring compliance with government standards concerning safety and health;
  - 1.61.7. Assist the Dispensary Manager with any accident investigation;
  - 1.61.8. Conduct and record periodic safety inspections to identify unsafe conditions and practices and to determine remedies;
  - 1.61.9. Ensure all agents are properly trained on hazardous conditions in the cultivation facility and that all termination points for gas, electric and water service are clearly marked and known to agents; and
  - 1.61.10. Make recommendations to the Board on matters pertaining to safety.



- 1.62. All agents will receive an orientation to Company's safety rules upon initial employment and at a minimum annually thereafter. All agents will be encouraged to bring any unsafe conditions or practices to the attention of to their direct supervisor and will be assured that there will be no repercussions for doing so. Managers will communicate these concerns to the Safety Coordinator who will respond to these concerns within twenty-four hours.
- 1.63. All workrooms, passageways, storage areas, break rooms, and sanitary facilities in the facility will be maintained in a clean and orderly condition. The floor of every workroom will be maintained in a clean and, so far as possible, dry condition.
- 1.64. To facilitate cleaning, every floor, wall, workspace, and passageway will be kept free from protruding nails or other sharp objects, splinters, holes, or loose boards.
- 1.65. Aisles and passageways will be kept clear and in good repair, with no obstruction across or in aisles that could create a hazard. Where applicable, permanent aisles and passageways will be appropriately marked.
- 1.66. The facility will be kept clean to the extent that the nature of the work allows. All sweepings, solid or liquid wastes, refuse, and garbage will be removed in a manner to avoid creating a menace to health and as often as necessary or appropriate to maintain the place of employment in a sanitary condition.
- 1.67. It is Company policy to avoid the acquisition and use of hazardous materials and pesticides; as such, hazardous materials and pesticides will only be acquired as a last resort. Cleaning compounds and sanitizing agents used in the cultivation facility must be free from microorganisms of public health significance, approved by the United States Environmental Protection Agency ("EPA"), and be safe and adequate under the conditions of use.
- 1.68. Cleaning compounds and sanitizing agents, as well as pesticides, hazardous materials, and other toxic materials, if any, must be identified, stored, and used in a manner that protects against contamination of product constituents or contact surfaces. CO2 tanks and hazardous chemicals may not be used or stored in production areas where product constituents or contact surfaces are manufactured or exposed, unless those materials are necessary as follows:

- 1.68.1. To maintain clean and sanitary conditions;
  - 1.68.2. For maintaining or operating the facility or equipment; or
  - 1.68.3. For use in Dispensary operations.
- 1.69. The facility will be inspected quarterly in the first year of operations and at least annually thereafter by the Safety Coordinator to identify potential hazards using the OSHA Self-Inspection Checklist. The purpose of the inspections is to prevent hazardous material and chemical incidents that could result in injury and/or illness to any agent, visitor, or the environment.
- 1.70. The Safety Coordinator will be responsible for quarterly inspections of the facility. The General Manager must correct or coordinate all hazards as soon as possible, once identified. If the hazard is extreme, the inspector in his or her discretion may contact the Board to recommend termination of operations until corrected. Per OSHA recommendations, inspections will cover:
- 1.70.1. Receiving, Shipping and Storage - equipment, job planning, layout, heights, floor loads, projection of materials, material handling and storage methods, training for material handling equipment;
  - 1.70.2. Building and Grounds Conditions - floors, walls, ceilings, exits, stairs, walkways, ramps, platforms, driveways, aisles;
  - 1.70.3. Housekeeping Program - waste disposal, tools, objects, materials, leakage and spillage, cleaning methods, schedules, work areas, remote areas, and storage areas;
  - 1.70.4. Electricity - equipment, switches, breakers, fuses, switch-boxes, junctions, special fixtures, circuits, insulation, extensions, tools, motors, grounding, national electric code compliance;
  - 1.70.5. Lighting - type, intensity, controls, conditions, diffusion, location, glare and shadow control;
  - 1.70.6. Heating and Ventilation - type, effectiveness, temperature, humidity, controls, natural and artificial ventilation and exhaust;

- 1.70.7. Machinery - points of operation, flywheels, gears, shafts, pulleys, key ways, belts, couplings, sprockets, chains, frames, controls, lighting for tools and equipment, brakes, exhausting, feeding, oiling, adjusting, maintenance, lockout/tag out, grounding, work space, location, purchasing standards;
- 1.70.8. Personnel - training, including hazard identification training; experience; methods of checking machines before use; type of clothing; PPE; use of guards; tool storage; work practices; methods for cleaning, oiling, or adjusting machinery;
- 1.70.9. Hand and Power Tools - purchasing standards, inspection, storage, repair, types, maintenance, grounding, use and handling;
- 1.70.10. Chemicals - storage, handling, transportation, spills, disposals, amounts used, labeling, toxicity or other harmful effects, warning signs, supervision, training, protective clothing and equipment, hazard communication requirements;
- 1.70.11. Fire Prevention - extinguishers, alarms, sprinklers, smoking rules, exits, personnel assigned, separation of flammable materials and dangerous operations, explosion-proof fixtures in hazardous locations, waste disposal and training of personnel;
- 1.70.12. Maintenance - provide regular and preventive maintenance on all equipment used at the worksite, recording all work performed on the machinery and by training personnel on the proper care and servicing of the equipment;
- 1.70.13. PPE - type, size, maintenance, repair, age, storage, assignment of responsibility, purchasing methods, standards observed, training in care and use, rules of use, method of assignment;
- 1.70.14. First Aid Program/Supplies - medical care facilities locations, posted emergency phone numbers, accessible first aid kits; and
- 1.70.15. Emergency Response Plan- establish and practice procedures for an emergency evacuation, e.g., fire, chemical/biological incidents, bomb threat; include escape procedures and routes, critical plant operations, agent accounting following an evacuation, rescue and medical duties and ways to report emergencies.

- 1.71. All new Employees must complete safety training prior to beginning any official work duties. Such training session(s) will cover at a minimum, the Safety Plan, including all policies and procedures described herein, the requirements and regulations set forth by OSHA, and other local and state laws and regulations. The Safety Coordinator will work in conjunction with the General Manager to ensure the contents and curriculum of the training sessions are sufficient to prepare new agents to successfully and safely perform their job duties and to prepare agents for responding to incidents and emergencies in accordance with this Plan.
- 1.72. All Employees will be required to complete on-going training at least once annually, and as often as necessary to cover new changes in work processes, policies and/or procedures as well as new developments in the Safety Plan.
- 1.73. PPE for eyes, face, head, and extremities, including protective clothing, respiratory devices, and protective shields and barriers, will be provided, used, and maintained in a sanitary and satisfactory condition. PPE will be required wherever hazards of processes or environment, chemical hazards, or mechanical irritants may be encountered and may cause injury or impairment in the function of any part of the body through absorption, inhalation or physical contact.
- 1.74. The Safety Coordinator in coordination with the General Manager, will provide all PPE for Employees and will be responsible for assuring the adequacy of the equipment, including proper maintenance, fit and sanitation. All PPE will be of safe design and construction for the work to be performed.
- 1.75. The Safety Coordinator in coordination with the General Manager, will assess the facility to determine if hazards are present or are likely to be present which necessitate the use of PPE. If such hazards are present, or likely to be present, the Safety Coordinator will:
  - 1.75.1. Select, and have each affected agent use the types of PPE that will provide protection from the hazards identified in the hazard assessment;
  - 1.75.2. Communicate selection decisions to each affected agent; and,
  - 1.75.3. Select PPE that properly fits each affected agent.

- 1.76. The required PPE will vary based on the procedure or work duty performed, and may include (but is not limited to):
- 1.76.1. Hair net/beard net;
  - 1.76.2. Fire-retardant lab coat/uniform (long sleeves when necessary);
  - 1.76.3. Safety glasses/goggles;
  - 1.76.4. Nitrile gloves;
  - 1.76.5. Disposable respirator;
  - 1.76.6. Anti-static wrist straps;
  - 1.76.7. Hard hat; and
  - 1.76.8. Appropriate footwear.
- 1.77. Appropriate PPE must be worn at all times, according to the requirements of the job task. Employees will be encouraged to contact their supervisor and reference the PPE job hazard analysis (see Exhibit C) if in need of PPE or if questions arise. Agents must wear approved eye and face protection when performing any task that could generate flying debris. When working with hazardous chemicals, agents must wear all PPE specified on the SDS and/or manufacturer's label.
- 1.78. YMH is committed to the prevention of hazardous material and chemical incidents that could result in injury and/or illness to any person. We will spare no effort in providing a safe and healthful work environment for our agents and will hold supervisors accountable for the safety of agents working under their direction.
- 1.79. The OSHA Hazard Communication standard (29 CFR 1910.1200) is based on the simple concept that agents have both a need and a "right to know" the identities and hazards of any chemicals they work with during the course of their employment.
- 1.80. Agents also need to know what protective measures are available to prevent chemical exposures and how to avoid adverse health effects. YMH will develop, implement, and maintain at each appropriate a written hazard communication program which describes how labels and other forms of warning, SDS, and agent information and training requirements will be met, and which also includes the following:

- 1.80.1. A list of the hazardous chemicals (including pesticides) known to be present in the facility using a product identifier that is referenced on the appropriate safety data sheet (the list may be compiled for the workplace as a whole or for individual work areas);
- 1.80.2. The methods YMH will use to inform agents of the hazards of non-routine tasks and the hazards associated with chemicals contained in their work areas;
- 1.80.3. YMH will additionally ensure that the hazard communication programs developed and implemented include the following for in-house contractors or agents of other companies hired for services:
  - 1.80.3.1. The methods YMH will use to provide other employer(s) on-site access to SDSs for each hazardous chemical the temporary agents may be exposed to while working;
  - 1.80.3.2. The methods YMH will use to inform the other employer(s) of any precautionary measures that need to be taken to protect agents during the workplace's normal operating conditions and in foreseeable emergencies; and,
  - 1.80.3.3. The methods YMH will use to inform the other employer(s) of the labeling system used in the workplace.
- 1.81. YMH will make the written hazard communication program available, upon request, to agents, their designated representatives, and all local, state, and federal authorities, in accordance with the requirements of 29 CFR 1910.1020(e);
- 1.82. YMH will ensure that each container of hazardous chemicals in the workplace is labeled, tagged or marked with either:
  - 1.82.1. The information specified on an SDS; or
  - 1.82.2. A product identifier and words, pictures, symbols, or combination thereof, which provide at least general information regarding the physical and health hazards of every chemical used.
- 1.83. YMH will ensure the written materials are readily accessible to all agents in their work area throughout each work shift; and

- 1.83.1. YMH will ensure that workplace labels or other forms of warning are legible, in English, and prominently displayed on the container, or readily available in the work area throughout each work shift.
- 1.84. YMH will meet the requirements of OSHA's Hazard Communication standard as follows:
  - 1.84.1. YMH will evaluate each facility's Hazard Communication Program at least once annually. The Program will be evaluated more frequently if changes in personnel, products, or equipment significantly alter the threat to human health or the environment.
- 1.85. It is the policy of YMH that no container will be released for use unless it has a complete label. The Dispensary Manager will ensure that secondary containers, such as spray bottles, have complete labels. In the event that a label is lost or damaged, a copy of the original manufacturer's label will be made or obtained and placed on the appropriate container. The Safety Coordinator will verify that all product containers kept onsite will clearly list contents on the label:
  - 1.85.1. Product name;
  - 1.85.2. Hazard warnings (corrosive, flammable, skin irritant, etc.); and
  - 1.85.3. Manufacturer's name and address.
  - 1.85.4. In compliance with the Hazard Communication Standard (HCS) 29 CFR 1910.1200(g) and International Fire Code (IFC) 5003.4, YMH will obtain, retain, and make readily available SDS for all hazardous materials to which Employees may be exposed. Hard copies of SDS for all products on the premises will be kept in the facility in a binder designated "SDS". The Safety Coordinator will obtain an SDS for each product from the manufacturer or distributor.
- 1.86. The Safety Coordinator will use the manufacturer's hazard classification on the SDS to determine whether the product is to be considered a hazardous material and the appropriate measures for storage, handling, and use. Agents will be required to review all SDS upon hire and to review SDS for new products on the date of

product acquisition. If an SDS is missing, or if a new product arrives without an SDS, Employees must immediately inform the Safety Coordinator so he or she can call the supplier or manufacturer. If no SDS is available, YMH will remove the product from the facility and obtain a comparable product with an available SDS.

- 1.87. The General Manager will maintain a list of all the chemicals and products used within the facility. This list will be kept in the front of the SDS book. Each hazardous chemical on the inventory list has a corresponding SDS available for providing specific hazard information and personal protective measures. This list will be updated quarterly by the Safety Coordinator to remove chemicals that are no longer in use at the facility and to add new products.
- 1.88. The General Manager will be responsible for conducting job-specific hazard training on chemicals used by Employees. After attending training, each agent will sign a form to verify that he or she attended the training, received our written materials, and understands YMH's policies on hazard communication.
- 1.89. Prior to starting work, each employee will attend safety training and will receive information and training on the following:
  - 1.89.1. An overview of the requirements contained in OSHA's HAZCOM standard (29 CFR 1910.1200);
  - 1.89.2. Chemicals present at the facility of employment;
  - 1.89.3. Location and availability of the written hazard program;
  - 1.89.4. Physical hazards and health effects of the hazardous chemicals on site;
  - 1.89.5. Methods and observation techniques used to determine the presence or release of hazardous chemicals in the work area;
  - 1.89.6. How to reduce or prevent exposure to these hazardous chemicals by using engineering controls, work practices and personal protective equipment;
  - 1.89.7. Steps YMH has taken to reduce or prevent exposure to these chemicals;
  - 1.89.8. An emergency procedure to follow if an agent is exposed to chemicals; and
  - 1.89.9. How to read labels and review SDS to obtain appropriate hazard information.



- 1.90. All agents responsible for the operation of areas in which hazardous materials will be stored, handled, or used will receive special safety and PPE training. These agents will also be required to familiarize themselves with the chemical nature of the materials and the appropriate mitigating actions necessary in the event of fire, leak, or spill in accordance with IFC 5003.9.1.
- 1.91. All Employees will receive orientation and annual training on safety, emergency/incident management, product handling and sanitation, and compliance. The Safety Coordinator and/or Administrative Controller will repeat training whenever a new chemical or a new hazard is introduced in the work area.
- 1.92. Occasionally, an Employee may be asked to perform a task that is not part of their normal job. Before taking on a new task, the Employee will be given information by the Manager about any hazardous chemicals that might be used during the activity. This information will include:
  - 1.92.1. Specific chemical hazards;
  - 1.92.2. Protective measures agents can take; and
  - 1.92.3. Measures the facility has taken to reduce the hazards, which might include ventilation, personal protective equipment, use of the buddy system, and emergency procedures.
- 1.93. It is the General Managers responsibility to identify and obtain SDS for chemicals any contractor brings into the facility. It is the responsibility of the General Manager to provide contractors in the facility with the following information:
  - 1.93.1. Hazardous chemicals to which they may be exposed while working at the facility and the procedure for obtaining SDS information;
  - 1.93.2. Precautions contracted agents may take to reduce the possibility of exposure by using appropriate protective measures; and
  - 1.93.3. An explanation of the labeling system.
- 1.94. These safety rules are designed to provide Employees with knowledge of the recognized and established safe practices and procedures that apply to many of the

work situations encountered while employed at YMH. If an agent is in doubt about the safety of any condition, practice or procedure, the Employee will consult the Dispensary Manager for guidance.

- 1.95. All accidents or in the facility will be reported to the Dispensary Manager immediately. Falsification of company records, including employment applications, time records or safety documentation will not be tolerated.
- 1.96. The Director of Operations and/or General Manager must be notified immediately of any unsafe condition and/or practice in the facility.
- 1.97. **No illegal drugs or alcohol will be allowed on any Company premises.** Employees must notify their supervisor if they are taking any prescription drugs that might affect their work performance.
- 1.98. Employees will be required to wear all PPE specified on the SDS and/or manufacturer's label when handling and using a hazardous material. The Safety Coordinator and/or Dispensary Manager will provide detailed training to each Employee who is required to use PPE.
- 1.99. Each Employee will be trained to know at least the following:
  - 1.99.1. When PPE is necessary;
  - 1.99.2. What PPE is necessary;
  - 1.99.3. How to properly don, doff, adjust and wear PPE;
  - 1.99.4. The limitations of the PPE; and
  - 1.99.5. The proper care, maintenance, useful life, and disposal of the PPE.
- 1.100. Each affected agent will demonstrate an understanding of the training and the ability to use PPE properly before being allowed to perform work requiring the use of PPE. When the General Manager has reason to believe that any affected Employee who has already been trained does not have the understanding and skill required, the Dispensary Manager or Safety Coordinator will retrain each such agent.
- 1.101. Circumstances where retraining is required include, but are not limited to, situations where:
  - 1.101.1. Changes in the workplace render previous training obsolete;

- 1.101.2. Changes in the types of PPE to be used render previous training obsolete; or
- 1.101.3. Inadequacies in an affected agent's knowledge or use of assigned PPE indicate that the agent has not retained the requisite understanding or skill.
- 1.102. YMH will verify that each affected agent has received and understood the required training through a written certification that contains the name of each agent trained, the date(s) of training, and that identifies the subject of the certification.
- 1.103. In the event of any emergency incident, documentation must be maintained and the necessary state and local enforcement agencies must be notified within a reasonable timeframe. The appropriate officials to contact and the degree of urgency will depend on the character of the emergency.
- 1.104. If a single smoke detector sounds, Employee(s) must investigate the area where the unit is located to determine if there is a fire. If a small fire is present, an Employee must use a fire extinguisher to put out the fire in accordance with his or her safety training. If a large fire is present, all person's present must evacuate the building and the Employee must notify the local fire department immediately.
- 1.105. If there is not a fire, the smoke detector must be inspected by the Manager, as it may be dysfunctional. If multiple smoke detectors sound, all persons must evacuate the building immediately and the Dispensary Manager will be responsible for contacting the local fire department.
- 1.106. YMH does not plan to utilize any hazardous materials in any facility. If hazardous materials must be acquired and a spill occurs, the space must be evacuated and the SDS for the product must be reviewed to determine the appropriate steps for spill management. If appropriate for the situation, local authorities will be contacted for spill response guidance and services. Agents will follow the direction of local officials in the case of an external spill impacting operations.
- 1.107. All Employees will be provided with an explanation of the workers' compensation system and the benefits it will provide by the General Manager.
- 1.108. If an injured agent needs immediate medical attention, he/she will be driven or sent to the nearest appropriate hospital or clinic;

- 1.109. If the injury is not an emergency, an appointment will be made with one of the worker's compensation provider's designated medical providers as soon as possible;
- 1.110. Once the agent's supervisor has been notified of an injury, the supervisor will provide a list of designated providers and written instructions. The agent will be required to sign and date this written instruction; a copy will be given to the agent and stored in the agent's personnel file;
- 1.111. An accident investigation will be conducted by the responsible supervisor following all work-related injuries. The supervisor or Safety Coordinator will be responsible for interviewing the injured agent and all witnesses;
- 1.112. The Safety Coordinator will report the claim to the worker's compensation provider;
- 1.113. If the incident involved an agent death or a catastrophe (three or more agents admitted to the hospital) OSHA will be notified within eight hours;
- 1.114. The Safety Coordinator will use information from the accident investigation to identify changes that may help prevent future incidents;
- 1.115. For lost time claims, the Dispensary Manager will contact the injured agent at least once a week to answer questions, keep the injured agent informed of organization activities, and discuss return to work options;
- 1.116. The Safety Coordinator will contact the medical provider after each appointment to keep current on the agent's work status, medical progress, and to ensure that appointments are being kept;
- 1.117. Modified duty procedures will be as follows:
  - 1.117.1. The General Manager will evaluate any medical restrictions and determine if the agent can return to their regular job duties;
  - 1.117.2. If the agent is unable to return to normal job duties, the General Manager and Administrative Controller will determine if the agent's position can be temporarily modified to accommodate the restrictions; and
  - 1.117.3. If the job cannot be modified, the agent's direct supervisor will evaluate other tasks or positions the agent may be able to perform until the medical restrictions are lifted.

- 1.118. If the agent is unable to return safely to a modified position, the medical restrictions will be re-evaluated after each doctor's visit to ensure the agent is returned to work as soon as possible without being detrimental to the agent's health or safety;
- 1.119. Once YMH has acquired more than 10 agents, an entry will be made by the Safety Coordinator on an OSHA 300 Log for all cases involving medical treatment; and
- 1.120. Accurate records will be kept for all workers' compensation claims. The workers compensation file will include documentation of all communications regarding the claim and all records from the medical providers and worker's compensation provider.

#### **REPORTS REQUIRED**

- 1.121. OSHA Self-Inspection Checklist
- 1.122. Safety and Health Program Management Guidelines
- 1.123. PPE job hazard analysis

#### **AUTHORIZATION FOR DEVIATION**

- 1.124. The Director of Operations or General Manager must direct any deviation from the standard procedure.

#### **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.125. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **6003 – IT Security**

### **1. PURPOSE**

1.1. The purpose of this procedure is to provide instructions for IT Security at YMH.

### **RESPONSIBILITY**

1.2. The Director of Operations and/or the General Manager will ensure the security of the hardware, software, data and communications networks of the YMH.

### **PROCEDURE**

1.3. The Director of Operations and/or the General Manager is responsible for all information technology maintenance including:

- 1.3.1. Software registration;
- 1.3.2. Security patches;
- 1.3.3. Malicious software prevention;
- 1.3.4. Account management;
- 1.3.5. Security status and network access monitoring;
- 1.3.6. Disposal and redeployment;
- 1.3.7. Agent IT security training; and
- 1.3.8. Vulnerability assessments.

1.4. All agent passwords for software and network access will be changed every six (6) months or immediately upon any resignation, termination or suspension. The information technology consultant will ensure system required password changes.

1.5. Access to protected information will be restricted to essential personnel only.

1.6. Examples of protected information include:

- 1.6.1. Security and cash management procedures;
- 1.6.2. Asset and inventory lists;
- 1.6.3. Access control and surveillance head-end equipment locations;

- 1.6.4. Network data and credentials;
  - 1.6.5. Floor plans of critical areas;
  - 1.6.6. Customer records; (HIPPA compliant)
  - 1.6.7. Password and code records; and
  - 1.6.8. Agent records.
- 1.7. The General Manager and/or designee is required to identify cyber security incidents. Incidents include natural disasters impacting technology infrastructure and unauthorized network access exposing protected information.
- 1.8. Every employer issued device will contain a device-level encryption package. Issued devices include thumb drives, smart phones, tablets, etc. Only employer issued devices will be allowed on the internal network and personal devices will not be allowed nor able to access this network. Cyber security measures implemented at the Dispensary include:
- 1.8.1. Creation of an internal network and a separate network for guests, if necessary;
  - 1.8.2. Geo-fencing will allow for the persistent monitoring of public facing social media content as it relates to YMH around the site;
  - 1.8.3. A secure and encrypted proprietary email system;
  - 1.8.4. All Company data will be encrypted and backed up offsite, using secure cloud storage services; and
  - 1.8.5. Physical and logical separation will be provided between all security systems, including the building management system, the POS system and any other supervisory control access system.
- 1.9. YMH understands that state-of-the-art communications and behavior monitoring solutions will be imperative to providing a safe and secure work environment for all agents. YMH will implement the following:
- 1.10. Software that identifies any anomalous employee behavior that either a) diverges from the proscribed workflow processes; or b) which differs from established ad hoc norms;

- 1.11. Identify any employees who are otherwise showing signs of erratic behavior, which may require further investigation and/or intervention;
  - 1.11.1. Establish individual baselines for each employee on every observable channel, so that large, sustained divergences in behavior can be identified;
  - 1.11.2. Identify any instances in which an employee appears to be soliciting under the black market buyers for cannabis products;
  - 1.11.3. Search local social media for drug-sale-related activity that appears to be related to an employee;
  - 1.11.4. Search local social media for drug-sale-related activity that repeatedly coincides with product deliveries or other event types of significance; and
  - 1.11.5. Search all available employee communications for evidence of diversion related activity.
  
- 1.12. This is very much reflected in both the technology and its process of deployment implemented by the YMH. YMH believes it can enhance security by utilizing meaningful analytic conclusions out of the types of data that are available. The result is the implementation of methods and technology that are largely unique. To accomplish these objectives, YMH may analyze the following data channels:
  - 1.12.1. Email;
  - 1.12.2. Instant Message;
  - 1.12.3. VOIP voice mails;
  - 1.12.4. COMPANY-provided cell phones;
  - 1.12.5. Facebook (public facing);
  - 1.12.6. Twitter (public facing);
  - 1.12.7. Any other social media that is or becomes in wide use amongst employees;
  - 1.12.8. Smartcards keys; and
  - 1.12.9. POS System.
  
- 1.13. These channels will be monitored for the following things:



- 1.13.1. Associations: References to and/or communications with customers, suppliers, and known illegal drug distributors;
- 1.13.2. Topics: Drugs, gambling debts, threats, etc.;
- 1.13.3. Sentiment Analysis: Evidence of extreme agitation;
- 1.13.4. Time-appropriateness, consistency in time and concurrence in time with other events; and
- 1.13.5. Actor-appropriateness and whether the agent is performing the expected task.

#### **REPORTS REQUIRED**

- 1.14. None Required

#### **AUTHORIZATION FOR DEVIATION**

- 1.15. The Director of Operations or General Manager must direct any deviation from the standard procedure.

#### **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.16. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **6004 – Recall and Withdrawal**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions of the Dispensaries Recall and Withdrawal Plan for the recall of any cannabis products that have a reasonable probability of causing adverse health consequences based on a testing result, adverse patient reaction, or other reason.

### **RESPONSIBILITY**

- 1.2. The Director of Operations or their designate is responsible for maintaining this P&P.

### **PROCEDURE**

- 1.3. This Plan distinguishes between two levels of product recall: withdrawal and recall. Classification standards and appropriate responses for each type of event are discussed herein. Procedures for handling voluntary withdrawals and mandatory recalls of cannabis products are included herein. Procedures for addressing and recording complaints, including reports of product-related adverse events from patients or caregivers, are also provided. Incident classification terms are defined, with distinct mitigation procedures for each, as the term “recall” can have legal significance and implications for insurance and liability. The withdrawal and recall procedures provided in this Plan are designed to ensure that cannabis products are withdrawn or recalled quickly and efficiently, whether voluntarily or by mandate. The objectives of withdrawal and recall procedures are to stop distribution of the affected product, effectively notify all relevant patients, efficiently remove the affected product from the patient population, dispose of the affected product, conduct a root cause analysis, report the effectiveness and outcome of the recall, conduct a post-recall meeting for evaluation and report root cause and corrective actions to the Commission.
- 1.4. In accordance with the incident classification schema and the associated definitions, the term “recall” will only be used when the situation mandates. Examples of

incidents to be addressed with recall or withdrawal procedures and guidelines for required mock withdrawal and recall drills are provided in this Plan.

- 1.5. Additional provisions include plans for tracking affected products in the event of potential or verifiable contamination, and for the establishment of an internal Recall and Withdrawal Team, which will be responsible for executing and coordinating all aspects of a withdrawal or product recall. In the instance of a product recall, the Commission as well as the Alabama Department of Health will be notified immediately.
- 1.6. As cannabis and cannabis products are not FDA-regulated products, YMH is not bound by law or rule to comply with United States Food and Drug Administration (FDA) recall requirements. However, YMH has elected to implement FDA recall standards and procedures as a guideline for self-imposed recall and withdrawal policies and practices.
- 1.7. The Dispensary General Manager and/or his or her designee must record all complaints in an internal Complaint Log and categorize all complaints as a product complaint or other complaint. Product complaints include, but are not limited to, dispensing errors, patient adverse reactions, and quality-related product complaints. Complaints classified as “other” may include, but are not limited to, neighborhood-related issues, general service-related issues, grievances with particular employees, or other issues related to Dispensary operations but not cannabis products themselves.
- 1.8. Complaints connected with reports of adverse patient reactions to a product must still be categorized as product-related complaints, but also require recordkeeping in the Adverse Events Log and compliance with additional measures tailored specifically to adverse effect response.
- 1.9. All agents employed in the Dispensary are responsible for documenting any complaint received from another agent, a representative of the Commission, another regulatory body, a qualified registered patient, a patient’s legal representative, or any other party in the Complaint Log. An Employee may receive a complaint in person, by phone or email. The agent receiving the complaint must notify the Dispensary Manager for their facility of employment immediately.

- 1.10. Any complaint that appears to be connected with a serious adverse event must be recorded in the Adverse Event Log. Adverse Events require different kinds of questioning, follow-up, and recordkeeping which are outlined herein.
- 1.11. It is YMH policy to make a good faith effort to resolve any complaint, whether legitimate or frivolous whenever possible. Dispensary Managers must respond to any product-related complaint within twenty-four hours to gather information about the nature of the complaint, the affected parties or products, and determine appropriate steps for resolution. If a Dispensary Manager cannot fully resolve the issue, the General Manager must be notified, and shall determine the appropriate course of action.
- 1.12. Once notification of a product complaint has been received, it is the responsibility of the Dispensary Manager, in coordination with the General Manager and/or Board, if applicable, to begin accurate and detailed documentation and product tracking. The Dispensary Manager must:
  - 1.12.1. Gather information from complainant about the nature of the dispensing error or cannabis product complaint;
  - 1.12.2. Assemble the personnel or experts needed to conduct a product complaint investigation;
  - 1.12.3. Conduct a thorough investigation into the complaint;
  - 1.12.4. Determine the nature and potential causes of the problem;
  - 1.12.5. Determine any other cannabis product(s) that may potentially be affected;
  - 1.12.6. Enter all information into the Complaint Log; and
  - 1.12.7. Determine the appropriate action, based on the general classifications provided below, follow the appropriate procedures for that classification, and document all actions taken:
    - 1.12.7.1. Product Recall: Patient safety or health risk due to physical, chemical, biological or immunological cause(s). This includes, but is not limited to, verified or suspected product contamination or test result showing the product does not meet the statutory definition of cannabis. Proceed to Recall and Withdrawal Procedures;

- 1.12.7.2. Product Withdrawal: Appropriate for a quality-related issue with affected product(s) that does not pose an immediate health or safety risk to patients. Proceed to Recall and Withdrawal Procedures; and
- 1.12.7.3. No Corrective Actions: An isolated incident with the affected product(s), such as an isolated dispensing error or minor labeling error, such as misspelled patient or product name.
- 1.13. As defined in the Alabama Medical Cannabis Commission Regulations (“the Regulations”), the term “serious adverse event” means an undesirable experience associated with the use of medical cannabis where the outcome was death, life-threatening, hospitalization, disability or permanent damage, congenital anomaly/birth defect; required intervention to prevent permanent impairment or damage, or any other important medical event.
- 1.14. In accordance with Alabama Medical Cannabis Laws, YMH has established a procedure for receiving, organizing, storing and responding to all oral, written, electronic or other complaints regarding medical cannabis and adverse events.
- 1.15. All YMH employees are required to adhere to the Complaints and Adverse Events as a condition of employment.
- 1.16. All YMH employees will be trained to receive, organize, record, and respond to all complaints and reports of adverse events upon acquisition and at least once annually thereafter. The training will include, at a minimum: pertinent definitions, tips for distinguishing between different classes of complaints and identifying a serious adverse event, guidelines for collecting necessary information, reporting requirements, and procedural compliance.
- 1.17. Any person(s) calling in will be recommended to call their doctor for medical advice about side effects and to seek emergency medical treatment if adverse reaction is severe.
- 1.18. Any YMH agent who receives a report of a serious adverse event must, to the best of his or her ability, obtain and record the following information in the Adverse Event Log:

- 1.18.1. Name of the person who is reported to have experienced the adverse event;
  - 1.18.2. Qualifying patient registry number of the person who is reported to have experienced the adverse event, if known to the reporter;
  - 1.18.3. Phone number and email address of the person who is reported to have experienced the adverse event;
  - 1.18.4. Whether the patient's certifying physician has been contacted;
  - 1.18.5. The name and phone number of the person reporting the adverse event, if the reporting party is not the person who experienced the adverse event;
  - 1.18.6. The identity, route of administration, and dosage of the specific cannabis, cannabis-infused product, or cannabis concentrate used, if known;
  - 1.18.7. The identity of any device(s) used to administer the product used, if known; and
  - 1.18.8. A detailed description of the adverse event.
- 1.19. In compliance with Alabama Medical Cannabis Laws, YMH will review all complaints regarding the quality or safety of medical cannabis within 24 hours to determine if the complaint is substantive or associated with a serious adverse event.
- 1.20. When a report of an adverse event is received:
- 1.20.1. The General Manager and Dispensary Manager must be immediately notified;
  - 1.20.2. The General Manager and Dispensary Manager will review the information recorded by the agent who received the report;
  - 1.20.3. The General Manager will contact the affected person to confirm the report details and obtain additional information needed for determination, which may include:
    - 1.20.3.1. Other medications and supplements taken;
    - 1.20.3.2. The person's medical issues;
    - 1.20.3.3. Risk factors, such as age, severity of illness, reduced function of any body systems;
    - 1.20.3.4. Time and route of administration and time at which adverse event was experienced; and

## 1.20.3.5. Allergies.

1.21. The General Manager and Dispensary Manager will assess whether the reported outcome was any of the following, which indicate a serious adverse event:

1.21.1. Death;

1.21.2. Life-threatening: Meaning person was at substantial risk of dying at the time of the adverse event, or if use or continued use of the product in question might have resulted in death.

1.21.3. Hospitalization: Meaning if person was admitted to the hospital or the event prolonged hospitalization; and

1.21.4. If the person visited the emergency room but was not admitted to the hospital, evaluate whether other serious outcomes were experienced.

1.22. Disability or permanent damage: Meaning the adverse event resulted in a significant, persistent or permanent change, impairment, damage, or disruption in the patient's body function, structure, physical activities, and/or quality of life.

1.23. Congenital anomaly/birth defect: Meaning exposure to the product prior to conception or during pregnancy is suspected to have resulted in an adverse outcome in the child.

1.24. Required intervention to prevent permanent impairment or damage: Meaning medical or surgical intervention was necessary to avoid permanent impairment of body function or prevent permanent damage to a body structure.

1.25. Any other serious or important medical event: Meaning the event does not fit the other serious outcomes, but may jeopardize the patient and may require medical or surgical intervention/treatment to prevent one of the other outcomes; and

1.25.1. Examples: Severe breathing problems requiring emergency room treatment, seizures/convulsions that do not result in hospitalization, etc.

1.25.2. The General Manager and Dispensary Manager(s) will use the World Health Organization - Uppsala Monitoring Center ("WHO-UMC") causality assessment

- system, to estimate whether it is likely that there is a causal relationship between the adverse event and the medical cannabis; and
- 1.25.3. On the basis of the WHO-UMC assessment, the presence or absence of serious outcomes, and other key findings, the General Manager or Managing Director will determine whether the incident meets the criteria for a serious adverse event and that the medical cannabis is possibly, likely, or certain to be a causal factor in the adverse event:
    - 1.25.3.1. If a causal link is possible or certain, but no serious outcomes were experienced, the incident will be considered a substantive product-related complaint and must be responded to accordingly;
    - 1.25.3.2. If a causal link is possible or certain and one or more serious outcomes were experienced, the incident will be considered a serious adverse event and must be responded to accordingly; and
    - 1.25.3.3. If a causal link is unlikely and no serious outcomes were experienced, YMH must investigate to determine if a voluntary withdrawal would be appropriate.
  - 1.26. In accordance with Alabama Medical Cannabis Laws, when a complaint is received and is determined to be associated with a serious adverse event, the General Manager will promptly report the complaint to:
    - 1.26.1. The Commission;
    - 1.26.2. The licensee from which the medical cannabis or medical cannabis concentrate originated; and
    - 1.26.3. The certifying physician caring for the qualifying patient.
  - 1.27. Response to a Substantive Complaint or Serious Adverse Event
    - 1.27.1. In accordance with Alabama Medical Cannabis Laws, if, after investigation, a complaint is determined to be substantive or associated with a serious adverse event, YMH will:
      - 1.27.2. Gather the necessary resources for product tracking;



- 1.27.3. Promptly determine the batch or lot number of the product that is the subject of the complaint;
- 1.27.4. Contact Vendor and communicate batch or lot production logs to determine if there was deviation from the standard operating procedure during production.
- 1.28. Pursuant to Alabama Medical Cannabis Laws, if a Vendor reveals that the batch or lot fails to meet specification, YMH will:
  - 1.28.1. Order a recall of all products derived from or included in the batch or lot;
  - 1.28.2. Notify all patients, caregivers, and licensees who may have obtained the affected products; and
  - 1.28.3. Offer and pay reimbursement for any returned products.
- 1.29. Document a supplier deficiency report and require acceptable corrective actions prior to purchasing anymore from said vendor.
- 1.30. Patient health and safety is a top priority for YMH. YMH is committed to consistently providing high-quality, safe, medicinally effective cannabis products to the qualified registered patients of the Alabama. To this end, YMH will do everything in its power to prevent any spoiled, defective, misrepresented, or contaminated products, or products of insufficient quality, from being dispensed to qualified registered patients and to remove such products from the patient population immediately. Upon the discovery of product contamination, safety concerns, patient adverse reaction, or quality-related issues, YMH will quickly and efficiently carry out recall or withdrawal procedures in accordance with this Plan in order to protect the health and wellbeing of patients. The best way to ensure that a recall or withdrawal is effective is to have a recall and withdrawal plan already in place and to execute the plan as quickly as possible.
- 1.31. There are two distinct levels of action that involve the removal of cannabis product from market: recall and withdrawal. A recall is generally undertaken when there is verifiable evidence that a cannabis product is defective or has health and safety hazards that reasonably could or already have caused serious adverse effects. A withdrawal is typically conducted when there is a quality-related issue with

cannabis products that are not likely to pose health risks, or as a precautionary measure prior to an official recall when health or safety risks are suspected but not yet verifiable. The classification of a recall typically involves the presence of bacteria, a substance that may cause a potential allergic reaction, or some other contaminant that could cause adverse reactions in patients, whether such reaction is serious or temporary. The term “recall” should only be used when mandated by verifiable evidence (i.e., analytical test results) that the affected product poses significant health and safety risks to the patient population. Any determination to implement recall procedures must be supported by test results or other scientific documentation or expert opinion.

1.32. The tests that will be conducted by the independent testing laboratory are defined by the Commission. These testing measures serve to ensure that products that do not meet specifications for quality and safety are not released for distribution, thereby preventing hazardous or non-compliant cannabis products from reaching qualified registered patients. However, cannabis products may become contaminated after final testing and packaging due to improper storage conditions that promote the growth of mold, malicious contamination, contamination from unsafe packaging materials, or other factors. Health and safety issues that develop after final testing and packaging may be identified as a result of reported patient adverse reactions which prompt re-testing of packaged cannabis products, requested cannabis product testing, or internally imposed re-testing of packaged products in response to suspected malicious contamination or improper storage conditions. Any verifiable test result showing health and safety risks posed by a cannabis product is a critical indicator of a recall event, as opposed to a withdrawal.

1.33. The examples in the following list, which is by no means exhaustive, would constitute an incident requiring a recall or withdrawal:

1.33.1. Cannabis product found to have any amount of pesticide residue from an illegal/restricted chemical;

- 1.33.2. Cannabis product found to have an amount of pesticide residue that exceeds the U.S. Environmental Protection Agency's tolerances for pesticide chemical residues in food provided in 40 Code of Federal Regulations (CFR) 180;
  - 1.33.3. Cannabis product found to have more than 10 parts per million (PPM) of residual solvent;
  - 1.33.4. Known, assumed or suspected cannabis product contamination by chemical, physical or microbiological hazards;
  - 1.33.5. Incorrect labeling which may constitute a breach in product safety, quality, or legality standards;
  - 1.33.6. Notification from a supplier that products supplied were found to pose risks for any of the above reasons;
  - 1.33.7. Known or suspected malicious contamination;
  - 1.33.8. Internal quality assurance re-testing of improperly stored packaged cannabis products reveals contamination or adulteration;
  - 1.33.9. Requested testing of packaged cannabis products or input materials reveals contamination, adulteration, misrepresentation, or non-compliance with statutory definition of cannabis; and
  - 1.33.10. Severe patient adverse reaction to cannabis product, once investigated and reasonably suspected or determined to be due to cannabis product quality- or safety-related issues, and therefore not likely to be an isolated incident.
- 1.34. The General Manager and Dispensary Manager will be primarily responsible for the determination of the need for a cannabis product recall or withdrawal and oversight of the execution of recall and withdrawal procedures. If the General Manager and Dispensary Manager are unsure of the need for recall or withdrawal or appropriate event classification, the Board and/or Third part expert may be asked to participate in determination. The third-party expert and Board will be informed of all event determinations and may participate in procedural oversight, if necessary, appropriate for the incident, or desired. As the General Manager and Dispensary Manager they will be called upon to oversee aspects of recall and withdrawal procedures and provide suggestions for improvement, as needed or desired.

1.35. The General Manager and Dispensary Manager will select and maintain a Recall and Withdrawal Team, composed of Company agents, managers, and members of the Board, which will be responsible for executing withdrawal and recall procedures. The team will be responsible for coordinating all aspects of a withdrawal or product recall:

1.35.1. A Recall and Withdrawal Coordinator, to be appointed by the General Manager and members of a Recall and Withdrawal Team, will be selected from each operational unit;

1.35.2. Together the team will assist the Recall and Withdrawal Coordinator in the event of a recall or withdrawal event in accordance with the procedures in this Plan;

1.35.3. All team members must ensure that all procedures are carried out effectively and efficiently;

1.35.4. The General Manager and Dispensary Manager will ensure the team receives appropriate training utilizing mock withdrawal and recall procedures semi-annually so that they understand their responsibilities and are prepared to execute; and

1.35.5. The General Manager must maintain a Recall and Withdrawal Team list and update it quarterly to ensure all names, contact phone numbers and responsibilities of team members and alternates are updated.

1.36. The following procedures will be implemented once a product complaint, report of a patient adverse reaction, or evidence suggesting quality- or safety-related issues is received.

1.37. Investigate complaint or report of serious adverse event as outlined above. This process generally involves the following steps:

1.37.1. Gather information from the patient, supplier, or regulator about the nature of the product complaint or concern;

1.37.2. Assemble the personnel or experts needed to conduct a product complaint investigation;

- 1.37.3. Conduct a thorough investigation into the problem with the affected product;
- 1.37.4. Determine the nature and potential causes of the problem;
- 1.37.5. If a serious adverse event report is involved, this includes requesting sampling and testing of the retention sample of the product in question;
- 1.37.6. Determine any other product(s) that may potentially be affected;
- 1.37.7. Determine, from the information provided herein, whether the situation meets criteria for:
  - 1.37.7.1. Product Recall;
  - 1.37.7.2. Product Withdrawal; or
  - 1.37.7.3. No Corrective Action (i.e., an isolated incident with the affected product).
- 1.37.8. Notify Legal Counsel, Insurance Company, and Board:
  - 1.37.8.1. The General Manager must notify the Board of findings from the investigation and discuss proposed event classification;
  - 1.37.8.2. The Board, or the General Manager if authorized by the Board, must notify legal counsel in writing that a situation meets the criteria for a recall or withdrawal. Any recommendations by counsel for alternative procedures must be approved by the Board; and
  - 1.37.8.3. The Board, or the General Manager if authorized by the Board, must notify the insurance company and determine coverage.
- 1.37.9. Conduct an assessment to determine the procedures to implement. Items to consider include:
  - 1.37.9.1. Whether or not adverse reactions or serious health issues have already occurred from use of the product;
  - 1.37.9.2. Hazard to various segments of the population (e.g., immune-compromised patients undergoing chemotherapy) who are expected to be exposed to the product being considered;
  - 1.37.9.3. Degree of seriousness of the health hazard to which the population at risk would be exposed;

1.37.9.4. If it is determined that recall procedures are appropriate, assign the recall event to one of the following classes, in accordance with FDA guidelines and the level of hazard involved:

1.37.9.4.1. Class I: A situation in which there is a reasonable probability that the use of or exposure to a product will cause serious adverse health consequences;

1.37.9.4.2. Class II: A situation in which use of or exposure to a product may cause temporary or medically reversible adverse health consequences or where the probability of serious adverse health consequences is remote; and

1.37.9.4.3. Class III: A situation in which use of or exposure to a product is not likely to cause any adverse health reaction, but may pose safety risks (e.g. non-hazardous labeling violation substantiated by test results).

1.37.10. Seek the Board's approval for event classification. If the Board approves a recall, a press release must be issued to the Commission immediately.

### 1.38. Track Affected Product(s)

1.38.1. Determine type of product(s) affected:

1.38.1.1. Finished product = All cannabis products that have been packaged and partially or completely distributed, including products for sale in Dispensary facilities;

1.38.1.2. Work in progress = All cannabis products that have not been distributed and their constituents, including, but not limited to, cannabis and cannabis products in storage, and in-process cannabis products;

1.38.1.3. Ingredient = All ingredients, cannabis product constituents, used in Dispensary operations;

1.38.1.4. Packaging material = All packaging material or containers used for work in progress or finished products;

1.38.2. If affected product is finished product:

1.38.2.1. Assemble personnel needed to conduct tracking of a finished product;

- 1.38.2.2. Identify affected and any other potentially affected product(s), product identifiers(s) and production date(s);
  - 1.38.2.3. Determine the quantity of affected product(s) produced;
  - 1.38.2.4. Determine from the automatic data processing/point-of-sale ("POS") system the last day of shipment/dispensing (and the recipient) for the affected product(s);
  - 1.38.2.5. Determine from the POS system all patients and legal representatives who purchased the affected product(s) during this period (i.e. period = day of packaging to last day of shipment); and
  - 1.38.2.6. Determine from the POS system the remaining quantity of the affected product(s) in Dispensary inventory.
- 1.38.3. If affected product is work in progress:
- 1.38.3.1. Assemble the personnel needed to conduct tracking of a work-in-progress product;
  - 1.38.3.2. Identify the affected and any other potentially affected product(s), product identifiers(s) and production date(s) from the production records; and
  - 1.38.3.3. Determine from the POS system and production records the quantity of the affected product(s) produced.
- 1.38.4. Locate the affected product(s) from the production and storage areas.
- 1.38.5. If affected product is an ingredient:
- 1.38.5.1. Assemble the personnel needed to conduct tracking of an ingredient;
  - 1.38.5.2. Identify the affected and any other potentially affected ingredient(s) and lot number(s)/production code(s)/best before date(s)/receiving date(s);
  - 1.38.5.3. Determine the quantity and receiving date of the affected ingredient(s) received;
  - 1.38.5.4. Based on the lot number/receiving date, determine from the production records the period of use for the ingredient;
  - 1.38.5.5. Determine from the production records all finished product(s) produced with the affected ingredient(s);

- 1.38.5.6. Determine from the production records the quantity of the affected product(s) produced during this period;
  - 1.38.5.7. Determine from the production records and inventory records the day the affected product(s) entered Company inventory (i.e. packaging date);
  - 1.38.5.8. Determine from the POS system the last day of shipment (and the recipient) for the affected product(s);
  - 1.38.5.9. Determine from the POS system all the patients and legal representatives who purchased the affected product(s) during this period (i.e. period = day of packaging to last day of shipment); and
  - 1.38.5.10. Determine from the inventory management portion of the POS system the remaining quantity of the affected product(s) in YMH inventory.
- 1.38.6. If affected product is packaging material:
- 1.38.6.1. Identify affected and any other potentially affected packaging material(s) and lot number(s)/quality control code/receiving date(s);
  - 1.38.6.2. Determine the quantity and receiving date of the affected packaging material(s) received;
  - 1.38.6.3. Based on the type and size of packaging material, determine all the finished product(s) associated with the affected packaging material(s);
  - 1.38.6.4. Determine from the production records the period of use for the affected packaging material(s);
- 1.38.7. Given the affected period and product, determine from the POS system the quantity of the affected product(s) associated with the affected packaging material(s) in this period;
- 1.38.7.1. Determine from the production records and POS system the day the affected product(s) entered into COMPANY inventory (i.e. packaging date);
  - 1.38.7.2. Determine from the POS system the last day of shipment (and the recipient) for the affected product(s);
  - 1.38.7.3. Determine from the POS system all the patients and patients' legal representatives who purchased the affected product(s) during this period (i.e. period = day of packaging to last day of shipment);



- 1.38.7.4. Determine from the POS system the remaining quantity of the affected product(s) in our inventory; and
  - 1.38.7.5. Locate any remaining affected packaging material(s) from the storage shelves and cabinets;
  - 1.38.7.6. Contact Supplier and make them aware of non-conforming product.
- 1.39. Execute Withdrawal or Product Recall:
- 1.39.1. Assemble the Recall and Withdrawal Team, ensuring adequate resources are available for the severity of the issue;
  - 1.39.2. Gather all information collected in the tracking process;
  - 1.39.3. Detain and segregate all products to be recalled or withdrawn which are in Company's control. Adhere a DO NOT DISTRIBUTE sign, place in quarantine, and complete any relevant internal logs/forms;
  - 1.39.4. Depending on event type, send a Notification of Recall or Notification of Withdrawal to the affected patients and legal representatives;
  - 1.39.5. Ensure the following information is accurately recorded:
    - 1.39.5.1. Name and Product Identifier of the withdrawn/recalled product(s);
    - 1.39.5.2. Production date(s);
    - 1.39.5.3. Reason for withdrawal/recall;
    - 1.39.5.4. Quantity of withdrawn/recalled product(s) distributed;
    - 1.39.5.5. Quantity of withdrawn/recalled product(s) in inventory (for internal use only); and
    - 1.39.5.6. Site(s) of distribution and patients affected (for internal use only).
  - 1.39.6. Coordinate and monitor the recovery of all affected product(s); all products in the homes of patients should be returned by the patient or patient's legal representative to the Dispensary;
  - 1.39.7. Using the POS system, conduct a reconciliation of the total quantity of recalled product and affected product in inventory against the total quantity produced;
  - 1.39.8. Contact the independent testing laboratory to request sampling and testing of recalled or withdrawn product(s), as appropriate;

- 1.39.9. Test results and corrective actions must be recorded internally and discussed with the Vendor if applicable; and
- 1.39.10. The General Manager and Dispensary Manager must prepare an internal Withdrawal and Recall Report, which will be saved in the secure cloud-based records system for a minimum of five (5) years.
- 1.40. All recalled material will be segregated from unaffected products. The Dispensary Manager or General Manager will place “QUARANTINE- DO NOT DISTRIBUTE” tags on all recalled material, including recalled products returned by patients, caregivers, or other licensees. The Dispensary Manager or General Manager will mark all recalled products as quarantined and recalled in the POS system. Records must be kept in the Product Quarantine Log and the POS system. Recalled products will remain in quarantine storage until disposal of the recalled material is authorized by the Commission.
- 1.41. After all procedures have been completed and the affected product(s) have been removed from the market and YMH inventory, the Dispensary Manager or General Manager will request authorization from the Commission to dispose of the product.
- 1.42. YMH must receive authorization from the Commission prior to disposing of recalled material, as set forth in Alabama Medical Cannabis Laws 10.62.17.04. Documentation of Commission authorization to destroy the recalled material will be maintained for a minimum of five (5) years.
- 1.43. Within 24 hours of Commission authorization, YMH will dispose of the recalled medical cannabis in accordance with waste disposal procedures set forth in Green Waste Plan.
- 1.44. After the above procedures have been carried out and the affected product(s) have been properly disposed of, the General Manager will conduct a root cause analysis and report the effectiveness and outcome of the recall or withdrawal. The General Manager will also conduct a meeting with the Recall and Withdrawal Team, and the Board, and all other involved parties for evaluation and suggestions for improvement.

- 1.45. The Director of Operations and/or General Manager will develop and implement all necessary withdrawal and recall training for all agents, including mock recall events. A mock recall or withdrawal will identify potential problems and allow agents to become familiar with recall procedures. If problems are identified in the procedures, the Dispensary Manager or General Manager must correct them and the agents must be retrained on all new procedures. The mock recall training events will be required at least annually. The Director of Operations or General Manager have experience with recalls and will play central roles in the development and oversight of withdrawal and recall training as well as mock recalls and withdrawals. A successful recall will identify and be able to track all material within 24 hours.
- 1.46. The Director of Operations, General Manager, or Dispensary Manager and Recall and Withdrawal Team must carry out mock recall or withdrawal procedures in the Dispensary at least annually by randomly selecting at least two finished cannabis products or other accessory products:
- 1.46.1. The mock procedures should follow all regular procedures; however, no product should be retrieved from patients or patients' legal representatives or removed from inventory or storage;
  - 1.46.2. All information obtained during a mock withdrawal or recall drill must be documented internally;
  - 1.46.3. All parties involved in a mock withdrawal must be notified immediately that it is a mock procedure;
  - 1.46.4. The mock recall file should include the name, address and telephone number of clients for the batch tested, production records and the processing, inventory, and distribution history of each lot involved;
  - 1.46.5. All recommended corrective actions and deficiencies must be documented in a mock withdrawal and recall report to be submitted to the Board; and
  - 1.46.6. The Dispensary must correct any deficiencies, and if necessary, procedures should be modified to improve withdrawal and recall performance and efficiency. If procedures are modified, all Company agents must be re-trained on new procedures.

## **REPORTS REQUIRED**

- 1.47. None needed.

## **AUTHORIZATION FOR DEVIATION**

- 1.48. The Director of Operations or General Manager must direct any deviation from the standard procedure.

## **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.49. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **6005 – Electronic Security System**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions for Electronic Security System at YMH.

### **RESPONSIBILITY**

- 1.2. The Director of Operations and/or General Manager is responsible for updating and maintaining the Electronic Security System.

### **PROCEDURE**

- 1.3. The Director of Operations and/or General Manager will maintain an adequate security system at the facility to prevent and detect diversion, theft or loss of cannabis or unauthorized intrusion and monitor employees for signs of insider threat.
- 1.4. The Director of Operations and/or General Manager will utilize the equipment selected by ARK Security, and will consult with ARK Security on proposed equipment modifications and additions. In accordance with security industry best practices, the Electronic Security System will utilize commercial-grade equipment, which will, at a minimum, includes:
  - 1.4.1. Security Lighting
  - 1.4.2. Lighting fixtures of the licensee shall be designed and installed to ensure proper surveillance.
  - 1.4.3. Security equipment to deter, prevent, and detect unauthorized entrance into limited access areas, which includes, without limitation;
    - 1.4.3.1. A series of devices to detect unauthorized intrusion in the building and in limited access interior spaces, including, without limitation;
    - 1.4.3.2. An intrusion alarm system with motion sensors, glass break detection, smoke alarms, wired door sensors, communication features, silent alarms, remote monitoring, and notifications;

- 1.4.3.3. An access control system that only allows authorized persons to enter controlled areas on the basis of privileges awarded, produces reports of access attempted and achieved by employee or space, and can be remotely monitored; and
- 1.4.3.4. A separate independent back up system with motion sensors, wired door sensors, communication features, silent alarms, remote monitoring, and notifications.
- 1.4.4. Electronic monitoring, including, without limitation:
  - 1.4.4.1. A 24-hour, continuously operating closed-circuit television (CCTV) surveillance system;
  - 1.4.4.2. A wall-mounted CCTV LED monitor for viewing surveillance feed;
  - 1.4.4.3. Fixed cameras that visually record and monitor all entrances, exits, and every room and hallway in the interior of the building, excluding restrooms, wellness offices, and locker rooms;
  - 1.4.4.4. Auto-switching day/night dome video cameras with varifocal lenses installed indoors and outdoors;
  - 1.4.4.5. Video cameras a frame rate of at least six frames per second during alarm or motion-based recording;
  - 1.4.4.6. Day/night video cameras outdoors and in low-light interior areas;
  - 1.4.4.7. Digital video recording (DVR) device(s) that store a minimum of 30 days' worth of surveillance video on-site, can remain operational during a power outage (for 48 hours), allows exporting of still images with embedded time and date stamp in a common file format, and is located in a lockbox in a restricted access area;
  - 1.4.4.8. A separate camera covering the room that holds surveillance and other security equipment, with 30 days of video footage stored separately off-site;
  - 1.4.4.9. A smart phone, tablet, and PC-compatible software application for remote monitoring of real-time and stored surveillance footage, access control data, and alarm system outputs;
  - 1.4.4.10. Immediate automatic electronic notifications or cell communications to alert the Director of Operations, General Manager, Owners and local law

enforcement of an unauthorized breach of security at the building or any interior facility;

- 1.5. All recordings will be erased or destroyed prior to disposal. No recordings will be destroyed if the Commission has notified YMH of any ongoing investigation.
- 1.6. The Director of Operations and/or General Manager will schedule and oversee all required maintenance of security equipment, including electronic recording security systems, in accordance with manufacturer recommendations.
- 1.7. Any equipment failure identified will be corrected as soon as possible. All security equipment will be in good working order and will be inspected and tested at regular intervals, not to exceed 30 calendar days from the previous inspection and test. The Director of Operations will instruct the General Manager of the video recording system to immediately report any malfunctioning or technical problems with the system.

#### **REPORTS REQUIRED**

- 1.8. None Required

#### **AUTHORIZATION FOR DEVIATION**

- 1.9. The Director of Operations or General Manager must direct any deviation from the standard procedure.

#### **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.10. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **6006 – Access Control**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide oversight into the central component of security practice of restricting access to the facility and all areas of the Dispensary containing cannabis or cannabis products in any form. All YMH personnel will be responsible for complying with company policies related to facility access, and for preventing unauthorized persons from entering limited access areas.

### **RESPONSIBILITY**

- 1.2. The Director of Operations and General Manager is responsible for maintaining and training of this P&P.

### **PROCEDURE**

- 1.3. YMH will only package, store, dispense and perform any other activity involving cannabis in Commission-approved facilities which will be enclosed, locked, and will protect all operations from view;
  - 1.3.1. No person(s), except YMH personnel, local law enforcement, Commission representatives, and other relevant authorities, when necessary to perform their governmental duties, will be allowed on the premises, with only a few exceptions:
  - 1.3.2. Qualified registered patients and patient legal representatives with an unfilled cannabis product order may have access and will be escorted in limited access areas, including the sales area, at all times by Dispensary personnel;
  - 1.3.3. Emergency personnel, who will enter facility when necessary to perform their duties;
  - 1.3.4. Contractors who may enter to complete a defined task or may be given access on a temporary basis; and
  - 1.3.5. Authorized visitors, including vendors, service providers, approved third-party trainers, and other similar persons, who have arranged to come to the



facility ahead of time and received approval from the Director of Operations and/or the General Manager.

- 1.4. Agents will not allow any other person on site without a manager's approval; only managers may grant facility access. Any person refusing to leave the premises should be considered an incident, handled in accordance with the emergency management and response procedure. In any incident involving trespassing or invasion, the manager must contact local law enforcement and the General Manager as soon as possible;
- 1.5. All YMH agents will visibly display their Commission issued agent identification card at all times while on any Company premises;
- 1.6. Any agent who misplaces, loses, or has their RFID key fob stolen will immediately notify their supervisor. The Supervisor will provide a temporary replacement while a new identification card or key fob is ordered and shipped. Upon notification, the Supervisor will immediately deactivate the missing key fob and retain records of all activations and deactivations. Multi-offenses (lost or misplaced RFID key fobs) may result in discipline, up to and including termination;
- 1.7. In accordance with YMH's Visitation Protocol, all visitors must identify themselves, provide information in an internal log, visibly display a visitor identification badge at all times, and be escorted by Company personnel at all times. Visitors will be required to comply with all applicable laws, regulations, and company policies and procedures at all times as a condition of facility access. Visitor access will be rare and limited to only those that are absolutely necessary to conduct business;
- 1.8. Only authorized YMH agents or authorized persons escorted by a Company agent will access limited access areas (i.e., areas that may contain cannabis, cannabis products, or sensitive information, equipment, or supplies);
- 1.9. The Director of Operations and General Manager will be responsible for assigning and recording access privileges. Access to limited access areas, and thereby to all cannabis and cannabis products, will be restricted to the minimum number of specifically authorized YMH personnel necessary for efficient operations;

- 1.10. Architectural security features and ESS will be maintained and utilized at all times to deter, prevent, and promptly detect unauthorized access to the facility or sensitive interior space.
- 1.11. Limited access areas include all internal spaces of the Dispensary in which cannabis or cannabis products in any state are processed, dispensed, handled, packaged, or otherwise present, and where product constituents, production equipment and supplies are stored. Areas of the dispensary is considered a limited access area; only select administrative spaces and Dispensary waiting rooms are not limited to authorized personnel or approved visitors escorted by authorized personnel. The access control system described below limits access into all secure areas of the facility, and additionally limits agent access to restricted access spaces, as dictated by the Alabama Medical Cannabis Laws.
- 1.12. YMH will provide posted signs at all entryways of limited access areas that will be a minimum of 12" x 12" and that states "Authorized Personnel Only" in lettering no smaller than one inch in height.
- 1.13. Within the limited access area, access will be further restricted to the secure product storage room and security room containing surveillance head-end equipment and other security equipment; these will be considered restricted access areas. Restricted access areas will be limited to the absolute minimum number of managers, officers, and director's necessary.
- 1.14. Access privileges will be awarded through the access control system described below. Agents will only be awarded access privileges to the facilities and areas within their facility of employment that are relevant to their work tasks. The Board will consider the level of security risk and the degree of necessity for access when awarding agent access privileges. The General Manager is responsible for assigning and recording access rights, while the access control system will also record entries to the facility and all restricted and limited access areas.
- 1.15. Access to protected information will be restricted to authorized managers, as determined by the Board. Examples of protected information include:
  - 1.15.1. Access control and surveillance equipment locations and records;

- 1.15.2. Network data and credentials;
  - 1.15.3. Floor plans of critical areas;
  - 1.15.4. Password and code records; and
  - 1.15.5. Employee records.
- 1.16. Only YMH's executive and general management personnel may grant temporary access to an authorized visitor such as laboratory staff, emergency personnel, Commission representatives and documented contractors pursuant to Alabama Medical Cannabis Laws. All visitors must adhere to the Visitation Protocol.
- 1.17. YMH will immediately grant access of entry to all areas of the Dispensary to members of the Commission, law enforcement, and other valid Federal, State or local government officials in compliance with Alabama Medical Cannabis Laws. Commission representatives and law enforcement officials must adhere to the Visitation Protocol. Upon request, YMH will immediately provide current copies of the Dispensary floor plans to Alabama State Police and local law enforcement.
- 1.18. To maintain a secure facility, the following policies and procedures will be implemented:
- 1.19. Access will be given only to areas where need can be demonstrated. Facility keys, alarm codes (AC) and electronic access control key fobs will only be issued by the Director of Operations and the General Manager, depending on the agent's level of authorization. Issuance will be recorded by the issuing individual in internal logs and systems, and these records will be maintained indefinitely;
- 1.20. AC's may not be transferred or shared. Key fobs and facility keys will not be loaned, transferred, or shared and may not be left unattended. All key fobs issued on a "permanent" basis should be retained in the possession of the agent to whom issued. Key fobs and facility keys will not be transferred directly from one agent to another;
- 1.21. Any agent losing a key fob, AC or facility key will report the loss to the Supervisor. The Director of Operations or the General Manager will deactivate any lost key fob immediately and make a determination as to whether the system has been compromised and whether re-coring or re-coding is required; and

- 1.22. Only in an emergency will a manager issue a key, AC or key fob. When a key is issued under these circumstances, the Administrative Controller and the General Manager will notify the Board as soon as possible.
- 1.23. The Director of Operations and the General Manager will oversee the keying and coding system of YMH. The design of the companies keying and coding system recognizes multiple control areas, to which varying levels of access will be granted as necessary. All key FOBs, ACs and EACCs will be recorded and tracked in the Electronic Access Control Log with the following information:
- 1.23.1. Agent name;
  - 1.23.2. Agent number;
  - 1.23.3. Identification;
  - 1.23.4. Date issued;
  - 1.23.5. Term of issuance;
  - 1.23.6. Date to be returned; and
  - 1.23.7. Signature.
- 1.24. When employment with YMH has been terminated, all key fobs and facility keys will be returned and recorded. The terminating manager is responsible for collecting the key fobs and facility keys. The Director of Operations and the General Manager is responsible for re-coding the alarm system, if applicable, and deactivating the key fob. Failure to collect key fobs and facility keys from terminating agents will require additional protective measures.
- 1.25. YMH will secure and monitor access to the dispensary through the installation and use of an access control system. The access control system will be used to control and record the movement of personnel throughout the facility, selectively allow and prevent access to sensitive spaces by awarding individual- and group-based access privileges, and monitor employee activities to identify potential insider attempts to divert or steal medical cannabis.
- 1.26. Avigilon is an advanced PC-based access control solution created and monitors by Ark Systems, will be utilized. Avigilon offers centralized administration

and control of doors and users. Avigilon will allow the Management the ability to tailor access privileges to groups or individuals quickly and easily and generate access event reports for individual access control points, for individual or groups of employees, for entire facilities or buildings, and for the Dispensary as a whole.

- 1.27. The Director of Operations and/or the General Manager will provide each agent and manager with a radio-frequency identification key fob that will be integrated with the access control system and provide or deny access to certain rooms on the basis of access privileges recorded in the PC-based system. Each agent and manager's personal information will be linked to his or her key fob, including the individual's picture, name, and position. Access to secured areas will be based on access privileges as entered and stored in the Avigilon system and linked to the unique key fob issued to each individual employee.
- 1.28. Specialized access control equipment will be installed on each door leading to and from an access-controlled space. The access control equipment installed on each of these doors includes a proximity card reader, a door strike that is integrated with the card reader. Each person with appropriate credentials can unlock an access-controlled door by bringing his or her RFID key fob in proximity to the card reader. This will send an electronic signal causing the Maglock to unlock. When a given person attempts to or successfully enters an access-controlled space using his or her key fob, the event will be recorded in the access control system and all pertinent information, including the individual's identity and photo, the time and date, and whether access was awarded or denied, will be available for review. Access control records and event reports will be protected by encryption and audit trail, ensuring that the records are accurate and protected from tampering or modification.
- 1.29. Using the Avigilon system, the Director of Operations and/or the General Manager will be able to selectively provide or restrict access through each individual door outfitted with access control equipment, thereby ensuring that personnel are only allowed to enter the areas of the facility that are pertinent to their job activities. Access privileges to each access-controlled space may be awarded to individuals or groups, and will be issued on the basis of operational necessity.

- 1.30. Any lost key fob must be reported immediately to the Director of Operations and/or the General Manager for deactivation. Key fob activation, deactivation, and access privilege issuance and revocation records will be maintained indefinitely. Multi-offenses (lost or misplaced smart cards) may result in discipline, up to and including termination.
- 1.31. The Avigilon system allows centralized access monitoring, control, and recordkeeping. The system will report the status of all access-controlled doors, allowing the General Manager to determine in real-time whether access-controlled doors are locked, unlocked, open, closed, held open, or forced open.
- 1.32. Using the Avigilon system, the Director of Operations and the General Manager will be able to review all access requests, both authorized and denied, including pass back attempts. All system events will be digitally tracked, stored, and available for on-site or remote review by the system operators.
- 1.33. The system additionally allows the generation and exporting of custom event reports. Event reports can be customized to meet any security-related reporting or monitoring need, and will greatly assist in the detection and prevention of attempted diversion or suspicious activity. Reports can be generated that are specific to an individual or access point, cover all access events over a determined period of time, provide information solely about access denials, show all access events for a group of employees, or cover an entire facility, property, or the Dispensary as a whole. The Director of Operations and the General Manager will use system data and custom event reports to monitor employees, identify potential insider security threats, identify unauthorized access and necessary changes to access privileges, and identify deficiencies in security control systems that must be promptly corrected.
- 1.34. In addition, reports can be produced for historical events, which will allow Management to investigate security-related events, identify any involved personnel, and provide specific event reports backed up with surveillance footage to law enforcement in the event that theft or diversion is verified.

## **REPORTS REQUIRED**

1.35. None.

## **AUTHORIZATION FOR DEVIATION**

1.36. The Director of Operations or General Manager must direct any deviation from the standard procedure.

## **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

1.37. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **6007 – ID Badges and Visitors**

### **1. PURPOSE**

1.1. The purpose of this procedure is to provide security measures to protect the premises, customers and agents include the identification badge policies and procedures, which will enhance the safety of the agents, patients and caregivers, physical and financial assets of YMH. Badge issuance authority is assigned herein to management and it is established that each agent, contractor and visitor is responsible for the safekeeping of his or her badge. Types of badges are defined, along with provisions for lost or stolen badges, temporary badges, badge placement and display devices.

### **RESPONSIBILITY**

1.2. The Director of Operations and/or the GM is responsible for maintaining and training this P&P.

### **PROCEDURE**

1.3. Agents are issued registration cards by the Commission, which will serve as their identification badge and will be visibly worn at all times in the Dispensary.

1.4. The visitor policy outlines procedures for visitor approval and recordkeeping.

1.5. All visitors will be logged in and out and a visitor log will be available for inspection by the Commission at all times. Records of visitor information will be maintained and available for commission's inspection. A duplicate copy of visitor records will be stored off site. All outside vendors, contractors and visitors will obtain an identification badge prior to entering a limited access area and will be escorted at all times by an agent authorized to enter the limited access area. Agents are required to immediately report security breaches and incidents of non-compliance.

1.6. All visitors, including outside vendors, consultants, contractors, Department representatives, representatives of an independent laboratory, and law enforcement officials will be required to comply with this procedure as a condition of facility



access. Unannounced visitors at Dispensary are prohibited, except for those Commission representatives and other designated officials acting in accordance with state law.

- 1.7. Each agent, contractor and visitor must visibly wear an identification badge when on property and is responsible for the safekeeping of his or her badge. The purpose of the identification badge policies and procedures is to enhance the security and safety of Employees, patients and caregivers, physical and financial assets.
- 1.8. Agents are issued registration cards by the Commission, which serve as their identification badge.
- 1.9. Temporary identification badges which serve as a temporary replacement identification for an agent who has reported a lost or stolen badge;
- 1.10. No agent may work or volunteer in a facility unless they are registered by the Commission. The General Manager or their designee must issue a badge. The General Manager or their designee must issue a visitor badge and record the issuance in the Visitor Log.
- 1.11. Only YMH personnel, Commission representatives, law enforcement officials, other officials acting in the course of their duties, outside vendors, contractors, and authorized visitors may access the Dispensary. Individuals who have valid reasons to visit the Dispensary but are not employed by YMH are defined as visitors.
- 1.12. Aside from Commission representatives and other designated officials operating within the limits of their positions, the Dispensary does not accept unannounced visitors. Any unauthorized person will be denied access to the facility and law enforcement will be contacted as necessary to remove unauthorized individuals from the premises.
- 1.13. The General Manager or their designee must approve all visitors, except as noted above.
- 1.14. The agent checking the visitor in must obtain a copy of identification (driver's license, official badge, etc.) for each visitor and attach it to the Visitor Log. A visitor identification badge must be issued to a visitor and clearly displayed by the visitor prior to entering any limited access area. The visitor badge must be returned upon exit.

- 1.15. The agent issuing the badge is responsible for ensuring the badge is returned. If a visitor badge is not returned, the agent must notify the Manager immediately and the Manager must record the badge number as missing including the information of the visitor the badge was issued to.
- 1.16. Visitors must be notified by any agent issuing the visitor badge that if the visitor loses their provided badge, they must immediately notify an agent.
- 1.17. All visitors must be accompanied by a manager or their designated agent at all times in limited access areas which includes visitors accompanying a patient or caregiver in need of assistance (this visitor must be 21 years of age or older).
- 1.18. The General Manager must oversee access to all secured areas including security equipment areas, cash holding areas and cannabis or storage areas, which must be restricted to designated agents and controlled by electronic locks which record all entry events. Contractors and visitors requiring access must be escorted by the General Manager, or his or her designee.
- 1.19. Agents may allow Commission representatives access to the facility at any time without prior authorization but must record any such visit on the Visitor Log and notify the General Manager immediately upon their arrival.
- 1.20. All Employees must adhere to the procedures set forth herein when visitors arrive at the facility. Visitors must be signed in and out of the Visitor Log, provide identification, and must visibly display a visitor badge at all times while inside the facility. All Visitor Logs will be maintained for a minimum of five (5) years and made available to the Commission upon request.
- 1.21. The individual visiting the facility will have to complete the following steps to receive a visitor identification badge and be granted access:
  - 1.21.1. Present a valid government issued identification card with a picture;
  - 1.21.2. Security / Receptionist completes Visitor Log, as directed by a Company agent;
  - 1.21.3. Visibly display the visitor identification badge at all times while inside the facility;
  - 1.21.4. Allow for the continuous visual supervision of a Company agent at all times;and

- 1.21.5. Do not touch any plant or medical cannabis product.
- 1.22. Return the visitor badge prior to leaving the facility.
- 1.23. All agents are required to comply with the following procedures when a visitor arrives at the facility:
  - 1.23.1. When a visitor arrives, ask the visitor who they are, why he or she is visiting the facility, and whom he/she has spoken to about the visit. If it becomes clear that the visit was unannounced or unauthorized, ask the visitor to leave the premises and contact law enforcement if the individual refuses to leave;
  - 1.23.2. Obtain management approval for visitor access. If approved, the manager will select an agent to escort the visitor or will choose to escort the visitor personally, unless the visitor is accompanying a patient / caregiver in need of assistance (this visitor must be 21 years of age or older);
  - 1.23.3. Ask the visitor to provide a valid photo ID and scan or photocopy it. Commission officials and law enforcement officers must be asked to show an official identification card. Enter scanned or photocopied IDs into recordkeeping system;
  - 1.23.4. Verify that the ID matches the person, that the ID is not expired, and verify the authenticity of the visitor's ID card in accordance with training;
  - 1.23.5. Inform visitors of their responsibilities.
- 1.24. Hand the visitor a Laminated Visitor Badge and ask him/her to wear the badge around his/her neck in a manner that ensures that the badge is visible at all times (i.e. cannot be in shirt pocket or under shirt). Explain that the badge is property of the company and it must be returned before leaving;
- 1.25. Security / Receptionist must fill in Date, Visitor Badge #, Visitor Name, Meeting with, and Time In;
- 1.26. Maintain log and keep available for Commission's inspection for at least 5 years.
- 1.27. Fill in Escort Initials and ID Checked on Visitor Log;

- 1.28. The Company agent serving as the visitor's escort must accompany the visitor at all times; and
- 1.29. Ensure the visitor does not touch any plant or medical cannabis product
- 1.30. Security / Receptionist is to record Time Out on the Visitor Log and obtain the Visitor Badge before leaving the facility.

### **REPORTS REQUIRED**

- 1.31. YellowHammer Medical Dispensaries Visitor Log

### **AUTHORIZATION FOR DEVIATION**

- 1.32. The Director of Operations or General Manager must direct any deviation from the standard procedure.

### **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.33. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **6008 - Emergency Management & Response**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions on emergency management and response procedures for addressing any emergency including a natural disaster, fire, unauthorized facility access, theft or diversion of cannabis or cannabis products, and disclosure of sensitive information.

### **RESPONSIBILITY**

- 1.2. The Department Manager or their designate is responsible for updating or writing a P&P.

### **PROCEDURE**

- 1.3. Provisions for emergency management, containment and corrective measures are thoroughly detailed. The General Manager is assigned responsibility for confirming the occurrence of an emergency and for ensuring the appropriate response protocol is followed.
- 1.4. YMH will immediately notify appropriate law enforcement authorities and the Commission within 24 hours after the discovery of a reportable emergency. Measures for emergency reporting in accordance with laws, regulations, and company policies are comprehensively detailed. All emergency and emergency recordkeeping requirements described herein will be satisfied. All documentation related to a reportable emergency will be maintained for no less than five (5) years and made available, upon request, to the Commission and to law enforcement authorities acting within their lawful jurisdiction.
- 1.5. The primary emphasis of activities described within this protocol is the return to a normalized (secure) state as quickly as possible, while minimizing the adverse impact to the company. The plan addresses emergency identification, response protocols, containment activities, and corrective measures.
- 1.6. Types of emergencies for which the Dispensary must be prepared include:

- 1.6.1. Internal theft or burglary;
  - 1.6.2. Unauthorized IT access, leading to disclosure of sensitive company information;
  - 1.6.3. Unauthorized access to confidential patient information or records;
  - 1.6.4. Criminal incidents, such as armed robbery or invasion;
  - 1.6.5. Threats of violence to the facility, personnel or visitors;
  - 1.6.6. Fires;
  - 1.6.7. Gas leaks;
  - 1.6.8. Weather-related emergencies, such as floods and hurricanes;
  - 1.6.9. Chemical/hazardous materials emergencies, such as a spill or release; and
  - 1.6.10. Medical emergencies, for example work injuries.
- 1.7. All agents will receive emergency management and response training as a part of comprehensive safety training upon hire and at least once annually thereafter. The General Manager must ensure the adequate training of agents. Third-party trainers may be utilized as necessary.
- 1.7.1. Each agent must be familiar with the contents of the emergency management provisions contained herein;
  - 1.7.2. Each agent must know the location of alarms, utility cabinets, fire extinguishers, emergency exits and first aid supplies;
  - 1.7.3. In the case of fire, if it is safe to do so, the nearest agent must extinguish the fire using a portable fire extinguisher in accordance with safety training;
  - 1.7.4. If a manager is not available to make an evacuation decision, a senior agent must attempt to contact the Administrative Controller and the General Manager. If none such person may be contacted and the situation is time sensitive, a senior agent must make a determination with the health and safety of agents and visitors as the primary consideration;
  - 1.7.5. A gas leak requires an immediate evacuation until the fire department clears the facility. Agents must comply with this requirement and facilitate the evacuation process in accordance with safety training;

- 1.7.6. Agents may not re-enter the building or allow others to re-enter during an emergency. Agents must stay with other evacuated agents and any visitors until interviewed by the Administrative Controller and the General Manager;
  - 1.7.7. The General Manager must maintain and visibly post a current emergency contact list and evacuation plan. All agents should save emergency contact numbers in their company or personal cell phones;
  - 1.7.8. The General Manager must pre-plan an evacuation route, maintain and post the evacuation route map in an easily accessible area in the facility. Every agent must know the evacuation route and the location of the map; and
  - 1.7.9. Regular review of facility floor plans and evacuation plan maps must be completed by the Administrative Controller and the General Manager and updated as necessary.
- 1.8. To ensure an appropriate and timely execution of appropriate emergency response, Administrative Controller and the General Manager must:
- 1.8.1. Develop and maintain this plan continuously;
  - 1.8.2. Plan must be reviewed at least annually;
  - 1.8.3. Identify potential hazards, develop mitigation strategies and improve the response protocols accordingly;
  - 1.8.4. Update training programs as needed;
  - 1.8.5. Stock the facility with an emergency preparation kit including provisions for sequestration in the facility if required;
  - 1.8.6. Maintain an updated emergency notification contact list. Maintain an internal contact list and agent notification system via email and text messaging;
  - 1.8.7. Visibly post all evacuation routes;
  - 1.8.8. Ensure all environmental detectors, alarms; emergency lighting and exit signs are operational;
  - 1.8.9. Coordinate with the Board to ensure appropriate back-up systems are provided to maintain operation of critical equipment and systems in the event of a power outage;

- 1.8.10. Contact the Board and seek confirmation of the occurrence of an emergency requiring the execution of this protocol;
  - 1.8.11. Secure all products following any verified or suspected instance of diversion, theft or loss of cannabis and conduct an assessment to determine whether additional safeguards are necessary;
  - 1.8.12. Collect any evidence pertaining to an event, unless law enforcement is required and collects evidence;
  - 1.8.13. Supervise and direct the consistent, timely and appropriate response to an emergency;
  - 1.8.14. Provide appropriate communication to parties having a vested interest in the emergency;
  - 1.8.15. Offer support to agents and visitors as appropriate until the emergency is resolved; and
  - 1.8.16. Conduct a post-emergency review and report making any necessary adjustments to security and safety measures and procedures.
- 1.9. Reports of emergencies may come from outside parties, YMH personnel, other licensees, media, local law enforcement, direct observation or other sources. The primary objective is to determine if the problem being reported is an incident that constitutes an emergency. In most instances, the problem being reported will not constitute an emergency by YMH standards, and will therefore not require execution of this protocol. However, the protocol provides useful guidelines for dealing with other minor issues as well. No set of protocols will address every circumstance; all YMH agents must in good faith take all necessary and responsible actions, and follow the directions of supervisors, emergency responders, and other authority figures.
- 1.10. Any agent who receives an external report is responsible for asking necessary questions about an emergency in accordance with training, making a reasonable attempt at determining if an emergency has occurred, recording facts and responses to questions, and forwarding pertinent information to the General Manager immediately. If the agent cannot reach the management personnel, the Administrative Controller and the General Manager must be contacted. If



information received indicates that an emergency may have occurred, the agent receiving the report must:

- 1.10.1. Obtain and record the contact information for the individual reporting the problem (name, telephone numbers and email address);
  - 1.10.2. Record relevant information about the emergency (e.g., time/date of suspected occurrence, type of information compromised, location of the compromise) in the appropriate internal log;
  - 1.10.3. Inform the individual to expect contact from a member of management;
  - 1.10.4. Request that the individual treat the emergency as a confidential matter; and
  - 1.10.5. Notify the General Manager immediately of the emergency.
- 1.11. Except in the case of an emergency needing immediate attention, the General Manager or Dispensary Manager will determine the category and severity of the emergency and enter into discussions and investigative activities to determine the best course of action.
- 1.12. The General Manager or Dispensary Manager will notify the appropriate internal and external parties as necessary:
- 1.12.1. Internal Notification: The General Manager will notify the Board and Managing Director of an emergency as soon as possible and then must notify the agents under his/her supervision and other YMH managers, if appropriate for the emergency; and
  - 1.12.2. External Notification: Unless emergency responders must be notified immediately, such as in the event of a fire or hazardous materials spill, all external notifications and communications must be approved by the Board. External notifications will depend on the type of emergency. External parties to be notified may include the Commission, vendors, patients, other licensees, law enforcement, media or other affected parties.
- 1.13. The General Manager, in coordination with the Board and the Director of Operations will determine the appropriate activities and processes required to

quickly contain and minimize the immediate impact to personal safety, the company, customers and other affected parties. The General Manager or Dispensary Manager will be responsible for putting containment activities and processes into action. Containment activities will be tailored to the character of the emergency. Containment activities are designed to:

- 1.13.1. Minimize harm to persons, products, and the surrounding community;
  - 1.13.2. Counteract the immediate threat;
  - 1.13.3. Prevent proliferation or expansion of the emergency;
  - 1.13.4. Minimize actual and potential damage;
  - 1.13.5. Restrict knowledge of the emergency to authorized personnel, as necessary;  
and
  - 1.13.6. Preserve information relevant to the emergency for internal recordkeeping and external reporting purposes.
- 1.14. The General Manager or Dispensary Manager will determine and invoke the necessary corrective measures in order to quickly restore a normalized and secure state of operation. Corrective measures should be designed to:
- 1.14.1. Secure the environment;
  - 1.14.2. Restore the environment to its normalized state; and
  - 1.14.3. Continue operations if possible.
- 1.15. Some emergencies, such as natural disasters, fires, accidents, chemical spills or equipment failures, may expose cannabis or cannabis products to extremes in temperature, humidity, smoke, fumes, and hazardous materials, thereby contaminating the product or otherwise rendering it unfit for medical use. The General Manager in coordination with the Managing Director must ensure that cannabis or cannabis products that have been subjected to improper storage conditions, including those related to an emergency, are not salvaged and returned to the marketplace and are disposed of in accordance with the Green Waste Plan. If it is unclear whether products were exposed and are potentially contaminated, the

General Manager may quarantine the products and request testing by the Licensed Third-Party Lab to determine whether the products are safe for human consumption and meet the quality standards of YMH. In general, products that may have been contaminated as a result of an emergency situation will be disposed of in the interest of protecting patient health and safety.

1.16. All Company agents will be required to immediately report any of the following emergencies to the General Manager. In addition, the General Manager will report such emergencies to law enforcement and the Board or Managing Director will report to the Commission as necessary:

1.16.1. An alarm activation;

1.16.2. Any other event that requires response by public safety personnel, including fire and hazardous chemicals emergencies;

1.16.3. The failure of or initiation of back-up power for any ESS component (i.e., surveillance system, access control system, alarm system) due to a loss of electrical power or mechanical malfunction;

1.16.4. Discrepancies identified during inventory reconciliation that cannot be explained and incidences of suspected or verified diversion, theft, or loss;

1.16.5. Any known or planned criminal action involving YMH or YMH personnel;

1.16.6. Unauthorized destruction of cannabis;

1.16.7. Any suspicious criminal act involving the sale, cultivation, distribution, processing or production of cannabis by any person;

1.16.8. Any loss or theft of cannabis products or cannabis waste during transportation;

1.16.9. Any loss or unauthorized alteration of records;

1.16.10. Any unauthorized access to sensitive information, including ESS features and equipment placement, facility layout, private business documents, and other similar protected documents; and

1.16.11. Any other breach of security.

1.17. Reporting must include, at a minimum:

- 1.17.1. A summary of the emergency providing a general description of events, approximate timelines, the parties involved, resolution of the emergency, external notifications required and recommendations for prevention and remediation;
  - 1.17.2. A description of emergency events, indicating specific timelines, persons involved, hours spent on various activities, impact to affected parties, ensuing discussions, decisions and assignments made, problems encountered, successful and unsuccessful activities, notifications required or recommended, steps taken for containment and remediation, recommendations for prevention and remediation (short-term and long-term), identification of policy and procedure gaps, results of post-emergency review;
  - 1.17.3. All relevant documentation will be retained by the Administrative Controller and the General Manager for archival in a cloud storage repository. Access to the documentation and repository is typically restricted to the Board, the Managing Director, and General Manager; and
  - 1.17.4. Emergencies must be documented by the General Manager or his/her designee.
- 1.18. Once an emergency has been appropriately contained and remedial actions have been taken, allowing return to a normalized state, a final review of emergency-related activities is required:
- 1.18.1. The General Manager will hold a post-emergency review meeting after each emergency has been resolved. This discussion should be scheduled within 2-3 weeks of the emergency's remediation. All affected parties are recommended participants;
  - 1.18.2. The review is an examination of the emergency and all related activities and events. All activities performed relevant to the emergency should be reviewed with an eye towards improving the over-all emergency response process; and
  - 1.18.3. Recommendations on changes to policy, process, safeguards, etc. are both an input to and by-product of this review. All discussion, recommendations and

assignments are to be documented for distribution to the Board and follow-up by the General Manager.

#### 1.19. Emergency Closure

1.19.1. The General Manager or Dispensary Manager will stay actively engaged throughout the life of the emergency to assess the progress/status of all containment and corrective measures and determine at what point the emergency can be considered resolved. Recommendations for improvements to processes, policies, procedures, etc. will exist beyond the activities required for emergency resolution and should not delay closing the emergency, but will be implemented by the Board.

1.20. Alabama is often impacted by hurricanes, floods, and severe winter and lightning storms which can cause a variety of adverse effects that would impact YMH operations. Though YMH's property is not located in an area that is at increased risk of experiencing weather-related emergencies, YMH has considered and developed plans for their mitigation.

1.21. Based on the geographical location of the Dispensary, the primary concern in relation to weather-related emergencies is temporary power outage. According to federal and local sources, the property is not significantly at risk of flooding.

1.22. YMH has spoken with the current owner of the property to determine the prevalence of historical electrical outages at the properties and has determined there have not been any outages of significant duration or frequency in the last ten years. Because of this YMH does not expect to encounter any outages of a duration that would produce an adverse impact on operations as long as certain measures are taken to ensure that critical equipment used to maintain the quality of products and the security of the building (i.e., magnetic locks, access control system, surveillance system, and alarm system) are maintained during an outage. To do this YMH has a backup battery system that is capable of maintaining power for at least 48 hours. These systems include the following:

- 1.22.1. ESS and locking devices, including the access control system, surveillance system, and magnetic locks to ensure the entire building is secure and recorded at all times; and
  - 1.22.2. Our POS is functional during such power outages.
  - 1.22.3. YMH has also installed an Uninterruptible Power Supply as additional back-up for all critical loads. This is especially important for the ESS, as it ensures critical devices and systems will maintain functionality and protect the facility, personnel, and products in the event of an extended power outage or unforeseen back-up system failure.
  - 1.22.4. These back-up systems will be monitored periodically to ensure proper functioning and will be maintained in accordance with manufacturer recommendations. All maintenance activities will be recorded internally.
  - 1.22.5. A patch cord in the electrical panel that will allow the security system to remain operational if power outage lasts longer than 48 hours.
- 1.23. The General Manager or Dispensary Manager will determine and execute the appropriate activities and processes required to quickly contain and minimize the immediate impact to the company, the community, the patients we serve, the products we produce, and all other stakeholders. The information below is a guideline for response and containment in various situations; however, management must use discretion when determining appropriate actions to contain an emergency. The Dispensary Manager, as well as the General Manager, if applicable, will identify and implement corrective measures to quickly restore circumstances to a normalized (secure) state.
- 1.23.1. Keep calm---DO NOT PANIC!;
  - 1.23.2. Know the location of all primary and secondary emergency exits. Exit by the designated and most practical means;
  - 1.23.3. Assist customers, visitors and disabled individuals who need help. Disabled individuals or others who need assistance should:
    - 1.23.3.1. Be assisted by an agent; and

- 1.23.3.2. Be evacuated only when directed by authorized emergency personnel or when there is an immediately threat to personal safety and security.
  - 1.23.4. Walk rapidly---DO NOT RUN!;
  - 1.23.5. If an evacuation order is given, you must leave the building by the designated exit route and/or most practical exit. In absence of instructions to evacuate, you will do so on your own initiative if it appears your safety is threatened;
  - 1.23.6. If a fire evacuation occurs, drop everything and leave. Check doors for heat prior to opening. If a bomb threat occurs, employees may take personal items that are with them. Do not go to your locker as there might be a bomb placed there. This would reduce the number of suspicious items to be searched;
  - 1.23.7. All agents must ensure that visitors do not:
    - 1.23.7.1. Gather in lobbies or administrative spaces;
    - 1.23.7.2. Open a door without first checking for heat, if a smoke detector has been triggered;
    - 1.23.7.3. Run or panic; or
    - 1.23.7.4. Re-enter the building until authorized.
  - 1.23.8. Assemble outside in front of the building. It is required of each Supervisor to carry a roll call sheet and check it accordingly;
  - 1.23.9. Do not go back for personal belongings. No one is to enter the alerted building area until it has been cleared;
  - 1.23.10. If applicable, preserve any and all evidence, if applicable and remain accessible for discussion with law enforcement personnel;
  - 1.23.11. Request witnesses to stay or provide their contact information; and
  - 1.23.12. Do not touch any suspicious items, potential hazards, weapons, or suspected bombs.
- 1.24. If an alarm occurs during a time other than normal office hours (10:00am to 6:00pm), agents will call the appropriate number as directed during security and safety training. Each Company phone will have emergency numbers posted on their handle. These contact numbers cover serious security breaches such as fire, burglary, etc. and less serious problems that should be handled right away, such as water

leakage, electrical problems, etc. All agents will be required to save these numbers to their cell phones for quick reference in the event of an emergency.

- 1.24.1. Non-emergency –
  - 1.24.2. Office phone –
  - 1.24.3. General Manager –
  - 1.24.4. Assistant Manager –
  - 1.24.5. Clinical Director –
- 1.25. The following containment measures must be taken in the event of internal theft/burglary. All agents must report any suspected theft or diversion of products to the Dispensary Manager or General Manager immediately as a condition of employment:
- 1.25.1.1. Use the automatic data processing/point-of-sale (“POS”) system to identify missing or compromised assets;
  - 1.25.1.2. Gather, remove, recover and secure sensitive materials to prevent further loss or access.
  - 1.25.1.3. The Dispensary Manager or a manager with access to the security room must power down, recycle or remove security equipment known to be compromised;
  - 1.25.1.4. If possible, secure the premises for possible analysis by the Dispensary Manager and law enforcement;
  - 1.25.1.5. Gather and secure any evidence of illegal entry for review by the Dispensary Manager and law enforcement;
  - 1.25.1.6. Where possible, record identities of all parties who were a possible witness to events;
  - 1.25.1.7. Preserve video recordings and Visitor Logs for review by the Dispensary Manager, General Manager and law enforcement; and
  - 1.25.1.8. The General Manager must notify the Board and the Commission of disposition of assets and any action taken.



- 1.25.2. Activities that may be required to return conditions to a normalized and secure state following unauthorized product acquisition include:
  - 1.25.2.1. Retrieve or restore assets where possible;
  - 1.25.2.2. Store all sensitive materials and products in a secure manner (e.g., lockable cabinets or storage areas/container);
  - 1.25.2.3. Install/replace locks and issue keys only to authorized personnel. Access control privileges should be modified;
  - 1.25.2.4. Restore security devices and/or apparatus to working condition;
  - 1.25.2.5. Implement physical security devices and improvements (e.g., equipment cables, alarms) as deemed appropriate;
  - 1.25.2.6. Perform a security re-training as soon as possible; and
  - 1.25.2.7. Notify Board and/or Managing Director of status and any action taken.
- 1.26. The following activities may be required to contain the threat presented to information technology (“IT”) systems and sensitive data where unauthorized access may have occurred. The Board may engage a third-party IT specialist as needed:
  - 1.26.1.1. Disconnect the affected equipment or appliance(s) from the network or access to other systems. Isolate the affected IP address from the network;
  - 1.26.1.2. Power off systems, equipment and appliance(s) as necessary;
  - 1.26.1.3. Disable the affected IT application(s) and discontinue or disable remote access;
  - 1.26.1.4. Stop services or close ports that are contributing to the emergency;
  - 1.26.1.5. Remove equipment, drives or media known or suspected to be compromised;
  - 1.26.1.6. Where possible, capture and preserve system, stored data, logs, network flows, drives and removable media for review; and
  - 1.26.1.7. Notify Board and/or Managing Director of status and any action taken.
- 1.26.2. The following activities may be required to return conditions to a normalized and secure state following unauthorized access to information technology systems:

- 1.26.2.1. After obtaining any necessary permits, repair all physical damage and replace necessary equipment;
  - 1.26.2.2. Change passwords/passphrases on all local user and administrator accounts or otherwise disable the accounts as appropriate;
  - 1.26.2.3. Change passwords/passphrases for all administrator accounts where the account uses the same password/passphrase across multiple appliances or systems (servers, firewalls, routers);
  - 1.26.2.4. Rebuild systems to a secure state;
  - 1.26.2.5. Restore systems with data known to be of high integrity;
  - 1.26.2.6. Apply OS and application patches and updates;
  - 1.26.2.7. Modify access privileges as deemed appropriate;
  - 1.26.2.8. Implement IP filtering as deemed appropriate. Modify/implement firewall rule sets as deemed appropriate;
  - 1.26.2.9. Ensure anti-virus is enabled and current;
  - 1.26.2.10. Perform security, emergency management and operational re-training as soon as possible;
  - 1.26.2.11. Monitor/scan facilities and systems to ensure problems have been resolved; and
  - 1.26.2.12. Notify the Board and/or Managing Director of status and any action taken.
- 1.27. The following activities may be required to contain the threat presented to patient confidentiality and privacy where unauthorized access or disclosure may have occurred. The Director of Operations or General Manager should be consulted, and the Board may engage a third-party specialist as needed:
- 1.27.1. Identify the source of the unauthorized access or disclosure;
  - 1.27.2. If a technological security breach is suspected or confirmed:
  - 1.27.3. Power off potentially affected systems, equipment and appliance(s);
  - 1.27.4. Disable any affected application(s) or software and discontinue or disable remote access;

- 1.27.5. Stop services, transmissions, or close ports that are contributing to the incident; and
  - 1.27.6. Take appropriate measures to protect remaining confidential information or records. Appropriate measures will depend on the source of the breach but may include: securely relocating confidential data to a secure off-site storage location, encryption, or de-identification.
- 1.28. If an accidental disclosure is suspected or confirmed:
- 1.28.1. Identify the agents involved in the situation;
  - 1.28.2. Interview each involved person; and
  - 1.28.3. Maintain records of investigation activities and findings.
  - 1.28.4. Where possible, capture and preserve system, stored data, logs, network flows, drives and removable media for review;
  - 1.28.5. Identify affected qualified registered patients and ordering physicians, as well as the amount of confidential information disclosed or accessed;
  - 1.28.6. Notify the Board and/or Managing Director of status and any action taken;
  - 1.28.7. Notify the Commission of accidental disclosure or unauthorized access to confidential information; and
  - 1.28.8. Notify affected patients.
- 1.29. The following activities may be required to return conditions to a normalized and secure state following unauthorized access to or disclosure of confidential information:
- 1.29.1. Take disciplinary action as necessary;
  - 1.29.2. Modify access privileges as deemed appropriate;
  - 1.29.3. Identify and implement necessary changes in policies and procedures;
  - 1.29.4. Perform a confidentiality re-training as soon as possible;
  - 1.29.5. Seek third-party assistance for securing electronic systems and execute applicable corrective actions listed for unauthorized IT access;
  - 1.29.6. Request a third-party HIPAA compliance audit; and

1.29.7. Notify Board and Administrative Controller of status and any action taken.

1.30. In the event that an armed person or persons enter the facility with the intent to obtain access to cannabis or cannabis products (i.e., a robbery), YMH agents, to the extent that it is safe to do so, should follow these containment measures:

1.30.1. Do not resist the robber, or use or encourage the use of weapons or force against the robber;

1.30.2. If possible, inform the robber of any items that will risk his or her exposure (i.e. the General Manager will arrive soon or the building alarm is scheduled to be tested today);

1.30.3. Try to keep agents and visitors calm during the robbery;

1.30.4. Try to alert other agents of the situation using pre-determined signals, text messages or security systems;

1.30.5. Attempt to contact law enforcement by any means available;

1.30.6. Follow the robber's commands in order to shorten the time of the emergency, but do not volunteer to help or provide sensitive information, such as the location of the safe or the persons with access to controlled areas;

1.30.7. If the robber demands a certain amount of money or product, only give them that amount and make a mental note of the items provided;

1.30.8. Try to include "bait money" or product along with other items taken. This "bait money" could be a bundle of currency with recorded serial numbers (record the denomination, serial number and year of several tens and twenties on a piece of paper kept separate from the register) or concealed dye packs;

1.30.9. Be observant in order to be a good witness. Try to obtain:

1.30.9.1. The number of robbers;

1.30.9.2. The physical characteristics of the robber(s) including height, weight, scars, tattoos, hair color, speech patterns, etc.;

1.30.9.3. The clothing worn by the robber(s);

1.30.9.4. Any names used by the robber(s); and

- 1.30.9.5. A description of any weapons shown. Try to notice the gun's barrel length and color, grip, revolver, and any other details.
  - 1.30.10. If the robber uses a note, try to place it out of sight to retain it as evidence;
  - 1.30.11. After the robber has the money and product, suggest that agents and visitors go into a back room or lie down (rather than let them decide to tie people up or hold hostages);
  - 1.30.12. Do not follow a robber. Secure the facility and place a notice that the business is closed due to an emergency;
  - 1.30.13. Once the robbery is complete, call the local law enforcement agency and other law enforcement (and ambulance as needed) immediately, if not already contacted, and request that witnesses stay or obtain their contact information;
  - 1.30.14. Provide aid to injured people;
  - 1.30.15. Do not discuss the robbery with any outside parties until police and/ or the Managing Director have given authorization to do so;
  - 1.30.16. Do not estimate the amount of money or product that was taken until an inventory has been performed. If the amount of money or product taken is known by the person who provided it, write down those amounts and verify with inventory records and company books;
  - 1.30.17. Notify the Managing Director, General Manager, and the Board of all cash or cannabis product stolen and any actions taken; and
  - 1.30.18. The Director of Operations or General Manager will record the emergency in internal logs and other relevant recordkeeping systems. Agents must try to provide as much detail as possible about the emergency in order to facilitate detailed recordkeeping.
- 1.31. The following activities may be required of the Dispensary Manager and General Manager in order to return operations to a normalized and secure state after unauthorized entry or robbery:
    - 1.31.1. Change all security codes. Install/replace locks and issue keys only to authorized personnel;

- 1.31.2. Ensure any video of the emergency is archived. Restore security devices and/or apparatus to working condition;
  - 1.31.3. Repair any physical damage to the facility;
  - 1.31.4. Provide agent and visitor counseling as needed;
  - 1.31.5. Perform security re-training as soon as possible;
  - 1.31.6. Modify access control privileges as deemed appropriate; and
  - 1.31.7. Notify Managing Director and/or Board of emergency status and any action taken.
- 1.32. In any case where a member of the public makes a serious threat to an employee either by telephone, mail or through direct confrontation, the threat should be reported immediately to the employee's Supervisor. Once the threat is made, the employee should make note of time, date and report to Supervisor/Manager/HR (follow the chain of command);
- 1.32.1. The Supervisor shall advise their Manager of the reported threat. If the situation requires immediate detainment or arrest, the Supervisor (or employee) shall contact the proper law enforcement agency; and
  - 1.32.2. In all cases involving a threatening situation, which means the possibility of immediate bodily harm (such as being held at gunpoint) the threatened person should do exactly what the assailant wants until such time as the threat is eliminated.
- 1.33. In any case where a non-employee assaults or threatens an employee, the employee shall report the assault or threat to the proper law enforcement agency immediately; and the Supervisor shall advise the General Manager of the assault or threat immediately. The General Manager in coordination with the proper law enforcement agency, shall determine the course of action the Commission should pursue.
- 1.34. Our goal is to establish an orderly, safe, and a rapid emergency evacuation in the event of a fire. Thus, the prompt reporting of a fire cannot be emphasized enough. Employees must report all fires immediately to a Supervisor/Manager.

- 1.35. The Dispensary is equipped with smoke detectors that will produce an audible siren if a fire may be present. If a smoke detector is triggered and the source is not immediately apparent, an agent must locate the smoke detector and investigate to determine whether a fire is present. If a small fire is present and does not present an immediate danger to personal safety, one agent may try to extinguish the fire while one other agent or the Dispensary Manager stands-by, calls 911 and directs others out of the facility. The first person that discovers a fire must:
- 1.35.1. Use a fire extinguisher (if trained) if the problem can be handled easily and safely, such as a smoldering wastebasket;
  - 1.35.2. Call 9-1-1;
  - 1.35.3. Notify Supervisor/Manager and/or any other appropriate persons;
  - 1.35.4. If possible and safe, remain at the scene until a Company or fire department representative arrives, then point out the specific location and problem. Be prepared to assist in any other way; and
  - 1.35.5. In responding to any emergency condition, running and yelling or loud voice inflections must be avoided. Calm conduct is essential.
  - 1.35.6. Regardless of the degree of seriousness, the fire department must be contacted any time a fire is present in the facility and all persons in the facility must be evacuated;
  - 1.35.7. Fire evacuation:
    - 1.35.7.1. Upon hearing the fire alarm – stop work;
    - 1.35.7.2. Close doors and windows in your area, as this will slow the spread of the fire;
    - 1.35.7.3. Secure any obstructions out of the way of traffic;
    - 1.35.7.4. Exit the building by designated routes;
    - 1.35.7.5. Before opening any doors, feel the door, and if it is hot, do not open;
    - 1.35.7.6. If caught in smoke, take short breaths; breathe through the nose. Crawl along the floor where the air is cooler. If forced to make a dash through smoke or flame, hold your breath.
    - 1.35.7.7. Proceed outside the building for personnel check; and

- 1.35.7.8. Remain in assigned area until told to leave by authorized personnel.
- 1.35.8. No one may be allowed to re-enter the facility until the fire department has arrived, the fire has been contained, all necessary information has been collected, and fire department officials provide authorization to re-enter the building.
- 1.35.9. If a fire causes damage within the facility, the Director of Operations or General Manager will consult with the fire department to determine the appropriate clean up measures and safety precautions.
- 1.36. Gas leaks in the Dispensary requires immediate evacuation, and evacuation of the facility.
  - 1.36.1. The first person that discovers a gas leak:
    - 1.36.1.1. Call Colombia Gas;
    - 1.36.1.2. Notify Supervisor/Manager and/or any other appropriate persons;
    - 1.36.1.3. If possible and safe, remain at the scene until a Company and/or Colombia Gas department representative arrives, then point out the specific location and problem.
    - 1.36.1.4. Be prepared to assist in any other way; and
    - 1.36.1.5. In responding to any emergency condition, running and yelling or loud voice inflections must be avoided. Calm conduct is essential.
    - 1.36.1.6. Regardless of the degree of seriousness, Colombia Gas must be contacted any time a gaseous odors are present in the facility and all persons in the facility must be evacuated;
    - 1.36.1.7. No one may be allowed to re-enter the facility until Colombia Gas has arrived, the leak has been contained, all necessary information has been collected, and Colombia Gas officials provide authorization to re-enter the building.
- 1.37. When a severe weather watch or warning is issued for the area surrounding the facility, begin containment activities and preparation;



- 1.37.1. Determine whether the severe weather is likely to cause sustained power outage or any other adverse effect;
  - 1.37.2. Check all back-up systems, including generator and UPS, for proper functioning;
  - 1.37.3. Follow any direction given by local officials, including instructions for evacuation;
  - 1.37.4. Take all precautions to secure the premises from potential flying objects if high winds are expected;
  - 1.37.5. If necessary, terminate all non-essential work functions and post closure notices if closure will be required; and
  - 1.37.6. Take all precautions necessary to secure products and facilities, in relation to the particularities of the severe weather situation, including securing all cannabis from the environment or possible looting.
- 1.38. If a severe weather event causes damage within the facility, the Director of Operations will consult with the Board and appropriate local authorities to determine the appropriate clean up measures and safety precautions.
- 1.39. It is YMH policy to avoid using hazardous materials or toxic chemicals in any Company operation. Hazardous materials will only be acquired as a last resort, if the product is operationally necessary and no suitable non-hazardous alternative exists. If hazardous materials must be acquired, and a hazardous materials emergency, such as a spill or accidental release, occurs, the Safety Data Sheet (“SDS”) for the hazardous material will be reviewed for direction. An ambulance will be called to the scene immediately if any person needs emergency medical care or may have been exposed to potentially harmful materials. If a hazardous materials emergency cannot be safely contained within the facility in accordance with the instructions on the SDS, the General Manager will contact the fire department’s hazardous material response team. If necessary, a third-party emergency management team will be hired on a contract basis for spill control, clean up, and decontamination. All persons involved in these activities must be appropriately trained to do so; YMH agents without proper training may not participate in spill clean-up or containment in any fashion. Once the

spill is contained, it will be stopped at the source, cleaned up, and disposed of in accordance with Alabama laws and regulations pertaining to hazardous waste. All agents will follow the directions of hazardous materials emergency responders.

1.39.1. Once the spill is contained and cleaned up, the General Manager will collaboratively produce a report including details pertaining to the cause of the emergency, corrective actions taken, and measures taken to prevent future emergencies. Appropriate local, state, and federal authorities will be notified of any hazardous materials emergency, as required by law and regulation. The General Manager will be responsible for determining the appropriate notification and reporting measures for any hazardous materials emergency. All YMH personnel will follow the instructions of local officials in the event that an external spill or hazardous materials emergency has occurred that may impact operations.

1.40. For Minor Injuries:

- 1.40.1. Stop work immediately;
- 1.40.2. Secure and/or stop applicable machinery;
- 1.40.3. Report to a Supervisor; and
- 1.40.4. Apply first aid or seek medical treatment.

1.41. For Major Injuries:

- 1.41.1. Evacuate the area;
- 1.41.2. If the person is seriously injured, do not move them unless there is a life-threatening danger (i.e., falling debris, fire, explosion);
- 1.41.3. Notify a Supervisor;
- 1.41.4. Dial 911 for injuries requiring immediate medical attention;
- 1.41.5. Designate yourself or assign another employee to do the following:
  - 1.41.5.1. State your name, location and telephone number. Give as much information as possible regarding the nature of the injury or illness, whether or not the victim is conscious, if any treatment is being given, etc.;
  - 1.41.5.2. State where in the building the emergency exists;

- 1.41.5.3. Stay close to the phone until aid arrives or stay in line if asked and follow instructions; and
- 1.41.5.4. Send a runner to meet and guide the emergency crew.
- 1.41.6. Remain with the victim until Emergency Crews arrive. Keep the victim as calm and comfortable as possible. Keep the environment under control.
- 1.41.7. Contact the injured emergency contact if injured is an agent of YMH.

### **REPORTS REQUIRED**

- 1.42. None required.

### **AUTHORIZATION FOR DEVIATION**

- 1.43. The Director of Operations or General Manager must direct any deviation from the standard procedure.

### **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.44. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **6009 – Intrusion Detection System**

### **1. PURPOSE**

1.1. The purpose of this procedure is to provide instructions to the intrusion alarm system that will protect the dispensary. All Employees will be trained on the use of the intrusion alarm system, including arming and disarming the alarm system, the armed settings, the location of motion and wired door sensors, the location of fixed panic alarm buttons, and accidental activation procedures.

### **RESPONSIBILITY**

1.2. The Director of Operations and General Manager or their designee is responsible for maintaining the P&P and the system described herein.

### **PROCEDURE**

1.3. The intrusion alarm system provides coverage of all entrances and exits and sensitive interior spaces, including the secure product storage room containing one or more safes;

1.3.1. A silent panic alarm, which is activated by a button conveniently and readily accessed and connected to the intrusion system, and signals a life threatening or emergency situation requiring law enforcement response;

1.3.2. Include an audible intrusion alarm, signaling a break in or unauthorized entry, which contacts the General Manager when the alarm is triggered and, if not triggered by accident, subsequently notifies local law enforcement;

1.3.3. Include a notification system, which provides an audible, text, and visual notification of facility power failure and alerts the General Manger within ten minutes by text message;

1.3.4. Includes a notification system that alerts the Director of Operations and Managing Director by text message if any emergency exit door is opened; and

- 1.3.5. Have the ability to ensure all access doors and wired door sensors are not solely controlled by an electronic access panel, such that maglocks and wired door sensors remain operational during power outage.
  - 1.3.6. Continually monitored by a 3rd party vendor
  - 1.3.7. Capable of detecting smoke and fire.
- 1.4. A second alarm system independent of the intrusion alarm system is installed to protect on and offsite records, surveillance recordings and the vaults or rooms that store medical cannabis products.
  - 1.5. The General Manager will selectively authorize and train certain agents and managers to activate and deactivate the intrusion alarm system. Support agents and any contractors will not be authorized to activate or deactivate the system, and will not be provided the system code.
  - 1.6. The General Manager will only provide the system code for instructions for activation and deactivation to the minimum number of personnel necessary, which will generally be restricted to the Managing Partner, Dispensary Manager, and Director of Operations.
  - 1.7. The alarm will remain operational until Dispensary no longer has any medical cannabis or cannabis products.
  - 1.8. A minimum of one fixed panic button will be installed in a convenient location, such as in the check-in station. When pushed, the panic button activates a silent alarm and communicates the occurrence of a security incident to local law enforcement, who will then promptly respond. All YMH personnel will be trained on the proper use of the panic button, which may only be used in the event of a life-threatening or serious emergency situation. The panic button in the dispensary is a strong deterrent to insider threat and is a useful security feature in the event of dangerous security incidents such as robbery. Because the panic button triggers the intrusion system silently, YMH personnel will be able to discreetly contact local law enforcement in the midst of an armed intrusion. The panic button will be located underneath or around the check-in station so that a Patient Coordinator can activate the silent panic alarm when an intruder enters the facility. The panic alarm provides an additional

layer of protection for YMH and hastens law enforcement response time for in-progress security incidents.

- 1.9. The intrusion alarm system will be subject to remote monitoring and will allow remote monitoring by the Management whether the system is armed or not. Through the use of an application integrated with the system, Management can remotely monitor system arming and disarming, and all doors outfitted with wired door sensors in real-time. Using the application, Management can remotely create and view custom event logs.
- 1.10. The system will be configured to notify the General Manager, Director of Operations and Managing Director via text of system events, including, but not limited to when any emergency exit door is opened (an audible alarm will sound as well), when there is a power failure in the facility, when the system is deactivated, and when an alarm is triggered.
- 1.11. The intrusion alarm system will remain operational in the event of a power failure. The system has an internal 48-hour battery back-up that is immediately activated upon power loss, and will notify the General Manager, Director of Operations and Managing Director within ten minutes of loss of power.
- 1.12. In the event that the power is out longer than 48 hours a generator will provide power to the alarm system directly through the main electrical panel.

## **REPORTS REQUIRED**

- 1.13. None

## **AUTHORIZATION FOR DEVIATION**

- 1.14. The Director of Operations or General Manager must direct any deviation from the standard procedure.

## **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.15. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review

date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **7001 – Green Waste Disposal**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions the disposal of Green Waste, which is defined as cannabis plants or products that are not suitable for sale or other uses. The green waste disposal procedures contained herein are designed to ensure that cannabis plant waste is recorded. All cannabis plant waste must be disposed of in a secure manner that prevents members of the general public from accessing any usable material containing cannabis.

### **RESPONSIBILITY**

- 1.2. The General Manager or their designate is responsible for maintaining and training this P&P.

### **PROCEDURE**

- 1.3. The company's Green Waste Disposal plan outlines operational procedures for waste disposal in compliance with Alabama Medical Cannabis Laws. The Dispensary General Manager is assigned responsibility for enforcing the contained policies and procedures. All waste, including waste composed of or containing finished cannabis and cannabis products, will be stored, secured, locked and managed in accordance with state laws and regulations as detailed below.
- 1.4. All disposed Green waste will be recorded in the Green Waste Disposal Log with details pertaining to the date of disposal, type and quantity of waste disposed of and the manner of disposal. The General Manager will also report any verifiable incident of unauthorized destruction of cannabis to the Commission and law enforcement.
- 1.5. Compliant with the Alabama Medical Cannabis Laws, cannabis waste will be stored in a secured, locked and managed area in accordance with state regulations and as submitted and approved in the Green Waste Disposal plan. "Cannabis waste" means any part of the plant that is not usable cannabis, or cannabis that cannot be processed or has been returned (if applicable)



- 1.6. YMH prohibits the disposal of cannabis waste in any manner other than specified herein. Improper disposal of any type of waste by an Employee is cause for termination as will be clearly detailed in the company's operation manual and agent handbook.
- 1.7. All cannabis waste generated from normal Dispensary activities, contamination, adulteration, product expiration, returned, or lack of suitability for human consumption will be securely stored, rendered unusable, and disposed of in a manner that ensures that cannabis waste will only be accessible to authorized persons and will not present a threat to the environment. YMH will implement best practices to streamline effective and responsible waste disposal procedures in an effort to prevent unauthorized diversion, misuse, product loss, or environmental contamination. Company policies pertaining to cannabis waste include, but are not limited to, the following:
  - 1.7.1. YMH will not procure or maintain quantities of cannabis in excess of what is needed for normal, efficient operation and to meet the needs of the qualified registered patients who obtain their medicine from YMH;
  - 1.7.2. Prior to disposal, cannabis waste will be securely stored in a labeled locked compartment that is located in an area under video surveillance and kept quarantined from all usable cannabis products, cannabis source material, or cannabis plants in order to prevent contamination;
  - 1.7.3. Prior to disposal, cannabis waste will be rendered unusable via the methods set forth in this Plan. All cannabis waste will be returned to the secure storage location immediately;
  - 1.7.4. Cannabis waste will be securely stored until it is destroyed;
  - 1.7.5. Cannabis waste will be stored and disposed of in a manner that minimizes the development of odors that could present a public nuisance;
  - 1.7.6. Cannabis waste will be stored and disposed of in a manner that minimizes the potential for such waste to attract, harbor, or become a breeding place for pests;

- 1.7.7. Cannabis waste will be stored and disposed of in a manner that protects against contamination of cannabis, contact surfaces, Dispensary areas, water supplies, and grounds surrounding the facility;
  - 1.7.8. Cannabis waste will be stored and disposed of in a manner that prevents diversion, theft, or loss of cannabis plant material and cannabis products;
  - 1.7.9. Cannabis waste will be stored and disposed of in a manner that ensures traceability through internal documentation and real-time electronic tracking in the automatic data processing/point-of-sale (“POS”) system;
  - 1.7.10. All cannabis waste on the premises of the Dispensary will be stored in a secured and locked container within an area covered by continuous video surveillance;
  - 1.7.11. All cannabis waste and waste disposal activities will be recorded in Company’s POS system and in Company’s internal Waste Disposal Log. These records will be maintained in an electronic format uploaded by general manager every 30 days and stored for a five (5) year period and will be made available for inspection upon request by the Commission, and, when necessary for investigative purposes by law enforcement agencies.
  - 1.7.12. At least seven (7) days prior to disposal, the Dispensary General Manager will report cannabis disposal plans and reason for disposal, to the Commission.
  - 1.7.13. Immediately prior to storage and disposal, all cannabis waste and unusable product will be weighed on a commercial-grade scale, recorded, and immediately entered into the inventory system. Managers will perform these duties in an area under video surveillance.
- 1.8. At multiple points in the waste disposal process, management personnel will record key items in the internal Waste Disposal Log including:
- 1.8.1. Plant, batch, or lot identifier of the cannabis to be disposed;
  - 1.8.2. A description of and reason for the cannabis waste being disposed of;
  - 1.8.3. Method of disposal;
  - 1.8.4. Date of disposal;

- 1.8.5. The name and agent registration card number of the agent(s) responsible for disposal.
  - 1.8.6. All record keeping procedures will be traceable by batch number;
  - 1.8.7. All records will be kept for at least five (5) years; and
  - 1.8.8. One dispensary agent and General Manager will be present to perform and verify all aspects of cannabis waste disposal.
- 1.9. YMH will discard all cannabis and cannabis products in accordance with applicable laws and regulations. Minimal waste will be generated by the Dispensary facility and will typically be limited to trim. YMH will store these and other cannabis waste materials unusable prior to disposal, in a locked container housed in a limited access area until destroyed.
- 1.10. The Dispensary General Manager is responsible for ensuring the quality and safety of cannabis products in their inventory and produced on site on a daily basis. The Dispensary General Manager must ensure that expired, contaminated, or otherwise unusable cannabis products are disposed of in accordance with this Plan and properly recorded in the POS system. YMH will place all cannabis and cannabis products that are expired, contaminated, improperly stored, or otherwise no longer usable in a secured locked container within ten (10) calendar days of expiration, contamination, or discovery of improper storage conditions.
    - 1.10.1. Put an empty green waste container on the scale and tare the scale. Remove the empty container from the scale;
    - 1.10.2. Individually weigh each waste container holding green waste from a single batch. Write down the weight of each on a sheet of paper. Repeat until all waste from a single batch have been weighed and recorded;
    - 1.10.3. Using your calculator, add up all of the weights (remember: one batch at a time!);
    - 1.10.4. Dump all pre-weighed and recorded green waste into an appropriate sized bag(s).

- 1.10.5. Add equal amount kitty litter to the bag, close bag and manually mix with water and dispose in general trash in locked on-site dumpster;
- 1.10.6. Fill out all relevant sections of the Waste Disposal Log;
- 1.10.7. Report waste in the POS system. Be sure to attach the waste to the batch.
- 1.10.8. Sanitize and clean all used supplies and work surfaces;
- 1.10.9. Ensure that all required records have been entered into the POS system and that all portions of relevant internal logs have been completed.

### **REPORTS REQUIRED**

- 1.11. YellowHammer Medical Dispensaries Green Waste Log

### **AUTHORIZATION FOR DEVIATION**

- 1.12. The Director of Operations or General Manager must direct any deviation from the standard procedure.

### **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.13. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

## **7002 – Sanitation and Personal Hygiene**

### **1. PURPOSE**

- 1.1. The purpose of this procedure is to provide instructions for Sanitation and Personal Hygiene at YMH to ensure the facility is maintained in a sanitary condition to ensure the safety of employees and cannabis products.

### **RESPONSIBILITY**

- 1.2. The General Manager or their designate is responsible for maintaining and training for this P&P.

### **PROCEDURE**

- 1.3. Floors, walls, and ceilings must be constructed in such a manner that they may be adequately kept clean and in good repair;
- 1.4. There must be adequate safety lighting in all processing and storage areas, as well as areas where equipment or utensils are cleaned;
- 1.5. Buildings, fixtures, and other physical facilities must be maintained in a sanitary condition;
- 1.6. The facility's water supply must be sufficient for necessary operations. Any private water source must be capable of providing a safe, potable, and adequate supply of water to meet the operation's needs; and
- 1.7. Plumbing must be of adequate size and design, and adequately installed and maintained to carry sufficient quantities of water to required locations throughout the facility. Plumbing must properly convey sewage and liquid disposable waste from the facility. There must be no cross-connections between the potable and waste water lines.
- 1.8. Dispensary managers must 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 licensed facility; such written

procedures must be followed, and records of cleaning and sanitation must be kept in the Facility Maintenance Log;

- 1.9. Contractors must be informed of and held to sanitation standards while working on YMH premises;
- 1.10. All employees are required to report unsanitary conditions in any part of the facility to their supervisor;
- 1.11. Frequent hand-washing is necessary in all handling activities and must be enforced by the Dispensary managers. Employees that do not comply with hand-washing requirements may be terminated;
- 1.12. Use Windex and paper towels as frequently as necessary to clean the exterior windows and glass surfaces not used or touched during Dispensing activities.
- 1.13. After each use, all utensils and tools must be washed, rinsed and sanitized utensils and tools with the pre-measured cleaning agents according to the following procedure:
  - 1.13.1. Rinse, scrape or soak all items before washing;
  - 1.13.2. Wash items in the first sink in a detergent solution. Use a brush, cloth or scrubber to loosen and remove soil. The water temperature in the first compartment should be at least 110°F (use a thermometer to check the water temperature). Replace the detergent solution when the suds are gone or when the water appears dirty;
  - 1.13.3. Rinse the washed items by immersing them in clean rinse water. Make sure all traces of food and detergent are removed;
  - 1.13.4. To sanitize the washed and rinsed items, immerse them in hot water.
- 1.14. All washed, rinsed and sanitized items should be placed on a clean drain board to air dry.
- 1.15. All contact surfaces must be clean to the sight and touch before and after each procedure. If a surface has been used during a dispensing procedure, the surface must be thoroughly wiped down using a cleaning cloth and a measured, EPA-

approved chlorine-bleach solution in accordance with the manufacturer's label use instructions.

- 1.16. All parts of Company premises will be kept neat, clean and free of litter and rubbish. Cleaning operations will be conducted in such a manner as to minimize contamination of cannabis products and product-contact surfaces. Vacuum cleaning, wet cleaning, steam cleaning and other dustless methods will be used for cleaning floors, walls and ceilings, but dust-arresting sweeping compounds and push brooms may be employed for floors. All such cleaning, except emergency floor cleaning, will be done during periods when the least amount of product is exposed, such as between before or after opening and closing hours.
- 1.17. Maintenance and cleaning tools such as brooms, mops, vacuum cleaners and similar equipment will be maintained and stored in a manner that does not contaminate cannabis products, product constituents, utensils, tools, or equipment and will be stored in an orderly manner. Soiled cloths and uniform apparel will be kept in suitable containers until removed for laundering.
- 1.18. Buildings, fixtures, and other physical features of the facility will be maintained in a sanitary condition and will be kept in good repair to prevent cannabis source material from becoming adulterated. The cleaning, sanitizing, inspecting, and calibrating of all utensils and equipment will be conducted in a manner that protects against contamination of cannabis, contact surfaces, or packaging materials. In addition, all equipment, systems, and utensils will be designed, constructed, and installed to be adequately cleanable, prevent adulteration, and will be properly placed, installed, used, cleaned, stored, and maintained. Contact surfaces will be maintained to protect cannabis from being contaminated by any source.
- 1.19. All floors and plumbing fixtures in the facility will be cleaned and sanitized, to the degree possible without contaminating product or contact surfaces, at least once per week and beyond that, as needed. Cleaning tools, approved products, and facilities (e.g., mop sink, hand washing sink, etc.) will be provided and conveniently located to ensure all parts of the facility, Dispensary equipment, and tools may be easily maintained in a clean and sanitary condition. Hand washing sinks and ware

washing sinks will provide hot and cold running water at a sufficient pressure and dispensed through a mixing valve.

- 1.20. All surfaces of equipment that come in contact with cannabis and are used solely for licensed activities will be thoroughly cleaned and sanitized after each use. Non-product-contact surfaces of equipment will be cleaned as necessary to keep them free of dust, dirt, product constituent particles, and otherwise in a clean and sanitary condition. After cleaning and until use, all equipment and supplies will be stored and handled in a manner that protects from manual contact, splash, dust, dirt, insects and other contaminants. Cleansing and sanitizing may be done manually or mechanically (i.e., dishwasher).
- 1.21. Cleaning compounds and sanitizing agents used in the facility to maintain clean and sanitary operations, or for equipment maintenance and operation, will be uncontaminated and will be safe and adequate under the conditions of use, verified by supplier's guarantee or certification, or examination for contamination. The General Manager will avoid the acquisition, storage and use of toxic or otherwise hazardous materials in the facility, and will only do so if operationally necessary and no other feasible option exists. It is YMH policy to only use EPA-approved cleaning and sanitizing agents. Toxic cleaning compounds, sanitizing agents, if any, will be identified, held, and stored in a manner that protects against contamination of cannabis, contact surfaces, constituents, or packaging and labeling materials.
- 1.22. All equipment and utensils will be made from safe and durable materials and will be smooth, easy to clean, nonabsorbent, and corrosion resistant;
- 1.23. Seams on product-contact surfaces will be smoothly bonded or maintained so as to minimize accumulation of cannabis particles, dirt, and organic matter and thus minimize the opportunity for growth of microorganisms;
- 1.24. Equipment that is in the Dispensary or cannabis products-handling area and that does not come into contact with cannabis products will be constructed that it can be kept in a clean condition;
- 1.25. Holding, conveying, and manufacturing systems, including automated systems (once acquired), will be of a design and construction that enables them to be maintained in an appropriate sanitary condition;



- 1.26. Equipment will be installed in a manner that provides aisles and adequate space to ensure personnel can carry out work activities without contaminating cannabis or product-contact surfaces through contact with their clothing or person;
- 1.27. Compressed air or other gases mechanically introduced into cannabis products or used to clean product-contact surfaces or equipment will be treated in such a way that cannabis products are not contaminated or adulterated, and no safety risks are posed to YMH facilities or employees;
- 1.28. All equipment will be installed to allow adequate space for cleaning. Floor mounted equipment will either have a 6" clearance from the floor for cleaning purposes or will be sealed to the floor. Table or counter mounted equipment will have at least a 4" clearance from the table or counter for ease of cleaning; and
- 1.29. All equipment will be installed according to manufacturer's specifications and in accordance with federal standards.
- 1.30. All cannabis product-contact surfaces, including utensils and cannabis product-contact surfaces of equipment, will be cleaned as frequently as necessary to protect against contamination of cannabis products. Product contact surfaces and product contact surfaces of equipment will be cleaned and sanitized after the completion of a procedure and the sanitary condition of a given product contact surface must be confirmed prior to commencement of any procedure involving that surface.
- 1.31. Cannabis product-contact surfaces used for holding cannabis products will be in a dry, sanitary condition at the time of use. When the surfaces are wet-cleaned, they will, when necessary, be sanitized and thoroughly dried before subsequent use.
- 1.32. Where equipment and utensils are used in a continuous production operation, the utensils and cannabis product-contact surfaces of the equipment will be cleaned and sanitized as necessary.
- 1.33. Cleaning and sanitizing agents will be adequate and safe under conditions of use. Any facility, procedure, or machine is acceptable for cleaning and sanitizing equipment and utensils if it is established that the facility, procedure, or machine will routinely render equipment and utensils clean and provide adequate cleaning and sanitizing treatment, without introducing unnecessary hazards or toxins.

- 1.34. Employees will regularly inspect the facility premises for unsanitary conditions that could constitute a public nuisance and take measures to correct such unsanitary conditions, if discovered.
- 1.35. It is YMH policy to ensure that all waste is stored appropriately and disposed of as promptly as possible to ensure it does not become a nuisance or unsanitary condition. In accordance with this policy, it will be strictly prohibited to keep, deposit on, or scatter over the premises any of the following:
- 1.35.1. All sanitary facilities in the Dispensary will be adequate in number, furnished with soap and approved single-service towels or another approved commercial hand-drying device. Common towels will not be provided, and the use of common towels will be strictly prohibited by policy. All sanitary facilities will be conveniently located and provided with toilet tissue and hand sanitizer. In addition, sanitary facilities will be supplied with a sufficient and appropriate water supply with adequate plumbing to provide proper drainage, and preclude backflow or other contamination from cleaning, sewage, or flooding. All entries and exits pertaining to sanitary facilities will be designed to protect against airborne contamination.
- 1.36. Adequate signage will be used to direct Employees in appropriate hand washing and sanitizing procedures and schedules, including before work commences, after each absence, and when hands become soiled or contaminated. Refuse receptacles will be constructed, maintained, and located in a manner that protects against contamination of cannabis.
- 1.37. The water supply will be adequate, of safe and sanitary quality, sufficient for operations, and from an approved source. Any water that comes in contact any equipment or surfaces that touch cannabis will be safe and from an approved and regulated source. Hot and cold running water under pressure will be provided in all areas where required for cleaning, or employee sanitary needs.
- 1.38. The facility's plumbing system will be sized, installed, and maintained in accordance with the Alabama's Plumbing Code.

- 1.39. All plumbing fixtures and plumbing in the facility will be maintained in good repair and free from odor.
- 1.40. The potable water supply will be protected from contamination, including maintaining separate potable and non-potable water lines and installing backflow prevention devices, if necessary.
- 1.41. Plumbing will be of adequate size and design and adequately installed and maintained to:
  - 1.41.1. Carry sufficient quantities of water to required locations throughout the facility;
  - 1.41.2. Properly convey sewage and liquid disposable waste from the facility;
  - 1.41.3. Avoid constituting a source of contamination to cannabis, water supplies, equipment, or utensils or creating an unsanitary condition; and
  - 1.41.4. Provide that there is not backflow from, or cross-connection between, piping systems that discharge waste water or sewage and piping systems that carry water for licensed activities.
- 1.42. Fixtures will be designed and installed to be easily cleanable and will be cleaned and sanitized at least once per day. Toilets will be maintained in a clean state, in good repair, and free of offensive odors. The facility has physical separation between the production area and the toilet rooms in order to ensure that access to toilet rooms is not allowed through areas where cannabis is exposed, or where equipment and supplies are cleaned, handled, used, or stored.
- 1.43. The facility is structured and reinforced to prevent the entrance of pests. All walls, floors, and ceilings will be sealed and all doors will be tight fitting. All air vents will be protected from pest entry with the use of screens and filters.
- 1.44. Cleaning compounds and sanitizing agents used in cleaning and sanitizing procedures will be free from undesirable microorganisms and will be safe and adequate under the conditions of use. Compliance with this requirement may be verified by any effective means including purchase of these substances under a

supplier's guarantee or certification and examination of these substances upon acquisition and prior to use for contamination.

- 1.45. Toxic cleaning compounds, sanitizing agents will be identified, held, and stored in a manner that protects against contamination of cannabis, product-contact surfaces, and packaging materials. All relevant regulations promulgated by Federal, State, and local governments for the application, use, or holding of these products will be followed.
- 1.46. The General Manager or his/her designee must perform daily walk-throughs to ensure compliance with YMH policies and procedures. Any area needing corrective action must be noted and an action plan developed and executed. The delegation of duties and the mandated expedience of such corrective actions shall be determined by the inspector in his or her best judgment. Areas of inspection include, but are not limited to:
  - 1.46.1. Limited access areas secured;
  - 1.46.2. Exterior lighting is operational;
  - 1.46.3. The facility and all critical areas are sanitary and safe; and
  - 1.46.4. Ensuring all security equipment is in good working order.
  - 1.46.5. In accordance with Alabama Medical Cannabis Laws, YMH will maintain accurate logs recording the:
    - 1.46.6. Cleaning of equipment;
    - 1.46.7. Maintenance of equipment;
    - 1.46.8. Calibration of equipment; and
    - 1.46.9. Maintenance of the facility.
- 1.47. No employee or manager with a communicable disease or afflicted with boils, infected wounds, sores or an acute respiratory infection will be allowed to work in any area of the Dispensary in any capacity in which there is a likelihood that the individual will contaminate product or product-contact surfaces or transmit disease to other individuals. The Employees and management team, any contractors will be responsible for compliance with this requirement.

- 1.48. Any manager or supervisor who knows or has reason to believe that an agent has contracted any disease that is potentially transmissible through cannabis or has become a carrier of such disease, must report to the local health department. If the local health department is unavailable or unsure of how to handle such reports from a licensed cannabis business, contact the Commission immediately.
- 1.49. Managers must ensure that agents are trained in proper personal hygiene, with specific attention to preventing microbial contamination of handled cannabis.
- 1.50. All agents, managers, and contractors will be required to adhere to the following personal cleanliness items:
- 1.50.1. Company uniform must be clean and worn at all times in the facility;
  - 1.50.2. A high degree of personal cleanliness must be maintained during all shifts; and
  - 1.50.3. All persons who handle cannabis products, product constituents, utensils, equipment, etc. must:
    - 1.50.3.1. Wear a hairnet, beard net, or other hair restraint;
    - 1.50.3.2. Keep fingernails trimmed, clean, and maintained;
    - 1.50.3.3. Not wear fingernail polish or artificial nails while working in the production area unless wearing gloves;
    - 1.50.3.4. Not eat or drink in areas used for storage, production, and sanitation; and
    - 1.50.3.5. Not wear jewelry on arms or hands when producing or handling cannabis products.
- 1.51. Instructive hand washing signs must be maintained in appropriate areas such as bathrooms, kitchens, and lunch areas, and in multiple languages as needed. Each manager must enforce hand-washing policies before and during procedures that involve direct contact with cannabis, after handling soiled equipment or utensils, after touching skin that has not just been washed, and after all bathroom breaks.
- 1.52. Dispensary employees, managers, and contractors will be required to wash their hands and exposed portions of their arms at designated hand washing facilities at the following times:

- 1.52.1. After touching bare human body parts other than clean hands and clean, exposed portions of arms;
- 1.52.2. After using the toilet room;
- 1.52.3. After coughing, sneezing, using a handkerchief or disposable tissue, using tobacco, eating, or drinking;
- 1.52.4. Immediately before handling cannabis products, and cleaning equipment and utensils;
- 1.52.5. After handling or removing solid waste material from the facility; and
- 1.52.6. After engaging in other activities that contaminate the hands.

### **REPORTS REQUIRED**

- 1.53. None Required.

### **AUTHORIZATION FOR DEVIATION**

- 1.54. The Director of Operations or General Manager must direct any deviation from the standard procedure.

### **APPROVAL, REVIEW, REVISION AND DISTRIBUTION**

- 1.55. The standard procedure shall be reviewed by the Director of Operations and/or the General Manager yearly, following the issuance or last revision or review date. Any revision must be signed by the General Manager and verified by an executive team member prior to being distributed. Distribution of revisions and collection of any outdated versions shall be the responsibility of the General Manager. The General Manager will scan the originals into the computer and retain the signed originals in a binder in their office.

### Appendices to Standard Operating Procedures

- A. Standard Operating Procedure Number Assignment
- B. List of YMH Forms and Logs
- C. YMH Package Examination Checklist
- D. OSHA Workplace Safety Program Guidelines
- E. OSHA Self-Inspection Checklist
- F. OSHA Job Hazard Analysis Worksheet
- G. EPA Reference Guide for Worker Protection Standards for Use of Pesticides

#### **Appendix A: Standard Operating Procedure Number Assignment**

<b>Number Block</b>	<b>Department</b>
1000 - 1999	General Administration
2000 - 2999	Retail Operations
3000 - 3999	Inventory & Storage
4000 - 4999	Processing & Packaging
5000 - 5999	Training
6000 - 6999	Safety & Security
7000 - 7999	Maintenance & Sanitation

**Appendix B: Logs and Forms**

1. OSHA Form 300-Injury & Illness Recordkeeping Forms
2. OSHA Self-Inspection Checklist
3. PPE job hazard analysis
4. YellowHammer Medical Dispensaries Complaint and Concern Log
5. YellowHammer Medical Dispensaries Daily Checklist
6. YellowHammer Medical Dispensaries Error Log
7. YellowHammer Medical Dispensaries Green Waste Log
8. YellowHammer Medical Dispensaries Intake Form
9. YellowHammer Medical Dispensaries Inventory Log
10. YellowHammer Medical Dispensaries METRC Package Receipt/Rejection Log
11. YellowHammer Medical Dispensaries Operations Log
12. YellowHammer Medical Dispensaries Package Examination Log
13. YellowHammer Medical Dispensaries Staff Training Records
14. YellowHammer Medical Dispensaries Training Matrix
15. YellowHammer Medical Dispensaries Visitor Log
16. Safety and Health Program Management Guidelines



**Appendix C: YMH Package Examination Log**

The examining agent may not be the same agent who originally packaged or labeled the product.

Date: \_\_\_\_\_

Agent Name: \_\_\_\_\_ Agent Registration Card No.: \_\_\_\_\_

Product Name: \_\_\_\_\_ Batch or Lot No.: \_\_\_\_\_

Batch Quantity: \_\_\_\_\_ Representative Sample Quantity: \_\_\_\_\_

Does each label on each container included in the representation sample contain the following information?

Check “Yes” or “No”

YES	NO	CANNABIS PRODUCT LABEL CONTENTS
		Address of cultivation facility.
		Product registration name.
		Unique serial number (lot and/or batch number).
		Date of harvest.
		Date of final testing.
		Date of final packaging
		Independent laboratory name.
		“Pass” or “Fail” rating as determined by the independent laboratory.
		Manufacturing and final “use by” date (if applicable)
		Quantity in ounces or grams of cannabis contained in package.
		The cannabinoid profile and potency levels and terpenoid profile as determined by the independent testing laboratory. Including: THC, THCA, CBD, CBDA and any other ingredients besides cannabis. <i>NOTE: The acceptable tolerances for the minimum percentage printed on the label for any cannabinoids must not be below 85% or above 115% of the labeled amount.</i>
		If the product is perishable, the expiration date.
		The quantity of cannabis being sold.
		A statement that the product is for medical use and not for resale or transfer to another person.

In addition to the label contents above, infused products must list the following information:

Check “Yes” or “No”

YES	NO	CANNABIS-INFUSED PRODUCT LABEL CONTENTS
		All ingredients of the item, including any colors, artificial flavors and preservatives, listed in descending order by predominance of weight shown with the common or usual names.
		The following phrase: “This product was produced in a medical cannabis cultivation facility not subject to public health inspection that may also contain common food allergens.”
		Allergen labeling as specified in the Federal Food, Drug and Cosmetics Act, Federal Fair Packaging and Labeling Act, and the Illinois Food, Drug and Cosmetic Act
		The pre-mixed total weight (in ounces or grams) of usable cannabis in the package (the pre-mixed weight of medical cannabis used in making a cannabis-infused product shall apply toward the limit on the total amount of medical cannabis a registered qualifying patient may possess at any one time).
		A warning that the item is a medical cannabis-infused product and not a food must be distinctly and clearly legible on the front of the package.
		A clearly legible warning emphasizing that the product contains medical cannabis and is intended for consumption by registered qualifying patients only.
		A list of the following ingredients, including the minimum and maximum percentage content by weight: THC, THCA, CBD, CBDA and any other ingredients besides cannabis. <i>NOTE: The acceptable tolerances for the minimum percentage printed on the label for any cannabinoids must not be below 85% or above 115% of the labeled amount.</i>

Does each infused-product container included in the representation sample meet the following criteria?

Check “Yes” or “No”

YES	NO	PACKAGE REQUIREMENT
		Each individually packaged medical cannabis-infused product, even if comprised of multiple servings, shall include the total milligram content of THC and CBD and may not include more than a total of 100 milligrams of active THC.
		Does the product display any false or misleading statement or design?

		Does the product display any seal, flag, crest, coat of arms or other insignia likely to mislead the qualified patient to believe that the product has been endorsed, made or used by the State of Illinois or any of its representatives?
		Does the product display depictions of the product, cartoons or images other than the cultivation facility's logo.
		Does the product bear a reasonable resemblance to any product available for consumption as a commercially available candy?

## **Appendix D: Workplace Safety Program**

### **A FOUR-POINT WORKPLACE PROGRAM: The Basis of a Plan**

The Four-Point Workplace Program described here is based upon the Safety and Health Program Management Guidelines issued by OSHA in January 1989. (For a free copy of the guidelines, go to [OSHA's website](#), write to OSHA Publications, U.S. Department of Labor, P.O. Box 37535, Washington, DC 200013-7535, or call (202) 693-1888.) Although voluntary, these guidelines represent OSHA's policy on what every worksite should have in place to protect workers from occupational hazards. The guidelines are based heavily on OSHA's experience with its Voluntary Protection Programs (VPP), which recognize excellence in workplace safety and health management. For more information on these guidelines and OSHA's cooperative programs, contact OSHA's Office of Small Business Assistance, U.S. Department of Labor, 200 Constitution Avenue, NW, Room N-3700, Washington, DC 20210, (202) 693-2220.

### **Using the Four-Point Program**

As you review this publication, we encourage you to use the Action Plan Worksheet in Appendix A to jot down the things you want to do to make your workplace safe for your employees. Noting those actions as you go along will make it easier to assemble the total plan you need.

### **MANAGEMENT COMMITMENT AND EMPLOYEE INVOLVEMENT**

As the owner or manager of a small business, your attitude toward job safety and health will be reflected by your employees. If you are not interested in preventing employee injury and illness, your employees will probably not give safety and health much thought either.

Therefore, it is essential that you demonstrate at all times your personal concern for employee safety and health, and the priority you place on them in your workplace. Your policy must be clear. Only you can show its importance through your own actions.

You can demonstrate the depth of your commitment by involving your employees in planning and carrying out your efforts. If you seriously involve your employees in identifying and resolving safety and health problems, they will bring their unique insights and energy to achieving the goals and objectives of your program. The men and women who work for you are among the most valuable assets you have. Their safety, health and goodwill are essential to the success of your business. Having them cooperate with you in protecting their safety and health not only helps to keep them healthy-it makes your job easier.

**Appendix E: OSHA Self-Inspection Checklist**

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
THESE CHECKLISTS ARE BY NO MEANS ALL-INCLUSIVE. YOU SHOULD ADD TO THEM OR DELETE ITEMS THAT DO NOT APPLY TO YOUR BUSINESS; HOWEVER, CAREFULLY CONSIDER EACH ITEM AND THEN MAKE YOUR DECISION. YOU SHOULD REFER TO OSHA STANDARDS FOR SPECIFIC GUIDANCE THAT MAY APPLY TO YOUR WORK SITUATION. (NOTE: THESE CHECKLISTS ARE TYPICAL FOR GENERAL INDUSTRY BUT NOT FOR CONSTRUCTION OR MARITIME INDUSTRIES.)				
	APPLICABLE TO THE OPERATION?	INSPECTED BY	CORRECTIVE ACTION REQUIRED	RESPONSIBLE PARTY
<b>EMPLOYER POSTING</b>				
IS THE REQUIRED OSHA JOB SAFETY AND HEALTH PROTECTION POSTER DISPLAYED IN A PROMINENT LOCATION WHERE ALL EMPLOYEES ARE LIKELY TO SEE IT?				
ARE EMERGENCY TELEPHONE NUMBERS POSTED WHERE THEY CAN BE READILY FOUND IN CASE OF EMERGENCY?				
WHERE EMPLOYEES MAY BE EXPOSED TO TOXIC SUBSTANCES OR HARMFUL PHYSICAL AGENTS, HAS APPROPRIATE INFORMATION CONCERNING EMPLOYEE ACCESS TO MEDICAL AND EXPOSURE RECORDS AND MSDS BEEN POSTED OR OTHERWISE MADE READILY AVAILABLE TO AFFECTED EMPLOYEES?				
ARE SIGNS CONCERNING EXIT ROUTES, ROOM CAPACITIES, FLOOR LOADING, BIOHAZARDS, EXPOSURES TO X-RAY, MICROWAVE, OR OTHER HARMFUL RADIATION OR SUBSTANCES POSTED WHERE APPROPRIATE?				
IS THE SUMMARY OF WORK-RELATED INJURIES AND ILLNESSES (OSHA FORM 300A) POSTED DURING THE MONTHS OF FEBRUARY, MARCH AND APRIL?				
<b>RECORDKEEPING</b>				
ARE OCCUPATIONAL INJURIES OR ILLNESSES, EXCEPT MINOR INJURIES REQUIRING ONLY				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
FIRST AID, RECORDED AS REQUIRED ON THE OSHA 300 LOG?				
ARE EMPLOYEE MEDICAL RECORDS AND RECORDS OF EMPLOYEE EXPOSURE TO HAZARDOUS SUBSTANCES OR HARMFUL PHYSICAL AGENTS UP-TO-DATE AND IN COMPLIANCE WITH CURRENT OSHA STANDARDS?				
ARE EMPLOYEE TRAINING RECORDS KEPT AND ACCESSIBLE FOR REVIEW BY EMPLOYEES, AS REQUIRED BY OSHA STANDARDS?				
HAVE ARRANGEMENTS BEEN MADE TO RETAIN RECORDS FOR THE TIME PERIOD REQUIRED FOR EACH SPECIFIC TYPE OF RECORD? (SOME RECORDS MUST BE MAINTAINED FOR AT LEAST 40 YEARS.)				
ARE OPERATING PERMITS AND RECORDS UP-TO-DATE FOR ITEMS SUCH AS ELEVATORS, AIR PRESSURE TANKS, LIQUEFIED PETROLEUM GAS TANKS, ETC.?				
<b>SAFETY AND HEALTH PROGRAM</b>				
DO YOU HAVE AN ACTIVE SAFETY AND HEALTH PROGRAM IN OPERATION THAT INCLUDES GENERAL SAFETY AND HEALTH PROGRAM ELEMENTS AS WELL AS THE MANAGEMENT OF HAZARDS SPECIFIC TO YOUR WORK-SITE?				
IS ONE PERSON CLEARLY RESPONSIBLE FOR THE SAFETY AND HEALTH PROGRAM?				
DO YOU HAVE A SAFETY COMMITTEE OR GROUP MADE UP OF MANAGEMENT AND LABOR REPRESENTATIVES THAT MEETS REGULARLY AND REPORTS IN WRITING ON ITS ACTIVITIES?				
OSHA HANDBOOK FOR SMALL BUSINESSES				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
DO YOU HAVE A WORKING PROCEDURE TO HANDLE IN-HOUSE EMPLOYEE COMPLAINTS REGARDING SAFETY AND HEALTH?				
ARE YOUR EMPLOYEES ADVISED OF EFFORTS AND ACCOMPLISHMENTS OF THE SAFETY AND HEALTH PROGRAM MADE TO ENSURE THEY WILL HAVE A WORKPLACE THAT IS SAFE AND HEALTHFUL?				
HAVE YOU CONSIDERED INCENTIVES FOR EMPLOYEES OR WORKGROUPS WHO EXCEL IN REDUCING WORKPLACE INJURY/ILLNESSES?				
<b>MEDICAL SERVICES AND FIRST AID</b>				
IS THERE A HOSPITAL, CLINIC, OR INFIRMARY FOR MEDICAL CARE NEAR YOUR WORKPLACE OR IS AT LEAST ONE EMPLOYEE ON EACH SHIFT CURRENTLY QUALIFIED TO RENDER FIRST AID?				
HAVE ALL EMPLOYEES WHO ARE EXPECTED TO RESPOND TO MEDICAL EMERGENCIES AS PART OF THEIR JOB RESPONSIBILITIES RECEIVED FIRST AID TRAINING; HAD HEPATITIS B VACCINATION MADE AVAILABLE TO THEM; HAD APPROPRIATE TRAINING ON PROCEDURES TO PROTECT THEM FROM BLOODBORNE PATHOGENS, INCLUDING UNIVERSAL PRECAUTIONS; AND HAVE AVAILABLE AND UNDERSTAND HOW TO USE APPROPRIATE PPE TO PROTECT AGAINST EXPOSURE TO BLOODBORNE DISEASES?*				
*PURSUANT TO AN OSHA MEMORANDUM OF JULY 1, 1992, EMPLOYEES WHO RENDER FIRST AID ONLY AS A COLLATERAL DUTY DO NOT HAVE TO BE OFFERED PRE-EXPOSURE HEPATITIS B VACCINE ONLY IF THE EMPLOYER INCLUDES AND IMPLEMENTS THE FOLLOWING REQUIREMENTS IN HIS/HER EXPOSURE CONTROL PLAN: (1) THE EMPLOYER MUST RECORD ALL FIRST AID INCIDENTS INVOLVING THE PRESENCE OF BLOOD OR OTHER POTENTIALLY INFECTIOUS				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
MATERIALS BEFORE THE END OF THE WORK SHIFT DURING WHICH THE FIRST AID INCIDENT OCCURRED; (2) THE EMPLOYER MUST COMPLY WITH POST-EXPOSURE EVALUATION, PROPHYLAXIS AND FOLLOW-UP REQUIREMENTS OF THE BLOODBORNE PATHOGENS STANDARD WITH RESPECT TO "EXPOSURE INCIDENTS," AS DEFINED BY THE STANDARD; (3) THE EMPLOYER MUST TRAIN DESIGNATED FIRST AID PROVIDERS ABOUT THE REPORTING PROCEDURE; (4) THE EMPLOYER MUST OFFER TO INITIATE THE HEPATITIS B VACCINATION SERIES WITHIN 24 HOURS TO ALL UNVACCINATED FIRST AID PROVIDERS WHO HAVE RENDERED ASSISTANCE IN ANY SITUATION INVOLVING THE PRESENCE OF BLOOD OR OTHER POTENTIALLY INFECTIOUS MATERIALS.				
IF EMPLOYEES HAVE HAD AN EXPOSURE INCIDENT INVOLVING BLOODBORNE PATHOGENS, WAS AN IMMEDIATE POST-EXPOSURE MEDICAL EVALUATION AND FOLLOW-UP PROVIDED?				
ARE MEDICAL PERSONNEL READILY AVAILABLE FOR ADVICE AND CONSULTATION ON MATTERS OF EMPLOYEES' HEALTH?				
ARE EMERGENCY PHONE NUMBERS POSTED?				
ARE FULLY SUPPLIED FIRST AID KITS EASILY ACCESSIBLE TO EACH WORK AREA, PERIODICALLY INSPECTED AND REPLENISHED AS NEEDED?				
HAVE FIRST AID KITS AND SUPPLIES BEEN APPROVED BY A PHYSICIAN, INDICATING THAT THEY ARE ADEQUATE FOR A PARTICULAR AREA OR OPERATION?				
IS THERE AN EYE-WASH STATION OR SINK AVAILABLE FOR QUICK DRENCHING OR FLUSHING OF THE EYES AND BODY IN AREAS WHERE CORROSIVE LIQUIDS OR MATERIALS ARE HANDLED?				



<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
<b>FIRE PROTECTION</b>				
IS YOUR LOCAL FIRE DEPARTMENT FAMILIAR WITH YOUR FACILITY, ITS LOCATION AND SPECIFIC HAZARDS?				
IF YOU HAVE A FIRE ALARM SYSTEM, IS IT CERTIFIED AS REQUIRED AND TESTED ANNUALLY?				
IF YOU HAVE INTERIOR STANDPIPES AND VALVES, ARE THEY INSPECTED REGULARLY?				
IF YOU HAVE INTERIOR STANDPIPES AND VALVES, ARE THEY INSPECTED REGULARLY?				
IF YOU HAVE OUTSIDE PRIVATE FIRE HYDRANTS, ARE THEY FLUSHED AT LEAST ONCE A YEAR AND ON A ROUTINE PREVENTIVE MAINTENANCE SCHEDULE?				
ARE FIRE DOORS AND SHUTTERS IN GOOD OPERATING CONDITION?				
ARE FIRE DOORS AND SHUTTERS UNOBSTRUCTED AND PROTECTED AGAINST OBSTRUCTIONS, INCLUDING THEIR COUNTERWEIGHTS?				
ARE FIRE DOOR AND SHUTTER FUSIBLE LINKS IN PLACE?				
ARE AUTOMATIC SPRINKLER SYSTEM WATER CONTROL VALVES, AIR AND WATER PRESSURE CHECKED PERIODICALLY AS REQUIRED?				
IS THE MAINTENANCE OF AUTOMATIC SPRINKLER SYSTEMS ASSIGNED TO RESPONSIBLE PERSONS OR TO A SPRINKLER CONTRACTOR?				
ARE SPRINKLER HEADS PROTECTED BY METAL GUARDS IF EXPOSED TO POTENTIAL PHYSICAL DAMAGE?				
IS PROPER CLEARANCE MAINTAINED BELOW SPRINKLER HEADS?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE PORTABLE FIRE EXTINGUISHERS PROVIDED IN ADEQUATE NUMBER AND TYPE AND MOUNTED IN READILY ACCESSIBLE LOCATIONS?				
ARE FIRE EXTINGUISHERS RECHARGED REGULARLY WITH THIS NOTED ON THE INSPECTION TAG?				
ARE EMPLOYEES PERIODICALLY INSTRUCTED IN THE USE OF FIRE EXTINGUISHERS AND FIRE PROTECTION PROCEDURES?				
<b>PERSONAL PROTECTIVE EQUIPMENT AND CLOTHING</b>				
HAS THE EMPLOYER DETERMINED WHETHER HAZARDS THAT REQUIRE THE USE OF PPE (E.G., HEAD, EYE, FACE, HAND, OR FOOT PROTECTION) ARE PRESENT OR ARE LIKELY TO BE PRESENT?				
IF HAZARDS OR THE LIKELIHOOD OF HAZARDS ARE FOUND, ARE EMPLOYERS SELECTING APPROPRIATE AND PROPERLY FITTED PPE SUITABLE FOR PROTECTION FROM THESE HAZARDS AND ENSURING THAT AFFECTED EMPLOYEES USE IT?				
HAVE BOTH THE EMPLOYER AND THE EMPLOYEES BEEN TRAINED ON PPE PROCEDURES, I.E., WHAT PPE IS NECESSARY FOR JOB TASKS, WHEN WORKERS NEED IT, AND HOW TO PROPERLY WEAR AND ADJUST IT?				
ARE PROTECTIVE GOGGLES OR FACE SHIELDS PROVIDED AND WORN WHERE THERE IS ANY DANGER OF FLYING PARTICLES OR CORROSIVE MATERIALS?				
ARE APPROVED SAFETY GLASSES REQUIRED TO BE WORN AT ALL TIMES IN AREAS WHERE THERE IS A RISK OF EYE INJURIES SUCH AS PUNCTURES, ABRASIONS, CONTUSIONS, OR BURNS?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE EMPLOYEES WHO WEAR CORRECTIVE LENSES (GLASSES OR CONTACTS) IN WORKPLACES WITH HARMFUL EXPOSURES REQUIRED TO WEAR ONLY APPROVED SAFETY GLASSES, PROTECTIVE GOGGLES, OR USE OTHER MEDICALLY APPROVED PRECAUTIONARY PROCEDURES?				
ARE PROTECTIVE GLOVES, APRONS, SHIELDS, OR OTHER MEANS PROVIDED AND REQUIRED WHERE EMPLOYEES COULD BE CUT OR WHERE THERE IS REASONABLY ANTICIPATED EXPOSURE TO CORROSIVE LIQUIDS, CHEMICALS, BLOOD, OR OTHER POTENTIALLY INFECTIOUS MATERIALS? SEE THE OSHA BLOODBORNE PATHOGENS STANDARD, 29 CFR 1910.1030(B), FOR THE DEFINITION OF "OTHER POTENTIALLY INFECTIOUS MATERIALS."				
ARE HARD HATS REQUIRED, PROVIDED AND WORN WHERE DANGER OF FALLING OBJECTS EXISTS?				
ARE HARD HATS PERIODICALLY INSPECTED FOR DAMAGE TO THE SHELL AND SUSPENSION SYSTEM?				
IS APPROPRIATE FOOT PROTECTION REQUIRED WHERE THERE IS THE RISK OF FOOT INJURIES FROM HOT, CORROSIVE, OR POISONOUS SUBSTANCES, FALLING OBJECTS, CRUSHING, OR PENETRATING ACTIONS?				
ARE APPROVED RESPIRATORS PROVIDED WHEN NEEDED? (SEE 29 CFR 1910.134 FOR DETAILED INFORMATION ON RESPIRATORS OR CHECK OSHA'S WEBSITE).				
IS ALL PPE MAINTAINED IN A SANITARY CONDITION AND READY FOR USE?				
ARE FOOD OR BEVERAGES CONSUMED ONLY IN AREAS WHERE THERE IS NO EXPOSURE TO TOXIC MATERIAL, BLOOD, OR OTHER POTENTIALLY INFECTIOUS MATERIALS?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
IS PROTECTION AGAINST THE EFFECTS OF OCCUPATIONAL NOISE PROVIDED WHEN SOUND LEVELS EXCEED THOSE OF THE OSHA NOISE STANDARD?				
ARE ADEQUATE WORK PROCEDURES, PPE AND OTHER EQUIPMENT PROVIDED AND USED WHEN CLEANING UP SPILLED HAZARDOUS MATERIALS?				
ARE APPROPRIATE PROCEDURES IN PLACE TO DISPOSE OF OR DECONTAMINATE PPE CONTAMINATED WITH, OR REASONABLY ANTICIPATED TO BE CONTAMINATED WITH, BLOOD OR OTHER POTENTIALLY INFECTIOUS MATERIALS?				
<b>GENERAL WORK ENVIRONMENT</b>				
ARE ALL WORKSITES CLEAN, SANITARY AND ORDERLY?				
ARE WORK SURFACES KEPT DRY AND APPROPRIATE MEANS TAKEN TO ASSURE THE SURFACES ARE SLIP-RESISTANT?				
ARE ALL SPILLED HAZARDOUS MATERIALS OR LIQUIDS, INCLUDING BLOOD AND OTHER POTENTIALLY INFECTIOUS MATERIALS, CLEANED UP IMMEDIATELY AND ACCORDING TO PROPER PROCEDURES?				
IS COMBUSTIBLE SCRAP, DEBRIS AND WASTE STORED SAFELY AND REMOVED FROM THE WORKSITE PROMPTLY?				
IS ALL REGULATED WASTE, AS DEFINED IN THE OSHA BLOODBORNE PATHOGENS STANDARD (29 CFR 1910.1030), DISCARDED ACCORDING TO FEDERAL, STATE AND LOCAL REGULATIONS?				
ARE ACCUMULATIONS OF COMBUSTIBLE DUST ROUTINELY REMOVED FROM ELEVATED SURFACES INCLUDING THE OVERHEAD STRUCTURE OF BUILDINGS, ETC.?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
IS COMBUSTIBLE DUST CLEANED UP WITH A VACUUM SYSTEM TO PREVENT SUSPENSION OF DUST PARTICLES IN THE ENVIRONMENT?				
IS METALLIC OR CONDUCTIVE DUST PREVENTED FROM ENTERING OR ACCUMULATING ON OR AROUND ELECTRICAL ENCLOSURES OR EQUIPMENT?				
ARE COVERED METAL WASTE CANS USED FOR OILY OR PAINT-SOAKED WASTE?				
ARE ALL OIL AND GAS-FIRED DEVICES EQUIPPED WITH FLAME FAILURE CONTROLS TO PREVENT FLOW OF FUEL IF PILOTS OR MAIN BURNERS ARE NOT WORKING?				
ARE PAINT SPRAY BOOTHS, DIP TANKS, ETC., CLEANED REGULARLY?				
ARE THE MINIMUM NUMBER OF TOILETS AND WASHING FACILITIES PROVIDED AND MAINTAINED IN A CLEAN AND SANITARY FASHION?				
ARE ALL WORK AREAS ADEQUATELY ILLUMINATED?				
ARE PITS AND FLOOR OPENINGS COVERED OR OTHERWISE GUARDED?				
HAVE ALL CONFINED SPACES BEEN EVALUATED FOR COMPLIANCE WITH 29 CFR 1910.146? (PERMIT REQUIRED CONFINED SPACES.)				
<b>WALKWAYS</b>				
ARE AISLES AND PASSAGEWAYS KEPT CLEAR AND MARKED AS APPROPRIATE?				
ARE WET SURFACES COVERED WITH NON-SLIP MATERIALS?				
ARE HOLES IN THE FLOOR, SIDEWALK, OR OTHER WALKING SURFACE REPAIRED PROPERLY, COVERED, OR OTHERWISE MADE SAFE?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
IS THERE SAFE CLEARANCE FOR WALKING IN AISLES WHERE MOTORIZED OR MECHANICAL HANDLING EQUIPMENT IS OPERATING?				
ARE MATERIALS OR EQUIPMENT STORED IN SUCH A WAY THAT SHARP PROJECTIONS WILL NOT INTERFERE WITH THE WALKWAY?				
ARE SPILLED MATERIALS CLEANED UP IMMEDIATELY?				
ARE CHANGES OF DIRECTION OR ELEVATIONS READILY IDENTIFIABLE?				
ARE AISLES OR WALKWAYS THAT PASS NEAR MOVING OR OPERATING MACHINERY, WELDING OPERATIONS, OR SIMILAR OPERATIONS ARRANGED SO EMPLOYEES WILL NOT BE SUBJECTED TO POTENTIAL HAZARDS?				
IS ADEQUATE HEADROOM PROVIDED FOR THE ENTIRE LENGTH OF ANY AISLE OR WALKWAY?				
ARE STANDARD GUARDRAILS PROVIDED WHEREVER AISLE OR WALKWAY SURFACES ARE ELEVATED MORE THAN 30 INCHES (76.20 CENTIMETERS) ABOVE ANY ADJACENT FLOOR OR THE GROUND?				
ARE BRIDGES PROVIDED OVER CONVEYORS AND SIMILAR HAZARDS?				
<b>FLOOR AND WALL OPENINGS</b>				
ARE FLOOR OPENINGS GUARDED BY A COVER, A GUARDRAIL, OR EQUIVALENT ON ALL SIDES (EXCEPT AT STAIRWAYS OR LADDER ENTRANCES)?				
ARE TOE BOARDS INSTALLED AROUND THE EDGES OF PERMANENT FLOOR OPENINGS WHERE PERSONS MAY PASS BELOW THE OPENING?				
ARE SKYLIGHT SCREENS ABLE TO WITHSTAND A LOAD OF AT LEAST 200 POUNDS (90.7 KILOGRAMS)?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
IS THE GLASS IN WINDOWS, DOORS, GLASS WALLS, ETC., SUBJECT TO POSSIBLE HUMAN IMPACT, OF SUFFICIENT THICKNESS AND TYPE FOR THE CONDITION OF USE?				
ARE GRATES OR SIMILAR TYPE COVERS OVER FLOOR OPENINGS SUCH AS FLOOR DRAINS DESIGNED TO ALLOW UNIMPEDED FOOT TRAFFIC OR ROLLING EQUIPMENT?				
ARE UNUSED PORTIONS OF SERVICE PITS AND PITS NOT IN USE EITHER COVERED OR PROTECTED BY GUARDRAILS OR EQUIVALENT?				
ARE MANHOLE COVERS, TRENCH COVERS AND SIMILAR COVERS, AND THEIR SUPPORTS DESIGNED TO CARRY A TRUCK REAR AXLE LOAD OF AT LEAST 20,000 POUNDS (9,072 KILOGRAMS) WHEN LOCATED IN ROADWAYS AND SUBJECT TO VEHICLE TRAFFIC?				
ARE FLOOR OR WALL OPENINGS IN FIRE-RESISTANT CONSTRUCTION PROVIDED WITH DOORS OR COVERS COMPATIBLE WITH THE FIRE RATING OF THE STRUCTURE AND PROVIDED WITH A SELF-CLOSING FEATURE WHEN APPROPRIATE?				
<b>STAIRS AND STAIRWAYS</b>				
DO STANDARD STAIR RAILS OR HANDRAILS ON ALL STAIRWAYS HAVE AT LEAST FOUR RISERS?				
ARE ALL STAIRWAYS AT LEAST 22 INCHES (55.88 CENTIMETERS) WIDE?				
DO STAIRS HAVE LANDING PLATFORMS NOT LESS THAN 30 INCHES (76.20 CENTIMETERS) IN THE DIRECTION OF TRAVEL AND EXTEND 22 INCHES (55.88 CENTIMETERS) IN WIDTH AT EVERY 12 FEET (3.6576 METERS) OR LESS OF VERTICAL RISE?				
DO STAIRS ANGLE NO MORE THAN 50 AND NO LESS THAN 30 DEGREES?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE STAIRS OF HOLLOW-PAN TYPE TREADS AND LANDINGS FILLED TO THE TOP EDGE OF THE PAN WITH SOLID MATERIAL?				
ARE STEP RISERS ON STAIRS UNIFORM FROM TOP TO BOTTOM?				
ARE STEPS SLIP-RESISTANT?				
ARE STAIRWAY HANDRAILS LOCATED BETWEEN 30 INCHES (76.20 CENTIMETERS) AND 34 INCHES (86.36 CENTIMETERS) ABOVE THE LEADING EDGE OF STAIR TREADS?				
DO STAIRWAY HANDRAILS HAVE AT LEAST 3 INCHES (7.62 CENTIMETERS) OF CLEARANCE BETWEEN THE HANDRAILS AND THE WALL OR SURFACE THEY ARE MOUNTED ON?				
WHERE DOORS OR GATES OPEN DIRECTLY ON A STAIRWAY, IS A PLATFORM PROVIDED SO THE SWING OF THE DOOR DOES NOT REDUCE THE WIDTH OF THE PLATFORM TO LESS THAN 21 INCHES (53.34 CENTIMETERS)?				
ARE STAIRWAY HANDRAILS CAPABLE OF WITHSTANDING A LOAD OF 200 POUNDS (90.7 KILOGRAMS), APPLIED WITHIN 2 INCHES (5.08 CENTIMETERS) OF THE TOP EDGE IN ANY DOWNWARD OR OUTWARD DIRECTION?				
WHERE STAIRS OR STAIRWAYS EXIT DIRECTLY INTO ANY AREA WHERE VEHICLES MAY BE OPERATED, ARE ADEQUATE BARRIERS AND WARNINGS PROVIDED TO PREVENT EMPLOYEES FROM STEPPING INTO THE PATH OF TRAFFIC?				
DO STAIRWAY LANDINGS HAVE A DIMENSION MEASURED IN THE DIRECTION OF TRAVEL AT LEAST EQUAL TO THE WIDTH OF THE STAIRWAY?				
IS THE VERTICAL DISTANCE BETWEEN STAIRWAY LANDINGS LIMITED TO 12 FEET (3.6576 METERS) OR LESS?				



<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
<b>ELEVATED SURFACES</b>				
ARE SIGNS POSTED, WHEN APPROPRIATE, SHOWING THE ELEVATED SURFACE LOAD CAPACITY?				
ARE SURFACES THAT ARE ELEVATED MORE THAN 30 INCHES (76.20 CENTIMETERS) PROVIDED WITH STANDARD GUARDRAILS?				
ARE SURFACES THAT ARE ELEVATED MORE THAN 30 INCHES (76.20 CENTIMETERS) PROVIDED WITH STANDARD GUARDRAILS?				
ARE ALL ELEVATED SURFACES BENEATH WHICH PEOPLE OR MACHINERY COULD BE EXPOSED TO FALLING OBJECTS PROVIDED WITH STANDARD 4-INCH (10.16CENTIMETER) TOE BOARDS?				
IS A PERMANENT MEANS OF ACCESS AND EGRESS PROVIDED TO ELEVATED STORAGE AND WORK SURFACES?				
IS REQUIRED HEADROOM PROVIDED WHERE NECESSARY?				
IS MATERIAL ON ELEVATED SURFACES PILED, STACKED, OR RACKED IN A MANNER TO PREVENT IT FROM TIPPING, FALLING, COLLAPSING, ROLLING, OR SPREADING?				
ARE DOCK BOARDS OR BRIDGE PLATES USED WHEN TRANSFERRING MATERIALS BETWEEN DOCKS AND TRUCKS OR RAILCARS?				
<b>EXITING OR EGRESS - EVACUATION</b>				
ARE ALL EXITS MARKED WITH AN EXIT SIGN AND ILLUMINATED BY A RELIABLE LIGHT SOURCE?				
ARE THE DIRECTIONS TO EXITS, WHEN NOT IMMEDIATELY APPARENT, MARKED WITH VISIBLE SIGNS?				
ARE DOORS, PASSAGeways OR STAIRWAYS THAT ARE NEITHER EXITS NOR ACCESS TO				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
EXITS, BUT COULD BE MISTAKEN FOR EXITS, APPROPRIATELY MARKED "NOT AN EXIT," "TO BASEMENT," "STOREROOM," ETC.?				
ARE EXIT SIGNS LABELED WITH THE WORD "EXIT" IN LETTERING AT LEAST 5 INCHES (12.70 CENTIMETERS) HIGH AND THE STROKE OF THE LETTERING AT LEAST 1/2 INCH (1.2700 CENTIMETERS) WIDE?				
ARE EXIT DOORS SIDE-HINGED?				
ARE ALL EXITS KEPT FREE OF OBSTRUCTIONS?				
ARE AT LEAST TWO MEANS OF EGRESS PROVIDED FROM ELEVATED PLATFORMS, PITS, OR ROOMS WHERE THE ABSENCE OF A SECOND EXIT WOULD INCREASE THE RISK OF INJURY FROM HOT, POISONOUS, CORROSIVE, SUFFOCATING, FLAMMABLE, OR EXPLOSIVE SUBSTANCES?				
ARE THERE SUFFICIENT EXITS TO PERMIT PROMPT ESCAPE IN CASE OF EMERGENCY?				
ARE SPECIAL PRECAUTIONS TAKEN TO PROTECT EMPLOYEES DURING CONSTRUCTION AND REPAIR OPERATIONS?				
IS THE NUMBER OF EXITS FROM EACH FLOOR OF A BUILDING AND THE NUMBER OF EXITS FROM THE BUILDING ITSELF APPROPRIATE FOR THE BUILDING OCCUPANCY LOAD?				
ARE EXIT STAIRWAYS THAT ARE REQUIRED TO BE SEPARATED FROM OTHER PARTS OF A BUILDING ENCLOSED BY AT LEAST 2-HOUR FIRE-RESISTIVE CONSTRUCTION IN BUILDINGS MORE THAN FOUR STORIES IN HEIGHT, AND NOT LESS THAN 1-HOUR FIRE-RESISTIVE CONSTRUCTION ELSEWHERE?				
WHERE RAMPS ARE USED AS PART OF REQUIRED EXITING FROM A BUILDING, IS THE RAMP SLOPE LIMITED TO 1 FOOT (0.3048				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
METER) VERTICAL AND 12 FEET (3.6576 METERS) HORIZONTAL?				
WHERE EXITING WILL BE THROUGH FRAMELESS GLASS DOORS, GLASS EXIT DOORS, STORM DOORS, ETC., ARE THE DOORS FULLY TEMPERED AND MEET THE SAFETY REQUIREMENTS FOR HUMAN IMPACT?				
<b>EXIT DOORS</b>				
ARE DOORS THAT ARE REQUIRED TO SERVE AS EXITS DESIGNED AND CONSTRUCTED SO THAT THE PATH OF EXIT TRAVEL IS OBVIOUS AND DIRECT?				
ARE WINDOWS THAT COULD BE MISTAKEN FOR EXIT DOORS MADE INACCESSIBLE BY MEANS OF BARRIERS OR RAILINGS?				
ARE EXIT DOORS ABLE TO BE OPENED FROM THE DIRECTION OF EXIT TRAVEL WITHOUT THE USE OF A KEY OR ANY SPECIAL KNOWLEDGE OR EFFORT WHEN THE BUILDING IS OCCUPIED?				
IS A REVOLVING, SLIDING, OR OVERHEAD DOOR PROHIBITED FROM SERVING AS A REQUIRED EXIT DOOR?				
WHERE PANIC HARDWARE IS INSTALLED ON A REQUIRED EXIT DOOR, WILL IT ALLOW THE DOOR TO OPEN BY APPLYING A FORCE OF 15 POUNDS (6.80 KILOGRAMS) OR LESS IN THE DIRECTION OF THE EXIT TRAFFIC?				
ARE DOORS ON COLD STORAGE ROOMS PROVIDED WITH AN INSIDE RELEASE MECHANISM THAT WILL RELEASE THE LATCH AND OPEN THE DOOR EVEN IF THE DOOR IS PADLOCKED OR OTHERWISE LOCKED ON THE OUTSIDE?				
WHERE EXIT DOORS OPEN DIRECTLY ONTO ANY STREET, ALLEY, OR OTHER AREA WHERE VEHICLES MAY BE OPERATED, ARE ADEQUATE BARRIERS AND WARNINGS PROVIDED TO				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
PREVENT EMPLOYEES FROM STEPPING INTO THE PATH OF TRAFFIC?				
ARE DOORS THAT SWING IN BOTH DIRECTIONS AND ARE LOCATED BETWEEN ROOMS WHERE THERE IS FREQUENT TRAFFIC PROVIDED WITH VIEWING PANELS IN EACH DOOR?				
<b>PORTABLE LADDERS</b>				
ARE ALL LADDERS MAINTAINED IN GOOD CONDITION, JOINTS BETWEEN STEPS AND SIDE RAILS TIGHT, ALL HARDWARE AND FITTINGS SECURELY ATTACHED, AND MOVEABLE PARTS OPERATING FREELY WITHOUT BINDING OR UNDUE PLAY?				
ARE NON-SLIP SAFETY FEET PROVIDED ON EACH METAL OR RUNG LADDER, AND ARE LADDER RUNGS AND STEPS FREE OF GREASE AND OIL?				
ARE EMPLOYEES PROHIBITED FROM PLACING A LADDER IN FRONT OF DOORS OPENING TOWARD THE LADDER UNLESS THE DOOR IS BLOCKED OPEN, LOCKED, OR GUARDED?				
ARE EMPLOYEES PROHIBITED FROM PLACING LADDERS ON BOXES, BARRELS, OR OTHER UNSTABLE BASES TO OBTAIN ADDITIONAL HEIGHT?				
ARE EMPLOYEES REQUIRED TO FACE THE LADDER WHEN ASCENDING OR DESCENDING?				
ARE EMPLOYEES PROHIBITED FROM USING LADDERS THAT ARE BROKEN, HAVE MISSING STEPS, RUNGS, OR CLEATS, BROKEN SIDE RAILS, OR OTHER FAULTY EQUIPMENT?				
ARE EMPLOYEES INSTRUCTED NOT TO USE THE TOP STEP OF ORDINARY STEPLADDERS AS A STEP?				
WHEN PORTABLE RUNG LADDERS ARE USED TO GAIN ACCESS TO ELEVATED PLATFORMS,				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ROOFS, ETC., DOES THE LADDER ALWAYS EXTEND AT LEAST 3 FEET (0.9144 METERS) ABOVE THE ELEVATED SURFACE?				
ARE EMPLOYEES REQUIRED TO SECURE THE BASE OF A PORTABLE RUNG OR CLEAT TYPE LADDER TO PREVENT SLIPPING, OR OTHERWISE LASH OR HOLD IT IN PLACE?				
ARE PORTABLE METAL LADDERS LEGIBLY MARKED WITH SIGNS READING "CAUTION - DO NOT USE AROUND ELECTRICAL EQUIPMENT" OR EQUIVALENT WORDING?				
ARE EMPLOYEES PROHIBITED FROM USING LADDERS AS GUYS, BRACES, SKIDS, GIN POLES, OR FOR OTHER THAN THEIR INTENDED PURPOSES?				
ARE EMPLOYEES INSTRUCTED TO ONLY ADJUST EXTENSION LADDERS WHILE STANDING AT A BASE (NOT WHILE STANDING ON THE LADDER OR FROM A POSITION ABOVE THE LADDER)?				
ARE METAL LADDERS INSPECTED FOR DAMAGE?				
ARE THE RUNGS OF LADDERS UNIFORMLY SPACED AT 12 INCHES (30.48 CENTIMETERS) CENTER TO CENTER?				
<b>HAND TOOLS AND EQUIPMENT</b>				
ARE ALL TOOLS AND EQUIPMENT (BOTH COMPANY AND EMPLOYEE-OWNED) USED AT THE WORKPLACE IN GOOD CONDITION?				
ARE HAND TOOLS, SUCH AS CHISELS, PUNCHES, ETC., WHICH DEVELOP MUSHROOMED HEADS DURING USE, RECONDITIONED OR REPLACED AS NECESSARY?				
ARE BROKEN OR FRACTURED HANDLES ON HAMMERS, AXES AND SIMILAR EQUIPMENT REPLACED PROMPTLY?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE WORN OR BENT WRENCHES REPLACED?				
ARE APPROPRIATE HANDLES USED ON FILES AND SIMILAR TOOLS?				
ARE EMPLOYEES AWARE OF HAZARDS CAUSED BY FAULTY OR IMPROPERLY USED HAND TOOLS?				
ARE APPROPRIATE SAFETY GLASSES, FACE SHIELDS, ETC., USED WHILE USING HAND TOOLS OR EQUIPMENT THAT MIGHT PRODUCE FLYING MATERIALS OR BE SUBJECT TO BREAKAGE?				
ARE JACKS CHECKED PERIODICALLY TO ENSURE THEY ARE IN GOOD OPERATING CONDITION?				
ARE TOOL HANDLES WEDGED TIGHTLY INTO THE HEADS OF ALL TOOLS?				
ARE TOOL CUTTING EDGES KEPT SHARP SO THE TOOL WILL MOVE SMOOTHLY WITHOUT BINDING OR SKIPPING?				
ARE TOOLS STORED IN A DRY, SECURE LOCATION WHERE THEY CANNOT BE TAMPERED WITH?				
IS EYE AND FACE PROTECTION USED WHEN DRIVING HARDENED OR TEMPERED STUDS OR NAILS?				
<b>PORTABLE (POWER OPERATED) TOOLS AND EQUIPMENT</b>				
ARE GRINDERS, SAWS AND SIMILAR EQUIPMENT PROVIDED WITH APPROPRIATE SAFETY GUARDS?				
ARE POWER TOOLS USED WITH PROPER SHIELDS, GUARDS, OR ATTACHMENTS, AS RECOMMENDED BY THE MANUFACTURER?				
ARE PORTABLE CIRCULAR SAWS EQUIPPED WITH GUARDS ABOVE AND BELOW THE BASE SHOE?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE CIRCULAR SAW GUARDS CHECKED TO ENSURE THAT THEY ARE NOT WEDGED UP, LEAVING THE LOWER PORTION OF THE BLADE UNGUARDED?				
ARE ROTATING OR MOVING PARTS OF EQUIPMENT GUARDED TO PREVENT PHYSICAL CONTACT?				
ARE ALL CORD-CONNECTED, ELECTRICALLY OPERATED TOOLS AND EQUIPMENT EFFECTIVELY GROUNDED OR OF THE APPROVED DOUBLE INSULATED TYPE?				
ARE EFFECTIVE GUARDS IN PLACE OVER BELTS, PULLEYS, CHAINS AND SPROCKETS ON EQUIPMENT SUCH AS CONCRETE MIXERS, AIR COMPRESSORS, ETC.?				
ARE PORTABLE FANS PROVIDED WITH FULL GUARDS OR SCREENS HAVING OPENINGS 1/2 INCH (1.2700 CENTIMETERS) OR LESS?				
IS HOISTING EQUIPMENT AVAILABLE AND USED FOR LIFTING HEAVY OBJECTS, AND ARE HOIST RATINGS AND CHARACTERISTICS APPROPRIATE FOR THE TASK?				
ARE GROUND-FAULT CIRCUIT INTERRUPTERS PROVIDED ON ALL TEMPORARY ELECTRICAL 15 AND 20 AMPERE CIRCUITS USED DURING PERIODS OF CONSTRUCTION?				
ARE PNEUMATIC AND HYDRAULIC HOSES ON POWDER-OPERATED TOOLS CHECKED REGULARLY FOR DETERIORATION OR DAMAGE?				
<b>POWDER-ACTUATED TOOLS</b>				
ARE EMPLOYEES WHO OPERATE POWDER-ACTUATED TOOLS TRAINED IN THEIR USE AND REQUIRED TO CARRY A VALID OPERATOR'S CARD?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
IS EACH POWDER-ACTUATED TOOL STORED IN ITS OWN LOCKED CONTAINER WHEN NOT BEING USED?				
IS A SIGN AT LEAST 7 INCHES (17.78 CENTIMETERS) BY 10 INCHES (25.40 CENTIMETERS) WITH BOLD FACE TYPE READING "POWDER-ACTUATED TOOL IN USE" CONSPICUOUSLY POSTED WHEN THE TOOL IS BEING USED?				
ARE POWDER-ACTUATED TOOLS LEFT UNLOADED UNTIL THEY ARE READY TO BE USED?				
ARE POWDER-ACTUATED TOOLS INSPECTED FOR OBSTRUCTIONS OR DEFECTS EACH DAY BEFORE USE?				
DO POWDER-ACTUATED TOOL OPERATORS HAVE AND USE APPROPRIATE PPE SUCH AS HARD HATS, SAFETY GOGGLES, SAFETY SHOES AND EAR PROTECTORS?				
<b>MACHINE GUARDING</b>				
IS THERE A TRAINING PROGRAM TO INSTRUCT EMPLOYEES ON SAFE METHODS OF MACHINE OPERATION?				
IS THERE ADEQUATE SUPERVISION TO ENSURE THAT EMPLOYEES ARE FOLLOWING SAFE MACHINE OPERATING PROCEDURES?				
IS THERE A REGULAR PROGRAM OF SAFETY INSPECTION OF MACHINERY AND EQUIPMENT?				
IS ALL MACHINERY AND EQUIPMENT KEPT CLEAN AND PROPERLY MAINTAINED?				
IS SUFFICIENT CLEARANCE PROVIDED AROUND AND BETWEEN MACHINES TO ALLOW FOR SAFE OPERATIONS, SET UP AND SERVICING, MATERIAL HANDLING AND WASTE REMOVAL?				



<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
IS EQUIPMENT AND MACHINERY SECURELY PLACED AND ANCHORED TO PREVENT TIPPING OR OTHER MOVEMENT THAT COULD RESULT IN PERSONAL INJURY?				
IS THERE A POWER SHUT-OFF SWITCH WITHIN REACH OF THE OPERATOR'S POSITION AT EACH MACHINE?				
CAN ELECTRIC POWER TO EACH MACHINE BE LOCKED OUT FOR MAINTENANCE, REPAIR, OR SECURITY?				
ARE THE NONCURRENT-CARRYING METAL PARTS OF ELECTRICALLY OPERATED MACHINES BONDED AND GROUNDED?				
ARE FOOT-OPERATED SWITCHES GUARDED OR ARRANGED TO PREVENT ACCIDENTAL ACTUATION BY PERSONNEL OR FALLING OBJECTS?				
ARE MANUALLY OPERATED VALVES AND SWITCHES CONTROLLING THE OPERATION OF EQUIPMENT AND MACHINES CLEARLY IDENTIFIED AND READILY ACCESSIBLE?				
ARE ALL EMERGENCY STOP BUTTONS COLORED RED?				
ARE ALL PULLEYS AND BELTS WITHIN 7 FEET (2.1336 METERS) OF THE FLOOR OR WORKING LEVEL PROPERLY GUARDED?				
ARE ALL MOVING CHAINS AND GEARS PROPERLY GUARDED?				
ARE SPLASH GUARDS MOUNTED ON MACHINES THAT USE COOLANT TO PREVENT THE COOLANT FROM REACHING EMPLOYEES?				
ARE METHODS PROVIDED TO PROTECT THE OPERATOR AND OTHER EMPLOYEES IN THE MACHINE AREA FROM HAZARDS CREATED AT THE POINT OF OPERATION, INGOING NIP POINTS, ROTATING PARTS, FLYING CHIPS AND SPARKS?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE MACHINE GUARDS SECURE AND ARRANGED SO THEY DO NOT CAUSE A HAZARD WHILE IN USE?				
IF SPECIAL HAND TOOLS ARE USED FOR PLACING AND REMOVING MATERIAL, DO THEY PROTECT THE OPERATOR'S HANDS?				
ARE REVOLVING DRUMS, BARRELS AND CONTAINERS GUARDED BY AN ENCLOSURE THAT IS INTERLOCKED WITH THE DRIVE MECHANISM SO THAT REVOLUTION CANNOT OCCUR UNLESS THE GUARD ENCLOSURE IS IN PLACE?				
DO ARBORS AND MANDRELS HAVE FIRM AND SECURE BEARINGS, AND ARE THEY FREE FROM PLAY?				
ARE PROVISIONS MADE TO PREVENT MACHINES FROM AUTOMATICALLY STARTING WHEN POWER IS RESTORED AFTER A POWER FAILURE OR SHUTDOWN?				
ARE MACHINES CONSTRUCTED SO AS TO BE FREE FROM EXCESSIVE VIBRATION WHEN THE LARGEST SIZE TOOL IS MOUNTED AND RUN AT FULL SPEED?				
IF MACHINERY IS CLEANED WITH COMPRESSED AIR, IS AIR PRESSURE CONTROLLED AND PPE OR OTHER SAFEGUARDS UTILIZED TO PROTECT OPERATORS AND OTHER WORKERS FROM EYE AND BODY INJURY?				
ARE FAN BLADES PROTECTED WITH A GUARD HAVING OPENINGS NO LARGER THAN L/2 INCH (1.2700 CENTIMETERS) WHEN OPERATING WITHIN 7 FEET (2.1336 METERS) OF THE FLOOR?				
ARE SAWS USED FOR RIPPING EQUIPPED WITH ANTI-KICKBACK DEVICES AND SPREADERS?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE RADIAL ARM SAWS SO ARRANGED THAT THE CUTTING HEAD WILL GENTLY RETURN TO THE BACK OF THE TABLE WHEN RELEASED?				
<b>LOCKOUT/TAGOUT PROCEDURES</b>				
IS ALL MACHINERY OR EQUIPMENT CAPABLE OF MOVEMENT REQUIRED TO BE DE-ENERGIZED OR DISENGAGED AND BLOCKED OR LOCKED OUT DURING CLEANING, SERVICING, ADJUSTING, OR SETTING UP OPERATIONS?				
IF THE POWER DISCONNECT FOR EQUIPMENT DOES NOT ALSO DISCONNECT THE ELECTRICAL CONTROL CIRCUIT, ARE THE APPROPRIATE ELECTRICAL ENCLOSURES IDENTIFIED AND IS A MEANS PROVIDED TO ENSURE THAT THE CONTROL CIRCUIT CAN ALSO BE DISCONNECTED AND LOCKED OUT?				
IS THE LOCKING OUT OF CONTROL CIRCUITS INSTEAD OF LOCKING OUT MAIN POWER DISCONNECTS PROHIBITED?				
ARE ALL EQUIPMENT CONTROL VALVE HANDLES PROVIDED WITH A MEANS FOR LOCKING OUT?				
DOES THE LOCKOUT PROCEDURE REQUIRE THAT STORED ENERGY (MECHANICAL, HYDRAULIC, AIR, ETC.) BE RELEASED OR BLOCKED BEFORE EQUIPMENT IS LOCKED OUT FOR REPAIRS?				
ARE APPROPRIATE EMPLOYEES PROVIDED WITH INDIVIDUALLY KEYED PERSONAL SAFETY LOCKS?				
ARE EMPLOYEES REQUIRED TO KEEP PERSONAL CONTROL OF THEIR KEY(S) WHILE THEY HAVE SAFETY LOCKS IN USE?				
IS IT REQUIRED THAT ONLY THE EMPLOYEE EXPOSED TO THE HAZARD CAN PLACE OR REMOVE THE SAFETY LOCK?				
IS IT REQUIRED THAT EMPLOYEES CHECK THE SAFETY OF THE LOCKOUT BY ATTEMPTING A STARTUP AFTER MAKING SURE NO ONE IS EXPOSED?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE EMPLOYEES INSTRUCTED TO ALWAYS PUSH THE CONTROL CIRCUIT STOP BUTTON PRIOR TO RE-ENERGIZING THE MAIN POWER SWITCH?				
IS THERE A MEANS PROVIDED TO IDENTIFY ANY OR ALL EMPLOYEES WHO ARE WORKING ON LOCKED-OUT EQUIPMENT BY THEIR LOCKS OR ACCOMPANYING TAGS?				
ARE A SUFFICIENT NUMBER OF ACCIDENT PREVENTION SIGNS OR TAGS AND SAFETY PADLOCKS PROVIDED FOR ANY REASONABLY FORESEEABLE REPAIR EMERGENCY?				
WHEN MACHINE OPERATIONS, CONFIGURATION, OR SIZE REQUIRE AN OPERATOR TO LEAVE THE CONTROL STATION AND PART OF THE MACHINE COULD MOVE IF ACCIDENTALLY ACTIVATED, IS THE PART REQUIRED TO BE SEPARATELY LOCKED OUT OR BLOCKED?				
IF EQUIPMENT OR LINES CANNOT BE SHUT DOWN, LOCKED OUT AND TAGGED, IS A SAFE JOB PROCEDURE ESTABLISHED AND RIGIDLY FOLLOWED?				
<b>COMPRESSORS AND COMPRESSED AIR</b>				
ARE COMPRESSORS EQUIPPED WITH PRESSURE RELIEF VALVES AND PRESSURE GAUGES?				
ARE COMPRESSOR AIR INTAKES INSTALLED AND EQUIPPED SO AS TO ENSURE THAT ONLY CLEAN, UNCONTAMINATED AIR ENTERS THE COMPRESSOR?				
ARE AIR FILTERS INSTALLED ON THE COMPRESSOR INTAKE?				
ARE COMPRESSORS OPERATED AND LUBRICATED IN ACCORDANCE WITH THE MANUFACTURER'S RECOMMENDATIONS?				
ARE SAFETY DEVICES ON COMPRESSED AIR SYSTEMS CHECKED FREQUENTLY?				
BEFORE A COMPRESSOR'S PRESSURE SYSTEM IS REPAIRED, IS THE PRESSURE BLED OFF AND THE SYSTEM LOCKED OUT?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE SIGNS POSTED TO WARN OF THE AUTOMATIC STARTING FEATURE OF THE COMPRESSORS?				
IS THE BELT DRIVE SYSTEM TOTALLY ENCLOSED TO PROVIDE PROTECTION FOR THE FRONT, BACK, TOP AND SIDES?				
ARE EMPLOYEES STRICTLY PROHIBITED FROM DIRECTING COMPRESSED AIR TOWARDS A PERSON?				
ARE EMPLOYEES PROHIBITED FROM USING HIGHLY COMPRESSED AIR FOR CLEANING PURPOSES?				
WHEN COMPRESSED AIR IS USED TO CLEAN CLOTHING, ARE EMPLOYEES TRAINED TO REDUCE THE PRESSURE TO LESS THAN 10 POUNDS PER SQUARE INCH (PSI)?				
WHEN USING COMPRESSED AIR FOR CLEANING, DO EMPLOYEES WEAR PROTECTIVE CHIP GUARDING AND PPE?				
ARE SAFETY CHAINS OR OTHER SUITABLE LOCKING DEVICES USED AT COUPLINGS OF HIGH-PRESSURE HOSE LINES WHERE A CONNECTION FAILURE WOULD CREATE A HAZARD?				
BEFORE COMPRESSED AIR IS USED TO EMPTY CONTAINERS OF LIQUID, IS THE SAFE WORKING PRESSURE OF THE CONTAINER CHECKED?				
WHEN COMPRESSED AIR IS USED WITH ABRASIVE BLAST CLEANING EQUIPMENT, IS THE OPERATING VALVE A TYPE THAT MUST BE HELD OPEN MANUALLY?				
WHEN COMPRESSED AIR IS USED TO INFLATE AUTO TIRES, ARE A CLIP-ON CHUCK AND AN INLINE REGULATOR PRESET TO 40 PSI REQUIRED?				
ARE EMPLOYEES PROHIBITED FROM USING COMPRESSED AIR TO CLEAN UP OR MOVE COMBUSTIBLE DUST IF SUCH ACTION COULD CAUSE THE DUST TO BE SUSPENDED IN THE				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
AIR AND CAUSE A FIRE OR EXPLOSION HAZARD?				
<b>COMPRESSORS/AIR RECEIVERS</b>				
IS EVERY RECEIVER EQUIPPED WITH A PRESSURE GAUGE AND ONE OR MORE AUTOMATIC, SPRING-LOADED SAFETY VALVES?				
IS THE TOTAL RELIEVING CAPACITY OF THE SAFETY VALVE ABLE TO PREVENT PRESSURE IN THE RECEIVER FROM EXCEEDING THE MAXIMUM ALLOWABLE WORKING PRESSURE OF THE RECEIVER BY MORE THAN 10 PERCENT?				
IS EVERY AIR RECEIVER PROVIDED WITH A DRAIN PIPE AND VALVE AT THE LOWEST POINT FOR THE REMOVAL OF ACCUMULATED OIL AND WATER?				
ARE COMPRESSED AIR RECEIVERS PERIODICALLY DRAINED OF MOISTURE AND OIL?				
ARE ALL SAFETY VALVES TESTED AT REGULAR INTERVALS TO DETERMINE WHETHER THEY ARE IN GOOD OPERATING CONDITION?				
IS THERE A CURRENT OPERATING PERMIT?				
IS THE INLET OF AIR RECEIVERS AND PIPING SYSTEMS KEPT FREE OF ACCUMULATED OIL AND CARBONACEOUS MATERIALS?				
<b>COMPRESSED GAS CYLINDERS</b>				
ARE CYLINDERS WITH A WATER WEIGHT CAPACITY OVER 30 POUNDS (13.6 KILOGRAMS) EQUIPPED WITH A MEANS TO CONNECT A VALVE PROTECTOR DEVICE, OR WITH A COLLAR OR RECESS TO PROTECT THE VALVE?				
ARE CYLINDERS LEGIBLY MARKED TO CLEARLY IDENTIFY THE TYPE OF GAS?				
ARE COMPRESSED GAS CYLINDERS STORED IN AREAS PROTECTED FROM EXTERNAL HEAT SOURCES SUCH AS FLAME IMPINGEMENT,				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
INTENSE RADIANT HEAT, ELECTRIC ARCS, OR HIGH-TEMPERATURE LINES?				
ARE CYLINDERS LOCATED OR STORED IN AREAS WHERE THEY WILL NOT BE DAMAGED BY PASSING OR FALLING OBJECTS OR SUBJECT TO TAMPERING BY UNAUTHORIZED PERSONS?				
ARE CYLINDERS STORED OR TRANSPORTED IN A MANNER TO PREVENT THEM FROM CREATING A HAZARD BY TIPPING, FALLING, OR ROLLING?				
ARE CYLINDERS CONTAINING LIQUEFIED FUEL GAS STORED OR TRANSPORTED IN A POSITION SO THAT THE SAFETY RELIEF DEVICE IS ALWAYS IN DIRECT CONTACT WITH THE VAPOR SPACE IN THE CYLINDER?				
ARE VALVE PROTECTORS ALWAYS PLACED ON CYLINDERS WHEN THE CYLINDERS ARE NOT IN USE OR CONNECTED FOR USE?				
ARE ALL VALVES CLOSED OFF BEFORE A CYLINDER IS MOVED, WHEN THE CYLINDER IS EMPTY AND AT THE COMPLETION OF EACH JOB?				
ARE LOW-PRESSURE FUEL GAS CYLINDERS CHECKED PERIODICALLY FOR CORROSION, GENERAL DISTORTION, CRACKS, OR ANY OTHER DEFECT THAT MIGHT INDICATE A WEAKNESS OR RENDER THEM UNFIT FOR SERVICE?				
DOES THE PERIODIC CHECK OF LOW-PRESSURE FUEL GAS CYLINDERS INCLUDE A CLOSE INSPECTION OF THE CYLINDERS' BOTTOMS?				
<b>HOIST AND AUXILIARY EQUIPMENT</b>				
IS EACH OVERHEAD ELECTRIC HOIST EQUIPPED WITH A LIMIT DEVICE TO STOP THE HOOK AT ITS HIGHEST AND LOWEST POINT OF SAFE TRAVEL?				
WILL EACH HOIST AUTOMATICALLY STOP AND HOLD ANY LOAD UP TO 125 PERCENT OF ITS RATED LOAD IF ITS ACTUATING FORCE IS REMOVED?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
IS THE RATED LOAD OF EACH HOIST LEGIBLY MARKED AND VISIBLE TO THE OPERATOR?				
ARE STOPS PROVIDED AT THE SAFE LIMITS OF TRAVEL FOR TROLLEY HOISTS?				
ARE THE CONTROLS OF HOISTS PLAINLY MARKED TO INDICATE THE DIRECTION OF TRAVEL OR MOTION?				
IS EACH CAGE-CONTROLLED HOIST EQUIPPED WITH AN EFFECTIVE WARNING DEVICE?				
ARE CLOSE-FITTING GUARDS OR OTHER SUITABLE DEVICES INSTALLED ON EACH HOIST TO ENSURE THAT HOIST ROPES WILL BE MAINTAINED IN THE SHEAVE GROOVES?				
ARE ALL HOIST CHAINS OR ROPES LONG ENOUGH TO HANDLE THE FULL RANGE OF MOVEMENT OF THE APPLICATION WHILE MAINTAINING TWO FULL WRAPS AROUND THE DRUM AT ALL TIMES?				
ARE GUARDS PROVIDED FOR NIP POINTS OR CONTACT POINTS BETWEEN HOIST ROPES AND SHEAVES PERMANENTLY LOCATED WITHIN 7 FEET (2.1336 METERS) OF THE FLOOR, GROUND, OR WORKING PLATFORM?				
ARE EMPLOYEES PROHIBITED FROM USING CHAINS OR ROPE SLINGS THAT ARE KINKED OR TWISTED AND PROHIBITED FROM USING THE HOIST ROPE OR CHAIN WRAPPED AROUND THE LOAD AS A SUBSTITUTE FOR A SLING?				
IS THE OPERATOR INSTRUCTED TO AVOID CARRYING LOADS ABOVE PEOPLE?				
<b>INDUSTRIAL TRUCKS - FORKLIFTS</b>				
ARE EMPLOYEES PROPERLY TRAINED IN THE USE OF THE TYPE OF INDUSTRIAL TRUCK THEY OPERATE?				
ARE ONLY TRAINED PERSONNEL ALLOWED TO OPERATE INDUSTRIAL TRUCKS?				
IS SUBSTANTIAL OVERHEAD PROTECTIVE EQUIPMENT PROVIDED ON HIGH LIFT RIDER EQUIPMENT?				



<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE THE REQUIRED LIFT TRUCK OPERATING RULES POSTED AND ENFORCED?				
IS DIRECTIONAL LIGHTING PROVIDED ON EACH INDUSTRIAL TRUCK THAT OPERATES IN AN AREA WITH LESS THAN 2 FOOT CANDLES PER SQUARE FOOT OF GENERAL LIGHTING?				
DOES EACH INDUSTRIAL TRUCK HAVE A WARNING HORN, WHISTLE, GONG, OR OTHER DEVICE THAT CAN BE CLEARLY HEARD ABOVE NORMAL NOISE IN THE AREAS WHERE IT IS OPERATED?				
ARE THE BRAKES ON EACH INDUSTRIAL TRUCK CAPABLE OF BRINGING THE VEHICLE TO A COMPLETE AND SAFE STOP WHEN FULLY LOADED?				
DOES THE PARKING BRAKE OF THE INDUSTRIAL TRUCK PREVENT THE VEHICLE FROM MOVING WHEN UNATTENDED?				
ARE INDUSTRIAL TRUCKS THAT OPERATE WHERE FLAMMABLE GASES, VAPORS, COMBUSTIBLE DUST, OR IGNITABLE FIBERS MAY BE PRESENT APPROVED FOR SUCH LOCATIONS?				
ARE MOTORIZED HAND AND HAND/RIDER TRUCKS DESIGNED SO THAT THE BRAKES ARE APPLIED AND POWER TO THE DRIVE MOTOR SHUTS OFF WHEN THE OPERATOR RELEASES HIS OR HER GRIP ON THE DEVICE THAT CONTROLS THE TRUCK'S TRAVEL?				
ARE INDUSTRIAL TRUCKS WITH INTERNAL COMBUSTION ENGINES THAT ARE OPERATED IN BUILDINGS OR ENCLOSED AREAS CAREFULLY CHECKED TO ENSURE THAT SUCH OPERATIONS DO NOT CAUSE HARMFUL CONCENTRATIONS OF DANGEROUS GASES OR FUMES?				
ARE SAFE DISTANCES MAINTAINED FROM THE EDGES OF ELEVATED RAMPS AND PLATFORMS?				
ARE EMPLOYEES PROHIBITED FROM STANDING OR PASSING UNDER ELEVATED				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
PORTIONS OF TRUCKS, WHETHER LOADED OR EMPTY?				
ARE UNAUTHORIZED EMPLOYEES PROHIBITED FROM RIDING ON TRUCKS?				
ARE OPERATORS PROHIBITED FROM DRIVING UP TO ANYONE STANDING IN FRONT OF A FIXED OBJECT?				
ARE ARMS AND LEGS KEPT INSIDE THE RUNNING LINES OF THE TRUCK?				
ARE LOADS HANDLED ONLY WITHIN THE RATED CAPACITY OF THE TRUCK?				
ARE TRUCKS IN NEED OF REPAIR REMOVED FROM SERVICE IMMEDIATELY?				
<b>SPRAYING OPERATIONS</b>				
IS ADEQUATE VENTILATION PROVIDED BEFORE SPRAYING OPERATIONS ARE STARTED?				
IS MECHANICAL VENTILATION PROVIDED WHEN SPRAYING OPERATIONS ARE PERFORMED IN ENCLOSED AREAS?				
WHEN MECHANICAL VENTILATION IS PROVIDED DURING SPRAYING OPERATIONS, IS IT SO ARRANGED THAT IT WILL NOT CIRCULATE THE CONTAMINATED AIR?				
IS THE SPRAY AREA FREE OF HOT SURFACES AND AT LEAST 20 FEET (6.096 METERS) FROM FLAMES, SPARKS, OPERATING ELECTRICAL MOTORS AND OTHER IGNITION SOURCES?				
ARE PORTABLE LAMPS USED TO ILLUMINATE SPRAY AREAS SUITABLE FOR USE IN A HAZARDOUS LOCATION?				
IS APPROVED RESPIRATORY EQUIPMENT PROVIDED AND USED WHEN APPROPRIATE DURING SPRAYING OPERATIONS?				
DO SOLVENTS USED FOR CLEANING HAVE A FLASH POINT TO 100 DEGREES FAHRENHEIT (DEG. F) OR MORE?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE FIRE CONTROL SPRINKLER HEADS KEPT CLEAN?				
ARE "NO SMOKING" SIGNS POSTED IN SPRAY AREAS, PAINT ROOMS, PAINT BOOTHS AND PAINT STORAGE AREAS?				
IS THE SPRAY AREA KEPT CLEAN OF COMBUSTIBLE RESIDUE?				
ARE SPRAY BOOTHS CONSTRUCTED OF METAL, MASONRY, OR OTHER SUBSTANTIAL NONCOMBUSTIBLE MATERIAL?				
ARE SPRAY BOOTH FLOORS AND BAFFLES NONCOMBUSTIBLE AND EASILY CLEANED?				
IS INFRARED DRYING APPARATUS KEPT OUT OF THE SPRAY AREA DURING SPRAYING OPERATIONS AND IS THE SPRAY BOOTH COMPLETELY VENTILATED BEFORE USING THE DRYING APPARATUS?				
IS THE ELECTRIC DRYING APPARATUS PROPERLY GROUNDED?				
ARE LIGHTING FIXTURES FOR SPRAY BOOTHS LOCATED OUTSIDE THE BOOTH WITH THE INTERIOR LIGHTED THROUGH SEALED CLEAR PANELS?				
ARE THE ELECTRIC MOTORS FOR EXHAUST FANS PLACED OUTSIDE BOOTHS OR DUCTS?				
ARE BELTS AND PULLEYS INSIDE THE BOOTH FULLY ENCLOSED?				
DO DUCTS HAVE ACCESS DOORS TO ALLOW CLEANING?				
DO ALL DRYING SPACES HAVE ADEQUATE VENTILATION?				
<b>ENVIRONMENTAL CONTROLS</b>				
ARE ALL WORK AREAS PROPERLY ILLUMINATED?				
ARE EMPLOYEES INSTRUCTED IN PROPER FIRST AID AND OTHER EMERGENCY PROCEDURES?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE HAZARDOUS SUBSTANCES, BLOOD AND OTHER POTENTIALLY INFECTIOUS MATERIALS, WHICH MAY CAUSE HARM BY INHALATION, INGESTION, OR SKIN ABSORPTION OR CONTACT, IDENTIFIED?				
ARE EMPLOYEES AWARE OF THE HAZARDS INVOLVED WITH THE VARIOUS CHEMICALS THEY MAY BE EXPOSED TO IN THEIR WORK ENVIRONMENT, SUCH AS AMMONIA, CHLORINE, EPOXIES, CAUSTICS, ETC.?				
IS EMPLOYEE EXPOSURE TO CHEMICALS IN THE WORKPLACE KEPT WITHIN ACCEPTABLE LEVELS?				
CAN A LESS HARMFUL METHOD OR PRODUCT BE USED?				
IS THE WORK AREA VENTILATION SYSTEM APPROPRIATE FOR THE WORK PERFORMED?				
ARE SPRAY PAINTING OPERATIONS PERFORMED IN SPRAY ROOMS OR BOOTHS EQUIPPED WITH AN APPROPRIATE EXHAUST SYSTEM?				
IS EMPLOYEE EXPOSURE TO WELDING FUMES CONTROLLED BY VENTILATION, USE OF RESPIRATORS, EXPOSURE TIME LIMITS, OR OTHER MEANS?				
ARE WELDERS AND OTHER NEARBY WORKERS PROVIDED WITH FLASH SHIELDS DURING WELDING OPERATIONS?				
IF FORKLIFTS AND OTHER VEHICLES ARE USED IN BUILDINGS OR OTHER ENCLOSED AREAS, ARE THE CARBON MONOXIDE LEVELS KEPT BELOW MAXIMUM ACCEPTABLE CONCENTRATION?				
HAS THERE BEEN A DETERMINATION THAT NOISE LEVELS IN THE FACILITIES ARE WITHIN ACCEPTABLE LEVELS?				
ARE STEPS BEING TAKEN TO USE ENGINEERING CONTROLS TO REDUCE EXCESSIVE NOISE LEVELS?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE PROPER PRECAUTIONS BEING TAKEN WHEN HANDLING ASBESTOS AND OTHER FIBROUS MATERIALS?				
ARE CAUTION LABELS AND SIGNS USED TO WARN OF HAZARDOUS SUBSTANCES (E.G., ASBESTOS) AND BIOHAZARDS (E.G., BLOODBORNE PATHOGENS)?				
ARE WET METHODS USED, WHEN PRACTICABLE, TO PREVENT THE EMISSION OF AIRBORNE ASBESTOS FIBERS, SILICA DUST AND SIMILAR HAZARDOUS MATERIALS?				
ARE ENGINEERING CONTROLS EXAMINED AND MAINTAINED OR REPLACED ON A SCHEDULED BASIS?				
IS VACUUMING WITH APPROPRIATE EQUIPMENT USED WHENEVER POSSIBLE RATHER THAN BLOWING OR SWEEPING DUST?				
ARE GRINDERS, SAWS AND OTHER MACHINES THAT PRODUCE RESPIRABLE DUSTS VENTED TO AN INDUSTRIAL COLLECTOR OR CENTRAL EXHAUST SYSTEM?				
ARE ALL LOCAL EXHAUST VENTILATION SYSTEMS DESIGNED TO PROVIDE SUFFICIENT AIR FLOW AND VOLUME FOR THE APPLICATION, AND ARE DUCTS NOT PLUGGED AND BELTS NOT SLIPPING?				
IS PPE PROVIDED, USED AND MAINTAINED WHEREVER REQUIRED?				
ARE THERE WRITTEN STANDARD OPERATING PROCEDURES FOR THE SELECTION AND USE OF RESPIRATORS WHERE NEEDED?				
ARE RESTROOMS AND WASHROOMS KEPT CLEAN AND SANITARY?				
IS ALL WATER PROVIDED FOR DRINKING, WASHING AND COOKING POTABLE?				
ARE ALL OUTLETS FOR WATER THAT IS NOT SUITABLE FOR DRINKING CLEARLY IDENTIFIED?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE EMPLOYEES' PHYSICAL CAPACITIES ASSESSED BEFORE THEY ARE ASSIGNED TO JOBS REQUIRING HEAVY WORK?				
ARE EMPLOYEES INSTRUCTED IN THE PROPER MANNER FOR LIFTING HEAVY OBJECTS?				
WHERE HEAT IS A PROBLEM, HAVE ALL FIXED WORK AREAS BEEN PROVIDED WITH SPOT COOLING OR AIR CONDITIONING?				
ARE EMPLOYEES SCREENED BEFORE ASSIGNMENT TO AREAS OF HIGH HEAT TO DETERMINE IF THEIR HEALTH MIGHT MAKE THEM MORE SUSCEPTIBLE TO HAVING AN ADVERSE REACTION?				
ARE EMPLOYEES WORKING ON STREETS AND ROADWAYS WHO ARE EXPOSED TO THE HAZARDS OF TRAFFIC REQUIRED TO WEAR BRIGHT COLORED (TRAFFIC ORANGE) WARNING VESTS?				
ARE EXHAUST STACKS AND AIR INTAKES LOCATED SO THAT NEARBY CONTAMINATED AIR WILL NOT BE RECIRCULATED WITHIN A BUILDING OR OTHER ENCLOSED AREA?				
IS EQUIPMENT PRODUCING ULTRAVIOLET RADIATION PROPERLY SHIELDED?				
ARE UNIVERSAL PRECAUTIONS OBSERVED WHERE OCCUPATIONAL EXPOSURE TO BLOOD OR OTHER POTENTIALLY INFECTIOUS MATERIALS CAN OCCUR AND IN ALL INSTANCES WHERE DIFFERENTIATION OF TYPES OF BODY FLUIDS OR POTENTIALLY INFECTIOUS MATERIALS IS DIFFICULT OR IMPOSSIBLE?				
<b>FLAMMABLE AND COMBUSTIBLE MATERIALS</b>				
ARE COMBUSTIBLE SCRAP, DEBRIS AND WASTE MATERIALS (OILY RAGS, ETC.) STORED IN COVERED METAL RECEPTACLES AND PROMPTLY REMOVED FROM THE WORKSITE?				
IS PROPER STORAGE PRACTICED TO MINIMIZE THE RISK OF FIRE, INCLUDING SPONTANEOUS COMBUSTION?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE APPROVED CONTAINERS AND TANKS USED TO STORE AND HANDLE FLAMMABLE AND COMBUSTIBLE LIQUIDS?				
ARE ALL CONNECTIONS ON DRUMS AND COMBUSTIBLE LIQUID PIPING, VAPOR AND LIQUID TIGHT?				
ARE ALL FLAMMABLE LIQUIDS KEPT IN CLOSED CONTAINERS WHEN NOT IN USE (E.G., PARTS CLEANING TANKS, PANS, ETC.)?				
ARE BULK DRUMS OF FLAMMABLE LIQUIDS GROUNDED AND BONDED TO CONTAINERS DURING DISPENSING?				
DO STORAGE ROOMS FOR FLAMMABLE AND COMBUSTIBLE LIQUIDS HAVE EXPLOSION-PROOF LIGHTS AND MECHANICAL OR GRAVITY VENTILATION?				
IS LIQUEFIED PETROLEUM GAS STORED, HANDLED AND USED IN ACCORDANCE WITH SAFE PRACTICES AND STANDARDS?				
ARE "NO SMOKING" SIGNS POSTED ON LIQUEFIED PETROLEUM GAS TANKS AND IN AREAS WHERE FLAMMABLE OR COMBUSTIBLE MATERIALS ARE USED OR STORED?				
ARE LIQUEFIED PETROLEUM STORAGE TANKS GUARDED TO PREVENT DAMAGE FROM VEHICLES?				
ARE ALL SOLVENT WASTES AND FLAMMABLE LIQUIDS KEPT IN FIRE-RESISTANT, COVERED CONTAINERS UNTIL THEY ARE REMOVED FROM THE WORKSITE?				
IS VACUUMING USED WHENEVER POSSIBLE RATHER THAN BLOWING OR SWEEPING COMBUSTIBLE DUST?				
ARE FIRM SEPARATORS PLACED BETWEEN CONTAINERS OF COMBUSTIBLES OR FLAMMABLES THAT ARE STACKED ONE UPON ANOTHER TO ENSURE THEIR SUPPORT AND STABILITY?				
ARE FUEL GAS CYLINDERS AND OXYGEN CYLINDERS SEPARATED BY DISTANCE AND				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
FIRE-RESISTANT BARRIERS WHILE IN STORAGE?				
ARE FIRE EXTINGUISHERS SELECTED AND PROVIDED FOR THE TYPES OF MATERIALS IN THE AREAS WHERE THEY ARE TO BE USED?				
CLASS A - ORDINARY COMBUSTIBLE MATERIAL FIRES.				
CLASS B - FLAMMABLE LIQUID, GAS OR GREASE FIRES.				
CLASS C - ENERGIZED-ELECTRICAL EQUIPMENT FIRES.				
ARE APPROPRIATE FIRE EXTINGUISHERS MOUNTED WITHIN 75 FEET (22.86 METERS) OF OUTSIDE AREAS CONTAINING FLAMMABLE LIQUIDS AND WITHIN 10 FEET (3.048 METERS) OF ANY INSIDE STORAGE AREA FOR SUCH MATERIALS?				
ARE EXTINGUISHERS FREE FROM OBSTRUCTIONS OR BLOCKAGE?				
ARE ALL EXTINGUISHERS SERVICED, MAINTAINED AND TAGGED AT INTERVALS NOT TO EXCEED ONE YEAR?				
ARE ALL EXTINGUISHERS FULLY CHARGED AND IN THEIR DESIGNATED PLACES?				
WHERE SPRINKLER SYSTEMS ARE PERMANENTLY INSTALLED, ARE THE NOZZLE HEADS SO DIRECTED OR ARRANGED THAT WATER WILL NOT BE SPRAYED INTO OPERATING ELECTRICAL SWITCHBOARDS AND EQUIPMENT?				
ARE SAFETY CANS USED FOR DISPENSING FLAMMABLE OR COMBUSTIBLE LIQUIDS AT THE POINT OF USE?				
ARE ALL SPILLS OF FLAMMABLE OR COMBUSTIBLE LIQUIDS CLEANED UP PROMPTLY?				
ARE STORAGE TANKS ADEQUATELY VENTED TO PREVENT THE DEVELOPMENT OF EXCESSIVE VACUUM OR PRESSURE AS A				



<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
RESULT OF FILLING, EMPTYING, OR ATMOSPHERE TEMPERATURE CHANGES?				
ARE STORAGE TANKS EQUIPPED WITH EMERGENCY VENTING THAT WILL RELIEVE EXCESSIVE INTERNAL PRESSURE CAUSED BY FIRE EXPOSURE?				
ARE RULES ENFORCED IN AREAS INVOLVING STORAGE AND USE OF HAZARDOUS MATERIALS?				
<b>HAZARDOUS CHEMICAL EXPOSURE</b>				
ARE EMPLOYEES AWARE OF THE POTENTIAL HAZARDS AND TRAINED IN SAFE HANDLING PRACTICES FOR SITUATIONS INVOLVING VARIOUS CHEMICALS STORED OR USED IN THE WORKPLACE SUCH AS ACIDS, BASES, CAUSTICS, EPOXIES, PHENOLS, ETC.?				
IS EMPLOYEE EXPOSURE TO CHEMICALS KEPT WITHIN ACCEPTABLE LEVELS?				
ARE EYE-WASH FOUNTAINS AND SAFETY SHOWERS PROVIDED IN AREAS WHERE CORROSIVE CHEMICALS ARE HANDLED?				
ARE ALL CONTAINERS, SUCH AS VATS, STORAGE TANKS, ETC., LABELED AS TO THEIR CONTENTS, E.G., "CAUSTICS"?				
ARE ALL EMPLOYEES REQUIRED TO USE PERSONAL PROTECTIVE CLOTHING AND EQUIPMENT WHEN HANDLING CHEMICALS (GLOVES, EYE PROTECTION, RESPIRATORS, ETC.)?				
ARE FLAMMABLE OR TOXIC CHEMICALS KEPT IN CLOSED CONTAINERS WHEN NOT IN USE?				
ARE CHEMICAL PIPING SYSTEMS CLEARLY MARKED AS TO THEIR CONTENT?				
WHERE CORROSIVE LIQUIDS ARE FREQUENTLY HANDLED IN OPEN CONTAINERS OR DRAWN FROM STORAGE VESSELS OR PIPELINES, ARE ADEQUATE MEANS READILY AVAILABLE FOR NEUTRALIZING OR DISPOSING OF SPILLS OR OVERFLOWS AND PERFORMED PROPERLY AND SAFELY?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE STANDARD OPERATING PROCEDURES ESTABLISHED AND ARE THEY BEING FOLLOWED WHEN CLEANING UP CHEMICAL SPILLS?				
ARE RESPIRATORS STORED IN A CONVENIENT, CLEAN AND SANITARY LOCATION, AND ARE THEY ADEQUATE FOR EMERGENCIES?				
ARE EMPLOYEES PROHIBITED FROM EATING IN AREAS WHERE HAZARDOUS CHEMICALS ARE PRESENT?				
IS PPE USED AND MAINTAINED WHENEVER NECESSARY?				
ARE THERE WRITTEN STANDARD OPERATING PROCEDURES FOR THE SELECTION AND USE OF RESPIRATORS WHERE NEEDED?				
IF YOU HAVE A RESPIRATOR PROTECTION PROGRAM, ARE YOUR EMPLOYEES INSTRUCTED ON THE CORRECT USAGE AND LIMITATIONS OF THE RESPIRATORS?				
ARE THE RESPIRATORS NATIONAL INSTITUTE FOR OCCUPATIONAL SAFETY AND HEALTH (NIOSH) APPROVED FOR THIS PARTICULAR APPLICATION?				
ARE THEY REGULARLY INSPECTED, CLEANED, SANITIZED AND MAINTAINED?				
IF HAZARDOUS SUBSTANCES ARE USED IN YOUR PROCESSES, DO YOU HAVE A MEDICAL OR BIOLOGICAL MONITORING SYSTEM IN OPERATION?				
ARE YOU FAMILIAR WITH THE THRESHOLD LIMIT VALUES OR PERMISSIBLE EXPOSURE LIMITS OF AIRBORNE CONTAMINANTS AND PHYSICAL AGENTS USED IN YOUR WORKPLACE?				
HAVE APPROPRIATE CONTROL PROCEDURES BEEN INSTITUTED FOR HAZARDOUS MATERIALS, INCLUDING SAFE HANDLING PRACTICES AND THE USE OF RESPIRATORS AND VENTILATION SYSTEMS?				
WHENEVER POSSIBLE, ARE HAZARDOUS SUBSTANCES HANDLED IN PROPERLY				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
DESIGNED AND EXHAUSTED BOOTHS OR SIMILAR LOCATIONS?				
DO YOU USE GENERAL DILUTION OR LOCAL EXHAUST VENTILATION SYSTEMS TO CONTROL DUSTS, VAPORS, GASES, FUMES, SMOKE, SOLVENTS, OR MISTS THAT MAY BE GENERATED IN YOUR WORKPLACE?				
IS OPERATIONAL VENTILATION EQUIPMENT PROVIDED FOR REMOVAL OF CONTAMINANTS FROM PRODUCTION GRINDING, BUFFING, SPRAY PAINTING, AND/OR VAPOR DEGREASING?				
DO EMPLOYEES COMPLAIN ABOUT DIZZINESS, HEADACHES, NAUSEA, IRRITATION, OR OTHER FACTORS OF DISCOMFORT WHEN THEY USE SOLVENTS OR OTHER CHEMICALS?				
IS THERE A DERMATITIS PROBLEM? DO EMPLOYEES COMPLAIN ABOUT DRYNESS, IRRITATION, OR SENSITIZATION OF THE SKIN?				
HAVE YOU CONSIDERED HAVING AN INDUSTRIAL HYGIENIST OR ENVIRONMENTAL HEALTH SPECIALIST EVALUATE YOUR OPERATION?				
IF INTERNAL COMBUSTION ENGINES ARE USED, IS CARBON MONOXIDE KEPT WITHIN ACCEPTABLE LEVELS?				
IS VACUUMING USED RATHER THAN BLOWING OR SWEEPING DUST WHENEVER POSSIBLE FOR CLEANUP?				
ARE MATERIALS THAT GIVE OFF TOXIC, ASPHYXIANT, SUFFOCATING, OR ANESTHETIC FUMES STORED IN REMOTE OR ISOLATED LOCATIONS WHEN NOT IN USE?				
<b>HAZARDOUS SUBSTANCES COMMUNICATION</b>				
IS THERE A LIST OF HAZARDOUS SUBSTANCES USED IN YOUR WORKPLACE AND AN MSDS READILY AVAILABLE FOR EACH HAZARDOUS SUBSTANCE USED?				
IS THERE A CURRENT WRITTEN EXPOSURE CONTROL PLAN FOR OCCUPATIONAL EXPOSURE TO BLOODBORNE PATHOGENS AND				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
OTHER POTENTIALLY INFECTIOUS MATERIALS, WHERE APPLICABLE?				
IS THERE A WRITTEN HAZARD COMMUNICATION PROGRAM DEALING WITH MSDSS, LABELING AND EMPLOYEE TRAINING?				
IS EACH CONTAINER FOR A HAZARDOUS SUBSTANCE (I.E., VATS, BOTTLES, STORAGE TANKS, ETC.) LABELED WITH PRODUCT IDENTITY AND A HAZARD WARNING (COMMUNICATION OF THE SPECIFIC HEALTH HAZARDS AND PHYSICAL HAZARDS)?				
IS THERE AN EMPLOYEE TRAINING PROGRAM FOR HAZARDOUS SUBSTANCES THAT INCLUDES:				
<b>1.</b> AN EXPLANATION OF WHAT AN MSDS IS AND HOW TO USE AND OBTAIN ONE;				
<b>2.</b> MSDS CONTENTS FOR EACH HAZARDOUS SUBSTANCE OR CLASS OF SUBSTANCES;				
<b>3.</b> AN EXPLANATION OF "A RIGHT TO KNOW";				
<b>4.</b> IDENTIFICATION OF WHERE AN EMPLOYEE CAN SEE THE WRITTEN HAZARD COMMUNICATION PROGRAM;				
<b>5.</b> LOCATION OF PHYSICAL AND HEALTH HAZARDS IN PARTICULAR WORK AREAS AND THE SPECIFIC PROTECTIVE MEASURES TO BE USED; AND				
<b>6.</b> DETAILS OF THE HAZARD COMMUNICATION PROGRAM, INCLUDING HOW TO USE THE LABELING SYSTEM AND MSDSS.				
DOES THE EMPLOYEE TRAINING PROGRAM ON THE BLOODBORNE PATHOGENS STANDARD CONTAIN THE FOLLOWING ELEMENTS:				
<b>2.</b> AN ACCESSIBLE COPY OF THE STANDARD AND AN EXPLANATION OF ITS CONTENTS;				
<b>3.</b> A GENERAL EXPLANATION OF THE EPIDEMIOLOGY AND SYMPTOMS OF BLOODBORNE DISEASES;				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
<b>4.</b> AN EXPLANATION OF THE MODES OF TRANSMISSION OF BLOODBORNE PATHOGENS;				
<b>5.</b> AN EXPLANATION OF THE EMPLOYER'S EXPOSURE CONTROL PLAN AND THE MEANS BY WHICH EMPLOYEES CAN OBTAIN A COPY OF THE WRITTEN PLAN;				
<b>6.</b> AN EXPLANATION OF THE APPROPRIATE METHODS FOR RECOGNIZING TASKS AND THE OTHER ACTIVITIES THAT MAY INVOLVE EXPOSURE TO BLOOD AND OTHER POTENTIALLY INFECTIOUS MATERIALS;				
<b>7.</b> AN EXPLANATION OF THE USE AND LIMITATIONS OF METHODS THAT WILL PREVENT OR REDUCE EXPOSURE, INCLUDING APPROPRIATE ENGINEERING CONTROLS, WORK PRACTICES AND PPE;				
<b>8.</b> INFORMATION ON THE TYPES, PROPER USE, LOCATION, REMOVAL, HANDLING, DECONTAMINATION AND DISPOSAL OF PPE;				
<b>9.</b> AN EXPLANATION OF THE BASIS FOR SELECTION OF PPE;				
<b>10.</b> INFORMATION ON THE HEPATITIS B VACCINE;				
<b>11.</b> INFORMATION ON THE APPROPRIATE ACTIONS TO TAKE AND PERSONS TO CONTACT IN AN EMERGENCY INVOLVING BLOOD OR OTHER POTENTIALLY INFECTIOUS MATERIALS;				
<b>12.</b> AN EXPLANATION OF THE PROCEDURE TO FOLLOW IF AN EXPOSURE INCIDENT OCCURS, INCLUDING THE METHODS OF REPORTING THE INCIDENT AND THE MEDICAL FOLLOW-UP THAT WILL BE MADE AVAILABLE;				
<b>13.</b> INFORMATION ON POST-EXPOSURE EVALUATIONS AND FOLLOW-UP; AND				
<b>14.</b> AN EXPLANATION OF SIGNS, LABELS AND COLOR CODING.				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE EMPLOYEES TRAINED IN:				
<b>15.</b> HOW TO RECOGNIZE TASKS THAT MIGHT RESULT IN OCCUPATIONAL EXPOSURE;				
<b>16.</b> HOW TO USE WORK PRACTICE, ENGINEERING CONTROLS AND PPE, AND THEIR LIMITATIONS;				
<b>17.</b> HOW TO OBTAIN INFORMATION ON THE TYPES, SELECTION, PROPER USE, LOCATION, REMOVAL, HANDLING, DECONTAMINATION AND DISPOSAL OF PPE; AND				
<b>18.</b> WHO TO CONTACT AND WHAT TO DO IN AN EMERGENCY?				
<b>ELECTRICAL</b>				
DO YOU REQUIRE COMPLIANCE WITH OSHA STANDARDS FOR ALL CONTRACT ELECTRICAL WORK?				
ARE ALL EMPLOYEES REQUIRED TO REPORT ANY OBVIOUS HAZARD TO LIFE OR PROPERTY IN CONNECTION WITH ELECTRICAL EQUIPMENT OR LINES AS SOON AS POSSIBLE?				
ARE EMPLOYEES INSTRUCTED TO MAKE PRELIMINARY INSPECTIONS AND/OR APPROPRIATE TESTS TO DETERMINE CONDITIONS BEFORE STARTING WORK ON ELECTRICAL EQUIPMENT OR LINES?				
WHEN ELECTRICAL EQUIPMENT OR LINES ARE TO BE SERVICED, MAINTAINED, OR ADJUSTED, ARE NECESSARY SWITCHES OPENED, LOCKED OUT OR TAGGED, WHENEVER POSSIBLE?				
ARE PORTABLE ELECTRICAL TOOLS AND EQUIPMENT GROUNDED OR OF THE DOUBLE INSULATED TYPE?				
ARE ELECTRICAL APPLIANCES SUCH AS VACUUM CLEANERS, POLISHERS, VENDING MACHINES, ETC., GROUNDED?				
DO EXTENSION CORDS HAVE A GROUNDING CONDUCTOR?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE MULTIPLE PLUG ADAPTORS PROHIBITED?				
ARE GROUND-FAULT CIRCUIT INTERRUPTERS INSTALLED ON EACH TEMPORARY 15 OR 20 AMPERE, 120 VOLT ALTERNATING CURRENT (AC) CIRCUIT AT LOCATIONS WHERE CONSTRUCTION, DEMOLITION, MODIFICATIONS, ALTERATIONS, OR EXCAVATIONS ARE BEING PERFORMED?				
ARE ALL TEMPORARY CIRCUITS PROTECTED BY SUITABLE DISCONNECTING SWITCHES OR PLUG CONNECTORS AT THE JUNCTION WITH PERMANENT WIRING?				
DO YOU HAVE ELECTRICAL INSTALLATIONS IN HAZARDOUS DUST OR VAPOR AREAS? IF SO, DO THEY MEET THE NATIONAL ELECTRICAL CODE (NEC) FOR HAZARDOUS LOCATIONS?				
ARE EXPOSED WIRING AND CORDS WITH FRAYED OR DETERIORATED INSULATION REPAIRED OR REPLACED PROMPTLY?				
ARE FLEXIBLE CORDS AND CABLES FREE OF SPLICES OR TAPS?				
ARE CLAMPS OR OTHER SECURING MEANS PROVIDED ON FLEXIBLE CORDS OR CABLES AT PLUGS, RECEPTACLES, TOOLS, EQUIPMENT, ETC., AND IS THE CORD JACKET SECURELY HELD IN PLACE?				
ARE ALL CORD, CABLE AND RACEWAY CONNECTIONS INTACT AND SECURE?				
IN WET OR DAMP LOCATIONS, ARE ELECTRICAL TOOLS AND EQUIPMENT APPROPRIATE FOR THE USE OR LOCATION OR OTHERWISE PROTECTED?				
IS THE LOCATION OF ELECTRICAL POWER LINES AND CABLES (OVERHEAD, UNDERGROUND, UNDER FLOOR, OTHER SIDE OF WALLS, ETC.) DETERMINED BEFORE DIGGING, DRILLING, OR SIMILAR WORK IS BEGUN?				
ARE METAL MEASURING TAPES, ROPES, HAND-LINES OR SIMILAR DEVICES WITH METALLIC THREAD WOVEN INTO THE FABRIC				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
PROHIBITED WHERE THEY COULD COME IN CONTACT WITH ENERGIZED PARTS OF EQUIPMENT OR CIRCUIT CONDUCTORS?				
IS THE USE OF METAL LADDERS PROHIBITED WHERE THE LADDER OR THE PERSON USING THE LADDER COULD COME IN CONTACT WITH ENERGIZED PARTS OF EQUIPMENT, FIXTURES, OR CIRCUIT CONDUCTORS?				
ARE ALL DISCONNECTING SWITCHES AND CIRCUIT BREAKERS LABELED TO INDICATE THEIR USE OR EQUIPMENT SERVED?				
ARE DISCONNECTING MEANS ALWAYS OPENED BEFORE FUSES ARE REPLACED?				
DO ALL INTERIOR WIRING SYSTEMS INCLUDE PROVISIONS FOR GROUNDING METAL PARTS OF ELECTRICAL RACEWAYS, EQUIPMENT AND ENCLOSURES?				
ARE ALL ELECTRICAL RACEWAYS AND ENCLOSURES SECURELY FASTENED IN PLACE?				
ARE ALL ENERGIZED PARTS OF ELECTRICAL CIRCUITS AND EQUIPMENT GUARDED AGAINST ACCIDENTAL CONTACT BY APPROVED CABINETS OR ENCLOSURES?				
IS SUFFICIENT ACCESS AND WORKING SPACE PROVIDED AND MAINTAINED AROUND ALL ELECTRICAL EQUIPMENT TO PERMIT READY AND SAFE OPERATIONS AND MAINTENANCE?				
ARE ALL UNUSED OPENINGS (INCLUDING CONDUIT KNOCKOUTS) IN ELECTRICAL ENCLOSURES AND FITTINGS CLOSED WITH APPROPRIATE COVERS, PLUGS, OR PLATES?				
ARE ELECTRICAL ENCLOSURES SUCH AS SWITCHES, RECEPTACLES, JUNCTION BOXES, ETC., PROVIDED WITH TIGHT-FITTING COVERS OR PLATES?				
ARE DISCONNECTING SWITCHES FOR ELECTRICAL MOTORS IN EXCESS OF TWO HORSEPOWER ABLE TO OPEN THE CIRCUIT WHEN THE MOTOR IS STALLED WITHOUT EXPLODING? (SWITCHES MUST BE				



<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
HORSEPOWER RATED EQUAL TO OR IN EXCESS OF THE MOTOR RATING.)				
IS LOW VOLTAGE PROTECTION PROVIDED IN THE CONTROL DEVICE OF MOTORS DRIVING MACHINES OR EQUIPMENT THAT COULD CAUSE INJURY FROM INADVERTENT STARTING?				
IS EACH MOTOR DISCONNECTING SWITCH OR CIRCUIT BREAKER LOCATED WITHIN SIGHT OF THE MOTOR CONTROL DEVICE?				
IS EACH MOTOR LOCATED WITHIN SIGHT OF ITS CONTROLLER OR IS THE CONTROLLER DISCONNECTING MEANS ABLE TO BE LOCKED OPEN OR IS A SEPARATE DISCONNECTING MEANS INSTALLED IN THE CIRCUIT WITHIN SIGHT OF THE MOTOR?				
IS THE CONTROLLER FOR EACH MOTOR THAT EXCEEDS TWO HORSEPOWER RATED EQUAL TO OR ABOVE THE RATING OF THE MOTOR IT SERVES?				
ARE EMPLOYEES WHO REGULARLY WORK ON OR AROUND ENERGIZED ELECTRICAL EQUIPMENT OR LINES INSTRUCTED IN CARDIOPULMONARY RESUSCITATION (CPR)?				
ARE EMPLOYEES PROHIBITED FROM WORKING ALONE ON ENERGIZED LINES OR EQUIPMENT OVER 600 VOLTS?				
<b>NOISE</b>				
ARE THERE AREAS IN THE WORKPLACE WHERE CONTINUOUS NOISE LEVELS EXCEED 85 DECIBELS?				
IS THERE AN ONGOING PREVENTIVE HEALTH PROGRAM TO EDUCATE EMPLOYEES IN SAFE LEVELS OF NOISE, EXPOSURES, EFFECTS OF NOISE ON THEIR HEALTH AND THE USE OF PERSONAL PROTECTION?				
HAVE WORK AREAS WHERE NOISE LEVELS MAKE VOICE COMMUNICATION BETWEEN EMPLOYEES DIFFICULT BEEN IDENTIFIED AND POSTED?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE NOISE LEVELS MEASURED WITH A SOUND LEVEL METER OR AN OCTAVE BAND ANALYZER AND ARE RECORDS BEING KEPT?				
HAVE ENGINEERING CONTROLS BEEN USED TO REDUCE EXCESSIVE NOISE LEVELS? WHERE ENGINEERING CONTROLS ARE DETERMINED TO BE INFEASIBLE, ARE ADMINISTRATIVE CONTROLS (I.E., WORKER ROTATION) BEING USED TO MINIMIZE INDIVIDUAL EMPLOYEE EXPOSURE TO NOISE?				
IS APPROVED HEARING PROTECTIVE EQUIPMENT (NOISE ATTENUATING DEVICES) AVAILABLE TO EVERY EMPLOYEE WORKING IN NOISY AREAS?				
HAVE YOU TRIED ISOLATING NOISY MACHINERY FROM THE REST OF YOUR OPERATION?				
IF YOU USE EAR PROTECTORS, ARE EMPLOYEES PROPERLY FITTED AND INSTRUCTED IN THEIR USE?				
ARE EMPLOYEES IN HIGH NOISE AREAS GIVEN PERIODIC AUDIOMETRIC TESTING TO ENSURE THAT YOU HAVE AN EFFECTIVE HEARING PROTECTION SYSTEM?				
<b>IDENTIFICATION OF PIPING SYSTEMS</b>				
WHEN NON-POTABLE WATER IS PIPED THROUGH A FACILITY, ARE OUTLETS OR TAPS POSTED TO ALERT EMPLOYEES THAT THE WATER IS UNSAFE AND NOT TO BE USED FOR DRINKING, WASHING, OR OTHER PERSONAL USE?				
WHEN HAZARDOUS SUBSTANCES ARE TRANSPORTED THROUGH ABOVE-GROUND PIPING, IS EACH PIPELINE IDENTIFIED AT POINTS WHERE CONFUSION COULD INTRODUCE HAZARDS TO EMPLOYEES?				
WHEN PIPELINES ARE IDENTIFIED BY COLOR PAINTED BANDS OR TAPES, ARE THE BANDS OR TAPES LOCATED AT REASONABLE INTERVALS AND AT EACH OUTLET, VALVE, OR CONNECTION, AND ARE ALL VISIBLE PARTS OF THE LINE SO IDENTIFIED?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
WHEN PIPELINES ARE IDENTIFIED BY COLOR, IS THE COLOR CODE POSTED AT ALL LOCATIONS WHERE CONFUSION COULD INTRODUCE HAZARDS TO EMPLOYEES?				
WHEN THE CONTENTS OF PIPELINES ARE IDENTIFIED BY NAME OR NAME ABBREVIATION, IS THE INFORMATION READILY VISIBLE ON THE PIPE NEAR EACH VALVE OR OUTLET?				
WHEN PIPELINES CARRYING HAZARDOUS SUBSTANCES ARE IDENTIFIED BY TAGS, ARE THE TAGS CONSTRUCTED OF DURABLE MATERIALS, THE MESSAGE PRINTED CLEARLY AND PERMANENTLY, AND ARE TAGS INSTALLED AT EACH VALVE OR OUTLET?				
WHEN PIPELINES ARE HEATED BY ELECTRICITY, STEAM, OR OTHER EXTERNAL SOURCE, ARE SUITABLE WARNING SIGNS OR TAGS PLACED AT UNIONS, VALVES, OR OTHER SERVICEABLE PARTS OF THE SYSTEM?				
<b>MATERIALS HANDLING</b>				
IS THERE SAFE CLEARANCE FOR EQUIPMENT THROUGH AISLES AND DOORWAYS?				
ARE AISLE WAYS PERMANENTLY MARKED AND KEPT CLEAR TO ALLOW UNHINDERED PASSAGE?				
ARE MOTORIZED VEHICLES AND MECHANIZED EQUIPMENT INSPECTED DAILY OR PRIOR TO USE?				
ARE VEHICLES SHUT OFF AND BRAKES SET PRIOR TO LOADING OR UNLOADING?				
ARE CONTAINERS OF LIQUID COMBUSTIBLES OR FLAMMABLES, WHEN STACKED WHILE BEING MOVED, ALWAYS PROTECTED BY DUNNAGE (PACKING MATERIAL) SUFFICIENT TO PROVIDE STABILITY?				
ARE DOCK BOARDS (BRIDGE PLATES) USED WHEN LOADING OR UNLOADING OPERATIONS ARE TAKING PLACE BETWEEN VEHICLES AND DOCKS?				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
ARE TRUCKS AND TRAILERS SECURED FROM MOVEMENT DURING LOADING AND UNLOADING OPERATIONS?				
ARE DOCK PLATES AND LOADING RAMPS CONSTRUCTED AND MAINTAINED WITH SUFFICIENT STRENGTH TO SUPPORT IMPOSED LOADING?				
ARE HAND TRUCKS MAINTAINED IN SAFE OPERATING CONDITION?				
ARE CHUTES EQUIPPED WITH SIDEBOARDS OF SUFFICIENT HEIGHT TO PREVENT THE MATERIALS BEING HANDLED FROM FALLING OFF?				
ARE CHUTES AND GRAVITY ROLLER SECTIONS FIRMLY PLACED OR SECURED TO PREVENT DISPLACEMENT?				
ARE PROVISIONS MADE TO BRAKE THE MOVEMENT OF THE HANDLED MATERIALS AT THE DELIVERY END OF ROLLERS OR CHUTES?				
ARE PALLETS USUALLY INSPECTED BEFORE BEING LOADED OR MOVED?				
ARE SAFETY LATCHES AND OTHER DEVICES BEING USED TO PREVENT SLIPPAGE OF MATERIALS OFF OF HOISTING HOOKS?				
ARE SECURING CHAINS, ROPES, CHOCKERS, OR SLINGS ADEQUATE FOR THE JOB?				
ARE PROVISIONS MADE TO ENSURE THAT NO ONE IS BELOW WHEN HOISTING MATERIAL OR EQUIPMENT?				
ARE MSDSS AVAILABLE TO EMPLOYEES HANDLING HAZARDOUS SUBSTANCES?				
<b>TRANSPORTING EMPLOYEES AND MATERIALS</b>				
DO EMPLOYEES WHO OPERATE VEHICLES ON PUBLIC THOROUGHFARES HAVE VALID OPERATOR'S LICENSES?				
WHEN SEVEN OR MORE EMPLOYEES ARE REGULARLY TRANSPORTED IN A VAN, BUS, OR TRUCK, IS THE OPERATOR'S LICENSE APPROPRIATE FOR THE CLASS OF VEHICLE				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
BEING DRIVEN AND ARE THERE ENOUGH SEATS?				
ARE VEHICLES USED TO TRANSPORT EMPLOYEES EQUIPPED WITH LAMPS, BRAKES, HORNS, MIRRORS, WINDSHIELDS AND TURN SIGNALS, AND ARE THEY IN GOOD REPAIR?				
ARE TRANSPORT VEHICLES PROVIDED WITH HANDRAILS, STEPS, STIRRUPS, OR SIMILAR DEVICES, PLACED AND ARRANGED TO ALLOW EMPLOYEES TO SAFELY MOUNT OR DISMOUNT?				
ARE EMPLOYEE TRANSPORT VEHICLES EQUIPPED AT ALL TIMES WITH AT LEAST TWO REFLECTIVE-TYPE FLARES?				
IS A FULLY CHARGED FIRE EXTINGUISHER, IN GOOD CONDITION, WITH AT LEAST A 4 B:C RATING MAINTAINED IN EACH EMPLOYEE TRANSPORT VEHICLE?				
WHEN CUTTING TOOLS OR TOOLS WITH SHARP EDGES ARE CARRIED IN PASSENGER COMPARTMENTS OF EMPLOYEE TRANSPORT VEHICLES, ARE THEY PLACED IN CLOSED BOXES OR CONTAINERS THAT ARE SECURED IN PLACE?				
ARE EMPLOYEES PROHIBITED FROM RIDING ON TOP OF ANY LOAD THAT COULD SHIFT, TOPPLE, OR OTHERWISE BECOME UNSTABLE?				
<b>CONTROL OF HARMFUL SUBSTANCES BY VENTILATION</b>				
IS THE VOLUME AND VELOCITY OF AIR IN EACH EXHAUST SYSTEM SUFFICIENT TO GATHER THE DUSTS, FUMES, MISTS, VAPORS, OR GASES TO BE CONTROLLED, AND TO CONVEY THEM TO A SUITABLE POINT OF DISPOSAL?				
ARE EXHAUST INLETS, DUCTS AND PLENUMS DESIGNED, CONSTRUCTED AND SUPPORTED TO PREVENT COLLAPSE OR FAILURE OF ANY PART OF THE SYSTEM?				
ARE CLEAN-OUT PORTS OR DOORS PROVIDED AT INTERVALS NOT TO EXCEED 12 FEET				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
(3.6576 METERS) IN ALL HORIZONTAL RUNS OF EXHAUST DUCTS?				
WHERE TWO OR MORE DIFFERENT OPERATIONS ARE BEING CONTROLLED THROUGH THE SAME EXHAUST SYSTEM, COULD THE COMBINATION OF SUBSTANCES INVOLVED CREATE A FIRE, EXPLOSION, OR CHEMICAL REACTION HAZARD IN THE DUCT?				
IS ADEQUATE MAKEUP AIR PROVIDED TO AREAS WHERE EXHAUST SYSTEMS ARE OPERATING?				
IS THE SOURCE POINT FOR MAKEUP AIR LOCATED SO THAT ONLY CLEAN, FRESH AIR, FREE OF CONTAMINANTS WILL ENTER THE WORK ENVIRONMENT?				
WHERE TWO OR MORE VENTILATION SYSTEMS SERVE A WORK AREA, IS THEIR OPERATION SUCH THAT ONE WILL NOT OFFSET THE FUNCTIONS OF THE OTHER?				
<b>SANITIZING EQUIPMENT AND CLOTHING</b>				
IS REQUIRED PERSONAL PROTECTIVE CLOTHING OR EQUIPMENT ABLE TO BE CLEANED AND DISINFECTED EASILY?				
ARE EMPLOYEES PROHIBITED FROM INTERCHANGING PERSONAL PROTECTIVE CLOTHING OR EQUIPMENT, UNLESS IT HAS BEEN PROPERLY CLEANED?				
ARE MACHINES AND EQUIPMENT THAT PROCESS, HANDLE, OR APPLY MATERIALS THAT COULD INJURE EMPLOYEES CLEANED AND/OR DECONTAMINATED BEFORE BEING OVERHAULED OR PLACED IN STORAGE?				
ARE EMPLOYEES PROHIBITED FROM SMOKING OR EATING IN ANY AREA WHERE CONTAMINANTS ARE PRESENT THAT COULD BE INJURIOUS IF INGESTED?				
WHEN EMPLOYEES ARE REQUIRED TO CHANGE FROM STREET CLOTHING INTO PROTECTIVE CLOTHING, IS A CLEAN CHANGE ROOM WITH A SEPARATE STORAGE FACILITY				

<b>OSHA SELF-INSPECTION CHECKLISTS</b>				
FOR STREET AND PROTECTIVE CLOTHING PROVIDED?				
ARE EMPLOYEES REQUIRED TO SHOWER AND WASH THEIR HAIR AS SOON AS POSSIBLE AFTER A KNOWN CONTACT WITH A CARCINOGEN HAS OCCURRED?				
WHEN EQUIPMENT, MATERIALS, OR OTHER ITEMS ARE TAKEN INTO OR REMOVED FROM A CARCINOGEN-REGULATED AREA, IS IT DONE IN A MANNER THAT WILL NOT CONTAMINATE NON-REGULATED AREAS OR THE EXTERNAL ENVIRONMENT?				
<b>TIRE INFLATION</b>				
WHERE TIRES ARE MOUNTED AND/OR INFLATED ON DROP CENTER WHEELS OR ON WHEELS WITH SPLIT RIMS AND/OR RETAINER RINGS, IS A SAFE PRACTICE PROCEDURE POSTED AND ENFORCED?				
DOES EACH TIRE INFLATION HOSE HAVE A CLIP-ON CHUCK WITH AT LEAST 2.54 INCHES (6.45 CENTIMETERS) OF HOSE BETWEEN THE CHUCK AND AN IN-LINE HAND VALVE AND GAUGE?				
DOES THE TIRE INFLATION CONTROL VALVE AUTOMATICALLY SHUT OFF THE AIR FLOW WHEN THE VALVE IS RELEASED?				
IS A TIRE RESTRAINING DEVICE SUCH AS A CAGE, RACK, OR OTHER EFFECTIVE MEANS USED WHILE INFLATING TIRES MOUNTED ON SPLIT RIMS OR RIMS USING RETAINER RINGS?				
ARE EMPLOYEES PROHIBITED FROM STANDING DIRECTLY OVER OR IN FRONT OF A TIRE WHILE IT IS BEING INFLATED?				

**Appendix F: Job Hazard Analysis Worksheet**

JOB HAZARD ANALYSIS WORKSHEET		
JOB:		
ANALYSIS BY:	REVIEWED BY:	APPROVED BY:
DATE:	DATE:	DATE:
SEQUENCE OF STEPS	POTENTIAL ACCIDENTS OR HAZARDS	PREVENTATIVE MEASURES



## Appendix G: EPA Reference Guide for Worker Protection Standards for Use of Pesticides

### ADDITIONAL DUTIES FOR HANDLER EMPLOYERS (cont)

2. Keep pesticide labeling accessible to each handler during entire handling task.
3. Before handlers use any assigned handling equipment, tell them how to use it safely.
4. When commercial handlers will be on an agricultural establishment, inform them beforehand of:
  - areas on the establishment where pesticides will be applied or where an REI will be in effect,
  - restrictions on entering those areas.

(The agricultural establishment operator must give you these facts.)

#### Equipment Safety

1. Inspect pesticide handling equipment before each use, and repair or replace as needed.
2. Allow only appropriately trained and equipped handlers to repair, clean, or adjust pesticide equipment that contains pesticides or residues.

#### Personal Protective Equipment (PPE)

##### Duties Related to PPE

1. Provide handlers with the PPE the pesticide labeling requires for the task, and be sure it is:
  - clean and in operating condition,
  - worn and used correctly,
  - inspected before each day of use,
  - repaired or replaced as needed.
2. Be sure respirators fit correctly.
3. Take steps to avoid heat illness.
4. Provide handlers a pesticide-free area for:
  - storing personal clothing not in use,
  - putting on PPE at start of task,
  - taking off PPE at end of task.

5. Do not allow used PPE to be worn home or taken home.

##### Care of PPE

1. Store and wash used PPE separately from other clothing and laundry.
2. If PPE will be reused, clean it before each day of reuse, according to the instructions from the PPE manufacturer unless the pesticide labeling specifies other requirements. If there are no other instructions, wash in detergent and hot water.
3. Dry the clean PPE before storing, or hang to dry.
4. Store clean PPE away from other clothing and away from pesticide areas.

#### Replacing Respirator Purifying Elements

1. Replace dust/mist filters:
  - when breathing becomes difficult,
  - when filter is damaged or torn,
  - when respirator label or pesticide label requires (whichever is shorter), *or*
  - at the end of day's work period, in the absence of any other instructions or indications.
2. Replace vapor-removing cartridges/canisters:
  - when odor/taste/irritation is noticed,
  - when respirator label or pesticide label requires (whichever is shorter), *or*
  - at the end of day's work period, in the absence of any other instructions or indications.

#### Disposal of PPE

1. Discard coveralls and other absorbent materials that are heavily contaminated with undiluted pesticide having a "DANGER" or "WARNING" signal word.
2. Follow federal, state, and local laws when disposing of PPE that cannot be cleaned correctly.

#### Instructions for People Who Clean PPE

- Inform people who clean or launder PPE:
- that PPE may be contaminated with pesticides,
  - of the potentially harmful effects of exposure to pesticides,
  - how to protect themselves when handling PPE,
  - how to clean PPE correctly.

#### Quick Reference Guide Web Links

**EPA Worker Protection Standard Topic Page**  
<http://www.epa.gov/agriculture/twor.html>

**WPS Publications Page**  
<http://www.epa.gov/agriculture/awor.html>

**Revised (2005) HTC Manual**  
<http://www.epa.gov/agriculture/htc.html>

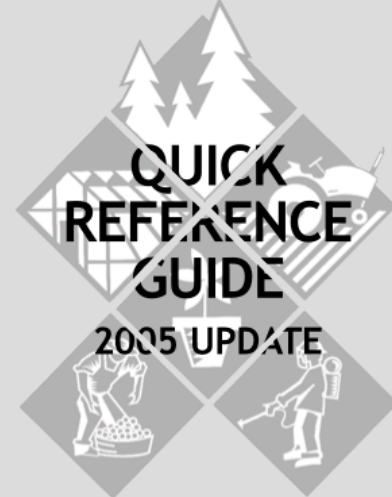
#### For More Information

**National Agriculture Compliance Assistance Center**  
 901 N. 5<sup>th</sup> Street  
 Kansas City, KS 66101

Toll-free: 1-888-663-2155  
 Internet: [www.epa.gov/agriculture](http://www.epa.gov/agriculture)  
 Fax: 913-551-7270



EPA 305-F-05-005  
 Ag Center # 52216  
 November 2005



The Quick Reference Guide outlines what is necessary for you to comply with the Worker Protection Standard. The WPS is a federal regulation designed to protect **agricultural workers** (people involved in the production of agricultural plants) and **pesticide handlers** (people mixing, loading, or applying pesticides or doing other tasks involving direct contact with pesticides). This guide presents the *maximum* WPS requirements. It does not include exceptions that may permit you to do less or options that may involve different requirements. The revised (2005) *How To Comply With the Worker Protection Standard for Agricultural Pesticides* has more information about your responsibilities, exceptions and options. There are some exemptions for owners of agricultural establishments and members of their immediate family.

# Exhibit 17 - 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.**

Keith J. Smith

CEO

\_\_\_\_\_  
Printed Name of Verifying Individual

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

\_\_\_\_\_  
Signature of Verifying Individual

\_\_\_\_\_  
Verification Date

## **Introduction**

Our medical cannabis dispensary is committed to receiving and shipping plans and procedures that maintain patient and product safety, efficient operations, and compliance with all relevant requirements and guidance from the Alabama Medical Cannabis Commission (“AMCC”). Proper receiving and shipping of medical cannabis is paramount to the effectiveness of the medical cannabis program and the safety of our Alabama patients. We have crafted this plan to properly track all medical cannabis being received and shipped by our facility. Ala. Admin. Code r. 538-x-8-.05.03.j. Partnerships that we develop with secure transporters, other licensees, and state testing laboratories will conform to this secure and compliant plan.

## **Shipping and Receiving Team**

As part of our vision to supply Alabama patients with safe medical cannabis, we have assembled a security and shipping team of industry experts. They will guide our receiving, shipping, and security operations, and develop standard operating procedures (“SOPs”) which keep our employees, products, and patients safe.

Our Director of Inventory and Purchasing will oversee our inventory procedures, including quality control for shipped and received products. They will also conduct internal inventory audits as part of our product safety and security plan. Our Head of Inventory and Purchasing has an M.S. in Management and International Trade Management and has over 18-years of international business administration experience.

Our Transportation Manager (“TM”) will oversee our transportation operations. We will only work with secure transport drivers who are properly trained and licensed. We will verify that all vehicles and drivers maintain compliance with all applicable laws.

Our Chief Compliance Officer (“CCO”) will train staff on regulatory compliance and will create checklists for adherence to proper shipping and receiving procedures and regulations. Our CCO has over a decade of experience in the tech sector building high performance teams. They have a J.D. and have professional experience as a Director of Trust and Safety.

### **17.1 – Security of Received Products**

All individual batches of cannabis received by our facility will undergo inspection to confirm they were appropriately prepared at their origin. This inspection will include verification that all cannabis received for storage and/or dispensing was appropriately prepared, packaged, and labeled at the time of receipt, and has been QR coded or otherwise digitally coded to identify, at a minimum, the Processor or Integrated Facility, the facility of origin, date of processing, packaging, and labeling, and the date of the Processor's or Integrated Facility's State Laboratory testing approval. Ala. Admin. Code r. 538-x-8-.05.03.j.01.

#### *Receiving Area*

Deliveries of cannabis will only be accepted at the rear entrance of our facility, accessible only with an authorized keycard. We will employ a security guard to patrol the interior of the building during business hours, and when we receive a delivery, they will supervise this process.

Our building will feature continuous video surveillance monitoring of the receiving area, the exterior of our facility near the area, and the entrance to the product vault. All areas will be appropriately lit to aid video surveillance. Received products may only be removed from the receiving area once the facility is closed and locked. The exterior receiving door may not be opened while products are being moved.

#### *Process for Receiving*

To request a shipment of cannabis, our facility will communicate with a licensed medical Cultivator, Processor, or Integrated Facility in Alabama to place an order. Our facility and the originating facility will decide an expected time of delivery. All deliveries must be scheduled for secure receipt. When the secure transport team arrives at our premises, they will communicate with our security team for facility access. A security guard will then move to the rear of our facility where shipments are received. Our Director of Inventory and Purchasing will open the receiving door of the facility and will inspect the delivery for accuracy and safety. This includes examination of secure transport containers and digital codes. If the delivery is not accurate, or is otherwise unsecured, we will communicate the inaccuracy to the delivering and originating licensee and reject the delivery. If we verify the shipment is secure and accurately labeled, we will sign for the shipment. This action will transfer product responsibility to us in the chain of custody. Once

the shipment is received and our facility is locked and fully secured, we will move the products to our receiving area for further quality assurance inspections.

### **17.2 - Receiving Manifest**

All cannabis received and accepted at our facility will be accompanied by the Secure Transporter manifest, and other appropriate documentation. When receiving products, a management team member will open the receiving door of the facility and inspect the manifest for accuracy. All manifest information will be accurate and duly executed by all appropriate parties. Ala. Admin. Code r. 538-x-8-.05.03.j.02.

A manifest is created once we request an order from another licensee. The originating licensee will securely transmit the shipping manifest to our facility prior to products leaving their facility. The originating licensee will coordinate with the Secure Transporter to provide all necessary secure transport details within the manifest. We will keep digital and physical copies of all manifests we receive for two years after the date of delivery. Manifests will be made immediately available to the AMCC upon request.

#### *Rejecting Receipt*

Despite all efforts, it could be the case that we must reject a delivery. Our CCO will create a mandatory compliance checklist for use by staff receiving shipments of cannabis inventory at our facility. If an incoming shipment in any way does not comply with shipping preparation, digital coding, tagging, packaging, labeling, recordkeeping, or other compliance items from our checklist, we will reject the shipment. If any product in the order is rejected, we will reject the entire order. Our inventory team will be fully trained on how to handle any shipment that is rejected during the shipping and receiving process.

We will immediately contact the secure transporter and originating facility regarding the details of the rejection. An estimated return time of rejected product will be determined and communicated between all involved entities. We will place rejected products in tamper proof containers that are shut and sealed by an authorized employee. After the package has been made tamper-evident, the manifest will be documented by both parties as a rejection. A documented and signed manifest will be left with each party. The time rejected products depart our facility and return to the originating facility will be recorded in the manifest. The

originating facility must accept the rejected products and will conduct their own quality control investigation.

### **17.3 – Received Product Labels**

All batches and containers that arrive at our facility will be digitally coded to identify all applicable information relating to the incoming medical cannabis, as well as the date and time of arrival, will be logged into the Statewide-Seed-to-Sale Tracking System. Ala. Admin. Code r. 538-x-8-.05.03.j.03. All digitally coded data will be entered into our inventory system.

### **17.4 –Received Products**

All medical cannabis products being received by our Dispensary by means of a Secure Transporter will be inspected and confirmed to be appropriately packaged, labeled, and inserted in containers prior to transport. Ala. Admin. Code r. 538-x-8-.05.03.j.04.

When all the received products are in our secure facility, our Director of Inventory and Purchasing will record the manifest in the seed-to-sale tracking system. Acquired products will be recorded by scanning each QR code. All information from the QR code relating to the incoming medical cannabis, as well as the date and time of arrival, will be logged into the Statewide-Seed-to-Sale Tracking System. Ala. Admin. Code r. 538-x-8-.05.03.j.03. All details on rejected products will also be recorded in the statewide tracking system.

### **17.5 – Labeling of Products and Chain of Custody**

Individual batches and containers being shipped by our Dispensary to or from another licensee’s facility or to or from another of our own facilities will be QR coded or otherwise digitally coded to identify, at a minimum, the Cultivator, Processor or Integrated Facility from which the medical cannabis was sourced, the facility or facilities of origin, 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. Ala. Admin. Code r. 538-x-8-.05.03.j.05. Further, medical

cannabis, related products, and packaging thereof, will never be visible or recognizable outside the secure transport vehicle. Ala. Admin. Code r. 538-x-7-.03.02.e.vi.

#### *Shipping Area*

Deliveries of cannabis will only be shipped from the rear entrance of our facility, accessible only with an authorized keycard. We will employ a security guard to patrol the interior of the building during business hours, and when we are preparing a shipment, they will supervise this process. Our building will feature continuous video surveillance monitoring of the shipping area, the exterior of our facility near the area, and the entrance to the product vault. All areas will be appropriately lit to aid video surveillance.

#### *Chain of Custody*

Acceptable transfer of responsibility requires that both the Secure Transporter staff and our inventory staff come to a full agreement that all products declared to be present, are in fact present. The accurate execution of this step is critical to secure a compliant shipment and delivery. Both parties will perform a detailed inventory check. First, our Director of Inventory and Purchasing will present the shipping containers to the secure transport staff. Next, the secure transport staff will compare the QR codes affixed to the shipping container against the serialized numbers printed on the manifest. Once correlation is confirmed, secure transport staff will review the manifest to confirm that all the driver's information has been correctly recorded. When each staff member has full confidence that each manifested item is in fact present, and that all information is accurately displayed on the manifest, they will sign their name on the manifest. Once all related staff have verified with their signature, full responsibility of the product is transferred to the Secure Transporter.

Once custody is assumed by secure transport staff, they will load the shipping containers into the cargo area of the Secure Transportation vehicle. All loading and unloading activities will occur at our licensed premises under constant video surveillance, located in our fenced-in vehicle area with security lighting and cameras. Transportation staff will only load and unload shipments within view of surveillance cameras. Video surveillance will create an evidentiary record of all loading and unloading. Transporting agents will not open any shipping containers for any reason. Once shipping containers have been packed and sealed for transport, only Secure Transporter management, the licensed

business establishment accepting the delivery, or law enforcement officials will be allowed to open the container.

### *Secure Packaging*

We will securely package all medical cannabis or cannabis products that leave our facility to prevent tampering. All shipments will be placed inside a designated and secure container within the secure transport vehicle. Each container will be tamper-evident with a digital code on the exterior associated with the product inside. Our employees will refuse to release shipments that have not been properly or securely packaged and labeled.

### **17.6 – Shipping Manifest**

All outgoing medical cannabis from our Dispensary Facility will be accompanied by a Secure Transporter’s manifest and other appropriate documentation. Information thereon will be accurate and duly executed by all appropriate parties. Ala. Admin. Code r. 538-x-8-.05.03.j.06. At a minimum, manifests used for secure transport will include: name of the driver and any other individuals onboard; name of the requesting licensee; the address of the destination facility; weight and description of each individual package in the shipment, and the total number of individual packages; handling and storage instructions; date and time the medical cannabis shipment is placed into the transport vehicle; date and time the shipment is accepted at the delivery destination; the identity of the employee with custody of the medical cannabis; and, the circumstances, duration, and disposition of any other person who had custody or control of the shipment. Ala. Admin. Code r. 538-x-7-.07.03.a-g.

Our Director of Inventory and Purchasing will coordinate with the Secure Transporter to generate a shipping manifest for each delivery. The Director of Inventory and Purchasing will provide all necessary product details, including tag information, for the shipment. Our TM will work with the Secure Transporter to assist in configuring a secure and efficient route with delivery software. We will always log product and transport details in our inventory system. Ala. Admin. Code r. 538-x-7-.02.03.b. This will create a virtual record of each delivery prior to shipment. A digital copy of the manifest will be transmitted to the receiving licensee. No products will ever be shipped from our facility without a complete and compliant Secure Transporter’s manifest.



A physical copy of the manifest will be provided to the driver of the secure transport vehicle. This paper manifest will be proof of authorization to transport medical cannabis products in Alabama. The driver will also be provided with physical and digital copies of the transportation route, which they will follow. If an alternate route is necessary in an emergency, the driver will contact the security office for advisement. All changes and reasons necessitating the change will be documented. Ala. Admin. Code r. 538-x-7-.03.02.e.xiii.

#### *Delivery Procedures*

Upon arriving at the delivery location, Secure Transporter staff will communicate with the receiving facility employees. A security guard and authorized employee from the receiving facility will assist in safely and securely unloading cannabis containers from the cargo area of the transportation vehicle. The driver will always remain with the vehicle and any products within. Secure Transporter staff will record their arrival time on the transportation manifest. After the receiving agent confirms that the transported products are identical to the items stated on the manifest, the receiving agent will sign both manifests and assume custody of the product. Completed manifests will contain signatures of the secure transportation employee and the signature of the receiving agent who assumed custody of the product. One copy of the signed manifest will remain with the receiving location agent. The other copy will return to our facility.

Once the manifests are complete, our staff will again review the delivery details. In this final review, we will make sure all packages that were previously confirmed as delivered, have indeed been delivered. Once this confirmation has been made, our employee will then change the shipment status to “delivered” within the inventory tracking system. This will create a virtual record, which will be kept permanently by our TM, along with the manifest, as proof of delivery.

#### *Shipment Rejection*

In the case of a business licensee rejecting a delivery originating at our facility, a rejecting licensee employee must reseal all products in a tamper proof manner. After the package has been made tamper-evident, the manifest will be documented by both parties as a rejection. A documented and signed manifest will be left with the rejecting party, and one copy will return with the product to our facility. Upon notification of a rejected

shipment, our Director of Inventory and Purchasing will begin preparation for the rejected product. We will mandate that all product is securely transported or returned to the confines of the licensed facility from which it originated. When products are returned to us, we will launch a quality control investigation into the root cause.

### **17.7 – Records of Shipped Products**

All information from the QR code related to outgoing medical cannabis, as well as the date and time of shipment, will be recorded into the statewide seed-to-sale tracking system. Ala. Admin. Code r. 538-x-8-.05.03.j.07. The statewide seed-to-sale tracking system will serve as our master log for all cannabis inventory. We will also input all route plans, manifests, transport logs, freight bills, bills of lading, any free- on-board (“FOB”) terms of sale documents, maintenance records, repair records, and insurance documentation into the seed-to-sale tracking system. All records will be kept for at least two years, and longer upon the request of the AMCC or law enforcement. Ala. Admin. Code r. 538-x-7-.03.02.e.xv. Transportation and related documents will be made available to the AMCC or its representatives during inspections and other official visits. Ala. Admin. Code r. 538-x-7-.03.02.e.xvi.

### **Conclusion**

Our shipment and inventory procedures are based on best practices from other high security industries, including pharmaceutical distributors and HIPAA-regulated medical practitioners. We will thoroughly train all employees on our safety and security procedures, which we developed with guidelines from the AMCC, public safety officials, law enforcement agencies, and professional security organizations familiar with the cannabis industry. Security systems in our vehicles and at our facility will deter unauthorized access and keep all cannabis inventory secure. We will report any abnormal activity along our shipment route, maintain accurate record keeping, and create a clear documentation trail for local, state, and federal law enforcement agencies. We will always transport medical cannabis in a safe, efficient, and professional manner between licensed facilities. Our shipping and receiving plan will maintain the safety of patients, products, staff, and the State of Alabama.

**REDACTED COPY** License Type: Dispensary

# Exhibit 18 – 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.**

Keith J. Smith

CEO

\_\_\_\_\_  
Printed Name of Verifying Individual

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

\_\_\_\_\_  
Signature of Verifying Individual

\_\_\_\_\_  
Verification Date

**18.1 Facility Name and Type**

Facility Name: Yellowhammer Medical Dispensaries, LLC

Facility Type: Dispensing Sites

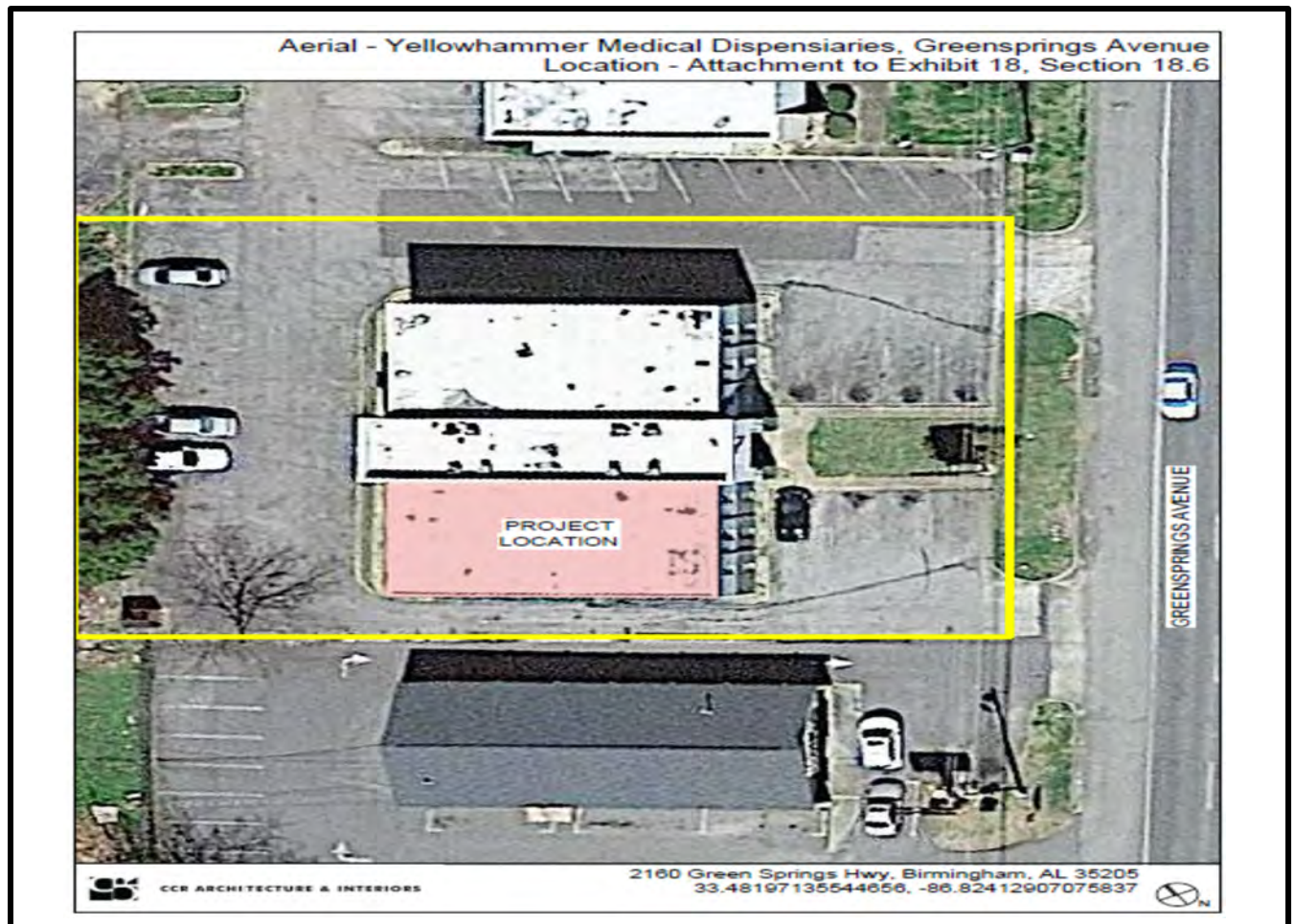
**18.2 Physical Address & GPS Coordinates of Facility**

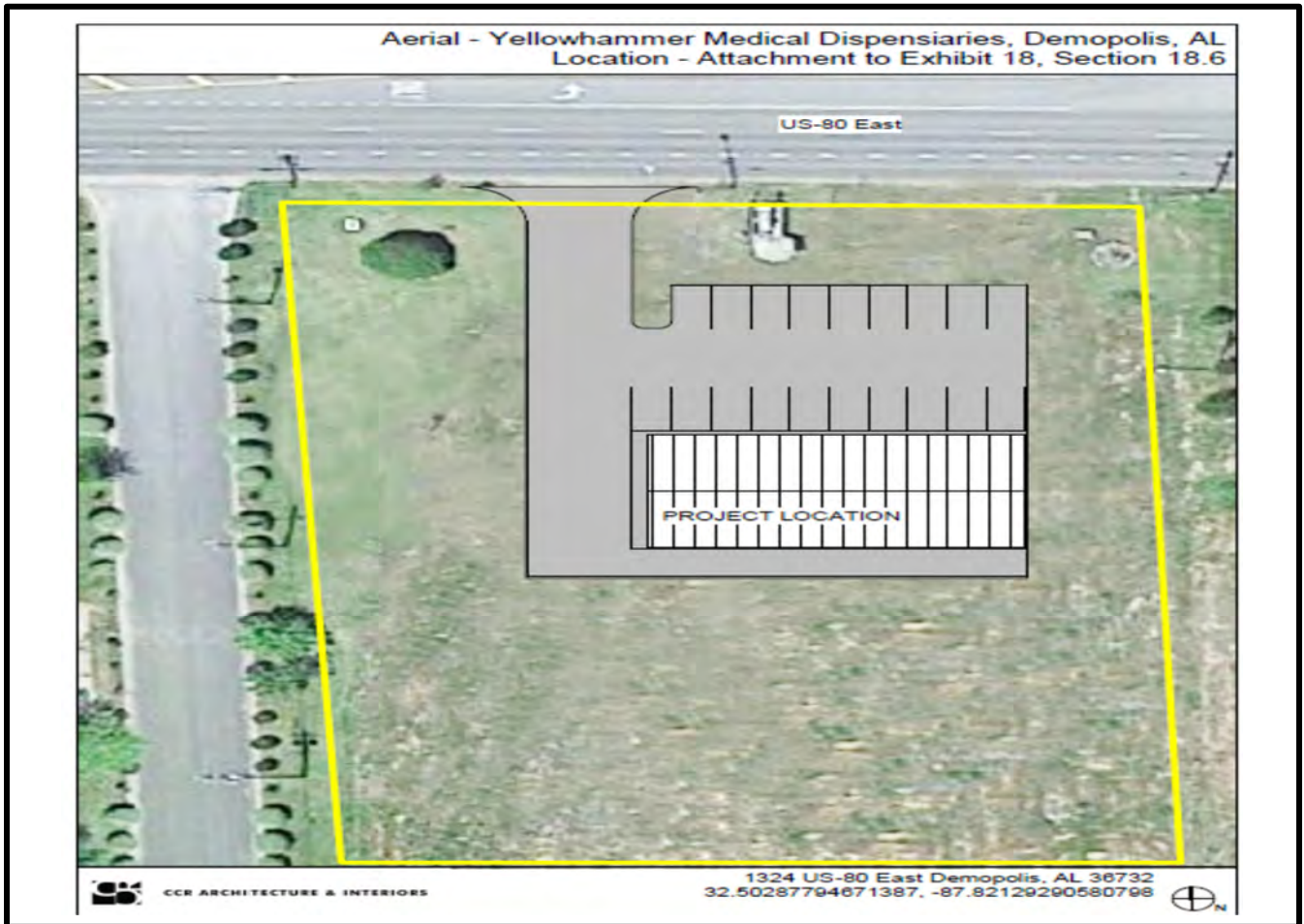
Birmingham Location: 2160 Green Springs Highway, Birmingham, AL 35205  
GPS: 33.48197135544656, -86.82412907075837(see aerial for GPS coordinates as well)

Demopolis Location: 1324 US-80 E Demopolis, AL 36732  
GPS: 32.50287794671387, -87.82129290580798 (see aerial for GPS coordinates as well)

Owens Cross Roads Location: 9639 Highway 431 South, Owens Cross Roads, AL 35763  
GPS: 34.564315559532396, -86.44456797812147 (see aerial for GPS coordinates as well)

**18.3 Aerial Photograph of Facility**





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

The Applicant will lease the property in Birmingham and will be purchasing the properties in Demopolis and Owens Cross Roads. All documents are identified as “Ownership Agreements – Yellowhammer Med Dispensaries - Attachment to Exhibit 18, Section 18.4”.

#### **18.5 – Local Jurisdiction Approvals**

The City Council of Birmingham, Demopolis and Owens Cross Roads, Alabama all adopted ordinances approving the operation of cannabis dispensary operations in their municipalities. See attached copies of ordinances (identified as “City Ordinance Approving Cannabis Dispensary Operations – Yellowhammer Med Dispensaries - Attachment to Exhibit 18, Section 18.5”). The applicant has included letters from each of the cities verifying that the locations which Yellowhammer has selected are compliant with the local zoning and allowed to operate as a Medical Dispensary. See attached copies identified as “Zoning Ordinance – Yellowhammer Med Dispensaries-Attachment to Exhibit 18, Section 18.5”.

#### **18.6 – Blueprint of Facility**

The blueprint for each of the facilities identified in 18.1 above are attached hereto and identified as “Blueprint – Yellowhammer Med Dispensaries – Attachment to Exhibit 18, Section 18.6”.

#### **18.7 – Facility Timetable**

The applicant has not started construction on the dispensaries, but completion is expected within 90 days after award of license which includes compliance with all facility requirements under the Act and the AMCC Rules.

**18.8 – Public Access to Facility**

Yellowhammer Medical Dispensary’s facilities will be open to the public.

The applicant anticipates the hours of operation for the facility to be as follows:

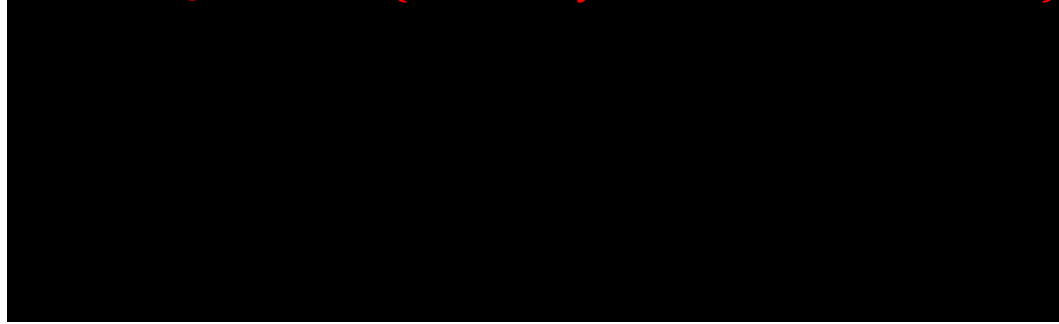
Monday – Friday	10:00 a.m. – 7:00 p.m. CT
Saturday	10:00 a.m. – 10:00 p.m. CT
Sunday	1:00 p.m. – 7:00 p.m. CT

**18.9 – Facility Hours of Operation / After Hours Contact**

The applicant anticipates that the Yellowhammer Medical Dispensary Facility will be occupied by the applicant’s employees during all public access hours (see 18.8 above) and approximately one (1) hour before and after the public access hours.

After Hours Management Contact

**Ala. Code § 36-12-40 (Personally Identifiable Information)**



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.

**LOTS OR OTHER UNIMPROVED LAND SALES CONTRACT**

Form Approved by Birmingham Association of REALTORS®, Inc.  
March 29, 2006, Reformatted April 2013 (Previous forms obsolete)

Date: 11/22/22

The undersigned Buyer(s) Yellowhammer Medical Dispensaries, LLC hereby agrees to purchase and  
(Please print exact names in which title will be taken) the undersigned Seller(s) [REDACTED]  
hereby agrees to sell the following  
(Please print exact names in which title will be taken)

described lot(s) or other unimproved land and appurtenances thereto (the "Property") situated in the City of  
Demopolis, County of Marengo, Alabama, on the terms stated below:

Address: 1324 Us-80 E Demopolis, AL Zip Code: 36732

Legal Description: parcel # 48 01 09 30 4 002 002.000

and Parcel ID: [REDACTED]

**1. THE TOTAL PURCHASE PRICE OF THE PROPERTY SH** [REDACTED]  
Ala. Code § 36-12-40 (Private Business Information)

**Money under this Contract sh** [REDACTED]  
Ala. Code § 36-12-40 (Private Business Information)

(A) **FINANCING:** (Check as applicable)

(1) Buyer will pay cash or obtain a loan for the Property with no financing contingency.

(2) This Contract is contingent on Buyer obtaining approval of a loan in the amount of  
\$ \_\_\_\_\_ or \_\_\_\_\_ % of the Purchase Price (excluding any financed loan  
costs) at the prevailing interest rate and loan costs. Buyer will apply for financing within \_\_\_\_ days (7 days  
if left blank), from the Finalized Date and will provide any and all credit, employment, financial and other  
information required by the mortgage lender. "Finalized Date" shall mean the date that appears under the  
signatures of the parties to this Contract. **No term of this financing contingency can be changed without  
written authorization of the Seller.**

(B) **DEVELOPMENT:** (Check if applicable)

This Contract is contingent upon Buyer obtaining appropriate financing, applicable building  
permits, all utilities (electricity, gas, sewer and water) for use on the Property for the purpose intended. In  
the event there is not a public sewer system, this Contract is also subject to approval by proper Health  
Department authorities of a permit for installation of a septic tank. In the event of any one of these  
contingencies cannot be fulfilled on or before \_\_\_\_\_, 20\_\_, Seller agrees to refund Earnest  
Money and this Contract shall become null and void. Buyer is responsible for determining whether all  
necessary utilities are on the Property and are available for the intended purpose of the Buyer.

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This form is published as a service to member real estate professionals and an explanation of its various provisions should be obtained from the  
appropriate professional. Because of varying state and local laws, competent legal or other advice should be secured before using any form. If a  
user of this form makes any substantive changes to any portions above, the form will no longer be an approved form.



2. **CLOSING DATE:** The sale shall be closed and the deed delivered on or before \_\_\_\_\_ see addendum \_\_\_\_\_, 20\_\_ at \_\_: \_\_ a.m. \_\_ p.m. \_\_.

3. **EARNEST MONEY & BUYER'S DEFAULT:** Seller and Buyer hereby direct the Listing Company to hold the Earnest Money in trust until this Contract has been accepted and signed by all parties, at which time the Earnest Money will be promptly deposited into the escrow account of the Listing Company. In the event an offer or counteroffer is not accepted, the Earnest Money shall be returned to Buyer without a signed release. If the Contract is accepted and signed by all parties and the sale does not close, however, a separate mutual release signed by all parties to this Contract will be required before the Earnest Money will be disbursed. In the event either Buyer or Seller claims the escrowed funds without the agreement of the other party, any holder of the escrowed funds, as prescribed by Alabama Real Estate License Law Rule: 790-X-3-.03 (4), (5), must either retain the escrowed funds until there is a written mutual release among the parties or interplead the disputed portion of the funds into the appropriate court, and shall be entitled to deduct from the escrowed funds for court costs, attorney fees and other expenses relating to the interpleader; provided, however, that any Claim as defined in Paragraph 15 below shall remain subject to mediation and arbitration as set forth in said Paragraph. Seller, at Seller's option, may cancel this Contract if the Earnest Money check is rejected by the financial institution upon which it is drawn. In the event of default by Buyer, all deposits made hereunder may be forfeited as liquidated damages at the option of Seller, provided Seller agrees to the cancellation of this Contract, or alternatively, Seller may elect to pursue his or her available legal or equitable remedies against Buyer pursuant to Paragraph 15 below.

4. **AGENCY DISCLOSURE:**

The listing company is: \_\_\_\_\_ N/A \_\_\_\_\_.

The purchasing company brokerage Ala. Code § 36-12-40 (Private Business Information)

The listing company is: (Two blocks may be checked) \_\_\_\_\_ the buyer.

An agent of both the seller and buyer and is acting as a limited consensual dual agent. Assisting  the  buyer  seller (check one or both) as a transaction broker.

The selling company is: (Two blocks may be checked)  An agent of the seller.  An agent of the buyer.

An agent of both the seller and buyer and is acting as a limited consensual dual agent. Assisting  buyer

\_\_\_\_\_ the seller (check one or both) as a transaction broker.

Buyer's Initials \_\_\_\_\_ Seller's Initials \_\_\_\_\_

5. **TITLE INSURANCE:** Seller agrees to furnish Buyer a standard form owner's title insurance policy at Seller's expense, issued by a company qualified to insure titles in Alabama, in the amount of the Purchase Price, insuring Buyer against loss on account of any defect or encumbrance in the title, subject to exceptions herein, including Paragraphs 6 & 8 below; otherwise, the Earnest Money shall be refunded in accordance with Paragraph 3 above. In the event owner's and mortgagee's title policies are required at closing, the total expense of procuring the two policies will be divided

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equally between Seller and Buyer, even if the mortgagee is the Seller. Seller shall have a reasonable length of time within which to perfect title or cure defects in the title to the Property.

(see addendum--seller is providing survey)

6. **SURVEY:** Buyer  does  does not require a survey by a registered Alabama land surveyor of Buyer's choosing. The lender may require a survey and it is recommended that a new survey be obtained on all purchases. Available information indicates that the Property  is  is not located in a flood plain, but this should be confirmed by a flood plain certification and/or a current surveyor's statement in the survey which shall be the responsibility of Buyer. Further, unless otherwise agreed herein, the Property is purchased subject to utility easements, residential subdivision covenants and restrictions, if any, and building lines of record. It is the responsibility of Buyer to determine, prior to closing of this Contract, whether the foregoing materially impairs the use of the Property for intended purposes. Unless otherwise agreed herein, the survey shall be at Buyer's expense.
7. **PRORATIONS:** Ad valorem taxes, as determined on the date of closing, accrued interest on mortgage(s) assumed, and homeowners association, fire district or other dues, fees or assessments are to be prorated between Seller and Buyer as of the date of closing, and any existing escrow deposits shall be credited to Seller. Unless otherwise agreed herein, all ad valorem taxes except municipal are presumed to be paid in arrears for purpose of proration; municipal taxes, if any, are presumed to be paid in advance.
8. **CONVEYANCE:** Seller agrees to convey the Property to Buyer by \_\_\_\_\_ General warranty deed (check  if Buyer desires that title be held as joint tenants with rights of survivorship), free of all encumbrances except as permitted in this Contract. Seller and Buyer agree that any encumbrances not herein excepted or assumed may be cleared at the time of closing from sales proceeds. The Property is sold and is to be conveyed subject to any mineral and/or mining rights not owned by Seller. Seller understands that the present zoning classification is: Manufacturing. It is Buyer's responsibility to verify the current zoning classification.
9. **CONDITION OF THE PROPERTY: SELLER MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING CONDITION OF THE PROPERTY EXCEPT TO THE EXTENT EXPRESSLY AND SPECIFICALLY SET FORTH HEREIN.** Purchaser has the obligation to determine any and all conditions of the Property material to Buyer decision to buy the Property, including without limitation, subsurface condition, including the presence or absence of sinkholes, mining activity, wells or buried tanks and other objects; soil conditions; and utility and sewer or septic availability and condition. Except as otherwise stated in this Contract, Buyer accepts the Property in its present "as is"

## Ala. Code § 36-12-40 (Personally Identifiable Information)

10. **DISCLAIMER:** Seller and Buyer hereby acknowledge and agree that they have not relied upon any advice or representation of the Listing Broker or Company or the Selling Broker or Company or any of their sales associates ("brokers and sales associates"), and accordingly Seller and Buyer agree that no broker or sales associate shall be held responsible for any obligations or agreements that Seller or Buyer have to one another hereunder. Further, Seller and Buyer agree to discharge and release the brokers and sales associates from any claims, demands, damages, actions, causes of

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Lots or Other Unimproved Land Sales Contract, Page 3 of 7

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actions or suits at law arising in any way from this Contract related to the Property, and shall include but not be limited to the availability or location of utilities, sewer or septic system; the investment or resale value of the Property; subsurface or subsoil conditions such as sinkholes, mining or other soil conditions, including radon or other potentially hazardous gases or toxic materials; Property access, easements, covenants, restrictions, development structure, and appurtenances thereto, the availability of utilities or sewer service; and any matters affecting the character of the neighborhood; the past, present, or future financial stability of the developer, if any, or the future insurability of the Property; the investment or resale value of the Property; or any other matters affecting the willingness of the Seller and Buyer to sell or purchase the Property on the terms and at the Purchase Price herein set forth. Seller and Buyer acknowledge and agree that if such matters are of concern to them in the decision to sell or purchase the Property, they have sought and

## Ala. Code § 36-12-40 (Personally Identifiable Information)

11. **SELLER WARRANTY:** Seller warrants that Seller has not received notification from any owners association or lawful authority regarding any unpaid assessments, pending assessments, pending public improvements, or repairs, replacements, or alterations to the Property that have not been satisfactorily made. Seller warrants that there is no unpaid indebtedness on the Property except as described in this Contract. These warranties shall survive the closing.
12. **HAZARDOUS SUBSTANCES:** Seller and Buyer expressly acknowledge that the Broker(s) have not made an independent investigation or determination with respect to the existence or nonexistence of PCB transformers, or other toxic, hazardous or contaminated substances or gases in, on, or about the Property, or for the presence of underground storage tanks. Any such investigation or determination shall be the responsibility of Seller and/or Buyer and Broker(s) shall not be held responsible therefor.
13. **SELECTION OF ATTORNEY:** Buyer and Seller hereby  do  do not agree to share the fees of a closing attorney. Buyer and Seller acknowledge and agree that such sharing of fees may involve a conflict of interest on the part of the attorney and the attorney will require that an affidavit be signed at closing acknowledging the conflict of interest and Buyer's and Seller's acceptance of the same. The parties further acknowledge that they have a right to be represented at all times by separate and independent counsel in connection with this Contract and the closing thereof by an attorney of their own choosing at their own expense.
14. **OTHER OFFERS WHILE BUYER'S OFFER IS PENDING:** Buyer hereby acknowledges that offers other than Buyer's offer may have been made or may be made before Seller acts on or while Seller is considering Buyer's offer or counteroffer. While the Buyer's offer or counteroffer is pending, and before this Contract becomes effective, Seller hereby expressly reserves the right to reject Buyer's offer or counteroffer or to withdraw any offer previously made by Seller to Buyer relating to the Property, and to accept any other offer or counteroffer.
15. **MEDIATION AND ARBITRATION/WAIVER OF TRIAL BY JURY:** All claims, disputes or other matters in question arising out of or relating in any way to this Contract or the breach thereof, including claims against any broker or sales associate, or relating to the relationship involved with, created by or concerning this Contract, including the involvement

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of any broker or sales associate ("Claim"), shall be submitted to mediation with a mutually agreed upon mediator within forty-five (45) days of notice of the Claim. In the event no mediated resolution is reached within sixty (60) days of the party's notice of the Claim, all Claims shall be resolved by binding arbitration by a single arbitrator in Birmingham, Alabama in accordance with the Commercial

Arbitration Rules of the American Arbitration Association then in effect. **EACH PARTY ACKNOWLEDGES THAT HE OR SHE IS KNOWINGLY WAIVING THE RIGHT TO A TRIAL BY JURY RELATING TO ALL CLAIMS.** All disputes concerning the arbitrability of any Claim or the enforceability or scope of this provision shall be subject to the same binding arbitration. The parties shall bear equally the cost of the arbitrator and each party shall otherwise bear their own costs; provided the arbitrator shall have the authority to award costs as a part of this award to the extent authorized by applicable law. The arbitrator shall follow the law applicable to any Claim and shall be empowered to award any damages or other relief which would be available under the law applicable to any such Claim. The determination of the arbitrator shall be final, binding on the parties and non-appealable, and may be entered in any court of competent jurisdiction to enforce it. The parties acknowledge and agree that the transactions contemplated by and relating to this Contract, which may include the use of materials and components which are obtained from out-of-state and which otherwise include the use of interstate mails, roadways and commerce, involve interstate commerce, as that term is defined in the Federal Arbitration Act, 9 U.S.C. § 2.

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

delivered by any party hereto by sending a facsimile of the signature or by a legally recognized esignature. Such facsimile signature or legally recognized e-signature shall be binding upon the party so executing it upon the receipt of the signature by any other party.

17. **ADDITIONAL PROVISIONS:** Additional provisions to this Contract are set forth on the attached Addendum(s) # \_\_\_\_\_ which shall be signed by all parties and shall be part 1 of this Contract.
18. **OBLIGATION FOR FEES AND EXPENSES:** Buyer and Seller acknowledge that in the event this Contract is cancelled or does not close for any reason, fees or costs paid in advance may be nonrefundable.
19. **ENTIRE AGREEMENT:** This Contract constitutes the entire agreement between Buyer and Seller regarding the Property, and supersedes all prior discussions, negotiations and agreements between Buyer and Seller, whether oral or written. Neither Buyer, Seller, nor any broker or sales associate shall be bound by any understanding, agreement, promise, or representation concerning the Property, expressed or implied, not specified herein.

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**THIS IS A LEGALLY BINDING CONTRACT. IF YOU DO NOT UNDERSTAND THE LEGAL EFFECT OF ANY PART OF THIS CONTRACT, SEEK LEGAL ADVICE BEFORE SIGNING.**

Ala. Code § 36-12-40 (Personally Identifiable Information)

\_\_\_\_\_  
Witness to Buyer's Signature

Buyer

\_\_\_\_\_  
Witness to Buyer's Signature

Buyer

\_\_\_\_\_  
Witness to Seller's Signature

Seller

\_\_\_\_\_  
Witness to Seller's Signature

Seller

(Date)

**Finalized Date:** \_\_\_\_\_, 20\_\_\_\_\_  
*(Date on which last party signed or initialed acceptance of final offer)*

**EARNEST MONEY:** Receipt of the earnest money in the amount identified in Paragraph 1 is hereby acknowledged.

CASH

CHECK

LISTING COMPANY: \_\_\_\_\_ N/A \_\_\_\_\_ By: \_\_\_\_\_

### Addendum to Sales Contract

The following contingencies apply to the purchase agreement, and will be removed by signed addenda as they are satisfied, if applicable:

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- 1. Due Diligence Period of 30 days to begin on date of purchase agreement execution
- 2. Parties agree to split title work, deed, and closing fee. Title company shall be:

**Ala. Code § 36-12-40 (Private Business Information)**

- 4. Seller to provide survey and legal description
- 5. Closing shall occur within 15 days of license being issued.

**Ala. Code § 36-12-40 (Private Business Information)**

- 7. If no license is awarded, this agreement automatically dissolves.

Purchaser

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

Seller

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

Date

11/28/2022

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Nothing herein contained shall be construed as a warranty that said premises are in good condition or suitable for the use or purpose for which they are let except as herein expressly set forth in herein. Tenant has examined the lease premises and accepts the same in the physical condition in which the same now exist (except as otherwise expressly provided herein).

However, if Tenant is unable to obtain possession of the said premises through no fault of its own, Tenant shall be entitled to cancel this lease and receive a refund of its security deposit, and neither party shall have any further obligation to the other under the terms of this lease.

- 8) **MULTI-TENANT BUILDINGS:** Tenant shall not engage in or permit its employees or licensees to engage in any conduct that would constitute a nuisance or otherwise unreasonably interfere with adjacent Tenants.
- 9) **AGENT DISCLAIMER:** Tenant and Landlord expressly acknowledge that the agent(s) or Landlord has not made an independent investigation or determination with respect to the existence or non-existence of asbestos, PCB transformers, or other toxic, hazardous or contaminated substances or gases, in, on, or about the property, or for the presence of underground storage tanks, or whether or not any building or part of the leased premises complies with city and municipal codes or in compliance with the Americans With Disabilities Act. Agent makes no representation as to the condition of the building. Any such investigation or determination shall be the responsibility of Landlord and/or Tenant, and agent(s) shall not be held responsible.
- 10) **ROOF:** Should the roof of the building leak at any time during the said term, **Landlord** will repair the same within a reasonable period but in no event shall Landlord be liable for damages or injuries arising from any defect, nor shall Landlord be liable for damages or injuries arising from defective workmanship or materials, Tenant hereby expressly waiving the same. Landlord and its agents shall not be liable for any deaths, injury, loss or damage resulting from any repair or improvement and undertaken, voluntarily or involuntarily, by and on behalf of Landlord, other than willfully wrongful acts or negligence of Landlord.
- 11) **REPAIRS:** Landlord is responsible for repairs.
- 12) **INSPECTION AND SHOWING:** Landlord reserves the right to enter upon said premises and to make such repairs and to do such work on or about said premises, as Landlord may deem necessary or proper, or that Landlord may be lawfully required to make. Landlord reserves the right to visit and inspect said premises at all reasonable times and the right to show said premises to prospective Tenants and purchasers, and the right to display "For Sale" and "For Rent" signs on said premises if during the last **90 days** of lease term or any renewal term thereof or if Tenant is in monetary default for a period of greater than 1 **months**.



Landlord will take all make all reasonable steps to cause any visit, inspection or repairs to be conducted in a manner that does not inhibit the Tenants business.

- 13) FAILURE OF TENANT TO REPAIR; SIGNS:** Should Tenant fail to make repairs agreed to by under this lease within twenty **15 days** after receiving written notice from Landlord to make such repairs , Landlord may enter the premises and make such repairs and collect the cost thereof from Tenant as additional rent. Except as herein specifically provided, Tenant will not make or permit to be made any alterations, additions, improvements or changes in the premises, nor will Tenant paint the inside or outside of the building or permit the same to be painted without the written consent of Landlord before work is contracted or let. No signs of any character shall be erected until the consent thereof in writing is first had and obtained from Landlord.
- 14) ALTERATIONS AND IMPROVEMENTS BY TENANT; UPKEEP; COMPLIANCE WITH LAW:** Tenant will replace plate and other glass broken by Tenant, if and when broken or cracked, and failing so to do Landlord may replace the same and Tenant will pay Landlord the cost and expense thereof upon demand. Landlord shall not be liable for any damages caused by, or growing out of, any breakage, leakage, getting out of older or defective conditions of heating, ventilation and air conditioning equipment (HVAC), electric wiring, telephone service wires, water pipes, water closets, drains, sewer lines and sprinkler systems or plumbing. Tenant will comply, at all times and in all respects to the applicable laws and ordinances (including but no limited to building and fire codes) applicable to this jurisdiction insofar as the building and premises hereby let, and the streets and highways bounding the same, are concerned, and Tenant will not by any act or omission render Landlord liable for any violation thereof. Tenant specifically agrees to maintain ABC type; portable fire extinguishers throughout the premises and said extinguishers must be serviced annually, tagged and dated. **ALL SIGNAGE AND ANY ALTERATIONS MUST HAVE PRIOR APPROVAL FROM LANDLORD**
- 15) PUBLIC LIABILITY INSURANCE AND INDEMNITY:** Tenant shall during the term of this lease, at Tenant's own cost and expense, keep in force by advance payment of premiums, public liability insurance in an amount of no **Ala. Code § 36-12-40 (Private Business Information)** to or death of more than one person as a result of one occurrence and for damage to Tenants furniture , fixtures **Ala. Code § 36-12-40 (Private Business Information)**'s insurance will name , Landlord, and Landlord's agents, Servants, and employees (as additional insured) against any liability that may accrue against them or either of them on account of any occurrences in or about the premises during the term or in consequence of Tenant's occupancy thereof and resulting in personal injury or death or property damage. Tenant shall furnish to Landlord certificates of all insurance required under this addendum. Tenant agrees to comply with all reasonable requirements of Landlord's insurance carrier so as not to cause cancellation or increase in rates of Landlord's insurance coverage.
- 16) EVENTS OF DEFAULT:** Upon the happening of any one or more of the events as expressed in this paragraph, Landlord shall have the right, at the option to either annul and

terminate this lease upon **10** days written notice to Tenant and thereupon re-enter and take possession of the premises; or the right upon **10** days written notice of material default to re-enter and re-let said premises, any such re-entry or re-letting or both, shall not discharge Tenant from any liability or obligation hereunder, except that rents (that is, gross rents less the expense of collecting and less commission) collected as a result of such re-letting shall be credited on Tenant's liability up to the amount due under the terms of this lease and the balance, if any, credited to Landlord. Nothing herein, however, shall be construed to require Landlord to re-enter and re-let, nor shall anything herein be construed to postpone the right to sue for rents, whether matured by acceleration or otherwise. Landlord is hereby given the right to sue therefor at any time after default.

**The events or default referred to herein are:** (1) failure of Tenant to pay any one or more of the installments of rents when the same becomes due, (2) the removal, attempt to remove or permitting to be removed from said premises, except in the usual course of trade, the goods, furniture, effects or (3) the levy of an execution or other legal process upon the goods, furniture, effects or other property of Tenant brought on the leased premises or upon the interest of Tenant in this lease, (4) the filing of a Petition in Bankruptcy, a Petition for an Arraignment or reorganization by or against Tenant; the appointment of a receiver or trustee, or other court officer, for the assets of Tenant, (5) the execution of an assignment for the benefit of creditors ; (6) the vacation or abandonment by Tenant of the leased premises (7) or the use thereof for any purpose other than the purpose for which the same are hereby let or (8) the assignment by Tenant of this lease or the re-letting or sub-letting by Tenant of the leased premise or any part thereof without the written consent of Landlord ; (9) the violation by Tenant of any other of the terms, conditions or covenants not set out in this paragraph on the part of Tenant herein contained and failure of Tenant to remedy such violation within ten (10) days after written notice thereof is given by Landlord to Tenant.

**17) REMOVAL OF GOODS:** Tenants shall not remove any of the goods, wares or merchandise of Tenant from said premises other than in the regular course of Tenant's trade dress and all signage or business without having first paid all rent due or to become due under the terms of this lease.

**18) ACCELERATION OF RENT; DEFAULT-ATTORNEY FEE AND COST; WAIVER OF EXEMPTIONS:** Upon termination or breach of this lease or re-entry upon said premises for any one or more of the causes set forth above, or upon termination of this lease or re-entry of said premises, the rents provided for in this lease for the balance of the balance of the original rental term, or any renewal term or other extended term, and all other indebtedness to the Landlord owed by Tenant, shall be and become immediately due payable at the option of Landlord and without regard to whether or not possession of the premise shall have been surrendered to or taken by Landlord. Tenant agrees to pay Landlord, or on Landlord's behalf, a reasonable attorney's fee in the event Landlord employs an attorney to collect any rents due hereunder by Tenant, or to protect the interest of Landlord in the event the Tenant is adjusted a bankrupt, or legal process is levied upon the goods, furniture, effects or personal property of Tenant upon the said premises, or upon the interest of the Tenant in this lease or in said premises, or in the event Tenant violates any of the terms, conditions.

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In order to further secure the prompt payments of said rents, as and when the same mature, and the faithful performance by Tenant, and all damages, and costs that Landlord may sustain by reason of the violation of said terms, conditions and covenants, or any of them, Tenant hereby waives any and all rights to claim personal property as exempt from levy and sale, under the laws of any State or the United States.

- 19) **ABANDONMENT; RE-LETTING:** In the event Tenant substantially abandons the leased premises before the expiration of the term, whether voluntarily or involuntarily, or violates any of the terms, conditions, or covenants hereof, Landlord shall have the privilege at Landlord's option of re-entering and taking possession of said premises and leasing all or any portion of said premises for such term and for such used deemed as satisfactory to Landlord, applying each month the net proceeds obtained from said leasing to the credit of Tenant up to the amount due under the terms of this lease herein and the balance to Landlord and said leasing shall not release Tenant from liability hereunder for the rents reserved, or any other sum due Landlord or performance due by Tenant, for the residue of the term hereof, but Tenant shall be responsible each month for the difference, of any, between the net rents obtained from such leasing and the monthly rent reserved hereunder, and said differences shall be payable to Landlord on the first day of each month for the residue of the term hereof.
- 20) **RE-ENTRY, ETC., NO BAR:** No re-entry hereunder shall bar the recovery of rent or damages for the breach of any of the terms, conditions, or covenants on the part of Tenant herein contained. The receipt of rent, or keys to the premises, after breach or condition broken, or delay on the part of Landlord to enforce any right hereunder, shall not be deemed a waiver of forfeiture, or a waiver of the right of Landlord to annul the lease or to re-enter said premises or to re-let the same, or to accelerate the maturity of the rents hereunder.
- 21) **REINSTATEMENT:** If this lease is terminated by Landlord for any reason, including non-payment of rent, and Tenant pays the rent, attorney's fee's and other charges and thus makes himself current, and or remains or continues to be in possession of the lease premises or any part hereof, this lease, with Landlord's consent, will be considered reinstated, and will continue in effect as though it has not been terminated.
- 22) **IMPROVEMENTS AND ADDITIONS PROPERTY OF LANDLORD:** All improvements and additions to the leased premises shall adhere to the leased premises, and become the property of Landlord.
- 23) **FIRE AND OTHER CASUALTY:** In the event the building is damaged or destroyed, Landlord's insurance will be 100% responsible for repairing or replacing the building. Rent will abate while premises is being reconstructed.
- 24) **TRANSFER OR ASSIGNMENT, CONDITIONS; LEASE ASSIGNMENT FEE CLAUSE:** Tenant shall not sublease, assign or transfer this lease, in whole or in part, by operation of law or otherwise, or mortgage or pledge the same, without the prior written

consent of Landlord. As one of the conditions precedent to the obtaining of such consent, the assignee must assume, in writing, all the obligations of Tenant hereunder, but such assumption shall not release Tenant from any agreement or understanding on the part of Tenant expressed or implied in this lease. If a lease assignment, transfer or sublease is consummated for this Tenant or any one or more parties before the expiration to any assignment of this lease, then Tenant, **Ala. Code § 36-12-40 (Private Business Information)** for each and every lease transaction made.

**25) NOTICE AND DEMANDS:** All notices and demands between both parties must be in writing, and delivered in person or deposited in the United States mail or certified mail.

**26) AGENTS COMMISSION AGREEMENT:** There are no agents in this transaction.

**27) HOLD HARMLESS:** Tenant will indemnify and hold Landlord and agent free and harmless from all demands, claims and suits or expenses caused by any default committed hereunder on the part of Tenant. Tenant will further indemnify and save harmless Landlord and agent from any loss, cost, damage and/or expense caused by injuries to persons or property while in, on or about the demised premises, not attributable to the willfully wrong act of Landlord. Any property stored in the demised premises shall be at the sole risk of Tenant. Landlord will hold Tenant harmless from all claims and damages that occur in the shopping or common areas that is not caused by Tenant or its guest.

Landlord will indemnify and save harmless agent and Tenant free and harmless from all demands, claims and suits or expenses caused by any default committed hereunder on the part of Landlord. Landlord will further indemnify and save harmless agent from any loss, cost, damage and/or expense caused by injuries to persons or property while in, on or about the demised premises.

**28) WAIVER OF SUBROGATION RIGHTS:** Neither Landlord nor Tenant shall be liable to the other for any loss or damage from risks ordinarily insured against under insurance policies with extended-coverage endorsements, irrespective of whether such loss damage results from their negligence or that of any of their agents, servants, employees, licensees or contractors to the extent that such losses are covered by valid and collectable insurance on the property at the time of loss.

**29) HOLDOVER:** Should Tenant continue to occupy the premises after the expiration of the said term or after a forfeiture incurred, whether with or against the consent of Landlord, such tenancy shall be a tenancy at sufferance and in no event a tenancy from month to month, or from year to year. **Holdover rent will be 150% of the current rental rate**

**30) NON-WAIVER:** The failure of Landlord to insist, in any one or more instances, upon a strict performance of any of the covenants of this lease, or to exercise any option herein contained, shall not be construed as a waiver, or a relinquishment for the future, of such covenant or option, but the same shall continue and remain in full force and effect. The

receipt by Landlord of rent, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by Landlord of any provision hereof shall be deemed to have been made unless expressed in writing, and signed by Landlord.

**31) NON-WAIVER EMINENT DOMAIN AND CONDEMNATION:** If all or any part of the demised premises is taken by eminent domain shall include the exercise of any similar power of taking, and any purchase or acquisition in lieu of condemnation, or in the event the improvements are condemned and ordered torn down or removed by lawful authority, then the term of this lease shall cease as of the date possession shall be taken by the condemning authority, or as of the date improvements are ordered torn down or removed,, with the rent to be apportioned as of the date of such taking or of such order, as the case may be, however, if as a result of a partial taking of the demised premises by eminent domain, the ground floor area of the building forming a part of the demised premises is reduced by not more than twenty-five (25%), Landlord may elect to continue the term of this lease and to restore, at Landlord's expense, the remaining premises to a complete architectural unit with storefront, signs and interior of equal appearance and utility as they had previous to the taking, but there will be pro-rata reduction of the rent payable each month. Landlord shall be deemed to have exercised its said option to restore the premises unless, with 30 days after the date of taking, Landlord shall notify Tenant in writing of its election to terminate this lease. Landlord shall be entitled to receive all of the proceeds of any total or partial taking of its interest in the property , and building, however Tenant reserves the right to petition the condemning the authority for monetary damages incurred for loss of its leasehold interest in the property and Landlord agrees to reasonable facilitate the Tenant.

**32) SUBORDINATION/ATTORNMENT:** At the option of Landlord this lease may be subordinated to the lien of any mortgages, or the lien resulting from any other method of financing or refinancing, now or hereafter in force against the land and/or building of which the premises hereafter to be made upon the security thereof. Tenant agrees to execute and deliver to Landlord from time to time within ten (10) days after written request by Landlord all Instruments, which might be required by Landlord to confirm such subordination. Tenant agrees within (10) days of request by Landlord to sing an estoppel certificate confirming lease terms and its good standing by both parties. If Tenant does not provide returned estoppel within this period, Landlord can sign on Tenant's behalf.

**33) CLEAN PREMISES UPON TERMINATION, ETC:** Tenant hereby agrees that upon the expiration or of this Lease, Tenant will promptly remove from the leased premises all signs, trash, debris and property of Tenant and Tenant will leave the Floors, stairs, passageways, as clean by means of broom and shovel. Tenant shall surrender all keys and remove all of its trade fixtures. Any alterations or improvements which Landlord requests to be removed before surrendering the premise, Tenant shall repair any damage to the leased premises caused thereby. Tenant's obligation to observe or perform this covenant shall survive the expiration or other termination of this lease.

**34) TAXES: LANDLORD PAYS PROPERTY TAXES**

**35) HAZARDOUS MATERIALS** The use and Disposition of dangerous/hazardous chemicals and materials, Tenant and Landlord acknowledge the risks and liabilities associated with same and agree to the following: Tenant shall determine what laws, regulations and ordinances regarding the handling, storage, use and disposition of dangerous/hazardous chemicals and materials apply to Tenant's business with respect to the leased Premises. Tenant shall take all-reasonable and necessary steps, including any inspections, test or studies, as required by such laws to cause prompt and ongoing compliance therewith. Tenant agrees to immediately notify Landlord and the appropriate authorities of any material spills or improper discharges of any dangerous/hazardous chemicals and materials. Tenant acknowledges and assumes total Responsibility for any and all dangerous/hazardous chemicals and materials it may handle, store, use and dispose of in or about leased Premises. Such responsibility shall include, but not be limited to, medical costs and personal injury awards (compensatory and/or Punitive), environmental clean-ups and related costs, governmental fines against Landlord and/or Tenant resulting from Tenant's Willful and/or negligent handling, storage, use, disposition of dangerous/hazardous chemicals and materials, and/or Tenant's Noncompliance with applicable law. Tenant shall, upon governmental request or upon Landlord's reasonable request, disclose the type and quantity of dangerous/hazardous chemicals and materials Tenant is/has handled, stored, used, and disposed of in or about the leased Premises. Landlord makes no representation as to the existence of any environmental contamination on the property of within the buildings and Tenant will not hold Landlord or agent liable if such presence is later discovered. Landlord will be required to abide by all environment laws and will fully indemnify Tenant against any claims or damages as a result thereof. Landlord and Tenant will hard agent(s) harmless from any and all claims of environmental contamination on the property at time of lease or caused in the future. Agent(s) make no representation as to the presence of dangerous/hazardous chemicals and materials on property or its improvements.

**36) ADDENDUM CLAUSE:** N/A.

**37) BINDING EFFECT:** This lease shall be binding upon, and inure to the benefit of, Landlord and Tenant, their executors, administrators, heirs assigns or successors. Submission of this instrument for examination or signature by Tenant does not constitute a reservation of or option for lease.

**38) NON-RELIANCE CLAUSE:** Both Tenant and Landlord hereby acknowledge that they have not received or relied nor could have relied upon any statements or representations or promises or agreements or inducements by either Broker or their agents which are not expressly stipulated herein. If not contained herein, such statements, representations, promises, or agreements shall be of no force or effect. This general non-reliance clause shall not prevent recovery in tort for fraud or negligent misrepresentation or intentional misrepresentation unless specific non-reliance language is included in this agreement. This is a non-reliance clause and is neither a merger clause nor an extension of a merger clause. The parties execute this agreement freely and voluntarily without reliance upon any statements or representations by parties or agents except as set forth herein. Parties have fully read and

understand this Agreement and the meaning of its provisions. Parties are legally competent to enter into this agreement and to fully accept responsibility. Parties have been advised to consult with counsel before entering into this agreement and have had the opportunity to do so.

**39) ADDITIONAL PROVISIONS:**

- a) Yellowhammer Medical Dispensaries, LLC (Tenant) will have the exclusive right to lease the property until licenses are awarded by the Alabama Medical Cannabis Commission (Commission) on June 12, 2023. If the Commission extends its license review process, then this agreement will automatically extend until the Commission declares the winners. If Yellowhammer Medical Dispensaries, LLC is not issued a license, this agreement will automatically dissolve. Contract Period NTE the date of 10/31/2023 unless agreed upon by the Landlord and Tenant to extend.

- b) **Ala. Code § 36-12-40 (Private Business Information)**
- 

**THIS IS A BINDING LEGAL DOCUMENT. IF ANY PROVISIONS ARE NOT UNDERSTOOD, CONSULT AN ATTORNEY.**

**IN WITNESS WHEREOF, the parties hereto have subscribed their names the day and year written below.**

**Ala. Code § 36-12-40 (Personally Identifiable Information)**





# CASH SALES CONTRACT



The undersigned Purchaser(s) Yellowhammer Medical Dispensaries, LLC hereby agree to convey the following described real estate together with all improvements, shrubbery, plantings and appurtenances, including but not limited to those items described in paragraph 9 herein, on the terms and conditions described below. If any personal items remain with the property, they are left "as is" and at no value to the property.

Address 9639 U.S. 431 City Owens Cross Roads County Madison County State AL Zip 35763  
Lot \_\_\_\_\_ Block \_\_\_\_\_ Subdivision metes and bounds Addition \_\_\_\_\_

Legal Description: SEC 32 T5S R2E COM AT THE SE COR OF THE NE 1/4 OF THE NW 1/4 OF SEC 32 TH S 87 DEG W 150 FT TH S 69

1. TOTAL PURCHASE PRICE shall be Ala. Code § 36-12-40 (Private Business Information)  
Earnest money. .... \$ See additional prov.

Balance due from Purchaser at closing (wire transfer or certified funds) ..... \$ TBCalculated at closing  
Purchaser to deliver proof of funds to Seller within 5 day(s) of Binding Agreement Date.

2. SETTLEMENT CHARGES: Attorney closing fee, title examination fee, and deed recording fee to be paid by: Buyer  
Deed preparation to be paid by Seller.

- (a) **SURVEY: It is recommended that whenever title is passed a new survey be obtained which meets the current standards of the Alabama Society of Professional Land Surveyors.** If Purchaser or attorney requires a survey the cost of such is to be paid by Purchaser.
- (b) **CONVEYANCE:** Seller(s) will convey to Purchaser(s) a General Warranty deed conveying a good and merchantable title free from any and all encumbrances except current ad valorem taxes, recorded restrictions, easements of record, applicable zoning restrictions, any liens or encumbrances assumed or incurred in this transaction and such state of facts as would be disclosed by an accurate survey of the property.
- (c) **TITLE INSURANCE:** An enhanced owner's title insurance policy ("enhanced" policy if property qualifies) and binder will be furnished at Closing as part of this contract. The premium for the owner's title policy, the simultaneous issue fee, and binder fee, will be divided equally between the Seller and Purchaser.
- (d) **CLOSING AND POSSESSION:** The sale shall be closed and deed delivered on or before 10/31/2023 except that Seller shall have a reasonable length of time within which to perfect title or cure defects in title to said property. Possession to be given at Closing.  
**NOTE:** If Purchaser is given possession prior to closing, or if Seller is to remain in property after closing, it is recommended that the parties enter into an *Occupancy Agreement or Agreement for Retention of Possession*.

3. AGENCY DISCLOSURE:

The Listing Company is Ala. Code § 36-12-40 (Private Business Information) The Selling Company is: Ala. Code § 36-12-40 (Private Business Information)  
(Two blocks may be checked) (Two blocks may be checked)

An agent of the Seller.  An agent of the Purchaser.  
 An agent of both Seller and Purchaser, and is acting as a limited consensual dual agent.  
 Assisting the Purchaser as a transaction broker.  
 Assisting the Seller as a transaction broker.

Receipt of the Real Estate Brokerage Services Disclosure Ala. Code § 36-12-40 (Personally Identifiable Information)

4. CONDITION OF PROPERTY:

- (a) Seller agrees to deliver all built-in appliances, heating, cooling, electrical, gas, plumbing, and septic systems in normal operating condition when title is passed or possession is given, whichever occurs first. It is Purchaser(s) responsibility to make any inspection he/she deems necessary prior to occupancy or closing. It is the Seller(s) responsibility to have the utilities turned on if they have been turned off and to maintain utilities through the date of closing. Seller to leave the house, garage, and outbuildings reasonably cleaned and free of debris.

Ala. Code § 36-12-40 (Personally Identifiable Information)

- (b) **EPA/HUD LEAD-BASED PAINT CONTIN** Ala. Code § 36-12-40 (Personally Identifiable Information)  
assessment or inspection of the property for the presence of lead-based paint and/or lead-based paint hazards at Purchaser's expense until 9 p.m. on the n/a calendar day (no more than 10 days) after acceptance of this contract by all parties. (Intact lead-based paint that is in good condition is not necessarily a hazard. See EPA pamphlet *Protect Your Family From Lead in Your Home*). This contingency will terminate at the above-predetermined deadline unless Purchaser (or Purchaser's salesperson) delivers to Seller (or Seller's salesperson) a written contract addendum listing the specific existing deficiencies, and corrections needed, together with a copy of the inspection and/or risk assessment report. Seller may, at Seller's option, within n/a days after delivery of the report, elect in writing whether to correct the condition(s) prior to closing. If Seller will correct the condition(s) Seller will furnish Purchaser with certification from a risk assessor or inspector demonstrating that the condition has been remedied before the date of closing period. If Seller elects not to make repairs, or if Seller makes a counter offer, Purchaser(s) will have n/a days to respond to the counter offer, or remove this contingency and take the property "as is", or this contract will become void. Purchaser(s) may remove this contingency at any time without cause.

The EPA/HUD Seller's disclosure is required by Federal law to be attached to this contract Ala. Code § 36-12-40 (Personally Identifiable Information)  
→ Purchaser(s) hereby removes this contingency. Date n/a

Cash Sales Contract THE USE OF THIS FORM BY ANY ONE OTHER THAN A MEMBER OF



→ Purchaser(s) acknowledges receipt of the EPA/HUD pamphlet *Protect Your Family* Ala. Code § 36-12-40 (Personally Identifiable Information)

- (c) **OFFICIAL ALABAMA WOOD INFESTATION INSPECTION REPORT:** Purchaser may obtain an Official Alabama Wood Infestation Report from a licensed exterminating company in accordance with VA/FHA/lender regulations. Said report to be presented to the closing attorney no less than 7 working days prior to closing. Purchaser will have no obligation to make any corrections. Corrections to be made by Seller unless otherwise mutually agreed upon by all parties. Follow up inspections are the responsibility of the Purchaser. Transfer of Seller's termite contract will suffice for Official Alabama Wood Infestation Report if acceptable to Purchaser. Any applicable transfer fees will be paid by Purchaser.
- (d) **ADDITIONAL PROPERTY INSPECTION(S):** Purchaser Does Does Not require property inspections other than those in 4(a) and 4(b). If inspection(s) are required, an **Inspection Addendum** is attached. Purchaser agrees to indemnify Seller and *all real estate licensees* for the acts of himself, his inspectors and/or representatives in exercising his rights under this Agreement. Purchaser's obligations to indemnify Seller and all real estate licensees shall also survive the termination of this agreement by either party.
- (e) Neither the Seller, nor any Licensee makes any representation or warranties regarding the condition of the property except to the extent expressly set forth herein. Purchaser has the obligation to determine any and all conditions of the property material to Purchaser's decision to buy the property, including, but not limited to, the condition of the heating, cooling, electrical, gas, plumbing, and septic systems, and any built-in appliances; the roof and basement, including leaks therein; the age, size or area of the property, construction materials, including floors; structural condition; utility and sewer or septic tank availability or condition; subsurface conditions, including radon and other potentially hazardous materials and/or gases; flood insurance requirements; any noise exposures; and any matters affecting the character of the neighborhood.
- (f) **FINAL INSPECTION:** Purchaser and/or his inspectors/representatives shall have the right to conduct a final inspection of the Property prior to closing to confirm the Property is in substantially the same or better condition as it was on the Binding Agreement Date, normal wear and tear excepted and to determine that all agreed upon repairs/replacements have been completed. Closing of this sale constitutes acceptance of the Property in its condition as of the time of closing, unless otherwise noted in writing.

**5. DISCLAIMER:** Seller(s) and Purchaser(s) acknowledge that they have not relied upon any advice or representations of any real estate licensee involved in this sale relative to (a) the legal or tax consequences of this contract and the sale, purchase, or ownership of the property, (b) the structural condition of the property, including the roof and basement, (c) construction materials, (d) the nature and operating condition of the electrical, heating, air conditioning, plumbing and water systems and appliances, (e) the age and square footage of the improvements, and the size or area of the property, (f) the availability of utilities or sewer service, (g) the character of the neighborhood, (h) the investment or resale value of the property, (i) any other matter affecting their willingness to sell or purchase the property on the terms and price herein set forth. Seller(s) and Purchaser(s) acknowledge that if such matters are of concern to them in the decision to sell or purchase the property, they have sought and obtained independent advice relative thereto.

Ala. Code § 36-12-40 (Personally Identifiable Information)

→ **6. FUNDS AT CLOSING:** Payment of the balance due shall be sent to the closing agent's account at least 24 hours to closing. No actual cash or personal checks will be accepted unless nominal in amount and specifically approved by the closing agent.

**7. PRORATION:** All taxes, any association dues/fees and rents will be prorated as of the consummation of the sale. The tax proration herein called for will be based upon information obtained from the Tax Assessor or Tax Collector's office. Any changes in such assessment after closing will be adjusted accordingly between Seller and Purchaser.

**8. RISK OF LOSS:** Seller agrees to keep in force sufficient hazard insurance on the property to protect all interests until the sale is closed and the deed delivered. If the property is destroyed or materially damaged between the date hereof and the closing, and Seller is unable or unwilling to restore it to its previous condition prior to closing, Purchaser will have the option of canceling this contract and receive back the earnest money, or accepting the property in its then condition. If Purchaser elects to accept the property in its damaged condition, any insurance proceeds otherwise payable to Seller by reason of such damage will be applied to the balance of the purchase price or otherwise be payable to Purchaser.

**9. SYSTEMS, EQUIPMENT AND APPURTENANCES:** The following items are included in this sale, if present: all heating and cooling equipment, water heaters, door bells, mantels, light fixtures and bulbs and ceiling fans, including fan remote controls; storm doors, garage door openers and remote controls, range, oven, installed dishwasher, permanently installed refrigerator, and all other built-in kitchen appliances; framed bathroom mirrors and permanently attached plate glass mirrors; all bathroom fixtures; blinds, window treatments and hardware; all wall-to-wall carpet; all gas logs, fireplace doors and attached screens; all security system components and controls; permanently installed hot tub, above ground swimming pool and its equipment; permanently installed outdoor water features, awnings, permanently installed outdoor cooking grills; seller owned propane tanks; all landscaping and all outdoor lighting, both wired and solar; mail boxes; attached basketball goals and backboards; TV wall mounts, TV antennae and Seller owned satellite dishes (excluding components); central vacuum systems and attachments. There shall be no substitutions or replacements of any of the above without the express written agreement of the parties. Items which do not belong to the Seller, such as leased security systems, satellite system, water softener systems, fuel tank, etc., do not convey and are not a part of this contract.

Ala. Code § 36-12-40 (Personally Identifiable Information)

→ **10. SELLER WARRANTS** that Seller has not received any notices of lien, judgments, or other claims against the property that have not been satisfactorily made.

**11. DEFAULT:** Should either the Seller or Purchaser fail to carry out the terms of this contract in accordance with all its provisions, an aggrieved party shall have the option to do one of the following:

- (a) File a proceeding in a Court of competent jurisdiction provided (a) the proceedings are non-jury and THE RIGHT TO TRIAL BY JURY IS WAIVED, (b) the amount in controversy (excluding funds held as earnest money) does not exceed \$3,000.00 and (c) no licensed real estate professional is a party, except as a stake holder of earnest money; OR,

(b) Reaffirm the contract and proceed through binding arbitration under paragraph 13 for the recovery of damages and/or for specific performance. The damages in either instance may include any cost(s) incurred by the non-breaching party including reasonable attorney’s fees.

**12. TRUST ACCOUNT:** Seller and Purchaser hereby direct the Selling Company (working with Purchaser and herein referred to as Holder) to deposit the earnest money in Holder’s escrow account pending fulfillment of this contract. Earnest money shall be deposited within two banking days after the Binding Agreement date. Proof of earnest money will be furnished to the Listing Company upon receipt. It is understood that the Holder is, (a) not a party to this contract and does not assume any liability for performance or non-performance of any signatory, (b) must require from all signatories a written release of liability of the Holder which authorizes the release of the earnest money. In the event a dispute arises between the parties to this contract as to which shall be entitled to said earnest money, the Holder may interplead said earnest money into the proper court, and in so doing shall be entitled to deduct from the earnest money for court costs, attorney’s fee, and other expenses relating to the interpleader. Alternatively, any party may proceed in a court of competent jurisdiction for interpleading of said earnest money. The prevailing party in any interpleader action shall be entitled to collect from the other party the court costs, attorney’s fees and other expenses of the interpleader which shall be paid to the prevailing party. In the event any Earnest Money check is not honored, for any reason, by the bank upon which it is drawn, Holder shall promptly notify Purchaser and Seller. Purchaser shall have two (2) working days after notice to deliver good funds to Holder. In the event Purchaser does not timely deliver good funds within two (2) working days, Purchaser is in default and the Seller may cancel the contract by notice to the Purchaser. In any proceedings under this paragraph, the right to trial by jury is waived.

**13. ALTERNATIVE DISPUTE RESOLUTION AGREEMENT BY BINDING ARBITRATION:** In connection with the purchase and sale of the above described property, except for those disputes described in Paragraph 12 Purchaser and Seller mutually covenant, stipulate and agree in connection with the resolution of any dispute or controversy arising out of or relating to this agreement or concerning the within described property, or the breach, termination, or validity thereof, as follows: That the transaction contemplated in this agreement directly involves interstate commerce, and said transaction has been and will continue to be regulated by the laws of the United States of America; and, that the contract(s) entered into by the parties concerning this property evidence transactions involving and affecting commerce. The undersigned agrees that all disputes not barred by applicable statutes of limitations or otherwise barred by law, resulting from or arising out of this agreement; that included herein in matters to be arbitrated are equitable claims and remedies, including specific performance and rescission; that Purchaser and Seller agree to submit such dispute(s) to BINDING ARBITRATION, pursuant to the provisions of 9 U.S.C. Section 1, et seq and according to the Commercial Rules of the American Arbitration Association then existing in the County where the property being sold is located, and shall be decided by an arbitrator recognized by the Alabama Center for Dispute Resolution and pursuant to the rules of American Arbitration Association or, if agreed by both parties, some other recognized body and pursuant to the rules of American Arbitration Association. The prepaid arbitration filing fees and all other prepaid costs of the arbitration proceeding shall be paid by the party seeking to invoke arbitration, with the assignment of those costs to be divided between the parties as the arbitrator sees fit in setting the Arbitration Award. Damages may include reasonable attorney’s fees. It is hereby agreed that it is the intent of the parties that the Arbitrator’s Award is to be final and binding and judgment upon the award rendered by the arbitration may be entered in any court having jurisdiction thereof. This alternative dispute resolution agreement shall specifically exclude those disputes provided for in paragraph 12 and shall further specifically exclude those disputes as defined in paragraph 11(a); however, it is mutually agreed, covenanted, and stipulated that the right to a trial by jury is hereby waived. EXCEPT AS SPECIFICALLY PROVIDED HEREIN, THIS ARBITRATION SHALL BE IN LIEU OF ANY CIVIL LITIGATION IN ANY COURT, AND IN LIEU OF ANY TRIAL BY JURY.

**14. TERMINOLOGY:** For the purposes of this contract, the term working day(s) used throughout this Agreement shall be deemed to be weekdays (Monday-Friday) ending at 11:59 p.m. local time (at the location of the Premises) unless otherwise specified in this Agreement. In the event a performance deadline occurs on a Saturday, Sunday or holiday, as defined herein, the performance deadline shall be extended to the next following working day. In calculating any time period under this Agreement, the commencement day shall be the day following the initial date (e.g. Binding Agreement Date). The following days shall be recognized as holidays: New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

**15. ELECTRONIC SIGNATURES:** Faxed or other electronically transmitted documents with signatures shall serve as originals and be binding on all parties.

**16. ENTIRE AGREEMENT:** This contract, together with any addendums, constitutes the entire agreement between Seller and Purchaser regarding the property and supersedes all prior discussions, negotiations and agreements between Seller and Purchaser whether oral or written. Neither Seller, Purchaser, Broker, nor any licensee, shall be bound by any understanding, agreement, promise, or representation concerning the property, expressed or implied, not specified herein. All terms, conditions, and warranties not performed at the time of delivery of deed shall survive such delivery.

**17. We the Purchaser and Seller grant to the closing agent/attorney/lender, permission to distribute the Non-Public Private Information (NPPI) Closing Disclosure to the real estate agents and brokers noted on this contract, at the same time that it is distributed to us.**

**Ala. Code § 36-12-40 (Personally Identifiable Information)**

**ADDITIONAL PROVISIONS:**

- 1) **Ala. Code § 36-12-40 (Private Business Information)**.
- 2) Yellowhammer Medical Dispensaries, LLC will have the exclusive right to Purchase the property until licenses are awarded by the Alabama Medical Cannabis Commission (Commission) on June 12, 2023. If the Commission extends its license review process, then this agreement will automatically extend until the Commission declares the winners. If Yellowhammer Medical Dispensaries, LLC is not issued a license, this agreement will automatically dissolve. Contract Period NTE the date of 10/31/2023 unless agreed upon by the buyer and Seller to extend.
- 3) Buyer will be given 30-day due diligence period starting on the date contract is ratified.

-----See Next Page-----

4) Ala. Code § 36-12-40 (Private Business Information)

7) Seller to retain the property until closing.

8) Closing to occur at Conwell Title and Escrow

Ala. Code § 36-12-40 (Personally Identifiable Information)

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>PURCHASER</b>	<b>DATE</b>	<b>WITNESS</b>	<b>DATE</b>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>PURCHASER</b>	<b>DATE</b>	<b>WITNESS</b>	<b>DATE</b>

**Seller acknowledges receipt of this offer and MUST RESPOND by one of the following: (Initial ONE)**

Ala. Code § 36-12-40 (Personally Identifiable Information)

this offer. **\*\*Do not initial here unless offer is being accepted! \*\***

- REJECTS** – this offer and makes no counter offer.
- COUNTERS** – separate Counter Offer form is attached.  Yes  No

- The Seller reserves the right to accept any other Offer prior to Purchaser’s written acceptance of this Counter-Offer. Acceptance shall not be effective until personally received and acknowledged by \_\_\_\_\_ (Listing Agent) as evidenced by signing the Binding Agreement Date below.
- This Counter-Offer shall expire unless a signed copy of acceptance is delivered to the person(s) making this Counter Offer (or their agent) by \_\_\_\_\_  a.m.  p.m. on \_\_\_\_\_ (date).
- Upon acceptance by both parties, as herein specified, this Counter-Offer, if any, together with the offer of the Purchaser, and any addendum, shall compose the entire agreement between the parties hereto.

Ala. Code § 36-12-40 (Personally Identifiable Information)

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>SELLER</b>	<b>DATE</b>	<b>WITNESS</b>	<b>DATE</b>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>SELLER</b>	<b>DATE</b>	<b>WITNESS</b>	<b>DATE</b>

**BINDING AGREEMENT DATE:** The listing agent confirms that the contract was accepted and delivered to all parties (and/or their representatives) either in Ala. Code § 36-12-40 (Personally Identifiable Information)

Date:  **Binding Agreement Date**

### AGENT INFORMATION SHEET

<b>LISTING SALESPERSON</b> _____		<b>EMAIL</b> _____
<b>PHONE</b> _____	<b>MLS ID</b> _____	<b>AL LICENSE #</b> _____
<b>LISTING BROKERAGE</b> _____		<b>ADDRESS</b> _____
<b>MLS ID</b> _____	<b>AL LICENSE #</b> _____	

<b>SELLING SALESPERSON</b> _____		<b>EMAIL</b> _____
<b>PHONE</b> _____	<b>MLS ID</b> _____	<b>AL LICENSE #</b> _____
<b>SELLING BROKERAGE</b> _____		<b>ADDRESS</b> _____
<b>MLS ID</b> _____	<b>AL LICENSE #</b> _____	

No29pep16kds.O1

Submitted by Valerie Abbott, Chair, PLANNING AND ZONING COMMITTEE

**Case No. ZAC2022-00016**

**ORDINANCE NO. 22-162**

**BE IT ORDAINED** by the Council of the City of Birmingham as follows:

**SECTION 1. BE IT ORDAINED** by the Council of the City of Birmingham that Title 1, Chapter 1: General Provisions and Definitions; Article II: Definitions; Section 1: Generally, of the City of Birmingham Zoning Ordinance, Ordinance No. 17-51, as amended, is hereby amended to read as follows:

*Article III. Definitions.*

**Section 1. Generally.**

For the purpose of this Ordinance, certain terms and words are hereby defined. Any word used in this Ordinance not defined in this section will be defined by using "Webster's II New College Dictionary". Words used in the present tense shall include the future; the singular number shall include the plural and plural the singular; the word "building" shall include the word "structure" and the word "shall" is mandatory and not optional.

1. **Abutting.** Any property touching or sharing a common boundary. This term shall not be deemed to include parcels that are across a public street or right-of-way from each other.
2. **Accessory Structure.** Any subordinate structure that is incidental to the principal use of the premises and is located on the same lot as the related main use.
3. **Accessory Use.** Any use that is subordinate and incidental to the principal use of the premises.
4. **Adjacent.** Any property that is abutting or separated by a right-of-way.
5. **Adult.** A person 18 years of age or older.
6. **Adult Establishment.** Any "adult bookstore," "adult cabaret or dancing establishment," "adult motion picture theater," or any commercial establishment which presents material or exhibitions distinguished or characterized by an emphasis on matter depicting, describing or relating to "specified sexual activities" or "specified anatomical areas," as defined below for observation by patrons therein.

**Specified anatomical areas.**

- (1) Less than completely and opaquely covered human genitals, pubic region, buttock,

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- and female breast below a point immediately above the top of the areola; and
- (2) Human male genitals in a discernible turgid state, even if completely and opaquely covered.

**Specified sexual activities.**

- (1) Human genitals in a state of sexual stimulation or arousal;
  - (2) Acts of human masturbation, sexual intercourse or sodomy; and
  - (3) Fondling or other erotic touching of human genitals pubic region, buttocks, or female breast.
- a. **Adult bookstore.** An establishment having, as a substantial portion of its stock in trade available for purchase or rental, books, magazines, and other periodicals, novelty items, cassette tapes, videotapes, DVDs or films which are distinguished or characterized by their emphasis on matter depicting, describing or relating to "specified sexual activities" or "specified anatomical areas", as defined above, or an establishment with a segment or section devoted to the sale, rental or display of such material.
  - b. **Adult cabaret or dancing establishment.** A cabaret or dancing establishment which regularly features live performances that are characterized by the exposure of "specified sexual activities" or by "specified anatomical areas," as described above.
  - c. **Adult motion picture theater.** An enclosed building used for presenting material distinguished or characterized by an emphasis on matter depicting, describing or relating to "specified sexual activities" or "specified anatomical areas," as defined above, for observation by patrons therein.
  - d. **Adult Studio.** Any building or land used for the production of adult entertainment media, such as, video, webcams, webchat, or any other internet based adult entertainment that is used for the purpose of delivering adult entertainment to any audience via the internet or by any other means.
7. **Alabama Medical Cannabis Act or Medical Cannabis Act.** Alabama Act No. 2021-450, 2021 Regular Session of the Alabama Legislature, codified at Ala. Code, 1975, § 20-2A-1, et seq., as now or hereafter amended, and which may also be cited as “the Darren Wesley ‘Ato’ Hall Compassion Act”.
  8. **Alabama Medical Cannabis Commission or AMCC.** The state agency established by Ala. Code, 1975, § 20-2A-20, et seq., as now or hereafter amended, to regulate the medical cannabis industry in Alabama.
  9. **Alabama Medical Cannabis Commission Rules or AMCC Rules.** Administrative rules promulgated by the AMCC pursuant to the Medical Cannabis Act at Title 538 of the Alabama Administrative Code, as now or hereafter amended.
  10. **Alley.** A public right-of-way providing access to the back or side of a premises that has primary frontage on a street.
  11. **Amphitheater.** Any premises or outdoor structure specifically designed and used as a place of assembly for purpose of entertainment.

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12. **Amusement (indoor).** The provision of entertainment or games of skill that is wholly enclosed in a building, such as bowling alleys, skating, billiards and pool halls, theaters, arcades, and similar types of amusement operations.
13. **Amusement (outdoor)** The provision of entertainment or games of skill where any portion of the activity takes place outside of a building, such as a stand-alone golf driving range, archery range, miniature golf course, or similar types of amusement operations. This use does not include a stadium, automotive or other types of racetracks, vehicular related activities or similar or related activities, or any uses listed within the Planned Recreational District (PRD) zoning district.
14. **Animal Boarding Facility.** Any building used for the temporary, indoor overnight boarding, care and grooming of domesticated dogs and cats.
15. **Animal Day Care.** Any building designated or arranged for the daytime care and grooming of domesticated dogs and cats. Does not include overnight boarding.
16. **Animal Kennel.** Any building(s), outdoor animal run or land designated or arranged for the care, breeding, boarding, training, or selling animals, primarily, but not limited to domesticated dogs and cats, whether by owners of such animals or by persons providing facilities and care, but shall not apply to the keeping of animals in a pet store, a laboratory for scientific or experimental purposes or in a veterinary establishment for the purpose of observation and/or recovery necessary to veterinary treatment.
17. **Apiary.** Any premises where bees are kept in hives or colonies for the production of honey.
18. **Appliance Repair.** Any building used for the repair of large appliances such as washing machine, refrigerator, and other similar items.
19. **Arena.** A large building with tiers of seats for spectators at sporting, entertainment or other recreational events.
20. **Automobile/Light Truck/Repair.** Any building used for the general repair or reconditioning of automobiles and engines, including but not limited to body, frame or fender straightening or repair, the reconditioning, repairing, sale, mounting, or installing of any tires, painting, or upholstery work, collision repair, vehicle steam cleaning, but excluding the assembly, disassembly, dismantling or salvage of automobiles, in whole or in part.
21. **Automobile Parking.** The use of property for parking or storage of operable automobiles and light trucks on a temporary basis. Such parking shall be for the use of licensed vehicles only and is not intended to include merchandise, vehicles for sale or vehicle repair.
22. **Automobile Sales.** A retail business which sells automobiles that is primarily housed in a structure and characterized by a mixture of secondary supporting uses; however, the principal

use of the site shall be the marketing and outside display of automobiles, whether by sale, rental, lease or other commercial or financial means. Secondary supporting uses may include on-site facilities for the repair and service of automobiles previously sold, rented, or leased by the dealership. No visibly disabled vehicles shall be stored on the premises.

23. **Automobile Service.** Any building used for the replacement of any part, or repair of any part, to an automobile that does not require removal of the engine head or pan, engine transmission or differential, including, but not limited to oil change and lubrication, cooling, electrical, fuel and exhaust systems, wheel alignment and balancing, brake adjustment, relining and repairs, mufflers, batteries, tire services and sales, shock absorbers, installation of stereo equipment, car alarms or cellular phones, dispensing of gasoline and motor fuels at retail , but excludes dismantling, rebuilding, reconditioning, or salvage of automobiles, in whole or in part.
24. **Bakery, Retail.** Any building used to produce and sell, to the general public, baked goods including but not limited to bread, pies, bagels, pastries, cakes and cupcakes. Retail bakeries may have seating areas for customers where retail items can be purchased and consumed.
25. **Bakery, Wholesale.** Any building used to produce and sell at wholesale, to retailers, baked goods including but not limited to bread, pies, bagels, pastries, cakes and cupcakes.
26. **Bar.** Any building where liquor, beer or wine or any combination are served for consumption on the premises, with or without food.
27. **Bed and Breakfast Inn.** A premises where overnight accommodations and a morning meal in a dwelling unit provided to transient guests for compensation.
28. **Bed and Breakfast Inn, Historic.** A premises where overnight accommodations and a morning meal in a dwelling unit provided to transient guests for compensation within an owner-occupied dwelling in a local historic district or other historically significant structure.
29. **Block-face.** All the properties abutting one side of a street and lying between the two nearest intersecting streets or between the nearest intersecting street and any railroad right-of-way, unimproved land, watercourse or City boundary.
30. **Brewery.** Any building used for the production of beer that manufactures more than 40,000 barrels per year, with a barrel containing 31 U.S. liquid gallons. A brewery, actively and continuously engaged in the manufacture of alcoholic beverages on the manufacturer's licensed premises, may conduct tastings or samplings on the licensed premises, and for that purpose give away or sell alcoholic beverages manufactured there for consumption on only the premises where manufactured.
31. **Brewery, Micro.** Any building used for the production of beer that manufactures less than 40,000 barrels per year, with a barrel containing 31 U.S. liquid gallons. A micro-brewery, actively and continuously engaged in the manufacture of alcoholic beverages on the



manufacturer's licensed premises, may conduct tastings or samplings on the licensed premises, and for that purpose give away or sell alcoholic beverages manufactured there for consumption on only the premises where manufactured.

32. **Brew Pub.** An establishment, meeting the qualifications of a brew pub under the State alcoholic beverage control laws in Title 28, Chapter 4A of the Code of Alabama 1975, as amended, where beer is actively and continuously manufactured or brewed, in a quantity not to exceed 10,000 barrels in any one year, for consumption on the premises or for sale to any designated wholesaler licensee for resale to retail licensees; and which contains a restaurant or otherwise provides food for consumption on the premises.
33. **Buffer.** An area located at the perimeter of the lot containing landscaping, berms, walls or fences that screen uses on adjacent properties from those uses occurring on the subject property.
34. **Building.** Any structure having a roof supported by columns and enclosed by walls designed or built for the support, enclosure, shelter, or protection of persons, animals, chattels, or property of any kind.
  - a. **Liner Building.** A building which is at least 24 feet deep, measured from the frontage façade, and masks a parking lot or parking structure from the frontage.
35. **Building Height.** The vertical distance from the grade level at the front façade to the highest point of the coping of a flat roof or to the deck line of a mansard roof, or to the average height between eaves and ridge for gable, hip and gambrel roofs.
36. **Bus Station.** A structure or building where City or intercity mass transit stops to pick up and drop off passengers. It is larger than a bus stop; bus station may include a terminal station for a number of routes, or a transfer station where the routes continue.
37. **Business Service.** The provision of services required for the day-to-day operation of a business such as, but not limited to, consulting service, photocopy or office supply.
38. **Business Service with Distribution.** The provision of business services that includes the warehousing and distribution of packages.
39. **Cannabis.** All parts of any plant of the genus cannabis, whether growing or not, including the seeds, extraction of any kind from any part of the plant, and every compound, derivative, mixture, product, or preparation of the plant; but excluding industrial hemp or hemp regulated under Ala. Code, 1975, § 2-8-11, as now or hereafter amended, and also excluding cannabis that is cultivated, processed, transported, stored, possessed, or used outside the Statewide Seed-to-Sale Tracking System (i.e., illicit cannabis), including but not limited to cannabis that once was included within and/or intended for placement on the Statewide Seed-to-Sale Tracking System (i.e., diverted cannabis).
40. **Car Wash, Automated.** A building or portion thereof containing facilities for washing

passenger vehicles, using production-line methods with a chain conveyor, blower, steam cleaning device or other mechanical devices within a partially enclosed structure.

41. **Car Wash, Manual.** A building or portion thereof containing facilities for washing passenger vehicles by manually operated high-pressure wands and operations that are done by hand such as auto detailing.
42. **Chicken Coop.** A building where domesticated hens are kept and the fenced area around the coop, called a run.
43. **Child.** A person under 18 years of age.
44. **Child/Adult Care.** The provision of care for individuals, who are not related to the primary caregiver, for less than 24 hours per day. These following classes are referenced:
  - a. **Accessory Child/Adult Care Center.** A facility or licensed agency that provides for the care of children or adults for periods of less than 24 hours a day and is accessory to primary use of the lot.
  - b. **Adult Care Center.** A building or structure wherein an agency, association, organization, person or group of persons, whether established for financial gain or otherwise, regularly provides care for three or more adults.
  - c. **Child Care Center.** A facility or licensed agency that provides for the care of thirteen or more children for periods of less than 24 hours a day.
  - d. **Department of Human Resources (DHR).** State of Alabama or Jefferson County Department of Human Resources.
  - e. **Family Day/Night Care Home.** A child care facility which is the family home in which the operator resides and which receives not more than six children and is licensed as a Family Day / Night Care Home by DHR.
  - f. **Family Group Day/Night Care Home.** A child care facility which is the family home in which the operator resides and which receives not more than twelve children, and is licensed as a Family Group Day / Night Care Home by DHR.
  - g. **Substitute/Alternate.** A person employed by an adult or child care provider on a part-time basis who is available to act as a care giver in the absence of the operator.
  - h. **Zoning Certificate of Operation.** A certificate of operation, issued by the Department authorizing the operation of a child or adult care facility within the City.
45. **Clinic.** A facility for examining and treating patients with medical, addictive, mental or physical problems on an outpatient basis, including ambulatory care or similar medical services that require a stay of less than 24 hours.
46. **Cold Frame.** An unheated outdoor structure with a glass or clear plastic top that protects seedlings and plants from the cold.
47. **College or University.** An institution of higher education offering undergraduate or

postgraduate degrees.

48. **Commercial Vehicle.** A commercial vehicle is any motor vehicle that has a capacity greater than one-ton or trailer over 14 feet such, but not limited to a truck, box truck, semi-truck, van, limousine, wrecker, coach or bus.
49. **Communal living facility.** Facilities in which four or more unrelated persons reside, including Assisted Living Facility, Boardinghouse, Nursing Home, Rehabilitation Facility, Sheltered Care Home, Transitional Home. Communal Living Facilities do not include child foster care facilities or facilities located in multi-family districts that are used for housing the mentally handicapped or mentally ill, where there are no more than 10 such people plus 2 unrelated persons to either the occupants of the facility or to each other. (Code of Alabama 11-52-75.1 and Board Case No. 84-95)
- a. **Assisted living facility.** Residencies for the frail elderly that provide rooms, meals, personal care, and supervision of self-administered medication. They may provide other services such as recreational activities, financial services and transportation.
  - b. **Boardinghouse.** A dwelling, or part thereof, in which for compensation lodging and meals are provided for four or more persons.
  - c. **Nursing home.** A home for the aged or infirm in which four or more persons not of the immediate family are received, kept or provided with food and shelter or care as part of convalescence, rehabilitation or hospice for compensation; but not including hospitals, clinics or similar establishments devoted primarily to the diagnosis and treatment of the sick or injured.
  - d. **Rehabilitation Facility.** A building used for the provision of treatment for addictive, mental or physical disabilities for 24 hours a day to four or more persons.
  - e. **Transitional home.** A facility in which four or more individuals live for a short period while receiving social psychological or similar therapy or counseling excluding jails, prisons, and other correctional institutions.
  - h. **Sheltered Care Home.** A dwelling for the sheltered care of persons with special needs, which, in addition to providing food and shelter, may also provide some combination of personal care, social or counseling services, and transportation.
50. **Community Garden.** A property used for cultivation and harvesting, for useful and productive purposes, food crops and/or ornamental crops for personal use, donation off-premise sale or on-premise sale in residential districts when a special exception is granted by the Board.
51. **Composting Facility (Solid Waste Treatment Facility).** A commercial or public solid waste processing facility where yard or garden waste, manure and other putrescible materials are transformed into soil or fertilizer by biological decomposition.
52. **Conditional Use.** A use or occupancy of a structure, or a use of land, permitted only upon review and approval of a site plan and subject to the limitations and conditions specified in Chapter 4, Article II of this Ordinance.

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53. **Condominium.** The form of ownership of real or personal property or a combination thereof under a declaration providing for ownership of units of the property by one or more owners together with an undivided interest in common and limited common elements.
54. **Conservation Subdivision.** A residential development wherein a portion of the site is preserved as permanent undisturbed natural area, to continuously protect, environmental features. Conservation subdivisions are characterized by clustering of homes, reduced lot sizes, and provision of an undisturbed natural area to enable the preservation and maintenance of environmental features.
55. **Construction.** Is the development of physical improvements on a site such as, but not limited to, water and sewer lines, footings, and/or foundations. Clearing, grading, the storage of building materials or the placement of temporary structures on a site shall not constitute beginning construction.
56. **Contractor Yard.** The construction and incidental storage activities performed by construction contractors on lots other than construction sites.
57. **Convenience Store.** A retail establishment selling primarily food products household items, newspapers, and magazines, candy, and beverages and in which gasoline and other motor fuels, are dispensed at retail, by use of fixed approved dispensers. Convenience stores may include an automated car wash for washing one automobile at a time, within an enclosed building.
58. **Convention Center.** Any building designed and used to accommodate 1,000 or more persons and used for conventions, conferences, seminars, product displays, recreation activities, and entertainment functions, along with accessory functions including food and beverage preparation and service for on-premise consumption.
59. **Cottage Development.** A grouping of single-family dwellings clustered around a common area, in which not all lots front on a public street and is provided access by a shared driveway or alley.
60. **Country Club/Golf Course/Swim or Tennis Club.** A public or private establishment operated for the purpose of playing golf, swimming or playing tennis that may include an accessory office, retail pro shop, restaurant, banquet facilities, lounge, golf driving range, caretaker's dwelling unit, and golf/tennis academy.
61. **Dairy, Factory.** A building where raw milk is processed into milk, butter, yogurt, cheese or other dairy product.
62. **Dairy, Farm.** Any premises where milk is harvested from cows.
63. **Director.** The Director of the Department of Planning, Engineering and Permits of the City

of Birmingham, or his designee.

64. **Distillery.** Any building used for the production of liquor in quantities exceeding 1,000 barrels per month, with a barrel containing not more than 55 U.S. liquid gallons. A distillery, actively and continuously engaged in the manufacture of alcoholic beverages on the manufacturer's licensed premises, may conduct tastings or samplings on the licensed premises, and for that purpose give away or sell alcoholic beverages manufactured there for consumption on only one premises where manufactured.
65. **Distillery, Artisanal.** Any building used for the production of liquor in quantities not to exceed 1,000 barrels per month, with a barrel containing not more than 55 U.S. liquid gallons. An artisanal distillery, actively and continuously engaged in the manufacture of alcoholic beverages on the manufacturer's licensed premises, may conduct tastings or samplings on the licensed premises, and for that purpose give away or sell alcoholic beverages manufactured there for consumption on only one premises where manufactured.
66. **District.** A classification for which the zoning regulations governing the use of buildings and premises, the height and location of buildings, the size of yards, and the intensity of use are compatible.
67. **Donation Box.** A temporary accessory structure placed by a non-profit in a side or rear yard of certain commercial and industrial districts to collect clothing and other household items.
68. **Donation Center.** A facility located on the premises of a principal institutional use where donated items including clothing, furniture, house wares, small electrical appliances, household textiles, toys, and other small household items are collected.
69. **Dressmaker/Tailor/Millinery.** An establishment for producing clothing and hats for individuals at retail only.
70. **Drive-In/Drive-Through.** Any establishment where services are rendered or items are sold, for consumption on-site or off-site, and orders are made from a car to a server at a window, or via a speaker and receiver, or via an automated device.
71. **Driving Range, Free-Standing.** A facility equipped with distance markers, clubs, balls, and tees for practicing golf drives and putting, and which may include a snack-bar and pro-shop, but excludes miniature golf courses and "putt-putt" courses.
72. **Dwelling, Accessory.** One or more rooms located within an accessory structure and forming a single habitable unit with facilities which are used or intended to be used for living, sleeping, cooking and eating purposes that supports only one family. Accessory dwellings are subject to conditions listed in Chapter 4, Article IV, Section 2, Item B.
73. **Dwelling, Caretaker.** A residence, incidental to a principal use, for an on-site manager, security guard or caretaker employed on the premises.

74. **Dwelling, Single-Family Detached.** A building containing one dwelling unit and that is not connected to any other dwelling or principal building and designed for or occupied exclusively by one family.
75. **Dwelling, Townhouse.** A building on its own recorded lot connected to another primary structure occupied exclusively by one family that is attached by common walls to a like building. See Chapter 4, Article II, Section 2.
76. **Dwelling, Duplex, Triplex, Quadplex.** A building divided horizontally or vertically containing two, three or four dwelling units respectively on one lot where each unit independently supports one family.
77. **Dwelling, Multiple-Family.** A building containing five or more dwelling units.
78. **Dwelling Unit, Other.** One or more rooms located within a building and forming a single habitable unit with facilities which are used or intended to be used for living, sleeping, cooking and eating purposes that supports only one family.
79. **Electronics Repair.** Any building used for the repair of small electronics such as personal computers, phones, and other small electronics.
80. **Event Center.** Any building where the primary use is staging of temporary events, and may be operated by a vendor for the purpose of renting space for private functions.
81. **Façade.** That portion of any exterior elevation on a building extending from grade to top of the parapet, wall, or eaves and the entire width of the building elevation.
82. **Family.** One or more persons occupying a dwelling and living as a single housekeeping unit, all of whom or all but two of whom are related to each other by birth, adoption or marriage as distinguished from a group occupying a communal living facility.
83. **Farmer’s Market.** Premises where outdoor sales sanctioned by the State of Alabama Farmer’s Market Authority, consisting of whole uncut produce, ornamental crops and value-added agricultural products such as baked goods, jams and jellies, pickles and relish, dried fruits, syrups and honey, eggs, meat, nuts and handmade art and crafts.
84. **Fence or Wall.** A structure, solid or otherwise, erected, placed, or constructed on a property, which is intended to be a barrier, boundary, enclosure, privacy feature, or decorative item. It is characteristic of such an item that it is normally a separate “stand-alone” structure, erected along the perimeter (or close to the perimeter) of a property.
85. **Financial Institution.** Any building, room, space or portion thereof where an establishment provides a variety of financial services, and are limited to, federally insured banks, credit

unions, and mortgage companies.

86. **Fitness Center.** A building and premises containing recreational facilities such as gymnasiums, swimming pools or playing fields that is available to the membership of a club.
87. **Flea Market.** Premises where outdoor sales consisting of individual stalls used for selling various types of merchandise such as used household items, and cut-rate goods.
88. **Fraternity/Sorority House.** Living quarters that may be used for gathering or entertaining for private social organizations serving students of colleges or universities and located on the campus as depicted on the approved master plan of the college or university.
89. **Frontage.** The area between a building frontage façade and a path, passage, waterbody, civic space, or the curb (or if there is no curb, the edge) of the vehicular lanes of a thoroughfare having vehicular lanes, inclusive of the built and planted components of such area. Frontage is divided into private frontage and public frontage.
90. **Frontage Façade.** A façade that is set along a frontage line.
91. **Frontage Façade Void Area.** The area of a frontage façade not comprised of walls; including windows, doors and other openings in the wall. Frontage façade
92. **Funeral Home.** A building designed for the purpose of furnishing funeral supplies and services to the public and includes facilities for the preparation of the human body for internment and/or cremation.
93. **Furniture Store.** A retail store where furniture is displayed, stored and offered for sale.
94. **Garage, private.** An accessory building or part of a principal building designed or used for the storage of motor-driven vehicles owned and used by the occupants of the building to which it is accessory.
95. **Garage Sale/Yard Sale.** A sale of personal property by homeowner or occupant of real property.
96. **Grade Level.** For buildings the average level of the finished ground surface at the front façade of a building. For signs, trees, landscaping and light fixtures, the level of finished ground surface at the base of the sign, tree, plant or fixture.
97. **Greenhouse/Hoophouse.** A temporary or permanent structure where plants are cultivated and that is typically made of, but not limited to, glass, plastic, piping, translucent plastic or fiberglass.
98. **Greenway.** An open space conservation area that provides passive recreational

opportunities, pedestrian and/or bicycle paths, and/or the conservation of open spaces or natural areas.

99. **Gross Floor area.** The gross horizontal areas of all floors, measured from the exterior faces of the exterior walls of a building, and any outdoor seating area or patio used by restaurants or bars.
100. **Heavy Equipment Sales and Service.** The retail or wholesale sale or rental of heavy motorized vehicles or equipment, along with service, repair or maintenance such as, but not limited to construction equipment rental yards, tractor-trailers, semi-trailers, buses, and farm equipment.
101. **Heliport.** Any premises used for landing helicopters for loading and unloading of occupants of the aircraft, excluding maintenance and fueling.
102. **Home Improvement Store.** The retail sale of a diverse range of hardware and related materials generally used in the maintenance, repair or construction of buildings or other structures, including lawn and garden supplies, and may include outside display of finished product or packaged materials.
103. **Home Occupation:** An activity carried out for financial gain by a resident, with an approved business license from the City, and conducted entirely within the resident's dwelling unit. Home occupations are accessory, incidental, and secondary to the use of the building for dwelling purposes and does not change the essential residential character or appearance of such building.
104. **Hospital.** Any institution, building or other premises established for the maintenance, observation, medical or dental care and supervision and skilled nursing care of persons suffering from sickness, disease or injury or for the convalescent or chronically ill persons.
105. **Hotel/Motel.** An establishment offering sleeping accommodations to guests. Hotels may include, as an integral part of operations, a restaurant, bar, conference rooms, banquet or ballrooms, gift shop, recreation facility and a caretaker dwelling.
106. **Internment, Cemetery.** Any land used for the interment of the dead which may include buildings for the purpose of preparing the dead for interment or cremation and structures such as mausoleums and columbariums.
107. **Internment, Columbarium.** A structure designed to store the ashes of human remains that have been cremated, in niches or cinerary urns.
108. **Internment, Mausoleum.** A building or other structure used as a place for the interment of the dead in sealed crypts or compartments.



109. **Junkyard, general.** A premises used for the outside storage or placement of used and/or damaged materials and items.
110. **Junkyard, vehicular.** A premises used for the outside placement, storage, parking, dismantling, or disassembling of any disabled or inoperable vehicles, or parts thereof, including, but not limited to motors, tires, wheels, axles, transmissions and other accessories.
111. **Landfill.** A method of compaction and earth cover of solid wastes that does not contain garbage or other putrescible wastes, including, but not limited to, tree limbs and stumps, demolition materials, incinerator residues, and like materials not constituting a health or nuisance hazard, such as hazardous waste or medical waste, where cover need not be applied on a per day used basis.
112. **Landfill, Sanitary.** A controlled area of land upon which non-hazardous and non-medical farm, residential, institutional, commercial or industrial solid waste is deposited and is covered with compacted earth each day as deposited, with no on-site burning of wastes, and so located, contoured, and drained that it will not constitute a source of water pollution as determined by the Alabama Department of Environmental Management (ADEM).
113. **Landscape Plan.** A document, prepared by an Architect, Landscape Architect or other design professional with special knowledge of landscaping standards, that depicts location, character and extent of landscaping, and shall include plant location, corresponding plant schedule, planting instructions, and must include a combination of shrubs, trees and ground cover.
114. **Laundry Plant.** Any building or structure in which articles of clothing and goods are subjected to the process of dry cleaning, and pressing of such articles.
115. **Legal Non-conforming use.** The use of any building or land which was lawful prior to the adoption or amendment of this Ordinance or does not conform to the amendments of this Ordinance or to the present requirements of the applicable district, or a use that has been granted resumption of legal non-conforming use by the Zoning Board of Adjustment (Board), but that is in compliance with Chapter 9, Article VII.
116. **Livestock Barn.** Any structure or premises used for the boarding, breeding and/or raising of domestic livestock (excluding swine, sheep and goat), whether by owners of such animals or by persons providing facilities and care.
117. **Lot.** A plot, unit, or other portion of land in a subdivision or plat of land, having its principal frontage on a street, except that cottage subdivisions may have a portion of the units face interior common area and up to 20 percent of lots in character districts may have frontage on a path or passage if such lots have legal and physical vehicular access to a vehicular thoroughfare via driveway or easement, separated from other such portions by description on a record of survey map, for the purpose of ownership, sale, occupancy, use, construction or development, separate from other lands.

118. **Lot, corner.** A lot abutting upon two or more streets at their intersection.
119. **Lot, through.** A lot other than a corner lot abutting two streets.
120. **Lot of record.** A lot recorded in the office of the probate judge in the county where it is located prior to the adoption of subdivision regulations. If a portion of a lot or parcel has been conveyed prior to adoption of subdivision regulations, the remaining portion of such lot shall also be considered a lot of record.
121. **Lot width.** The width of the lot at the front building setback line.
122. **Manufactured Home.** A pre-fabricated dwelling unit that must have a Federal Manufactured Home Construction and Safety Standards label, a HUD label of approval and manufactured date later than June 15, 1976, and an Alabama Manufactured Housing Commission insignia and date plate.
123. **Manufacturing, Heavy.** The manufacture or compounding process of raw materials. These activities or processes may necessitate the storage of large volumes of highly flammable, toxic matter or explosive materials needed for the manufacturing process, and may generate dust, odor, heat, glare and vibration. These activities may involve outdoor operations as part of their manufacturing process. Typical heavy manufacturing uses include but are not limited to: concrete batch plants; concrete, tile, or brick manufacturing; automobile, truck, and tire assembly; ammonia or chlorine manufacturing; metal casting or foundries; gas manufacturing; grain milling or processing; metal or metal ore production, refining, smelting, or alloying; petroleum or petroleum product refining; boat, pool and spa manufacturing; slaughtering of animals; glass manufacturing; paper manufacturing; manufacturing of raw materials into compost, and wood or lumber processing.
124. **Manufacturing, Light.** The manufacture, predominately from previously prepared materials, of finished products or parts, including processing, fabrication, assembly, treatment and packaging of such products, and incidental storage, sales and distribution of such products, but excluding basic industrial processing. These activities do not necessitate the storage of large volumes of highly flammable, toxic matter or explosive materials needed for the manufacturing process. Typical light manufacturing uses include but are not limited to: electronic goods; food and bakery products; non-alcoholic beverages; alcoholic beverages; dry cleaning plants; paper imprinting; household appliances; leather products; jewelry; food and bakery products; and clothing apparel.
125. **Manufacturing, Specialized.** Facilities engaged in the assembly, design, repair, or testing of: analyzing or scientific measuring instruments; semiconductor and related solid state devices, including but not limited to: clocks, integrated microcircuits, jewelry, medical, musical instruments, photographic or optical instruments, or timing instruments, and assembly of hand held finished products or any custom architectural or artisan industry,

characterized as light industry, that does not have an ADEM permit for pollution release or noise, odor, illumination, trucking, or other adverse impacts to surrounding uses.

126. **Market Manager.** Individual that is responsible for the operation of a Farmer’s and/or Public Market.
127. **Medical Cannabis.** A medical grade product grown and processed within the State of Alabama, in one of the approved forms set forth in Ala. Code, 1975, § 20-2A-3(14), as now or hereafter amended, that contains a derivative of cannabis for medical use by a registered qualified patient pursuant to the Medical Cannabis Act and the AMCC Rules.
128. **Medical Cannabis Cultivator.** An entity licensed by the AMCC (or, as applicable, the Department of Agriculture and Industries) under Ala. Code, 1975, § 20-2A-62, as now or hereafter amended, authorized to grow cannabis pursuant to the Medical Cannabis Act, the AMCC Rules, and the rules of the Alabama Department of Agriculture and Industries at Title 80 of the Alabama Administrative Code, as now or hereafter amended.
129. **Medical Cannabis Dispensary.** An entity licensed by the AMCC under Ala. Code, 1975, § 20-2A-64, as now or hereafter amended, authorized to dispense and sell medical cannabis at dispensing sites to registered qualified patients and registered caregivers pursuant to the Medical Cannabis Act and the AMCC Rules.
130. **Medical Cannabis Integrated Facility.** An entity licensed under Ala. Code, 1975, § 20-2A-67, as now or hereafter amended, authorized to perform the functions of a cultivator, processor, secure transporter, and dispensary pursuant to the Medical Cannabis Act and the AMCC Rules.
131. **Medical Cannabis Processor.** An entity licensed by the AMCC under Ala. Code, 1975, § 20-2A-63, as now or hereafter amended, authorized to purchase cannabis from a cultivator and extract derivatives from the cannabis to produce a medical cannabis product or products for sale and transfer in packaged and labeled form back to the contracting cultivator, if applicable, or to a dispensary site or integrated facility where the packaged and labeled product may be offered for sale at a dispensary site to holders of a valid, unrevoked and unexpired Medical Cannabis Card, pursuant to the Medical Cannabis Act and the AMCC Rules.
132. **Medical Cannabis Secure Transporter.** An entity licensed by the AMCC under Ala. Code, 1975, § 20-2A-65, as now or hereafter amended, authorized to transport cannabis or medical cannabis from one licensed facility or site to another licensed facility or site pursuant to the Medical Cannabis Act and the AMCC Rules.
124. **Medical Cannabis State Testing Laboratory.** An entity licensed under Ala. Code, 1975, § 20-2A-66, as now or hereafter amended, authorized to test cannabis and medical cannabis to ensure the product meets safety qualifications and efficacy requirements pursuant to the Medical Cannabis Act and the AMCC Rules.

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125. **Medical Lab.** A facility for analytic or diagnostic research or investigation of a medical nature on blood, tissue, or other human or animal components, but not for the production of a product.
126. **Mini-storage Warehouse.** A building or group of buildings containing separate, individual spaces available for lease or rent for storage purposes only.
127. **Mixed-Use Development.** Premises that integrates a combination of retail, office, residential, hotel, recreation or other function.
128. **Mobile Grocery Store.** A motorized vehicle, trailer, or other portable unit drawn by a motorized vehicle from which food items are sold or distributed. The mobile grocery store may not exceed 26 feet in length. No preparation or assembly of food items or beverages may take place from the unit. Food items may include fresh fruit, vegetables, meat, dairy, pantry staples, or small household items. A mobile grocery store shall not be allowed to operate in the City's right-of-way without authorization or permission from the City.
129. **Motor Freight, Distribution.** Facilities engaged in the shipment of goods from shippers to receivers for a charge including the services of other transportation establishments to effectuate delivery.
130. **Nursery.** Any premises used for the retail and wholesale sale of plants grown on or off site, as well as accessory items such as clay pots, potting soil, fertilizers, insecticides, hanging baskets, rakes and shovels, but not power equipment such as lawnmowers or tractors.
131. **Office.** A room or group of rooms where the principal use is conducting the affairs of a business, profession, service, industry or government and generally furnished with desks, tables, files and communication equipment.
132. **Office, Institutional.** Any building used as an office for charitable non-profit organizations that may hold meetings on a regular basis, and charity events on a temporary basis.
133. **Office, Leasing/Sales.** The use of a unit or dwelling as a leasing and or sales office for other units solely within that development.
134. **Office Warehouse.** Any building used for the combined uses of office and warehouse, where the office function is the principal use (at least 60% of the gross floor area) of the building, for the primary purpose of wholesale trade, display, and distribution of products.
135. **Off-Premise Sign.** Any permanent or temporary sign which directs the attention of the general public to a business, service, product or activity not conducted, offered or sold as a major portion of business upon the premises where such sign is located.
136. **Open Space.** Land not covered by man-made impermeable surfaces, parking or buildings,

other than recreational structures, pools, or stormwater facilities, which may be landscaped or preserved in a natural state for private use of owners or guests, or for public access as may be required by the provisions of these regulations or the zoning ordinance.

137. **Opioid.** An opioid is a class of addictive narcotic drugs that are often prescribed for severe pain relief but also are frequently used (and abused) illegally to create euphoric states of consciousness. Common types of opioids are heroin, codeine, and morphine.
138. **Opioid Replacement Therapy Treatment Facility.** Any operation that has received a Certificate of Need from the State Health Planning and Development Agency of Alabama to operate a facility to prescribe and/or dispense opioid replacement drugs and offer therapy to individuals and groups as a part of a treatment program. These opioid replacement drugs generally include, but not limited to, methadone, naloxone, naltrexone, and similar types of opioid receptor agonists.
139. **Public Market.** Premises where outdoor sales consisting of whole uncut produce, ornamental crops, value-added agricultural products such as baked goods, jams and jellies, pickles and relish, dried fruits, syrups and honey, eggs, meat, nuts, handmade art and crafts and unique local goods. Sales of used clothing, mass produced items and appliances are prohibited.
140. **Park.** Any facility or property specifically designated as a park, natural area or recreation area that is used for recreational uses or predominately kept in a natural state.
141. **Pawnshop.** Any building or portion thereof where a pawnbroker is engaged in lending money on the security of pledged goods left in pawn, or in the business of purchasing personal property to be left in pawn on the condition it may be redeemed by the seller for a fixed price within a fixed period of time, as regulated by Title 5, Chapter 19A of the Code of Alabama.
142. **Payday Loan (Deferred Presentment) Business.** A business that, in accordance to the requirements and restrictions listed in Chapter 18A of Title 5 of the Code of Alabama (Alabama Deferred Presentment Services Act), involves a transaction pursuant to a written agreement involving the following combination of activities in exchange for a fee: (1) accepting a check or authorization to debit a checking account and, in connection with that acceptance, advancing funds to the checking account holder; and (2) holding the check or authorization to debit the checking account for a specified period of time.
143. **Personal Care Services.** Services such as, spas, tanning salons, beauty and barber care, and dry cleaning and laundry services not to include a laundry plant.
144. **Personal Instruction.** Services for training individuals or groups in the arts, dance, personal defense, crafts or other subjects of a similar nature.
145. **Place of Worship.** Any structure or site used primarily for religious practices.

146. **Power Plant.** Any structure or land used for the generation of electrical power.
147. **Premises.** A lot, parcel or acreage parcel together with all buildings and structures existing thereon.
148. **Principal Building.** A building that contains the principal use located on a premises.
149. **Principal Frontage.** With respect to corner lots, the private frontage designated to bear the address and principal entrance to the building, and the measure of minimum lot width. For corner lots, prescriptions for the location of parking in certain lot layers pertain only to the principal frontage and prescriptions for the first lot layer pertain to both frontages of a corner lot. With respect to non-corner lots, principal frontage is synonymous with frontage.
150. **Principal Use.** The main use located in a building or on a premises.
151. **Printing and Publishing.** The production and distribution of books, magazines, newspapers and other printed matter, including record pressing and publishing, and engraving.
152. **Private Club.** A building or portion thereof or premises owned or operated by a corporation, association, person or persons for a social, educational, or recreational purpose, but not primarily for profit or to render a service which is customarily carried on as a business.
153. **Public building.** Any building that is accessible to the public and its operation is funded from public sources.
154. **Racetrack.** Any premises or building that includes a measured course where animals or machines are entered in competition against one another or against time, including tracks that are used for drifting.
155. **Railroad Station.** A building or structure where railroad cars stop to load and un-load passengers.
156. **Railroad Yard.** The use of land, building or structure for activities directly associated with the operation of a railroad such activities may include loading and off-loading of freight, and maintenance and repair of railroad cars.
157. **Recreation Equipment Sales and Service.** The retail or wholesale sale of motorcycles, trucks and vans, recreational vehicles, boats, or similar motorized recreational equipment, along with incidental service or maintenance such as, but not limited to boat dealers, motorcycle dealers, and recreational vehicle dealers.
158. **Recycling (Recovered Materials) Collection Center.** A drop-off facility that is staffed and fenced for the temporary assemblage of small, recovered materials or recyclable consumer items, such as food and beverage containers, fabrics and paper, that has waste receptacles on

site that are open to the public.

159. **Recycling Facility (Solid Waste Treatment Facility).** A facility, other than a facility open to the public to receive household waste and recyclable material, where any method, technique, or process is utilized to separate, process, modify, convert, treat or otherwise prepare non-putrescible waste so that component materials or substances may be used or reused or sold to third parties for such purposes.
160. **Resource Extraction.** The extraction of minerals or materials, including rock crushing, screening and the accessory storage of explosives.
161. **Restaurant.** Any establishment where food is prepared and sold for consumption on-site or as take-out.
162. **Retail.** An establishment engaged in the selling or renting of goods or merchandise (usually to the general public for personal use or household consumption, although they may also serve business and institutional clients) and in rendering services incidental to the sale of such goods.
163. **Rummage Sale.** A sale of personal property or other merchandise for the express purpose of raising charitable donations for the benefit of the entity holding the sale by a place of worship, charitable, or civic organization.
164. **Salvage Yard.** Any land or building used for the storage of recovered materials for the purpose of recycling, reuse, or proper storage for future recycling or reuse.
165. **School, Business.** An enterprise offering instruction and training in a service or the arts such as secretarial, cosmetology, commercial artist, computer software, legal, and similar training, provided that such enterprise does not offer student housing or athletic facilities at the site.
166. **School, Elementary/Middle.** Any building used for public primary instruction or a parochial or private school having a curriculum including the same courses ordinarily given in a public school that may include accessory structures such as a gymnasium.
167. **School, High.** Any building used for public secondary instruction or a parochial or private school having a curriculum including the same courses ordinarily given in a public school that may include accessory structures such as a gymnasium or stadium.
168. **School, Trade.** Any building used for the offering of regularly scheduled instruction in technical, commercial or industrial trade skills.
169. **Scientific Lab.** A facility primarily engaged in performing physical, chemical, and other analytical testing services or investigation and experimentation of a scientific nature and other scientific research, but not for the production of a product.

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170. **Scrap Metal Processor.** Any building or land used for the storage, purchase or sale of scrap metal which may include the grading, cutting, preparing, processing or refining of scrap metal for sale and shipment to industrial consumers.
171. **Shopping Center.** A group of commercial-retail establishments planned, developed, owned or managed as a unit with off-street parking provided on the property. Any out-parcel within a shopping center shall be developed under a separate site plan.
172. **Sign.** A sign is any object or device or part thereof situated outdoors or indoors which is used to advertise or identify a person, institution, organization, business, product, service, event or location by any means including words, letters, figures, designs, symbols, fixtures, colors, illumination or projected images. Signs do not include merchandise, pictures or models of products or services incorporated in a window display.
173. **Solar Panel, Building Mounted.** A solar energy collection device mounted to a structure.
174. **Solar Panel, Ground Mounted.** A solar energy collection device mounted to the ground.
175. **Solid Waste Transfer Facility.** Any building used to receive and temporarily store solid waste prior to being delivered to a sanitary landfill or other solid waste facility.
176. **Special Exception.** An action where permission is granted to establish that a use be allowed within a district after the Board determines that the use as proposed would not disturb public health, safety, welfare, comfort, convenience, appearance, prosperity or general welfare.
177. **Stable.** Any lot, building, structure or premises used for the boarding, breeding, training, and/or raising of horses, whether by owners of such animals or by persons providing facilities and care.
178. **Stadium.** A large open space with tiers of seating for spectators surrounding a field used for sporting, entertainment or recreational events.
179. **Story.** That portion of a building other than a cellar, included between the surface of any floor and the surface of the floor next above it, or, if there be no floor above it, then the space between the floor and the ceiling next above it.
180. **Street.** A public right-of-way for movement of motor vehicles, pedestrians or non-motorized traffic, whether identified as a street, highway, thoroughfare, parkway, throughway, road, avenue, boulevard, lane, place, or however designated.
181. **Street Line.** A dividing line between a lot, tract or parcel of land and an abutting street.
182. **Street Setback.** The distance a building or structure shall be setback from a front, side or rear lot line. Street setback may be referred to as a front, side or rear setback or front, side or



rear yard.

183. **Structure.** Anything constructed or erected, the use of which requires a location on the ground or attached to something having a location on the ground, including but not limited to buildings, signs, billboards, back stops for tennis courts, fences or radio towers.
184. **Structural Alterations.** Any change in the supporting members of a building or structure, such as bearing walls, columns, beams or girders; provided, however, that the application of any exterior modernizing shall not be considered a structural alteration.
185. **Studio, Radio/TV.** A facility for the staging and recording of video or audio productions such as, but not limited to, music commercials, programs, and motion pictures. Any broadcasting antennas or satellites are subject to the regulations of Chapter 4, Article V of this Ordinance.
186. **Subdivision Committee.** A committee composed of five (5) members of the Commission authorized to hear and decide upon applications for subdivisions of land, and to advise the chief legislative body of the City on vacation of public lands and new right-of-way dedications, all such actions to be taken on behalf of the Commission.
187. **Tank Farm.** Any land or structure used for the storage of one or more aboveground large containers for the bulk storage of material in liquid, powder or pellet form. Items stored at these facilities are intended to be wholesaled to retailers, and no retailing of stored items can occur on site.
188. **Timbering.** Any premises used for the harvesting of timber.
189. **Title Loan Business.** Any business that offers a short term loan that is collateralized by the title of a vehicle in accordance with the requirements and restrictions described and detailed in Chapter 19A of Title 5 of the Code of Alabama (Alabama Pawn Shop Act).
190. **Truck Plaza.** Any building premises or land in which or upon which a business may engage in the service, maintenance or storage of commercial vehicles including dispensing of motor fuel or petroleum products directly into motor vehicles. A truck plaza also may include overnight accommodation, restaurant and truck wash facilities.
191. **Truck Repair, Heavy.** Any building or land used for the general repair or reconditioning of heavy trucks and equipment and engines, including but not limited to body, frame or fender straightening or repair, the reconditioning, repairing, sale, mounting, or installing of any used tires, painting, or upholstery work, collision repair, vehicle steam cleaning, but excluding the assembly, disassembly, dismantling or salvage of any vehicle, in whole or in part. No abandoned or inoperable vehicles shall be stored on the premises.
192. **Upholstery Shop.** Any building used for the minor repair of furniture and replacement of upholstery to household and office furnishings but does not include motor vehicle

upholstering or repair.

193. **Urban Farm, Outdoor.** An outdoor commercial farm that produces and distributes food crops, ornamental crops and other agriculture products, such as honey, either for sale on site or off site utilizing traditional farming methods, hydroponics or aquaculture.
194. **Urban Farm, Indoor.** An enclosed commercial farm that produces and distributes food crops, ornamental crops and other agriculture products for sale on site or off site utilizing hydroponics or aquaculture, and is completely enclosed within a building. Outside storage is prohibited.
195. **Utility Substation.** A facility that regulates electric current, telephone switching or natural gas pressure for distribution to individual neighborhoods.
196. **Variance.** A departure from any provision of this Ordinance for a specific parcel, except use, without changing the zoning ordinance or the underlying zoning of the parcel. A variance is intended to be granted on rare occasions, when demonstration of unnecessary hardship based on the review standards set forth in Chapter 9, Article VI in relation to other properties in the same zoning district.
197. **Veterinarian Clinic.** An enterprise for the medical treatment of animals and for the temporary, indoor overnight boarding, care, grooming and convalescence of domesticated dogs and cats.
198. **Warehouse.** A facility used primarily for the bulk storage of goods and materials or motor vehicles, characterized by heavy trucking activity, but not involved in manufacturing or production.
199. **Wholesale.** The sale or distribution of goods from the premises that may consist of the flexible use of the floor area for warehouse, assembly, showroom and office space.
200. **Wireless Communication.** Towers, antennas and accessory buildings for transmitting and receiving radio, television, satellite, cellular and microwave, and broadcast tower.
201. **Wrecker Impound Lot.** Any land used for the outside storage of operable vehicles awaiting final disposition.
202. **Wrecker Service Yard.** Any land used for the temporary outside storage of disabled vehicles awaiting final disposition. This definition shall not be applicable to junkyards as defined herein.
203. **Yard.** An open space between a building or use and the adjoining lot lines, unoccupied and unobstructed by any structure or use from the ground upward, except as otherwise provided in Chapter 3: Area and Dimensional Regulations.

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204. **Yard, Required.** A yard the depth of which is specified in Chapter 3: Area and Dimensional Regulations of the applicable district.
205. **Yard, front.** A yard extending the full width of the lot between any building and the front lot line and measured perpendicular to the building at the closest point to the front lot line. On corner lots the front yard shall be considered as parallel to the street upon which the lot has its least dimension.
206. **Yard, rear.** A yard extending across the full width of the lot between the principal building and the rear lot line and measured perpendicular to the building to the closest point of the rear lot line.
207. **Yard, side.** A yard extending from the front yard to the rear yard between the principal building and the side lot line and measured perpendicular from the side lot line to the closest point of the principal building.
208. **Zoning Advisory Committee.** A committee composed of seven members of the Commission authorized to approve site development plans, hear and recommend rezoning of land applications and Zoning Ordinance text changes to advise the chief legislative body of the City, all such actions to be taken on behalf of the Commission.
209. **Zone map.** The map referred to in Chapter 9, Article I (Official Zoning Map).
210. **Zoning district map.** The Zone Map.
211. **Zoo.** Any premises, building or enclosure which contains wild animals on exhibition for viewing by the public.

**SECTION 2. BE IT ORDAINED** by the Council of the City of Birmingham that Title 1, Chapter 2: Zoning Districts and Permitted Uses; Article II: Permitted Uses Table; Section 6: Permitted Use Table 1.02.201 - MEDICAL USES, of the City of Birmingham Zoning Ordinance, Ordinance No. 17-51, as amended, is hereby amended to read as follows:

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Zoning District	D-1	D-2	D-3	D-4	D-5	D-6	MU-L	MU-M	MU-H	MU-D	C-1	C-2	I-1	I-2	I-3	I-4	PR D	MXD / PUD	HI D	AG
<b>MEDICAL USES:</b>																				
Clinic	X	X	X	X	X	X	PC	P	P	P	PC	P	P	P	P	X	X	PCP	PM P	X
Hospital	X	X	X	X	X	X	X	SE	P	P	X	P	P	X	P	X	X	PCP	PM P	X
Medical Cannabis Cultivator	X	X	X	X	X	X	X	X	X	X	X	X	PC	PC	PC	X	X	X	X	PC
Medical Cannabis Dispensary	X	X	X	X	X	X	X	X	PC	PC	X	PC	PC	PC	PC	X	X	X	X	X
Medical Cannabis Integrated Facility	X	X	X	X	X	X	X	X	X	X	X	X	PC	PC	PC	X	X	X	X	X
Medical Cannabis Processor	X	X	X	X	X	X	X	X	PC	PC	X	X	PC	PC	PC	X	X	X	X	X
Medical Cannabis Secure Transporter	X	X	X	X	X	X	X	X	PC	PC	X	PC	PC	PC	PC	X	X	X	X	X
Medical Cannabis State Testing Laboratory	X	X	X	X	X	X	X	X	PC	PC	X	PC	PC	PC	PC	X	X	X	X	X
Medical Lab	X	X	X	X	X	X	X	SE	P	P	SE	P	P	P	P	X	X	PCP	PM P	X
Opioid Replacement Therapy Treatment Facility	X	X	X	X	X	X	X	X	PC	PC	X	PC	PC	PC	X	X	X	X	X	X
Scientific Lab	X	X	X	X	X	X	X	X	SE	SE	X	SE	P	P	P	X	X	PCP	PM P	X
Veterinarian Clinic	X	X	X	X	X	X	X	X	PC	PC	X	PC	PC	PC	PC	X	PC	PCP	PM P	PC

**SECTION 3. BE IT ORDAINED** by the Council of the City of Birmingham that Title 1, Chapter 4: Land Use Development Standards; Article II: Uses Permitted With Conditions (PC); Section 4: Medical Uses, of the City of Birmingham Zoning Ordinance, Ordinance No. 17-51, as amended, is hereby amended to read as follows:

**Section 4. Medical uses.**

- A. **Clinic.** In the following districts: MU-L and C-1 a clinic shall be permitted provided that the following conditions are met:
  - 1. Clinics shall be limited in size to no more than 7,500 square feet.
- B. **Medical Cannabis Cultivator.** In the M-1, M-1A, M-2, M-3, I-1, I-2, I-3, and AG districts, a medical cannabis cultivator shall be permitted provided the following conditions are met:
  - 1. The applicant submits a statement from the Alabama Medical Cannabis Commission, AMCC, and/or the Alabama Department of Agriculture and Industry that the proposed facility meets the requirements for operation and that all applicable and/or appropriate license or licenses have been obtained. If no license or licenses are needed or required for operation from the above listed agency, a letter stating that fact from this agency must be provided.
  - 2. Cultivators authorized pursuant to Ala. Code, 1975, § 20-2A-62, as now or hereafter amended, shall operate in accordance with the provisions set forth in Ala. Code, 1975, § 20-2A-1, et seq., as now or hereafter amended, and shall comply with all Rules and Regulations of the Alabama Medical Cannabis Commission and the Department of Agriculture and Industry. Except as specifically provided in this Section, Cultivators shall be governed by the Medical Cannabis Act, the AMCC Rules and the rules of the

Alabama Department of Agriculture and Industries at Title 80 of the Alabama Administrative Code, as now or hereafter amended.

- C. **Medical Cannabis Dispensary.** In the B-2, B-3, B-4, B-5, M-1, M-1A, M-2, M-3, MU-H, MU-D, C-2, I-1, I-2, and I-3 districts a medical cannabis dispensary shall be permitted provided the following conditions are met:
1. The applicant submits a statement from the Alabama Medical Cannabis Commission, AMCC, that the proposed facility meets requirements for operation and that all applicable and/or appropriate license or licenses have been obtained. If no license or licenses are needed or required for operation from the above listed agency, a letter stating that fact from this agency must be provided.
  2. Medical Cannabis Dispensaries authorized pursuant to Ala. Code, 1975, § 20-2A-64, as now or hereafter amended, shall operate with the provisions of Ala. Code, 1975, § 20-2A-1, et seq., as now or hereafter amended, and shall comply with all Rules and Regulations of the Alabama Medical Cannabis Commission, AMCC. Except as specifically provided in this Section, Dispensaries shall be governed by the Medical Cannabis Act and the AMCC Rules.
- D. **Medical Cannabis Integrated Facility.** In the M-1, M-1A, M-2, M-3, I-1, I-2, and I-3 districts, a medical cannabis integrated facility, shall be permitted provided the following conditions are met:
1. The applicant submits a statement from the Alabama Medical Cannabis Commission, AMCC, that the proposed facility meets requirements for operation and that all applicable and/or appropriate license or licenses have been obtained. If no license or licenses are needed or required for operation from the above listed agency, a letter stating that fact from this agency must be provided.
  2. Medical Cannabis Integrated Facility authorized pursuant to Ala. Code, 1975, § 20-2A-67, as now or hereafter amended, shall operate with the provisions of Ala. Code, 1975, § 20-2A-1, et seq., as now or hereafter amended, and shall comply with all Rules and Regulations of the Alabama Medical Cannabis Commission, AMCC. Except as specifically provided in this Section, Medical Cannabis Integrated Facilities shall be governed by the Medical Cannabis Act and the AMCC Rules.
- E. **Medical Cannabis Processors.** In the B-3, B-4, M-1, M-1A, M-2, M-3, MU-H, MU-D, I-1, I-2, and I-3 districts a medical cannabis processor shall be permitted provided the following conditions are met:
1. The applicant submits a statement from the Alabama Medical Cannabis Commission, AMCC, that the proposed facility meets requirements for operation and that all applicable and/or appropriate license or licenses have been obtained. If no license or licenses are needed or required for operation from the above listed agency, a letter

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stating that fact from this agency must be provided.

2. Medical Cannabis Processors authorized pursuant to Ala. Code, 1975, § 20-2A-63, as now or hereafter amended, shall operate with the provisions of Ala. Code, 1975, § 20-2A-1, et seq., as now or hereafter amended, and shall comply with all Rules and Regulations of the Alabama Medical Cannabis Commission. Except as specifically provided in this Section, Medical Cannabis Processors shall be governed by the Medical Cannabis Act and the AMCC Rules.

F. **Medical Cannabis Secure Transporter.** In the B-2, B-3, B-4, M-1, M-1A, M-2, M-3, MU-H, MU-D, C-2, I-1, I-2, and I-3 districts a medical cannabis secure transporter shall be permitted provided the following conditions are met:

1. The applicant submits a statement from the Alabama Medical Cannabis Commission, AMCC, that the proposed facility meets requirements for operation and that all applicable and/or appropriate license or licenses have been obtained. If no license or licenses are needed or required for operation from the above listed agency, a letter stating that fact from this agency must be provided.

2. Medical Cannabis Secure Transporters authorized pursuant to Ala. Code, 1975, § 20-2A-65, as now or hereafter amended, shall operate with the provisions of Ala. Code, 1975, § 20-2A-1, et seq., as now or hereafter amended, and shall comply with all Rules and Regulations of the Alabama Medical Cannabis Commission, AMCC. Except as specifically provided in this Section, Medical Cannabis Secure Transporters shall be governed by the Medical Cannabis Act and the AMCC Rules.

G. **Medical Cannabis State Testing Laboratory.** In the O&I, B-2, B-3, B-4, B-5, B-6, M-1, M-1A, M-2, M-3, MU-H, MU-D, C-2, I-1, I-2, and I-3 districts a medical cannabis state testing laboratory shall be permitted provided the following conditions are met:

1. The applicant submits a statement from the Alabama Medical Cannabis Commission, AMCC, that the proposed facility meets requirements for operation and that all applicable and/or appropriate license or licenses have been obtained. If no license or licenses are needed or required for operation from the above listed agency, a letter stating that fact from this agency must be provided.

2. Medical Cannabis State Testing Laboratories authorized pursuant to Ala. Code, 1975, § 20-2A-66, as now or hereafter amended, shall operate with the provisions of Ala. Code, 1975, § 20-2A-1, et seq., as now or hereafter amended, and shall comply with all Rules and Regulations of the Alabama Medical Cannabis Commission, AMCC. Except as specifically provided in this Section, Medical Cannabis State Testing Laboratories shall be governed by the Medical Cannabis Act and the AMCC Rules.

H. **Opioid Replacement Therapy Treatment.** In the MU-H, MU-D, C-2, I-1, and I-2 district, opioid replacement therapy treatment shall be permitted provided that the following

conditions are met:

1. The applicant submits a statement from the State Department of Health, State Health Planning and Development Agency, or the State Department of Mental Health and/or the Jefferson County Department of Health that the proposed facility meets all requirements for operation and that all applicable and/or appropriate license or licenses have been obtained. If no license or licenses are needed or required for operation from the above listed agencies, a letter stating that fact from these agencies must be provided.

I. **Veterinarian Clinic.** In the following districts: AG, MU-H, MU-D, C-2, I-1, I-2 AND PRD a veterinarian clinic shall be permitted provided that the following conditions are met:

1. Outdoor exercise yards shall be permitted provided that they are completely fenced and used only between 7a.m. and 7p.m., when a staff person of the clinic is present in the exercise yard. Where such outdoor activities abut a dwelling zone district or district permitting dwelling use, a 50-foot setback is required.
2. Boarding of animals either undergoing medical treatment or not are permitted as an accessory use subject to the following conditions.
  - a. Accessory animal boarding shall occur within completely enclosed structures.
  - b. No more than thirty percent of the gross floor area of the veterinary clinic may be used as a boarding facility.
  - c. No outdoor kennels or runs are permitted.
  - d. No part of any building or structure in which animals are housed shall be closer than 50 feet from any existing residence located on an adjacent parcel.
  - e. All on-site waste shall be housed either within the boarding facility or an accessory structure, and all waste shall be disposed of in a sanitary fashion no less frequently than one time per week. The drainage of all liquid by-products from the kennel shall be discharged into a permitted sanitary sewer line or septic tank and shall not be disposed of by way of storm sewers, creeks, streams, or rivers.

**SECTION 4. BE IT ORDAINED** by the Council of the City of Birmingham that Title 1, Chapter 4: Land Use Development Standards; Article III: Uses Permitted by Special Exception (SE); Section 5: Medical use special exceptions, of the City of Birmingham Zoning Ordinance, Ordinance No. 17-51, as amended, is hereby amended to read as follows:

**Section 5. Medical use special exceptions.**

A. **Hospital.** In the MU-M district, a special exception may be granted by the Board provided that the following conditions are met:

1. When a hospital abuts a dwelling district, screening in the form of a landscape buffer yard shall be applied per Chapter 6, Article III of this Ordinance.

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2. When a hospital structure abuts a dwelling district there shall be a minimum setback of 50 feet.
3. A traffic impact study may be required that demonstrates adequate traffic controls are provided as determined by the Traffic Engineer for the City.

**B. Medical Lab.** In the MU-M and C-1 districts, a special exception may be granted by the Board provided that the following conditions are met:

1. Medical Labs in the MU-M and C-1 shall be limited to 7,500 square feet.

**C. Scientific Lab.** In the MU-H, MU-D and C-2 districts, a special exception may be granted by the Board provided that the following conditions are met:

1. No smoke, dust or vibration shall be detectable at the property line.
2. No scientific lab shall be permitted that is required by ADEM to have a permit for release of any kind.
3. When adjacent to a dwelling district, a landscape buffer yard is required per Chapter 6, Article III of this Ordinance and the scientific lab shall be set back from the property line no less than 50 feet.

**SECTION 5.** That the provisions of this Ordinance are hereby declared to be severable. If any of these sections, provisions, sentences, clauses phrases, or parts are held to be unconstitutional or void, the remainder shall continue in full force and effect.

**SECTION 6.** That this Ordinance shall become effective upon publication as required by statute.

Adopted by the Council November 29, 2022 and Approved by the Mayor November 30, 2022



A CERTIFIED COPY  
Lee Frazier, City Clerk  
Birmingham, AL  
*Lee Frazier*

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ORDINANCE 2022-12

AN ORDINANCE AUTHORIZING THE OPERATION OF MEDICAL CANNABIS DISPENSING SITES WITHIN THE CITY OF DEMOPOLIS

WHEREAS, in the 2021 legislative session the Alabama Legislature passed Act No. 21-450 (the “Act”), legalizing and creating a regulatory framework for medical cannabis; and

WHEREAS, the Alabama Legislature made a number of findings of fact, including:

“Medical research indicates that the administration of medical cannabis can successfully treat various medical conditions and alleviated the symptoms of various medical conditions.”

“There are residents in Alabama suffering from a number of medical conditions whose symptoms could be alleviated by the administration of medical cannabis products if used in a controlled setting under supervision of a physician licensed in this state.”

Establishing a program providing for the administration of cannabis derivatives for medical use in this state will not only benefit patients by providing relief to pain and other debilitating symptoms, but also provide opportunities for patients with these debilitating conditions to function and have a better quality of life and provide employment and business opportunities for farmers and other residents of this state and revenue to state and local governments;” and

WHEREAS, the Acts provides for the medical use of medical grade products that contain a derivative of cannabis by registered qualified patient; and

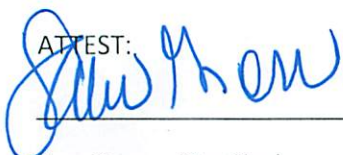
WHEREAS, this Act requires that the governing body of a municipality must first adopt an ordinance to authorize the operation of dispensing sites within the corporate limits of the municipality before any such business can operate in the municipality; and

WHEREAS, the Act has become law and codified as Code of Alabama §§ 20-2A-1, et seq.; and

WHEREAS, THE City of Demopolis wishes to authorize the operation of medical cannabis dispensing sites within the corporate limits of the City of Demopolis subject to zoning, business license, and other revenue and police power requirements.

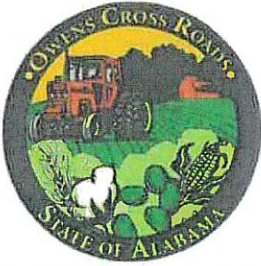
NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DEMOPOLIS, ALABAMA that, in accordance with Alabama Code, Section 20-2A-51, a holder of a license granted by the State of Alabama pursuant to Act 21-450 is hereby authorized to operate a medical cannabis dispensing site within the corporate limits of the City of Demopolis, subject to the provisions of Act 21-450 and state law, and further subject to any relevant provisions of the Code of the City of Demopolis, including applicable zoning restrictions, business license requirements, and similar matters.

ATTEST:

  
\_\_\_\_\_  
Sam Gross, City Clerk

  
\_\_\_\_\_  
Woody Collins, Mayor

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## CITY OF OWENS CROSS ROADS ORDINANCE NO. 22-022

### AUTHORIZING THE OPERATION OF A MEDICAL CANNABIS DISPENSARY WITHIN THE CORPORATE LIMITS OF THE CITY OF OWENS CROSS ROADS

WHEREAS, on May 17, 2021, the Governor for the State of Alabama signed Darren Wesley 'Ato' Hall Compassion Act into law (the Act); and

WHEREAS, the Act provides for the medical use of marijuana for patients with a qualifying medical condition and a valid medical cannabis card; and

WHEREAS, a dispensary may only be operated in a municipality if the municipality has passed an ordinance authorizing the operation of dispensaries within the municipality's corporate limits; and

WHEREAS, the Act authorizes and requires the Medical Cannabis Commission to heavily regulate dispensary operation, (See, §§20-2A-50 - 20-2A-68, Code of Alabama), thus addressing any health, safety or welfare concerns for the citizens of the City of Owens Cross Roads; and

WHEREAS, the location of a dispensary within the corporate limits of the City of Owens Cross Roads will bring the potential of hundreds of new employment opportunities for the citizens of the City of Owens Cross Roads; and

WHEREAS, a dispensary would be required to purchase a business license and pay sales tax to the City of Owens Cross Roads, thus increasing revenue.

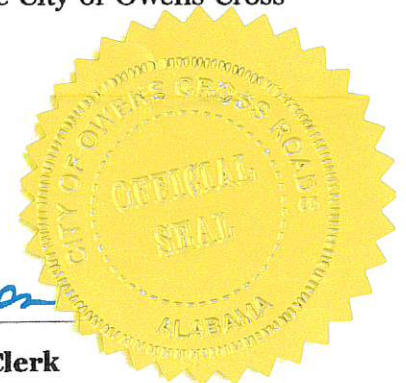
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OWENS CROSS ROADS, ALABAMA, that it authorizes the operation of dispensing sites within the corporate limits of the City of Owens Cross Roads subject to any applicable zoning restrictions the City of Owens Cross Roads may adopt pursuant to §20-2A-51(c)(3).

ADOPTED and APPROVED this 9 day of AUGUST 2022.

ATTEST:

  
Tony Craig, Mayor

  
Christie D. Eason, City Clerk



City of Owens Cross Roads, Alabama, certificate of publication.  
This is to certify that Ordinance No. 22-022, City of Owens Cross Roads, Alabama, was published by posting on the City website, and on FIVE (5) bulletin boards within the City.

OWENS CROSS ROADS CITY COUNCIL  
ORDINANCE NO. 22-022  
MEDICAL CANNIBAS DISPENSARY

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# CITY OF BIRMINGHAM

Department Of Planning, Engineering & Permits  
710 North 20<sup>th</sup> Street  
City Hall | Room 210  
Birmingham, Alabama 35203



**PUTTING PEOPLE FIRST**

RANDALL L. WOODFIN  
MAYOR

KATRINA THOMAS  
DIRECTOR

12 December 2022

Yellowhammer Medical Dispensaries LLC  
17 20<sup>th</sup> St N Suite 300  
Birmingham, AL 35205

**RE: 2160 Green Springs Hwy Suite C Birmingham, AL 35205**

**PID#29-00-11-3-002-013.000**

**ZCL#2022-00178**

To Whom It May Concern:

The property located at 2160 Green Springs Hwy is zoned B-2, General Business District. Properties to the north and south are also zoned B-2. Properties to the east and west are zoned R-3, Single Family District. The property is located in the Glen Iris Neighborhood and Council District 3. According to the City of Birmingham's Geographic Information System (GIS), the property is not located in a regulated floodplain or Commercial Revitalization/Historic District.

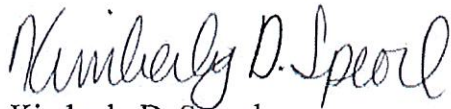
A Medical Cannabis Dispensary is permitted with conditions in this zoning district. The conditions include:

1. The applicant submits a statement from the Alabama Medical Cannabis Commission, AMCC, that the proposed facility meets requirements for operation and that all applicable and/or appropriate license or licenses have been obtained. If no license or licenses are needed or required for operation from the above listed agency, a letter stating that fact from this agency must be provided.
2. Medical Cannabis Dispensaries authorized pursuant to Ala. Code, 1975, § 20-2A-64, as now or hereafter amended, shall operate with the provisions of Ala. Code, 1975, § 20-2A-1, et seq., as now or hereafter amended, and shall comply with all Rules and Regulations of the Alabama Medical Cannabis Commission, AMCC. Except as specifically provided in this Section, Dispensaries shall be governed by the Medical Cannabis Act and the AMCC Rules.

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This letter is only to confirm zoning information for the location provided in your request and does not verify that the location meets the spacing required for a dispensary. This letter does not approve the use of the medical cannabis dispensary at the above-mentioned address. All medical cannabis related uses in the City of Birmingham must be approved by the Alabama Medical Cannabis Commission and shall comply with the Rules and Regulations of the Alabama Medical Cannabis Commission.

Sincerely,



Kimberly D. Spearl  
Zoning Administrator

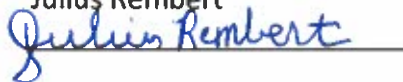
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## Zoning Certificate

November 7, 2022

The property located at 1324 Highway 80 East is Zoned B-3 Community Business. The Demopolis Zoning Ordinance permits Medical Cannabis Dispensaries in this District.

Julius Rembert  


Building Official / Zoning Administrator  
City of Demopolis, AL



# CITY OF OWENS CROSS ROADS

Zoning Ordinance – Yellowhammer Med Dispensaries  
-Attachment to Exhibit 18, Section 18.5

License Type: Dispensary

## Owens Cross Roads City Hall

P.O. Box 158 / 9032 Highway 431 S. Owens Cross Roads, AL 35763  
Tel: (256) 725-4163 Website: [www.owenscrossroadsal.gov](http://www.owenscrossroadsal.gov)

November 28, 2022

Ref: OCR011-006

Yellowhammer Medical Dispensaries, LLC  
17 20<sup>th</sup> Street North  
Suite 300  
Birmingham, AL 35203

Ref: Request for Zoning Compliance

To Whom It May Concern,

The purpose of this letter is to confirm that the current zoning on the track of land identified as **tax parcel number 22-09-32-0-001-095.000; Parcel Pin # 92628**, and more specifically described as **9639 US Highway 431 S, Owens Cross Roads, AL 35763**, is Highway Corridor, HC. The purpose of the HC zoning is to provide for the retailing of goods and the furnishings of major services, selected trade shops, and other highway-oriented land uses.

The City's zoning ordinance permits medical cannabis dispensaries to be located in this area as long as the dispensary is at least 1000 feet from schools, child care, and church facilities. The property in discussion is within compliance in that regard.

The City's zoning ordinance should be consulted for all applicable zoning standards, including landscaping and parking requirements. A copy of the zoning ordinance can be obtained from the Building Department Clerk, Lora Martin, [lora.martin@owenscrossroadsal.gov](mailto:lora.martin@owenscrossroadsal.gov).

If you have any questions or comments, please feel free to contact me at 256-725-5168 or [christie.eason@owenscrossroadsal.gov](mailto:christie.eason@owenscrossroadsal.gov).

Sincerely,

Christie D. Eason  
City Clerk

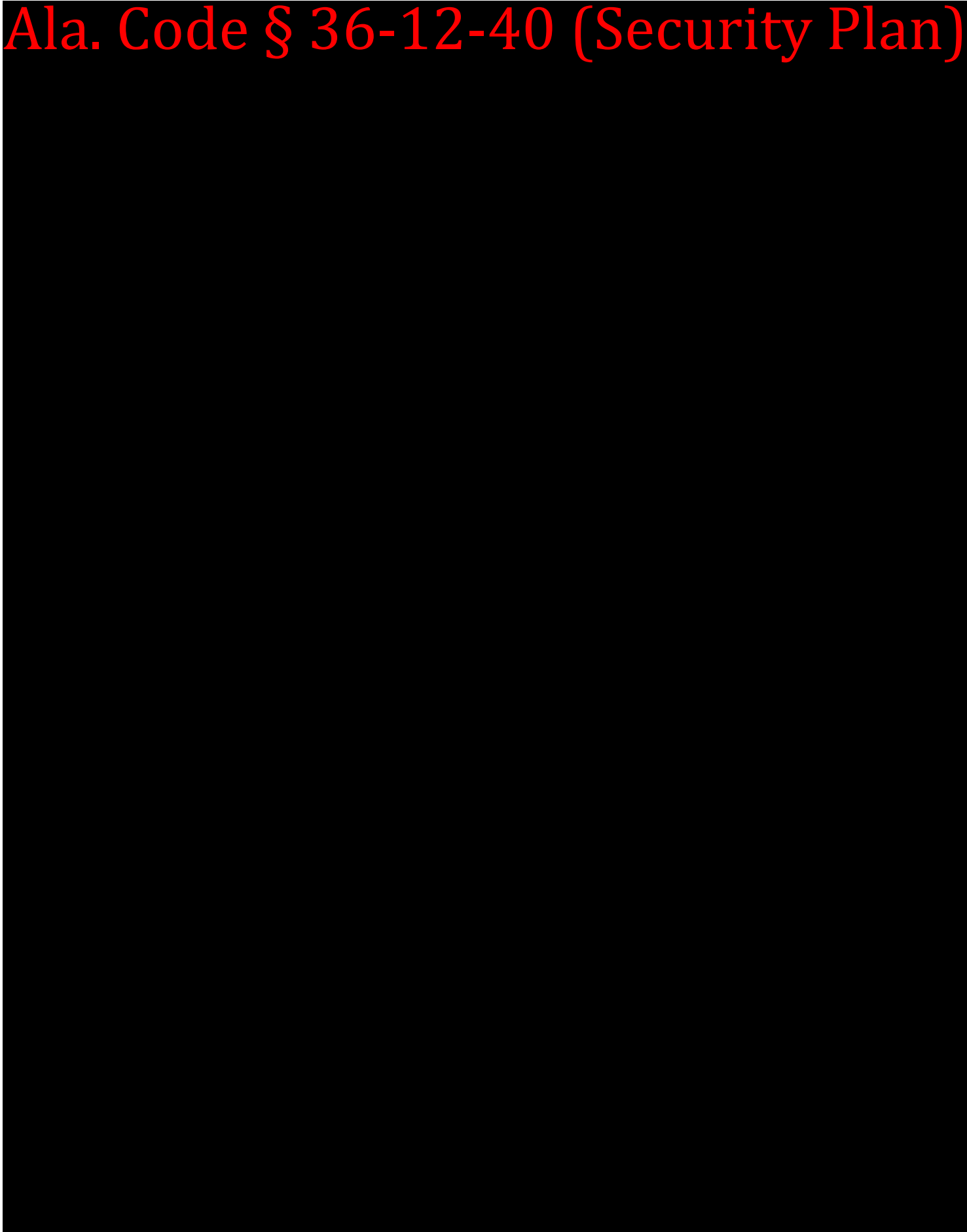
cc: TC, LM, JD, TC, COUNCIL

Tony K. Craig, Mayor  
Jason Dobbins, Chief of Police  
Exhibit 18 – Facilities

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Christie D. Eason, City Clerk  
Shannon Drake, Chief Fire Administrator  
Page 59 of 69

# Ala. Code § 36-12-40 (Security Plan)



Exterior - Yellowhammer Medical Dispensaries, Greensprings Avenue  
Location - Attachment to Exhibit 18, Section 18.6

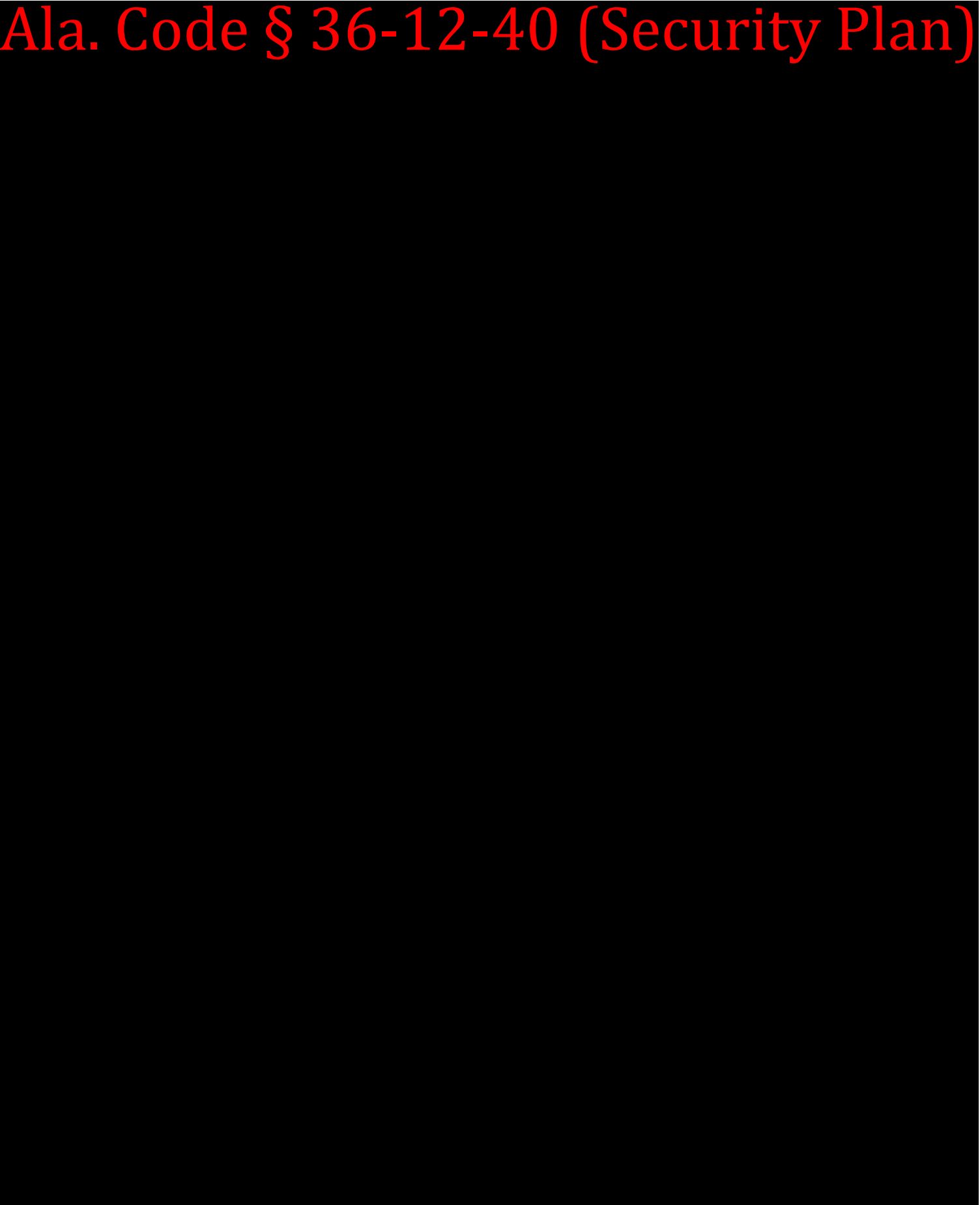


2160 Green Springs Hwy, Birmingham, AL 35205  
33.48197135544656, -86.82412907075837

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# Ala. Code § 36-12-40 (Security Plan)



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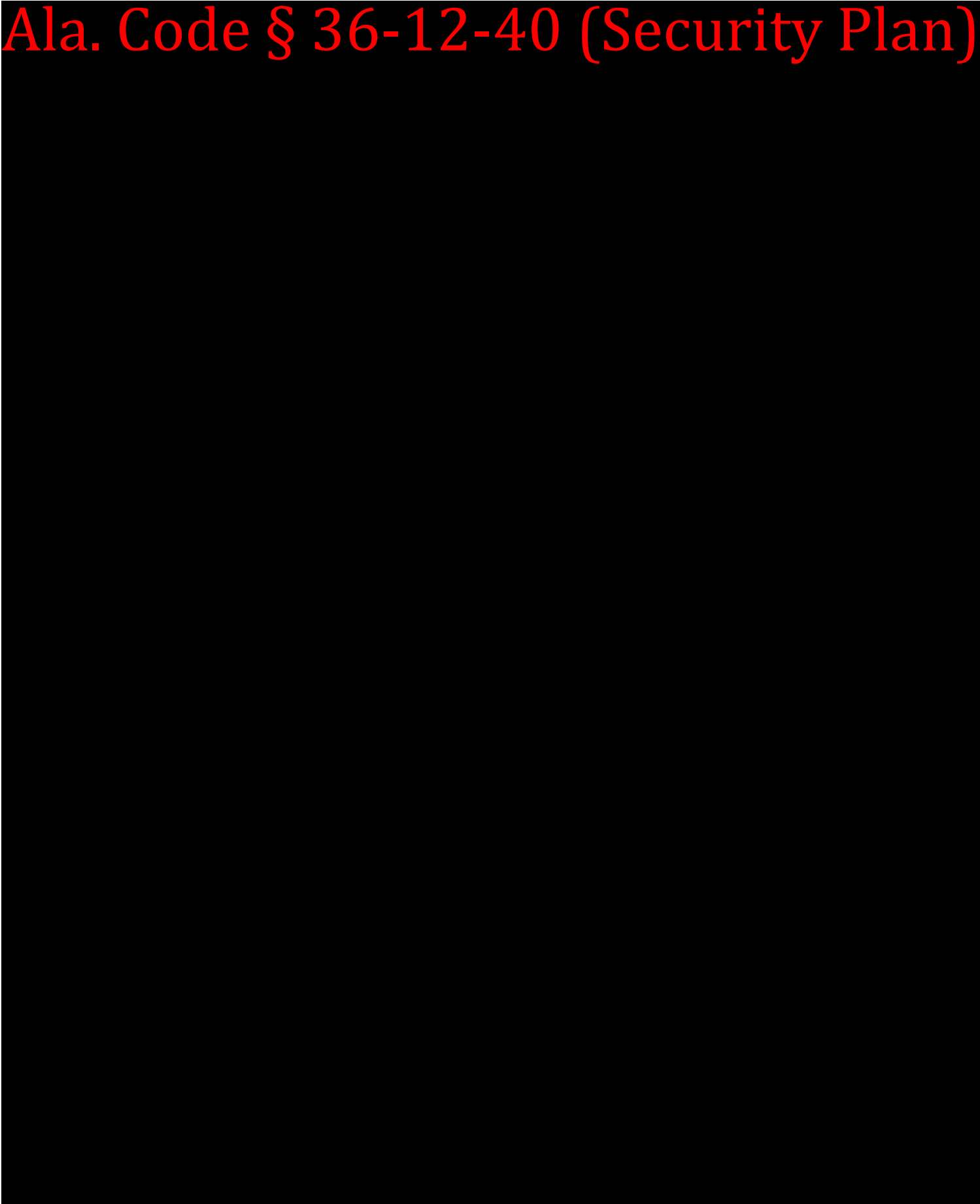
Exterior - Yellowhammer Medical Dispensaries, Demopolis, AL  
Location - Attachment to Exhibit 18, Section 18.6



1324 US-80 East Demopolis, AL 36732  
32.50287794671387, -87.82129290580798

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# Ala. Code § 36-12-40 (Security Plan)



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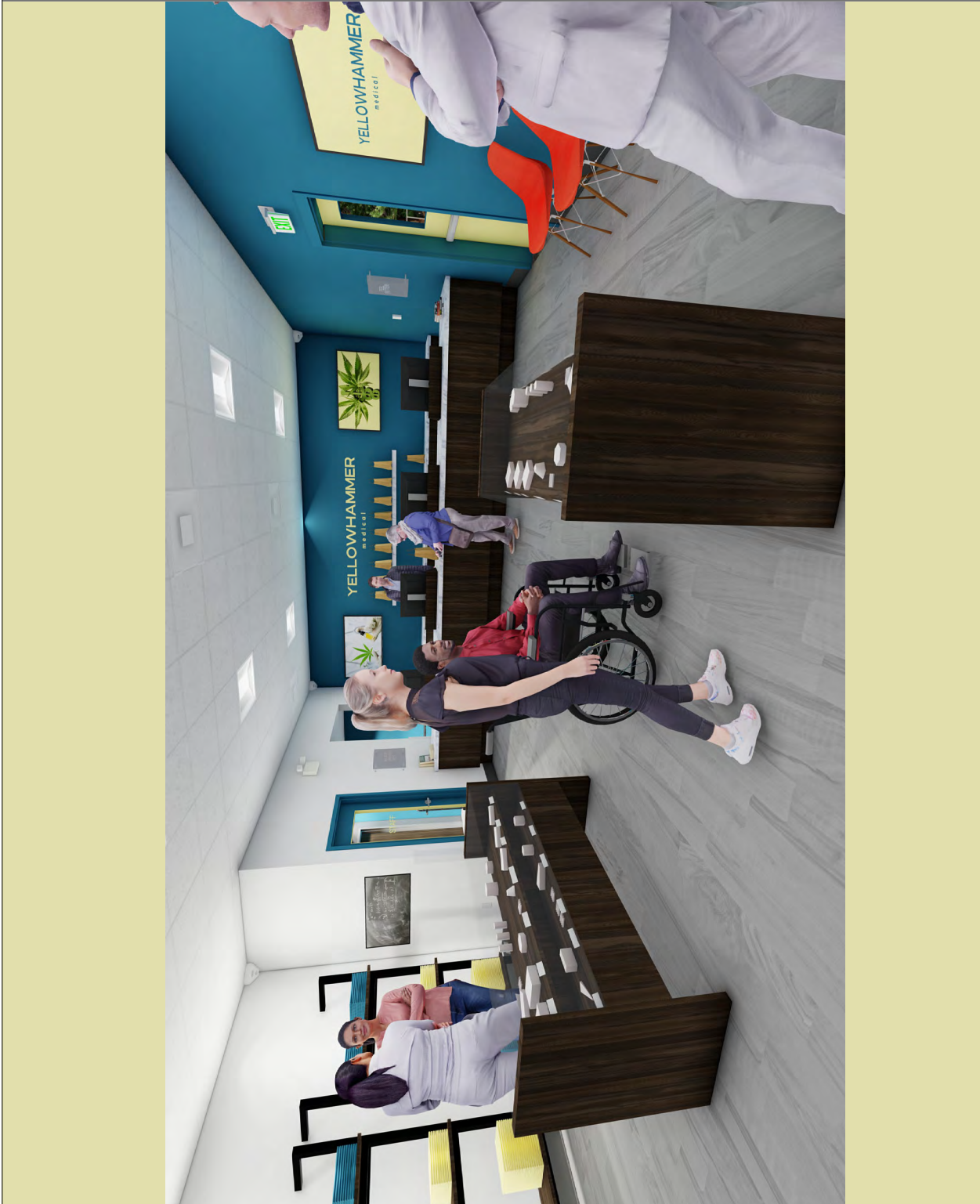
Exterior - Yellowhammer Medical Dispensaries, Owen's Cross Roads, AL Location - Attachment to Exhibit 18, Section 18.6



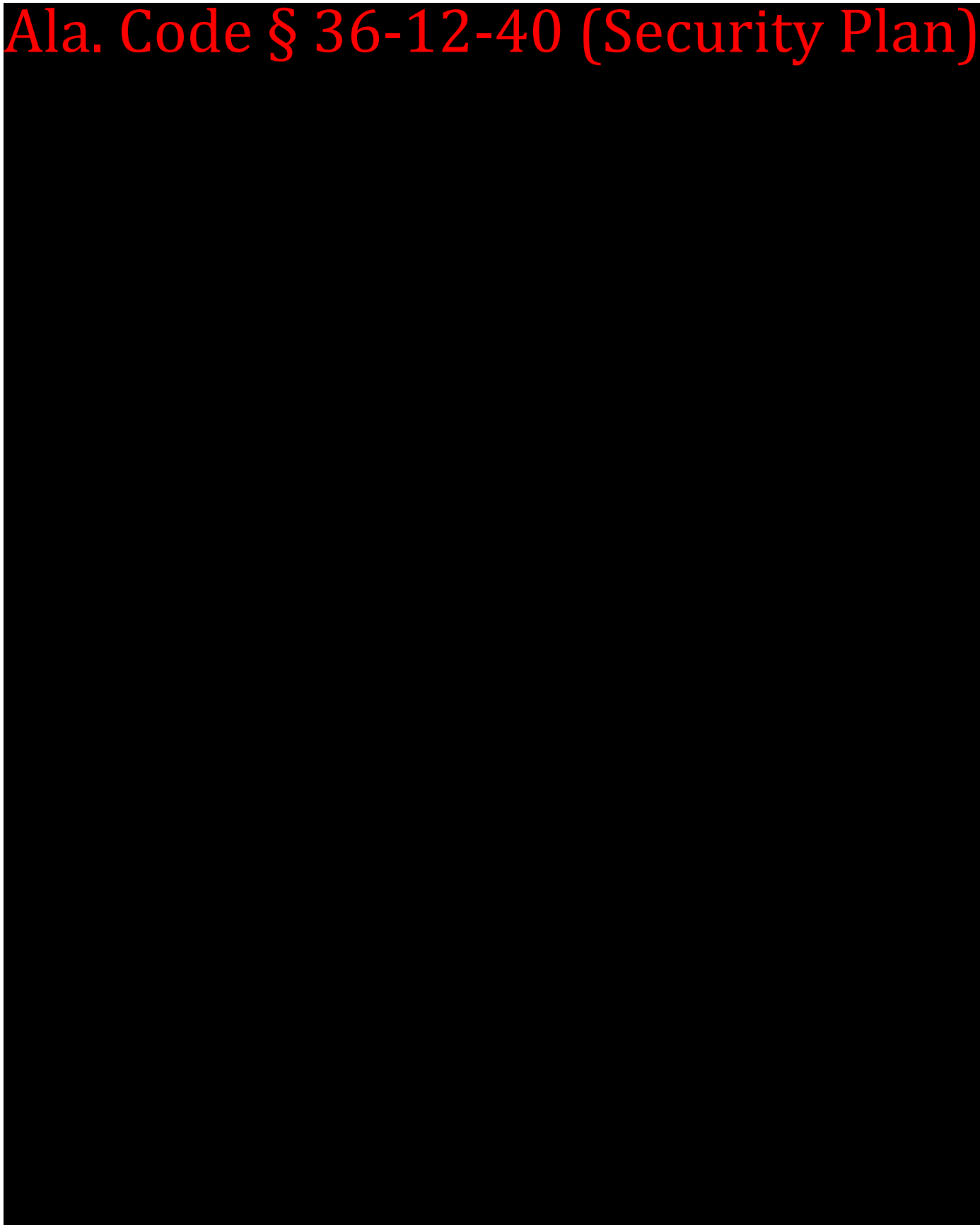
9639 US-431, Owens Cross Roads, AL 35763  
34.564315559532396, -86.44456797812147

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Typical Retail Configuration

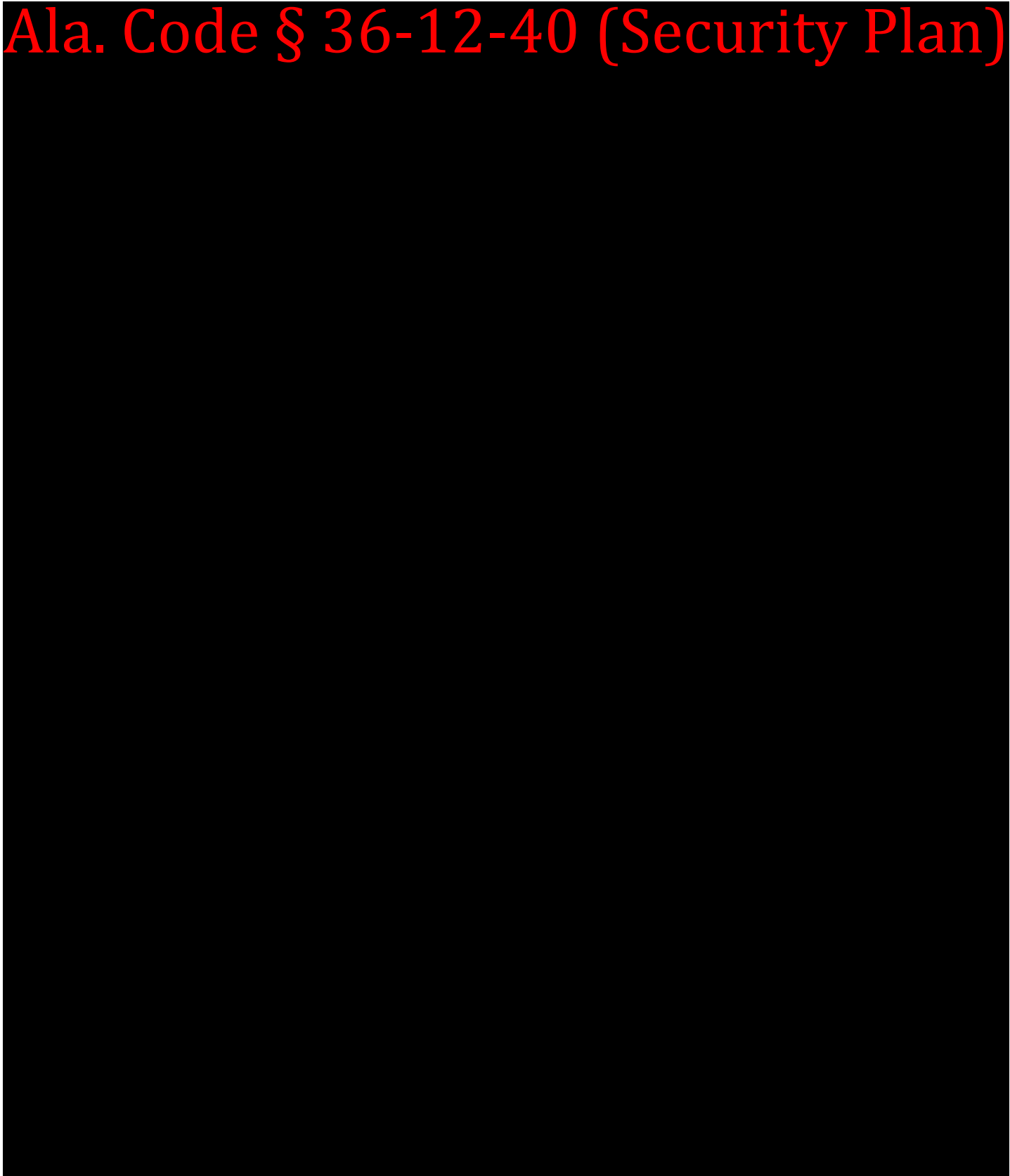


# Ala. Code § 36-12-40 (Security Plan)



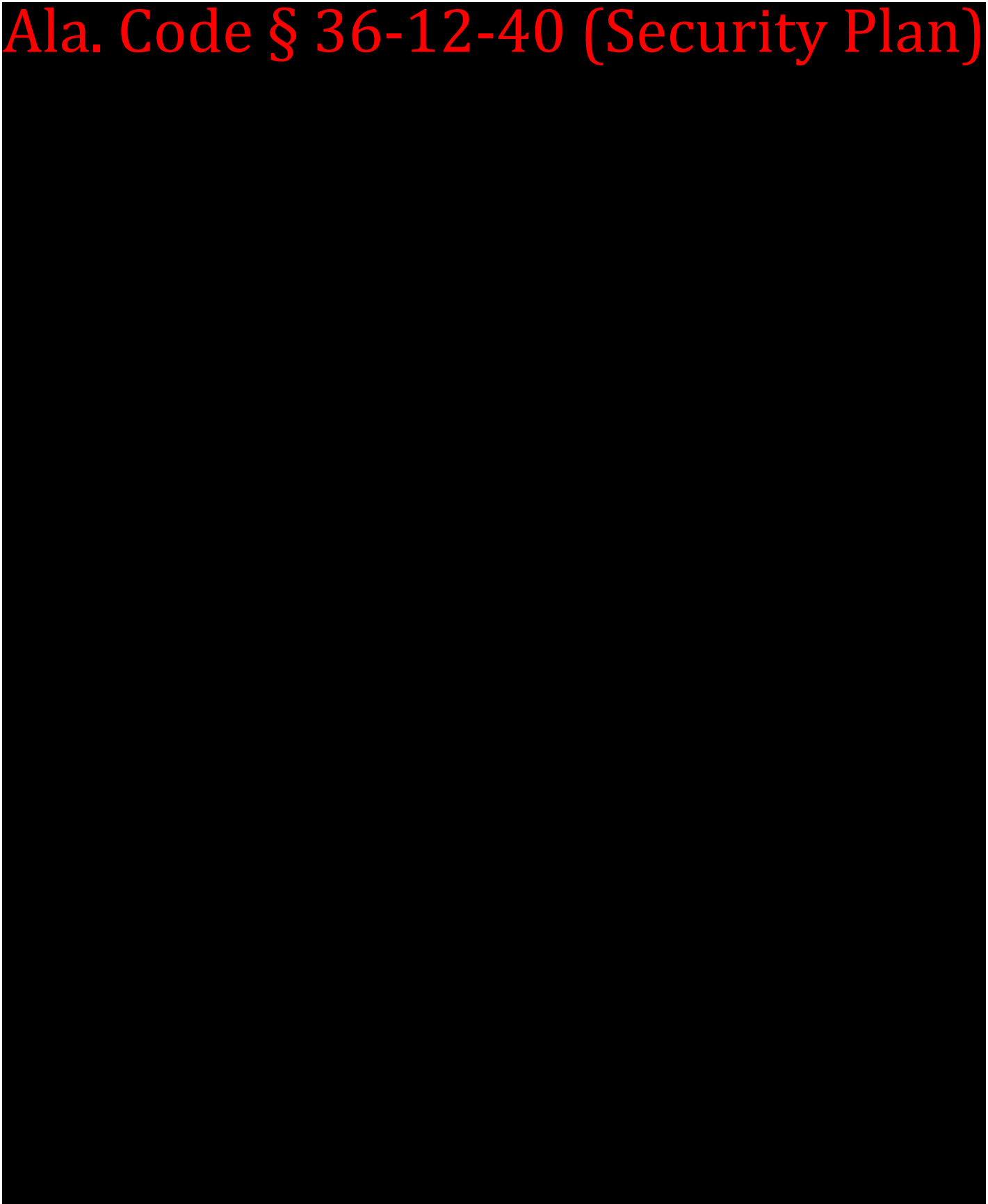
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# Ala. Code § 36-12-40 (Security Plan)



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# Ala. Code § 36-12-40 (Security Plan)



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# Exhibit 19 – 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.**

Keith J. Smith

CEO

\_\_\_\_\_  
Printed Name of Verifying Individual

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

\_\_\_\_\_  
Signature of Verifying Individual

\_\_\_\_\_  
Verification Date

## **Introduction**

We are foundationally committed to providing safe medical cannabis products in a secure manner to our registered patients. We will provide effective controls and procedures to guard against theft and diversion of cannabis, unauthorized access to our premises, and unauthorized access to our electronic systems. Our controls will also include but are not limited to systems to protect against electronic records tampering. We will install, maintain in good working order, and operate a safety and security alarm system at our dispensing site that will provide suitable protection against theft and diversion. We will implement appropriate security and safety measures including barriers and rigid fencing to deter and prevent unauthorized entrance into areas containing cannabis and the theft of cannabis. We will also implement security measures that protect the premises, patients, our personnel, and our neighbors and community members.

### **19.1 – Twenty-Four-Hour Alarm Systems**

We will equip our facilities with 24-hour intrusion detection hardware and technology, including a commercial-grade, professionally monitored security alarm system installed by an Alabama-licensed private alarm contractor or private alarm contractor agency. Ala. Admin Code. r. 538-x-8-.05.03.m.01. Electronic Specialty, an industry expert in Fire and Security systems in business for 75 years, will provide industry-leading Bosch intrusion detection alarm systems including 360-degree motion detectors, glass break sensors, door contacts, and panic buttons for our facilities. The system will be monitored by a nationally certified 24/7 monitoring center with redundant stations around the country.

This complex but highly customizable system will always remain operational, actively securing all points of ingress and egress, and all windows. We will also maintain a backup system that activates immediately and automatically upon a loss of electrical support and that immediately issues either automatic or electronic notification to State or local police agencies of the loss of electrical support. Our security system will include the use of professional-grade motion detectors, pressure switches, panic alarms, specialized security lighting, video cameras, and other equipment working in tandem to protect all areas where cannabis or medical cannabis products are delivered, received, handled, stored, prepared, tested, packaged, labeled, readied for transport, or sold.

Our alarm system will feature immediate automatic or electronic notification to alert cannabis business personnel and local police agencies to an unauthorized breach of security or an alarm or system failure at our facilities. If a failure of our security alarm system due to a loss of electrical support or mechanical malfunction is expected to last longer than eight hours, we will notify the AMCC, implement alternative security measures approved by the AMCC, or close the authorized physical addresses impacted by the failure or malfunction until the security alarm system is fully restored.

Our alarm systems will feature multiple different types of alarms for use under different emergency circumstances. Our alarms will include both silent “duress/holdup alarms” and audible “panic button alarms.” Ala. Admin Code. R. 538-x-8-.05.03.m.02. The alarm systems will be connected to the facility fire detection system to facilitate warnings for any emergencies. All audible alarms will feature different and distinct alert sounds for each alarm type, and management will train employees on how to react to each alarm.

We will use a Bosch B8512G Control Panel (provides 99 points that can be split into 8 areas) or similar alarm panel to integrate intrusion detection, video surveillance, and access control functions, providing a fully integrated security solution. Throughout our facilities, B920 2 Line AlphaNumeric Keypads (SDI2) or similar will allow for alarm system control. Alarms will interact with the video surveillance system to provide live video from each camera associated with an alarm. Alarms will provide full coverage of our facilities to detect any unauthorized entry attempt. Intrusion detection alarm systems will secure our facilities against unauthorized access 24-hours-per-day, 7-days-per-week. Intrusion sensors will include the following, or similar: Bosch B810 Wireless SDI2 Bus Interface Glass Break Detectors or similar on all windows; Bosch Commercial Series TriTech Motion Detector or similar throughout our facilities using passive infrared, with adjustable sensitivity and wall-to-wall coverage; heat/smoke detectors; carbon monoxide detectors; and, other environmental sensors.

## **19.2 – Alarms**

As mentioned in section 19.1, we will provide an industry leading Bosch intrusion detection alarm system including 360-degree motion detectors, glass break sensors, door contacts and panic buttons. The system will be monitored by a nationally certified 24/7

monitoring center with redundant stations around the country. Upon receipt of alarm, the monitoring service will notify the local authorities. Our Security Officer on duty will also receive a silent notification on a mobile device and will notify our Chief Executive Officer (“CEO”) and Director of Security. A notification will also appear on the security monitoring computer in the manager’s office. Our security systems will feature multiple types of alarms for use under different emergency circumstances. Our alarms will include both silent “duress/holdup alarms” and audible “panic button alarms.” Ala. Admin Code. r. 538-x-8-.05.03.m.02. The alarm systems will be connected to the facility fire detection system to facilitate warnings for any emergencies. All audible alarms will feature different and distinct alert sounds for each alarm type, and management will train employees on how to react to each alarm. Panic and duress alarms will be strategically located in reception areas and at all ingress and egress points. Trained personnel will activate alarms in the event of unauthorized facility access.

### **19.3 – Broadcast Communication Devices**

Multiple types of professional broadcast communication devices will form the backbone of our ability to respond to any threat quickly and efficiently. These devices may include combinations of cell phones, land-line telephonic systems, intercoms such as the Aiphone IXG series or comparable system, and two-way radio transmitters including the Garmin Rino 750 or similar two-way handheld radio systems. All communication systems and devices will be capable of transmitting information clearly to anyone within earshot of the employee or device receiving the communication. Ala. Admin Code. r. 538-x-8-.05.03.m.03.c. We will conduct regular system tests to guarantee audibility and clarity. Radio devices will be provided to management, security, and reception personnel.

Hardwired communication devices will be installed or available at all ingress and egress points, reception areas, and the security office, while mobile communication devices will be carried by each employee. Ala. Admin Code. r. 538-x-8-.05.03.m.03.a. All employees will be trained in the correct operation of all communication systems. These policies and practices are documented in our Employee Handbook, and our Policies and Procedures Manual, which all employees and managers must read and provide written acknowledgement of receipt and understanding.

#### **19.4 – Audio and Visual Surveillance**

We will maintain an audio/video surveillance system that will be in continuous operation 24 hours per day. Motorola Solutions offers a complete end-to-end video security solution, with cutting-edge camera and smart sensor technologies that are embedded with features such as analytics to help focus your attention on the events that matter most. The artificial intelligence (“AI”) located in the cameras will assist with and automate guarding our facilities afterhours. We will use the following Motorola/Avigilon equipment or similar as follows:

- Pro Cameras
- H5A Cameras
- H5A Fisheye Cameras
- H4 Multisensor Cameras
- H4 Video Intercom
- Fixed Camera Accessories

The CCTV system we will deploy will be the Avigilon Video Management System. To increase reliability, the Video Management System (“VMS”) will be deployed on an exceptionally reliable Dell server specifically designed for video recording. The operating system will be Windows Server 19 complete with redundant OS drives with automatic hot failover and a RAID 6 level recording platform. A backup Uninterruptible Power Supply will be installed to address power conditions and short outages.

All cameras will exceed state requirements to identify people inside and outside our facilities, and will be installed and maintained to provide a minimum of 50 pixels on target at 15 feet on all cameras.

Camera coverage will include 100% of the inside of the building and 100% of the exterior of the building, including any parking lots in close proximity to the building. We will also utilize State-of-the-Art artificial intelligence (“AI”) to trigger an alarm on specific conditions, all as we expedite searching for persons or vehicles. AI triggers will include but not be limited to:

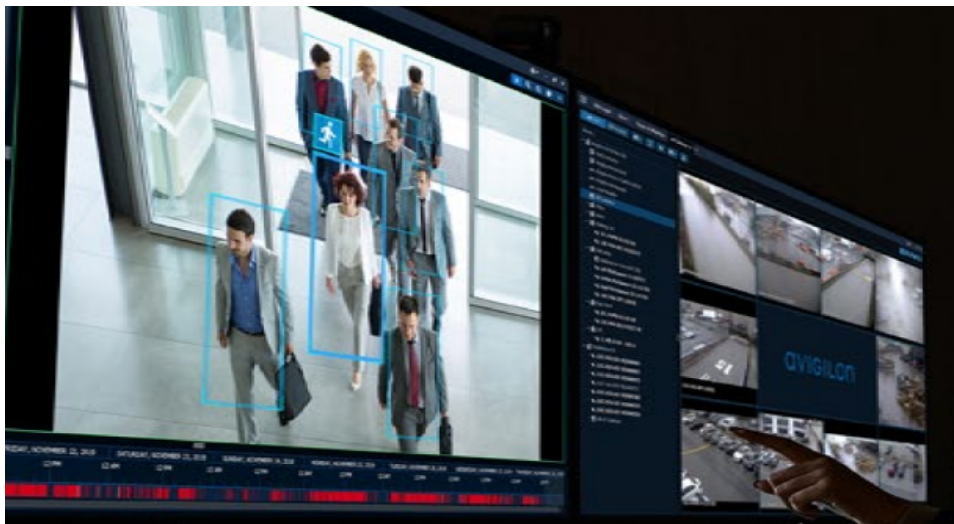
- “Person in defined area”
- “Vehicle in defined area”

- “Line crossing or geo fencing zones”
- “Loitering”

Our sites will have adequate external lighting to maintain recordings in full color at night time. In the case of loss of lighting, our cameras will automatically revert to black and white and utilize infrared technology to see in 100% darkness.

Recorded and live video will clearly and accurately display the time and date. The server will connect to a Network Time Protocol (“NTP”) pool server to assure all cameras and servers are synchronized to a national time reference.

*Artificial Intelligence in our camera software will identify and classify objects:*



Areas requiring audio recording will clearly and accurately capture sound within camera range at a level of 20 decibels or greater via internal camera integrated microphones or with external “interview room grade” microphones.

All original tapes or digital pictures produced by this system will be retained for a minimum of 60 days and will be bookmarked (tagged) for long term storage. In addition, video/audio will be exported to a storage medium per incident for long term storage of at least two years in watermarked (original encrypted) format and open standards AVI formats. We will specifically safeguard audio and video recordings of potential diversion events for at least two years, or until the diversion incident has been fully resolved, including the prosecution and disciplinary action of any persons involved in the incident. At

the request of the AMCC, its inspectors, or law enforcement officials, we will store any digital recordings for a longer period.

We will professionally affix and position video cameras and other security equipment in sufficient quantity and quality to cover all areas of our premises. We will install all cameras so that lenses will not be obstructed, easily tampered with, or disabled, such as by placing cameras high enough to be out of reach without a ladder. We will instruct our surveillance system installers to position cameras in locations that maximize the quality of facial images, bodily images, vehicle descriptions, and license plate numbers, while avoiding backlights and physical obstructions.

Video surveillance cameras will operate 24-hours-per-day, 7-days-per-week to record all activity both inside and outside of our facilities. Ala. Admin Code. r. 538-x-8-.05.03.m.04; Ala. Admin Code. r. 538-x-3-.05.03.m.16.k.iii. For the safety of our personnel, patients, and premises, we will also record the exterior of our facilities, including parking lots and transportation areas. Our video surveillance system (“VSS”) will include the use of specialized lighting, high-definition video cameras, and security monitors, to record all areas where cannabis or medical cannabis products are received, prepared, delivered, handled, stored, tested, packaged, labeled, or sold. The VSS will provide a clear, non-obstructive, date and time stamp on all monitors and recordings.

We will utilize digital archiving devices, such as the Motorola/Avigilon, NVR5 PRM (96-160 TB), 5<sup>th</sup> Generation Network Video Recorders or similar. Our VSS system will feature the ability to capture audio at multiple locations throughout our facilities, allowing us to monitor and record audio including conversations and other audible activities within camera range to a level of 20 decibels. Ala. Admin Code. r. 538-x-3-.05.03.m.16.k.iii.

We will use cameras, such as the Motorola/Avigilon Pro, H5A, H5A Fisheye, and H4 Multisensor Cameras. Continuously operating surveillance cameras will clearly monitor all critical control activities of the cannabis business. For the AMCC, our VSS will have direct feed and login capabilities, allowing real-time access, monitoring, and reverse functionality, via a secure internet connection. Law enforcement agencies, including Alabama Law Enforcement Agencies (“ALEA”) may also be given this accessibility, as directed by the AMCC. Surveillance cameras will interface with our facility intrusion detection alarm system to show live or recorded video or switch any camera in the system to a live monitor

automatically, based on an alarm trigger. We will install adequate lighting to surveil interior and exterior areas of the property at all times of night or day, which will illuminate all entrances and exits. Security personnel will conduct regular verifications of lighting equipment to keep interior and exterior lighting in good working order and to make sure that wattage is sufficient for security cameras to capture facial and vehicular details. We will strategically locate interior and exterior lighting to provide illumination sufficient to deter nuisance and criminal activity and facilitate surveillance, and we will make reasonable efforts to not disturb surrounding businesses or neighbors.

### **19.5 – Perimeter Protection**

The perimeter and any outdoor premises will be surrounded by a sufficient fence or barrier to prevent access by unauthorized persons. We will carefully plan our exterior landscaping and lighting to maintain the area around our facilities in ideal conditions for video and visual surveillance. We will keep the immediate area surrounding the facilities clean and clear of visual obstructions, including bushes and trees. Keeping this area clear will allow for effective visual and video surveillance, while also preventing intruders from using terrain and vegetation for concealment. We will strategically locate interior and exterior lighting to provide illumination sufficient to deter nuisance and criminal activity and facilitate surveillance. We will make reasonable efforts to not disturb surrounding businesses and neighbors with our security lighting.

Our sites will have adequate external lighting to keep the cameras in color at nighttime. In the case of failure of lighting, the cameras will automatically revert to black and white and use the internal infrared technology to see in 100% darkness. The security lighting systems that we will deploy and maintain will provide ample lighting to permit all video surveillance equipment to function properly 24 hours per day and provide images of such clarity that any persons and activities filmed can be identified, including on the perimeter or borders of our property. Ala. Admin Code. r. 538-x-3-.05.03.m.16.k.iv.

### **19.6 – Exterior Doors**

We will use 16-gauge steel stiffened, solid core doors on all exterior doors and 18-gauge hollow metal interior doors. We will purchase our doors from Mesker Door, located in



Huntsville Alabama. Our exterior doors will be controlled by commercial grade electronic locks and a card access system that integrates with the CCTV system, which is manufactured by Avigilon.

Patients or caregivers with proper state credentials will press the intercom button to request entrance, present credentials, the staff will then release the lock allowing for that person to enter. The Video intercom is integrated into the CCTV and access control systems.

All exterior doors at our facilities will be designed and reinforced to withstand unlawful forcible entry. Windows and doors will be kept to the minimum number necessary for safe and efficient facility operation. Certain doors may feature multi-point locking systems that include bolts and mechanics that secure each door at multiple points around the door frame to prevent doors from being pried open. All doors will comply with fire code specifications, such as 'fall bars' that will open all locks so that escape in the event of a fire will not be hindered. Triggering such safety measures will trigger special alarms to alert security personnel of the situation, who can then respond appropriately.

Facility doors, windows, and points of entry will always remain locked, protecting against outside intruders while allowing free egress by the facility's occupants in the event of an emergency. All doors will be self-closing and self-locking. All traditional facility locks will be UL-listed commercial grade, nonresidential door locks with burglary resistant lock cylinders designed to prevent lock-picking. We will also install keycard locks, which will permit ingress to employees and other appropriate persons only. We will institute strict policies prohibiting keys from being left in locks, doors being left open, and keys or keycards being left in areas where they could be accessible to unauthorized persons.

### **19.7 – Exterior Walls**

We will construct and retrofit our facilities to reinforce our exterior walls and windows in accordance with all requirements from the AMCC. We will use bullet resistant windows and purchase them from Isoclima Specialty Glass, located in Selma, Alabama. We will also minimize the number of windows at our facilities, to limit security risks. Reinforced walls and windows will prevent forcible entry, deter unlawful entry, and help maintain the overall safety and security of our staff, our cannabis, and our Alabama patients. Ala. Admin Code. r.

538-x-3-.05.03.m.16.k.vi. We will work with a licensed contractor to reinforce our exterior walls according to industry best practices and comply with applicable construction codes. We will also regularly inspect and review our exterior walls for security and compliance. Any changes or updates will be performed promptly, as needed, to conform with updated guidance from the AMCC and other local governing bodies.

Our dispensing facilities will be housed in both a stand-alone building and within a multi-use structure. The entirety of the area housing our dispensing site will be self-contained and will not be accessible to nor usable by any neighbors, other businesses, contractors, or any individuals not employed by our company. Our dispensing facilities will feature separate points of ingress and egress accessible only by keycard. Access for patients, caregivers, and authorized visitors into our dispensary will be strictly structured by security staff. Areas that contain cannabis will be electronically protected, for use strictly by authorized individuals including our employees, AMCC representatives and their agents or guests, and other qualified individuals.

### **19.8 – Security Staffing**

We will maintain a plan for sufficient security staff at our dispensary where cannabis and medical cannabis is present, to reasonably protect our products stored therein. We will determine adequate security personnel based on the location, number of individuals with access, the quantity of cannabis stored, the inventory system capabilities, and the findings of root cause analyses for security breaches or inventory discrepancies.

Our Director of Security (“DOS”), an Alabama native, brings a wealth of security related expertise and nearly three decades of law enforcement experience. He earned his Bachelor of Science in criminal justice and has completed nearly 100 security trainings. As a Detective, he served the citizenry of Birmingham in many special assignments, such as: Internal Revenue Service-Criminal Investigation Division, Financial Crimes Investigation Unit, The Bureau of Alcohol, Tobacco, Firearms and Explosive (ATF), and Drug Task Force and Patrol. He also worked at Regions Bank as a Bank Secrecy Act/Anti-Money Laundering Investigator where he investigated and analyzed customer financial information for unusual behavior; prepared Suspicious Activity Reports (SAR) in accordance with regulatory requirements; and completed detailed narratives of investigative findings. Our

DOS worked with the Alabama Dept. of Corrections as a Senior Agent, and currently, he operates Wallace Security Consultants, LLC to assist businesses in meeting their security goals. With decades of experience protecting the safety of the people of Alabama, he will make an ideal DOS.

We will designate our DOS with responsibility for overall facility security, including adherence to security requirements; conducting semi annual audits of security measures to identify areas of needed improvements; implementation of corrective actions related to safety; employee training on security measures and controls; and, the prevention of theft of cannabis, or cannabis products. Security Officers will report to the DOS and have a variety of responsibilities, including: open and close of the facilities each day with a manager; checking valid identification for individuals on our premises; maintaining a vigilant and pleasant presence; reporting possible security risks to the DOS, Chief Operations Officer (“COO”), Security Manager, or another manager immediately; carefully observing staff and visitor actions; and, overall security of our facilities. Alongside the VSS and alarm system, our Security Officers will be the first line of safety.

At least one Security Officer will be on the premises during operating hours, and any onsite Security Officer will be thoroughly trained in hazard, burglary, and emergency situations to protect the facilities and the communities that we operate within. Our security personnel will regularly patrol the perimeter of our facilities to identify signs of intrusion and to confirm that all perimeter security equipment is in good condition and functioning properly. All Security Officers employed at our facilities will be properly licensed by state and local authorities and possess any necessary valid identification whenever they are on the premises.

Security Officers will only allow authorized staff, patients, and visitors who have a legitimate purpose or legal authorization and valid, government-issued identification verifying their identity and age to enter our facilities. As part of their daily duties, Security Officers will retrieve the visitor log at the start of business and return it at the end of the day, requiring all visitors to sign in and out. Security Officers will respond to suspicious or emergency situations and coordinate with law enforcement to write incident reports, including an accurate daily activity log with time, location, and detailed descriptions of

security issues. Other daily procedures will be dictated by the DOS once our facilities are licensed and will be followed closely by Security Officers and all employees.

### **19.9 – Strict Access Controls**

Access to all cannabis or medical cannabis will be strictly controlled by the facility-wide card access system. Management will issue software controlled and tracked credentials to only team members with appropriate access rights. We will distinguish and safeguard areas of our facilities demarcated as Limited Access Areas (“LA”) and Restricted Access Areas (“RA”). We will implement strict access controls to protect areas where cannabis or medical cannabis is handled or stored – in a secured and locked vault. Ala. Admin Code. r. 538-x-3-.05.03.m.16.k.viii. Our vaults will be GSA Class 5/DEA Highest Certified.

We will limit access to cannabis storage areas to the minimum number of authorized personnel necessary to maintain safe and orderly operations. Our management team will maintain a list of authorized individuals for each area. In our business records and inventory system, we will identify authorization access of our personnel, including any revocation of previous authorizations. All handling and storage of our daily monetary receipts and other confidential business documents will be conducted in enclosed, secured, locked RAs, under constant video surveillance with electronic keycard access for authorized individuals.

At a minimum, we will employ the following storage areas, which will be LA or RA and segregated from each other: for business records, including daily monetary receipts; for newly received usable cannabis; for batches of usable cannabis awaiting release for sale pending written reports confirming they meet specifications; quarantined space for any usable cannabis suspected but not yet confirmed to be contaminated, including usable cannabis returned as part of a complaint or recall process; and, a waste disposal room for cannabis waste and products awaiting destruction. We will store our medicinal cannabis in a pharmaceutical grade vault compliant with DEA regulations. 21 C.F.R. § 1301.72 (a)(3).

All storage activities will occur in enclosed, locked RAs at our licensed premises, under constant video surveillance, with electronic keycard access control systems limiting access to employees whose duties necessitate such access. All sales will also be monitored under video surveillance. Staff will log all activities involving cannabis in our inventory system. All

cannabis related activities will take place indoors in our enclosed, locked, secure facilities, which is closed to the public and out of view from the exterior of our building. When it is necessary for visitors to be present in or passthrough cannabis item storage areas, we will provide observation of the area by our personnel whom we have specifically authorized by policy or job description to supervise the activity.

### **19.10 – Open and Close Protocols**

Our dispensing sites will be open to registered patients and caregivers from 10 AM to 8 PM, seven days a week. The facilities will be occupied by our employees from 9AM to 9PM to allow time for opening and closing protocols. During opening, a member of management will begin their shift with a security officer, between 30 and 60 minutes before the arrival of other employees. At the beginning of the morning shift, the manager and security officer will conduct a walkthrough of the facility exterior to look for signs of trespassing or anything out of the ordinary. They will then conduct a similar inspection of the facility interior. Once these inspections are complete, they will unlock the primary entrance, and the security officer will wait to check-in employees and visitors.

The manager on duty will enter the secure storage area, retrieve medical cannabis products from the locked safes and secure storage containers, then place the products onto a lockable rolling cart. Once the cart is stocked with the minimum quantity of products sufficient for daily operations, the manager will lock the cart and roll it into the dispensing area. This process will be completed while under video surveillance. Dispensary employees will retrieve products from the cart to fill patient orders, reducing movement in and out of the secure storage area. The cart will feature a keycard, number pad, or physical key lock, and the cart will always remain locked when dispensary staff are not accessing it. Staff will always keep the cart behind the sales counter, and under no circumstances will patients or caregivers ever be permitted behind the sales counter. Additionally, the cart will always remain in view of video surveillance cameras. If it is necessary to refill the cart during business hours, employees will notify the manager on duty, who will move the cart back to the secure storage area for resupply. The door connecting the dispensing area to the secure storage area will be located behind the sales counter, preventing unauthorized personnel from following staff into restricted areas of the facility. The manager will then retrieve

medical cannabis and cannabis products from the appropriate safes or containers, re-lock and secure the safe, and then return to the dispensing area.

To start the business day, the manager on duty will retrieve the cash deposit from the cash safe in the vault and perform cash deposit verification. Cash deposit verification steps include: recount and verify the cash deposit prepared at the end of the close of business the previous day and send the deposit to the financial institution. Next, they will prepare each cash register to begin daily operations with a \$200 starting till. Each till will have a distribution of ones, fives, tens, and twenty-dollar bills, and sufficient coinage, including pennies, nickels, dimes, and quarters. Any non-standard bills or coin denominations, such as half-dollar coins, fifty-dollar bills, or two-dollar bills, will be deposited to our financial institution. Finally, the manager on duty will secure the starting tills in the locking cash register drawers. During business operational hours, a manager will always be available to dispensary staff for cash verification, or if additional bills or change are needed. At the end of the business day, a manager on duty will collect all tills, count the cash present, and verify this against the daily inventory sales records. All cash will be recorded on our daily monetary receipts and then placed in our secure cash vault. Any interactions with cash, whether by a manager or dispensing technician, will be done under full video surveillance.

At the end of the business day, to begin our closing protocols, the manager on duty will roll the cart containing cannabis products back into the secure storage area and return all medical cannabis to its designated container. Products dispensed to patients and caregivers will be stored in sealed packages to prevent and detect any tampering. A certified dispenser will oversee all dispersal of medical cannabis and related products. Ala. Admin Code. r. 538-x-8-.03. Dispensary employees will provide opaque exit bags for patients or caregivers to transport their medical cannabis and paraphernalia out of the facility. If a transaction is cancelled, the dispensary employee will return the cannabis, in its sealed packaging, to the cart behind the counter.

At the end of the day, a manager will conduct another walkthrough of the facility interior to verify that all doors and windows are secure and locked. Security personnel will wait near the entrance to perform checks of employee backpacks or bags as the employees exit the facility. No employee will be permitted to leave the facility until his or her baggage has been inspected by security staff. Once all employees have exited the facility building,

the manager will activate the facility alarm and exit through and lock the primary entrance. After all employees have left the facility property, the manager will lock the perimeter gate and depart.

### **19.11 – No Public Access**

A patient or authorized caregiver will be required to present registration and identification cards before gaining entry to our dispensary. Our security staff will check the identification of any individuals on our premises and will not allow loitering. We will strictly adhere to a policy of “no public access.” This policy includes all areas of our property, including the dispensary parking lot. Our policies will further prohibit anyone under the age of 19 from being present anywhere on our licensed premises, even in the lobby/waiting area. Ala. Admin Code. r. 538-x-2-.03.04.a. Signage will be posted as required by code as well as a video door intercom will be installed to control access.

All employees will be required to wear business identification while on the premises. Only patients and caregivers with a valid medical cannabis card, staff, and authorized visitors will be allowed inside our dispensing site. Ala. Admin Code. r. 538-x-8-.05.03.m.11; Ala. Admin Code. r. 538-x-2-.07.05. For verified individuals, our anticipated business operational hours will be 10:00am-8:00pm, Monday-Sunday. Ala. Admin Code. r. 538-x-3-.05.03.m.12.g.

We will prominently display at each entrance to our dispensing property, and in at least one location in the sales area of the dispensing site, signs stating: “WARNING: This facility is monitored at all times using audio and video surveillance. Entry to this business and purchases within are strictly prohibited except as to registered patients and caregivers presenting valid identification as required by law.” Ala. Admin Code. r. 538-x-8-.05.03.m.18.

Any area within our facilities that do not allow patients or caregivers will be clearly marked as a LA or RA. All areas of our secure facilities will feature keycard access locks, which will prohibit unauthorized entry while recording all access attempts.

### **19.12 – Records**

We will constantly update a list of all persons on our premises and maintain these records for at least two years. Our report will include all employees, vendors, transporters,

other licensees, AMCC officials, and all others. Each record will indicate the individual's name, the date, time of entry, time of exit, and reason for their presence. All records of persons on the premises will be recorded and tracked via a visitor management system provided by Splan.

We will maintain all company records electronically on internally linked, secure business management platforms ("BMP") and on our point of sale and inventory system, provided by Leaflogix. We also will maintain physical records where required by statute, regulations, or AMCC request. We will maintain physical records in a locking filing cabinet within the manager's office, an RA. A Certified Dispenser will set up and monitor BMPs on desktop computers located throughout our proposed facilities. If required by the AMCC, we will maintain records securely and confidentially indefinitely.

The BMPs present on each individual desktop will vary depending upon its location within the proposed facilities and its primary user. Through physical documentation review for all procedures requiring input into a BMP, we will accurately transfer information. SOPs will also outline the proper storage and filing of all original documents once staff have entered them into BMPs.

### **19.13 – Employee Identification**

We will issue identification badges to employees, as well as their access keycard. Access to all cannabis or medical cannabis will be strictly controlled by the facility-wide card access system. Management will issue software-controlled and tracked credentials to only team members with appropriate access rights.

Employees will wear identification badges that clearly identify them as employees while on duty and while on our premises. Facial images and ID cards will be constantly visible to video surveillance systems. Ala. Admin Code. r. 538-x-3-.05.03.m.16.k.iii. If an employee reports to work without his or her identification badge, we will not allow the employee to enter the facility. Additionally, if an employee fails to renew their issued identification badge prior to its expiration, we will not allow the employee to resume work for us until they have obtained a renewed identification badge from our organization. We will establish procedures for employees to report lost or stolen identification badges, which will include



immediate notification of ALEA and the AMCC upon discovery of the loss or theft, as well as digital revocation of the access permissions of that badge.

#### **19.14 – Visitor Identification**

Each visitor will have a badge prepared at the reception area and will be logged into and out of the dispensary. All records of persons on the premises will be recorded and tracked via a visitor management system. We will use the Splan Visitor Management for Vendors and Contractors, which will allow us to streamline the registration process while enforcing security policies and validating identity verification. The vendor coordination feature enables vendors to maintain a profile, pre-register, and request visits.

All visitors, including AMCC members, inspection personnel, or other representatives, will wear a “visitor pass” or “AMCC Official” pass, as applicable, at all times while on the premises. Our security team has procedures for receiving visitors, and visitors will always be accompanied by a staff escort. All visitors will enter the facility through the designated primary entrance, which we will clearly mark with signage to facilitate easy identification by visitors. Signs will also include a notice of audio-visual recording and denote exclusive entry for authorized individuals only. Management will also provide appropriate access for vendors and AMCC-authorized individuals, including inspectors.

#### **19.15 – Report Theft or Diversion**

We will report theft, diversion, or other loss of cannabis or medical cannabis to the AMCC and ALEA within 24 hours of the event, or its discovery. We will create and maintain good relationships with open lines of communication with the AMCC and local law enforcement, and we will abide by all AMCC rules regarding communication and incident reporting. Our DOS will personally introduce themselves to local law enforcement prior to the commencement of our operations. They will also provide contact information, for themselves and for our business generally.

To prevent our cannabis inventory from entering the gray market through diversion, we will implement comprehensive investigation and reporting protocols for suspected diversion. Any discrepancy in weekly inventories, abnormality in random inventory audits, reports by employees of suspicious activity, a security breach, or unauthorized access of an

RA, will trigger an investigation. The Quality Assurance and Quality Control Coordinators will lead all investigations and work with the Inventory Manager, COO, DOS, and CEO to improve policies concerning diversion. Following any investigations, our management will conduct an assessment to determine the root cause and additional safeguards to prevent subsequent security breaches. As part of our reporting procedures, we will also seek feedback from the AMCC and implement any additional safeguards deemed necessary.

#### *Employee Diversion Prevention Training*

Employee training will include instruction on our policies regarding diversion prevention, including our zero-tolerance policy toward diversion or theft of cannabis. The employee handbook will detail these policies, which we will require all employees to read and sign to confirm their understanding of, and agreement to, all diversion prevention policies, prior to beginning work at the facility.

Part of employee diversion training will involve instruction on how to identify diversion, including signs of possible diversion, suspicious activities, and discrepancies in inventory records. Our policy requires employees to report any suspected diversion or suspicious activities to a member of management, who will then initiate an investigation. To encourage and facilitate prompt and accurate reporting, we will implement an anonymous reporting system that will allow employees to report potential diversion without disclosing their identity. All employees will be trained on these policies, including transportation personnel.

#### *Anti-Pilferage Procedures*

All cannabis handling activities will occur indoors and within view of surveillance cameras. In cannabis production areas, we will require staff to wear pocketless Tyvek coveralls or similar garments to prevent concealment of cannabis in pockets. We will only permit employees to use clear drinking receptacles, such as clear plastic bottles, so that cannabis may not be hidden within them. We will prohibit employees from carrying bags or backpacks into RAs; employees must secure any bags or backpacks in the employee storage lockers located inside the facility, directly next to the rear employee entrance. At the end of every workday, a member of management will search all employee bags or backpacks

under view of a surveillance camera prior to allowing employees to depart. All employees will agree to this search when signing the employee handbook.

Whenever possible, employees will work in groups of at least two, for accountability. To limit opportunities for internal diversion, the COO and departmental managers will arrange shifts so that a manager is always on duty at the facility during operating hours and so that no non-management employee is ever left alone at the facility.

#### **19.16 – Applicant’s Verification: Security Plan Availability**

We verify that we will make available to the AMCC or its inspectors all information relating to our security plan. This includes security alarm system data, monitor recordings, alarm activity, maps of camera locations, maps of camera coverage, audio footage, video footage, surveillance equipment maintenance logs, authorized use lists, and operation instructions. We will also make available any other security-related information deemed relevant by the AMCC, its inspectors, or ALEA. All access to systems and documentation will be available and provided upon request as per requirements and standard operating procedures.

#### **19.17 – Applicant’s Verification: Signage**

Each of our dispensary facilities will prominently display in our sales area, and at each entrance point to our dispensing site, a sign that states in large and legible text:

**“WARNING: This facility is monitored at all times using audio and video surveillance. Entry to this business and purchases within are strictly prohibited except as to registered patients and caregivers presenting valid identification as required by law.”** These signs will be located on all walls surrounding the facility and on the entrance doors to the reception area and sales floor.

#### **Conclusion**

We view the AMCC as a partner in our endeavor to operate three maximally compliant medical cannabis facilities. A crucial component of our role in this partnership is creating, implementing, and training our staff on strong security procedures. We will make all information related to our security plan available to the AMCC. Our business will be able to

provide rapid and efficacious assistance to the AMCC in its mission to maintain the safety and integrity of the regulated medical cannabis market in Alabama.

# Exhibit 20 – 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.**

Keith J. Smith

CEO

\_\_\_\_\_  
Printed Name of Verifying Individual

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

\_\_\_\_\_  
Signature of Verifying Individual

\_\_\_\_\_  
Verification Date

**FORM G: PERSONNEL ROSTER & VERIFICATION**Yellowhammer Medical Dispensaries, LLC

Business License Applicant Name

Dispensary

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.*

Keith J. Smith

Leader/Employee Name

CEO

Title/Position

421-35-3441

SSN

205-767-8888

Telephone

jeffsmith205@gmail.com

Email

300 Poinciana Dr.

Street Address

Homewood

City

AL

State

35209

Zip

Michael Haugh

Leader/Employee Name

COO

Title/Position

040-74-1169

SSN

901-490-9656

Telephone

michael.haugh@absolutemgmt.com

Email

1590 Dogwood Creek Rd.

Street Address

Germantown

City

TN

State

38139

Zip

Laniesha Williams

Leader/Employee Name

CFO

Title/Position

419-39-8560

SSN

205-914-7565

Telephone

lmgoggans@gmail.com

Email

1235 33rd St. N.

Street Address

Birmingham

City

AL

State

35234

Zip

**Jennifer Rodgers**

Leader/Employee Name

**413-51-6909**

SSN

**620 45th Street South**

Street Address

**Birmingham**

City

**615-812-3103**

Telephone

**AL**

State

**35205**

Zip

**CHIEF COMPLIANCE OFFICER**

Title/Position

**rodgers.jennifer@gmail.com**

Email

**David Harrell**

Leader/Employee Name

**422-41-7075**

SSN

**2613 Vann Dr.**

Street Address

**Gardendale**

City

**334-431--0942**

Telephone

**AL**

State

**ACCOUNTANT**

Title/Position

**davidmerleharrell@gmail.com**

Email

**35071**

Zip

**Thomas E. Wallace**

Leader/Employee Name

**421-94-1343**

SSN

**222 Odum Crest Lane**

Street Address

**Hoover**

City

**205-296-7164**

Telephone

**AL**

State

**DIRECTOR OF SECURITY**

Title/Position

**twallacesc@aol.com**

Email

**35226**

Zip

**Brian R. Williams**

Leader/Employee Name

**421-39-3189**

SSN

**1235 33rd St. N.**

Street Address

**Birmingham**

City

**205-908-9692**

Telephone

**AL**

State

**DIRECTOR COMMUNITY OUTREACH**

Title/Position

**williams.brian7@gmail.com**

Email

**35234**

Zip

License Type: Dispensary  
ASST STORE MANAGER

**Carshella Flowers**

Leader/Employee Name

**418-04-1076**

SSN

**216 22nd Ave. W.**

Street Address

**Birmingham**

City

**205-266-1860**

Telephone

**AL**

State

**35204**

Zip

Title/Position

**carshella.flowers@gmail.com**

Email

**Kristin Diamond**

Leader/Employee Name

**220-25-5229**

SSN

**9 Centennial St.**

Street Address

**Frostburg**

City

**301-707-6198**

Telephone

**MD**

State

**21532**

Zip

**HUMAN RESOURCES**

Title/Position

**kdiamond@careventures.net**

Email

**Valerie Martinez**

Leader/Employee Name

**441-96-5161**

SSN

**1107 Mississippi Ave. #408**

Street Address

**St. Louis**

City

**618-334-5868**

Telephone

**MO**

State

**63104**

Zip

**MARKETING DIRECTOR**

Title/Position

**val@3fifteenprimo.com**

Email

**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.

**Keith J. Smith**

Printed Name of Verifying Individual

*Keith J. Smith*

Signature of Verifying Individual

**Member**

Title of Verifying Individual

12/21/2022 | 1:50 AM PST

Verification Date



**FORM G: PERSONNEL ROSTER & VERIFICATION**Yellowhammer Medical Dispensaries, LLC

Business License Applicant Name

Dispensary

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.

John Davis Clark

Leader/Employee Name

IT DIRECTOR

Title/Position

417-33-3934

SSN

205-202-9601

Telephone

jdc0589@gmail.com

Email

300 Rosewood St.

Street Address

Irondale

City

AL

State

35210

Zip

Arielle Chu

Leader/Employee Name

HEAD OF INVENTORY PURCHASING

Title/Position

549-06-3910

SSN

510-684-8646

Telephone

reichu09@gmail.com

Email

6739 Richmond Ave.

Street Address

Richmond

City

CA

State

94805

Zip

John Balch

Leader/Employee Name

HEAD OF RETAIL OPERATIONS

Title/Position

219-44-0382

SSN

301-723-2405

Telephone

jbalch@3ipc.com

Email

17 Loomis Ferry Rd.

Street Address

Hilton Head Island

City

SC

State

29928

Zip

**John McKay**

Leader/Employee Name

CERTIFIED DISPENSER 1

Title/Position

**424-31-2511**

SSN

**205-601-9722**

Telephone

**jmckay1689@yahoo.com**

Email

**208 Birkdale Cir.**

Street Address

**Pelham**

City

**AL**

State

**35124**

Zip

**Chad Corwell**

Leader/Employee Name

CERTIFIED DISPENSER 2

Title/Position

**234-19-2261**

SSN

**301-697-5308**

Telephone

**ccorwell@3ipc.com**

Email

**55 Eastridge Ln.**

Street Address

**Fort Ashby**

City

**WV**

State

**26719**

Zip

**Rusty Butler**

Leader/Employee Name

CERTIFIED DISPENSER 3

Title/Position

**215-78-1389**

SSN

**301-697-7631**

Telephone

**rbutler@3ipc.com**

Email

**6 W Hanekamp St.**

Street Address

**Lonaconing**

City

**MD**

State

**21539**

Zip

**Erica Schandler**

Leader/Employee Name

QUALITY ASSURANCE

Title/Position

**493-13-1288**

SSN

**314-803-5224**

Telephone

**erica@3fifteenprimo.com**

Email

**815 E Green Meadows Rd.**

Street Address

**Columbia**

City

**MO**

State

**65201**

Zip

License Type: Dispensary

Michael Guzman

Leader/Employee Name

595-22-8870

SSN

240-609-8215

Telephone

QUALITY CONTROL

Title/Position

mguzman@novuspain.com

Email

110 Luteman Rd.

Street Address

Cumberland

City

MD

State

21502

Zip

Wesley Lang

Leader/Employee Name

495-86-5625

SSN

314-494-5034

Telephone

STRATEGIC ADVISOR

Title/Position

wesley@3fifteenprimo.com

Email

2408 Aiello Ln.

Street Address

Jefferson City

City

MO

State

65109

Zip

Daniel Fried

Leader/Employee Name

230-55-2972

SSN

910-616-7496

Telephone

STRATEGIC ADVISOR

Title/Position

daniel@friedconsultinggroup.com

Email

18880 Douglas 427

Street Address

Irvine

City

CA

State

92612

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.

Keith J. Smith

Printed Name of Verifying Individual

*Keith J. Smith*

Signature of Verifying Individual

Member

Title of Verifying Individual

12/21/2022 | 1:50 AM PST

Verification Date

**FORM G: PERSONNEL ROSTER & VERIFICATION**Yellowhammer Medical Dispensaries, LLC

Business License Applicant Name

Dispensary

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.

Jeffrey Lyndel Smith

Leader/Employee Name

OWNER / STRATEGIC ADVISOR

Title/Position

558-15-6442

SSN

205-585-8488

Telephone

jeff@smithventures.com

Email

3416 E Briarcliff Rd

Street Address

Mountain Brook

City

AL

State

35223

Zip

Matthew Stephen Bailey

Leader/Employee Name

Owner / Strategic Advisor

Title/Position

347-74-1985

SSN

901-737-7336

Telephone

matt.bailey@absolutemgmt.com

Email

1975 Wirily Lane

Street Address

Cordova

City

TN

State

38016

Zip

Scott Nicholas Beatty

Leader/Employee Name

Owner / Strategic Advisor

Title/Position

220-98-8045

SSN

901-737-7336

Telephone

scott.beatty@absolutemgmt.com

Email

10805 Bethany Place

Street Address

Eades

City

TN

State

38028

Zip

**Bill Smith**

Leader/Employee Name

**420-35-7079**

SSN

**205-767-8887**

Telephone

Owner / Strategic Advisor

Title/Position

**bill@smithventures.com**

Email

**408 Poincina Drive**

Street Address

**Homewood**

City

**AL**

State

**35209**

Zip

**Erin Kornegay**

Leader/Employee Name

**241-71-6146**

SSN

**205-478-3121**

Telephone

Assistant Store Manager

Title/Position

**Erinkornegay317@gmail.com**

Email

**197 County Rd. 836**

Street Address

**Clanton**

City

**AL**

State

**35046**

Zip

Leader/Employee Name

Title/Position

SSN

Telephone

Email

Street Address

City

State

Zip

Leader/Employee Name

Title/Position

SSN

Telephone

Email

Street Address

City

State

Zip

\_\_\_\_\_  
Leader/Employee Name

\_\_\_\_\_  
Title/Position

\_\_\_\_\_  
SSN

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Email

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip

\_\_\_\_\_  
Leader/Employee Name

\_\_\_\_\_  
Title/Position

\_\_\_\_\_  
SSN

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Email

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip

\_\_\_\_\_  
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.

**Keith J. Smith**

**Member**

\_\_\_\_\_  
Printed Name of Verifying Individual

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

12/21/2022 | 1:50 AM PST

\_\_\_\_\_  
Signature of Verifying Individual

\_\_\_\_\_  
Verification Date

# Exhibit 21 - 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.**

Keith J. Smith

CEO

Printed Name of Verifying Individual

Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

Signature of Verifying Individual

Verification Date

## **21.1 – Curriculum Vitae**

Our most valuable and important asset is our people, and we will clearly demonstrate and substantiate this value within our business. Our team offers an exceptional level of relevant experience for serving medical cannabis patients in Alabama, and in this section, we will quantify the extraordinary skills, resources, and service level of our company by describing the education, work experience, and professional certifications, associations, and accolades of our leadership and employees. Ala. Admin Code. r. 538-x-8-.05.03.b.01. Our team includes science- and engineering-based employees, as well as those with business backgrounds in accounting, finance, managing, marketing, advertising, and public relations.

### *Science or Engineering-Based Employees*

**Head of Retail Operations, John Balch** – John H. Balch, RPh, is the president and owner of several pharmacies as well as pharmacy services in the northeast. He graduated from the University of Maryland School of Pharmacy in 1968 and has dedicated his life to the profession of pharmacy in his local community. Mr. Balch served on the Maryland Board of Pharmacy for nearly a decade, along with the University of Maryland School of Pharmacy Board of Visitors. He was the National Retail Advisory Board Chairman for Cardinal Health and served on Medicine Shoppe International’s Owner Advisory Council. Mr. Balch is extremely active in his local community and has been recognized by his peers for his excellence and leadership in pharmacy, community development, and business.

**Certified Dispenser, John McKay** – Mr. McKay, an Alabama native, graduated from Samford University’s McWhorter School of Pharmacy and has been practicing pharmacy for 9 years. He held three management roles as a Pharmacist-In-Charge where he oversaw daily tasks of technicians, counseled patients, and provided customized therapy.

**Certified Dispenser, Chad Corwell** – Mr. Corwell has 25 years’ pharmacy experience, where he supervised operations, was responsible for inventory and pharmacy systems, and oversaw transactions. He currently manages eight pharmacy operations. He earned his bachelor’s degree in computer science and his MBA, as well as being a Registered Pharmacy Technician, and will fill the role of Certified Dispenser impeccably.



**Certified Dispenser, Rusty Butler** – Mr. Butler is a licensed Pharmacy Technician who has managed pharmacy operations for over 30 years. His skills in patient billing, maintaining inventory, third party billing and collections, filling medication orders, and effectively communicating with patients and staff make him particularly appropriate for the role.

**Quality Assurance, Erica Shandler** – Ms. Shandler is a cannabis industry professional focused on operational optimization and data comprehension with skills in streamlining and preventing inefficiencies in dispensary operations. She is well-practiced in creating SOPs to provide consistency, passing inspections, and managing store openings. She obtained a chemistry degree, studied cannabis and plant chemistry, and minored in mathematics.

**Quality Control, Michael Guzman, JD, MS OTR/L, CHC, RAC-CT, CDP** – As both a healthcare and legal professional, Michael Guzmán Díaz is uniquely suited for our Quality Control role. He obtained his MS in Occupational Therapy in 2006 and worked as a home health therapist for eight years. He also completed his Juris Doctorate (JD) at the University of Puerto Rico in 2011. Since 2013, he held evolving roles as an Occupational Therapist, Corporate Compliance Officer & Lead Internal Investigator for a multi-state therapy provider, Healthcare Consultant, and later as the Chief Compliance Officer for Novus Pain Management. In 2022, he assumed the role of Chief Operating Officer for Novus Pain Management and also serves as Chief of Staff for RS BioTherapeutics.

*Business Backgrounds: Accounting and Finance*

**Chief Financial Officer, Laniesha Williams** – Mrs. Williams was born and raised in Alexander City, Alabama to a family of factory workers. After Russell Athletics closed its Alexander City operations, Laniesha became the first in her family to go to college. She earned her degree in Accounting from the University of Alabama at Birmingham. Out of college, she briefly held a role as an auditor before joining the early start-up, Shipt. where she led training, process improvements, integrations, and financial decisions that helped Shipt acquire funding and ultimately lead to acquisition. She has since started her own business, where she oversees all financial decisions, as well as working as Senior Accountant in the highly regulated banking and investment space.

**Accountant, David Harrell** – Mr. Harrell is an Alabama native and grew up in Hayneville, AL. He earned his Bachelor of Science degree in Accounting from Birmingham-Southern College. He has worked as a Corporate Accountant in a wide range of industries, including highly regulated industries, such as healthcare, real estate, technology, and mining. He has experience in all areas of accounting, such as accounts payable and AP automation, full cycle accounting, treasury, and ERP Implementations.

*Business Backgrounds: Management Experience*

**Chief Executive Officer, Jeffrey Smith** – Mr. Smith is an Alabama native with extensive experience starting and growing companies. His impressive business background includes finance, management, marketing, and advertising. From 2015-2020, he was a seed investor, founding employee, and top executive at Birmingham-based Shipt before its sale to Target Corporation for \$550,000,000. Prior to that he worked for Insight Card Services also as the SVP and an investor until the sale to Greendot Corporation. 2012-2015 served as COO to Advance Financial during a high growth phase increasing retail stores from 22 to 100 locations and secured mezzanine loans to fund growth. From 2002 to 2008, he started a check cashing business and grew it to 21 locations. As the Senior Vice President of many successful companies, Mr. Smith is practiced in leading and managing teams, overseeing financial and operational strategy, and establishing a culture of compliance. In particular, Mr. Smith has experience in the highly regulated financial services industry, in which he launched, operated, and grew compliant companies for over five years. His compliance-focused mindset will serve us well in the role of CEO.

**Chief Operations Officer, Michael Haugh** – Mr. Haugh is an expert in business management, streamlined startup, and raising capital. He holds both a B.A. in Economics and an Executive Master of Business Administration degree. Mr. Haugh has been closely involved with many facets of the cannabis industry since 2018, including private equity funds, auxiliary products, single state operators, and multi-state operators.

**Strategic Advisor, Bill Smith** – Yellowhammer is fortunate to have Birmingham native Bill Smith as a Strategic Advisor. Bill was recognized by Ernst and Young as the “Entrepreneur of the Year” in 2017, has been featured on the cover of Forbes Magazine as one of the

nation's leading businessmen, and recently sold his company, Shipt, to Target Corporation for \$550,000,000.

**Strategic Advisor, Daniel Fried** – With more than 12 years of regulated cannabis experience, Daniel has launched 10+ retail stores and 2 distribution centers and has formed numerous connections with architects, GC's, and designers. He is an expert in establishing a clear brand identity, and with his first retail store, Daniel exceeded \$10 million in sales in the first year with 25% net profit. He will guide us to startup and operate smoothly.

**Strategic Advisor, Wes Lang** – Mr. Lang is a cannabis industry professional with proven success in creating and operating outstanding businesses, including the opening, operating, and oversight of a five-dispensary chain in Missouri. With experience in significant corporate expansions and cannabis startup environments, Wes is positioned to pioneer cannabis businesses in the rapidly growing cannabis industry.

**Chief Compliance Officer, Jenny Rodgers** – Ms. Rodgers is a passionate leader with over 10 years' experience in the technology sector building high performance teams and fostering a culture of compliance. She earned her law degree from Charleston School of Law and her bachelor's degree from The University of the South. She was an early-stage employee at both ezCater and Shipt, establishing both companies' customer service departments. She became Shipt's first Director of Trust and Safety and successfully scaled the team during a critical high growth phase resulting from the COVID-19 pandemic. She will bring her familiarity with startup policy development and enforcement, compliance, risk assessment and mitigation, and crisis management so that we can launch and maintain exceptional compliance throughout operations.

**Director of Security, Thomas E. Wallace** - Mr. Wallace brings a wealth of security related expertise having worked in law enforcement for 28 years. He earned his Bachelor of Science in criminal justice and has completed nearly 100 security trainings . As a Detective, he served the citizenry of Birmingham in many special assignments, such as: Internal Revenue Service-Criminal Investigation Division, Financial Crimes Investigation Unit, The Bureau of Alcohol, Tobacco, Firearms and Explosive (ATF), and Drug Task Force and Patrol. He also worked at Regions Bank as a Bank Secrecy Act/Anti-Money Laundering Investigator where he investigated and analyzed customer financial information for unusual behavior; prepared Suspicious Activity Reports (SAR) in accordance with regulatory requirements;

and completed detailed narratives of investigative findings. He worked with the Alabama Dept. of Corrections as a Senior Agent, and currently, he operates Wallace Security Consultants, LLC to assist businesses in meeting their security goals. With decades of experience protecting the people of Alabama, he will make an ideal Director of Security.

**Human Resources, Kristen Diamond** – Ms. Diamond has over 15 years of human resources experience in the highly regulated healthcare industry, including interviewing, hiring, and onboarding hundreds of healthcare employees. She earned her bachelor's degree from Frostburg State University and is an avid participant and supporter of community events.

**Inventory/Purchasing Manager, Arielle Chu** – For the last five years, Ms. Chu managed the expansion of testing lab operations for Steep Hill in several U.S. states. She oversees integration and implementation of ERP software, quality systems, SOPs, regulatory compliance, and training for new locations. She also manages new and existing accounts, tracks data, and records information in a sophisticated database, which will cross-over seamlessly into our inventory needs. She received her B.A. from the University of California and her master's degree in Spain, as well as teaching at Humboldt State University.

*Business Backgrounds: Marketing, Advertising, and Public relations*

**Marketing Director, Valerie Martinez** – Ms. Martinez is a seasoned marketing, advertising, and public relations professional with experience building compliant marketing departments and hands-on experience in Missouri's nascent legal medical cannabis program. Valerie graduated with a master's in mass communications and marketing and built a successful brand and a business. During a decade of business ownership, she drove brand awareness, increased lead volume, and exceeded sales goals. In her next role, she managed over \$88,000 a month in ad spend, compliantly managed campaigns, and served 18 organizations nationwide in an array of industries. She now applies her knowledge and experience to medical cannabis dispensaries, such as 3Fifteen Primo and Cookies St. Louis, and will make a stellar Marketing Director for our cannabis business.

**Director of Community Outreach, Brian R. Williams** – Mr. Williams is from Sylacauga, Alabama and among the first in his family to pursue a college career, graduating from Miles

College with a degree in Computer Science in 2018. As our company has a partnership with Miles College, Brian will be the premier liaison between our two organizations. Brian joined Shipt's support team and quickly excelled in a community-facing role providing excellent service to the Shipt shopper community. In November 2021, he and his wife opened an event center in downtown Birmingham to serve as a neighborhood hub and intimate space for real community connection. As an Alabama native, husband, and father, Brian understands the region and will be an asset for our business and for serving the community at large.

**21.2 - Leadership Roles** - This section details the role each leader, certified dispenser, scientist, businessperson, or engineer will have in the operation of our dispensary at each facility. 538-x-8-.05.03.b.02.

**Chief Executive Officer (“CEO”):** Our CEO is responsible for delegating and directing agendas, driving profitability, managing company organizational structure and strategy, and communicating with the board and management, all while providing inspiring leadership companywide. The CEO has authority over the senior planning and leadership teams to execute the strategic direction of the company and guides efforts toward achieving company objectives and defined goals. The CEO provides oversight for the company, continuously works to develop a company culture in line with the company mission, and manages the fiscal and operational performance of the company. It is the responsibility of the CEO to set the tone and establish precedent of decision making for the business, particularly as it relates to making our vision actionable and achievable.

**Chief Operations Officer (“COO”):** The COO manages operations, including development of standard operating procedures and staff training programs that are responsive and adaptable based on compliance with applicable law. The COO must analyze current and future market trends to help to achieve the company’s profitability goals and other objectives. The COO works with branch executive teams to create and implement production plans; select equipment and materials; and, assist in selecting vendors and outsourced services. Guaranteeing the smoothness in day-to-day operations for not only patients and caregivers but staff and our community while adjusting strategic plans for long-term aims will be a guiding priority for the COO.

**Chief Compliance Officer (“CCO”):** The CCO ensures daily operational compliance by developing, maintaining, and continuously improving upon a comprehensive compliance program designed to ensure that every level of the operation acts within the applicable federal, state, and municipal regulations. The CCO also acts as the communication link between our business and the regulators when implementing rule changes or reporting to the state or local jurisdiction. The CCO manages licensing, bond, and renewal processes; monitors regulatory updates to verify or amend all standard operating procedures in compliance with local, state, and applicable federal regulations; audits inventory, systems, and reports; and creates, manages, and delivers compliance-based education and training.

**Chief Financial Officer (“CFO”):** The CFO is responsible for all financial activities including building the core financial practices to meet the needs of the company’s expanding operations, The CFO must have the ability to integrate the finance function effectively into the Company's operations, maintaining the strong financial infrastructure required to support continued change. Our CFO will also obtain and manage all accounting personnel and third-party accounting, tax preparation, and financial services vendors. The CFO: Oversees all financial functions of the company; Creates and implements a company budget and departmental budgets; Develops and maintains relationships with financial institutions, and; Audits the work of outside Bookkeeper and Accountant for accuracy and consistency with Generally Accepted Accounting Practices (GAAP) and other financial reporting standards.

**Director of Security (“DOS”):** Our DOS will be tasked with creating and overseeing practices designed to keep our staff, patients and caregivers, and the neighboring community safe. The DOS formulates security SOPs and protocols to maintain compliance with the state and local regulations with the goal to achieve zero losses from diversion or criminal activity. The DOS will supervise the design, implementation, and maintenance of our comprehensive security plan and will train security and non-security personnel in diversion prevention efforts and employee safety. Our DOS will also build relationships with local law enforcement and emergency services to identify the company as a community partner and champion of safe facilities and to foster a clear line of communication in emergencies.

**Certified Dispenser (“CD”):** CD’s serve as the main points of contact and oversight for each dispensary and plan, direct, and coordinate the administrative functions of the dispensary. The Certified Dispenser holds one of the most critical roles for patient service by overseeing and signing off on all sales of medical cannabis and holding ultimate responsibility for each transaction. Ala. Admin. Code r. 538-x-8-.03.02. We will require CDs to have at least five years of experience, more than double the minimum of two years of education or experience in the fields of biology, biochemistry, chemistry, physiology, pharmacology, medicine, medical cannabis, nursing, pharmaceuticals, or similar. Ala. Admin. Code r. 538-x-8-.03.03. The Certified Dispenser is responsible for educating staff, patients, and caregivers on products and services offered; monitoring staff and visitors and their behavior to ensure compliance with our safe and healthy workplace policies; and, offering goods and products to patients and caregivers in a compliant and safe environment. They will manage all Dispensing Technicians and make sure all are appropriately trained and comfortable interacting with patients and caregivers. The CD is also responsible for communicating with executive leadership on daily operations, inventory tracking and reporting, and staff retention.

**Quality Assurance (“QA”):** QA is responsible for the quality and consistency of all products by establishing compliant processes and quality standards. They develop policies and procedures for testing materials and products and are responsible for oversight of all product tracking, chain of custody, and quality testing procedures. They maintain staff performance by coaching, counseling, planning, and appraising job results and serve as a resource for administration and management teams for policy and procedure updates and training.

**Quality Control (“QC”):** Responsible for the quality and consistency of all products and processes by enforcing quality standards, QC carries out policies and procedures for testing materials and products. They are responsible for all quality testing procedures and give final approval for each batch to be released for sale to patients. Responsible for root-cause investigations relating to deviations from SOPs or batches that fail testing requirements.

**Inventory Manager:** To maintain product safety, integrity, and availability, we will employ an Inventory Manager to compliantly track every aspect of our product inventory in our internal systems and report to the state’s seed to sale tracking system, METRC. The

Inventory Manager creates, implements, and audits processes, protocols, and key performance indicators associated with inventory management to ensure inbound and outbound inventory workflow meets daily sales and operational demands.

**Director of Marketing (“DOM”):** Our DOM will guide our marketing, advertising, and public relations in compliance with all relevant laws. The DOM works to manage and maintain our brand and company image, devise marketing strategies, create advertising materials, drive traffic and sales, and oversee content creation. The DOM is also responsible for all messages and communications to the general public about the business itself or statements to the press, especially concerning recall or other sensitive situations. The DOM will manage any social media presence and ensure integrity of online branding; prepare quarterly marketing plans and reports for executive leadership; develop and approve marketing materials within the marketing budget; and, send materials for approval by the state, as required.

**Medical Advisor (“MA”):** Our MA supports the company with scientific and medical expertise, aiding in the understanding of medical cannabis effects and research. The MA will also assist in the creation of patient educational materials, staff training programs, operational best practices, and working with and supporting Certified Dispensers. The MA will stay up to date on new research within the cannabis industry, and medical innovation in general, in order to inform the advisory board, executives, and company leadership of significant developments. The MA will train staff on medical cannabis science and will educate them on the scientific properties of all of our products. The MA stays on top of medical developments regarding cannabis and communicates updates to necessary personnel, including re-training staff when necessary. The MA works with the executive leadership to develop and revise company SOPs and collaborates to participate in and develop community outreach initiatives.

### **21.3 – Hiring Plan**

We developed a 5-year hiring plan, which identifies the types, positions, required education, required experience, and expected roles of our employees. 538-x-8-.05.03.b.03. We will strive to hire personnel with diverse backgrounds and qualifications, and we plan to gradually increase our staff year over year as we naturally expand our business. Our



employee positions fall into several types: Leadership, management, and staff; for hiring purposes, required education and experience are based on the types. Leadership positions require a college degree (or commensurate experience), at least 10 years of relevant leadership experience, and dedication to compliance, patient service, and optimizing business strategy. Management-level positions will require a college degree, at least 5 years of relevant management experience, and skills in multi-level communication, problem-solving in highly regulated industries, and leading compliant operations and teams. Staff-level positions require a high-school diploma or equivalent, at least 2 years of relevant experience, as well as a deep respect for medical cannabis, patient wellbeing, our company's culture of compliance, and adherence to our standard processes. All employees must pass a background screening and satisfactorily complete required training before starting work.

**Year 1:** In our first year, we will staff all critical positions and roles in our leadership and management, as well as all our base-level of staff employees. At the end of Year 1, our staff will total approximately 38 individuals, including:

Leadership Positions: Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Chief Compliance Officer, Marketing Director, Director of Community Outreach, Director of HR

Manager Positions: Director of Security, Head of Retail Operations, Quality Assurance, Quality Control, Director of IT, Dir. of Inventory/Purchasing, Certified Dispensers (3), Assistant Managers (3)

Staff Positions: Accountant, Dispensing Technicians (12), Security Officers (6)

**Year 2:** In our second year, we will add 6 new Dispensing Technician Jobs.

Type: Staff, Position: Dispensing Technicians, 6 new hires, 2 per site

**Year 3:** In our third year, we will add 6 new Dispensing Technician Jobs.

Type: Staff, Position: Dispensing Technicians, 6 new hires, 2 per site

**Year 4:** In our fourth year, we will add 6 new Dispensing Technician Jobs.

Type: Staff, Position: Dispensing Technicians, 6 new hires, 2 per site

**Year 5:** By Year 5, we plan to employ approximately 56 personnel.

# Exhibit 22 - 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.**

Keith J. Smith

CEO

Printed Name of Verifying Individual

Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

Signature of Verifying Individual

Verification Date

**EMPLOYEE HANDBOOK SUMMARY**

The Employee Handbook contains more than 25 pages and because of this, the Applicant is required to provide a summary of the Handbook in no more than 5 pages. This Handbook contains all policies relevant to employment With YELLOWHAMMER MEDICAL DISPENSARIES, LLC. The Handbook details policies pertinent to work hours, attendance requirements, and timekeeping and payroll administration. You will also find information on our commitment to equal employment opportunity and our reporting procedures for any concerns you may have in that regard. Further, this Handbook contains policies on our standards of conduct, our commitment to a safe, healthy, and professional workplace, and our protocols related to employee discipline and termination. These policies are not intended to cover each individual circumstance that might arise during employment, but rather are intended to provide general information about what an employee can expect of the company and what we can expect of an employee.

Unless otherwise noted, these policies apply to all employees, regardless of title. Employees can refer to this Handbook as questions about policies arise. From time to time we will update policies. If you have specific questions not addressed by this Handbook or the Policies and Procedures Manual, please let us know. These policies are neither a contract nor an offer to enter into a contract. You should not construe or rely upon them as a contract of employment with the company or a promise of employment for any specific duration or a warranty of benefits of employment. We may change or withdraw policies at any time and without prior notice.

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# **YellowHammer Medical Dispensaries Employee Handbook**

## **INTRODUCTION**

### **1.1 Welcome Message**

Dear Valued Employee,

Welcome to YellowHammer Medical! We are pleased with your decision to join our team.

YellowHammer Medical is committed to providing superior quality and unparalleled customer service in all aspects of our business. We believe each employee contributes to the success and growth of our Company.

This employee handbook contains general information on our policies, practices, and benefits. Please read it carefully. If you have questions regarding the handbook, please discuss them with your direct supervisor or another member of management. Welcome aboard. We look forward to working with you!

Sincerely,

The YellowHammer Medical Management team

### **1.2 Changes in Policy**

Change at YellowHammer Medical is inevitable. Therefore, we expressly reserve the right to interpret, modify, suspend, cancel, or dispute, with or without notice, all or any part of our policies, procedures, and benefits at any time with or without prior notice. Changes will be effective on the dates determined by YellowHammer Medical, and after those dates, all superseded policies will be null and void.

No individual supervisor or manager has the authority to alter the foregoing. Any employee who is unclear on any policy or procedure should consult the Human Resources Director.

## **GENERAL EMPLOYMENT**

### **1.3 At-Will Employment**

Employment with YellowHammer Medical is “at-will.” This means employees are free to resign at any time, with or without cause, and YellowHammer Medical may terminate the employment relationship at any time, with or without cause or advance notice. As an at-will employee, it is not guaranteed, in any manner, that you will be employed with YellowHammer Medical for any set period of time.

The policies set forth in this employee handbook are the policies that are in effect at the time of publication. They may be amended, modified, or terminated at any time by YellowHammer Medical, except for the policy on at-will employment, which may be modified only by a signed, written agreement between the President and the employee at issue. Nothing in this handbook may be construed as creating a promise of future benefits or a binding contract between YellowHammer Medical and any of its employees.

### **1.4 Immigration Law Compliance**

YellowHammer Medical is committed to employing only United States citizens and aliens who are authorized to work in the United States.

In compliance with the Immigration Reform and Control Act of 1986, as amended, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. Former employees who are rehired must also complete the form if they have not completed an I-9 with YellowHammer Medical within the past three years, or if their previous I-9 is no longer retained or valid.

YellowHammer Medical may participate in the federal government’s electronic employment verification system, known as “E-Verify.” Pursuant to E-Verify, YellowHammer Medical provides the Social Security Administration, and if necessary, the Department of Homeland Security with information from each new employee’s Form I-9 to confirm work authorization.



## **1.5 Equal Employment Opportunity**

YellowHammer Medical is an Equal Opportunity Employer. Employment opportunities at YellowHammer Medical are based upon one's qualifications and capabilities to perform the essential functions of a particular job. All employment opportunities are provided without regard to race, religion, sex, pregnancy, childbirth or related medical conditions, national origin, age, veteran status, disability, genetic information, or any other characteristic protected by law. This Equal Employment Opportunity policy governs all aspects of employment, including, but not limited to, recruitment, hiring, selection, job assignment, promotions, transfers, compensation, discipline, termination, layoff, access to benefits and training, and all other conditions and privileges of employment.

The Company will provide reasonable accommodations as necessary and where required by law so long as the accommodation does not pose an undue hardship on the business. This policy is not intended to afford employees with any greater protections than those which exist under federal, state, or local law.

YellowHammer Medical strongly urges the reporting of all instances of discrimination and harassment, and prohibits retaliation against any individual who reports discrimination, harassment, or participates in an investigation of such report. YellowHammer Medical will take appropriate disciplinary action, up to and including immediate termination, against any employee who violates this policy.

## **1.6 Employee Grievances**

It is the policy of YellowHammer Medical to maintain a harmonious workplace environment. YellowHammer Medical encourages its employees to express concerns about work-related issues, including workplace communication, interpersonal conflict, and other working conditions.

Employees are encouraged to raise concerns with their supervisors. If not resolved at this level, an employee may submit, in writing, a signed grievance to the Human Resources Director.

After receiving a written grievance, YellowHammer Medical may hold a meeting with the employee, the immediate supervisor, and any other individuals who may assist in the investigation or resolution of the issue. All discussions related to the grievance will be limited to those involved with, and who can assist with, resolving the issue.

Complaints involving alleged discriminatory practices shall be processed in accordance with YellowHammer Medical's Sexual & Other Unlawful Harassment Policy.

YellowHammer Medical assures that all employees filing a grievance or complaint can do so without fear of retaliation or reprisal.

### **1.7 Internal Communication**

Effective and ongoing communication within YellowHammer Medical is essential. As such, the Company maintains systems through which important information can be shared among employees and management. Bulletin boards are posted in designated areas of the workplace to display important information and announcements. In addition, YellowHammer Medical uses the Internet and email to facilitate communication and share access to documents. For information on appropriate email and Internet usage, employees may refer to the Computer, Email, and Internet Usage policy.

All employees are responsible for checking internal communications on a frequent and regular basis. Employees should consult their supervisor with any questions or concerns on information disseminated.

### **1.8 Outside Employment**

Employees may hold outside jobs as long as the employee meets the performance standards of their position with YellowHammer Medical.

Unless an alternative work schedule has been approved by YellowHammer Medical, employees will be subject to the Company's scheduling demands, regardless of any existing outside work assignments; this includes availability for overtime when necessary.

YellowHammer Medical's property, office space, equipment, materials, trade secrets, and any other confidential information may not be used for any purposes relating to outside employment.

### **1.9 Anti-Retaliation and Whistleblower Policy**

This policy is designed to protect employees and address YellowHammer Medical commitment to integrity and ethical behavior. In accordance with anti-retaliation and whistleblower protection regulations, YellowHammer Medical will not tolerate any retaliation against an employee who:

- Makes a good faith complaint, or threatens to make a good faith complaint, regarding the suspected Company or employee violations of the law, including discriminatory or other unfair employment practices;
- Makes a good faith complaint, or threatens to make a good faith complaint, regarding accounting, internal accounting controls, or auditing matters that may lead to incorrect, or misrepresentations in, financial accounting;
- Makes a good faith report, or threatens to make a good faith report, of a violation that endangers the health or safety of an employee, patient, client or customer, environment or general public;
- Objects to, or refuses to participate in, any activity, policy, or practice, which the employee reasonably believes is a violation of the law;
- Provides information to assist in an investigation regarding violations of the law;  
**or**
- Files, testifies, participates, or assists in a proceeding, action or hearing in relation to alleged violations of the law.

Retaliation is defined as any adverse employment action against an employee, including, but not limited to, refusal to hire, failure to promote, demotion, suspension, harassment, denial

of training opportunities, termination, or discrimination in any manner in the terms and conditions of employment. Anyone found to have engaged in retaliation or in violation of law, policy or practice will be subject to discipline, up to and including termination of employment. Employees who knowingly make a false report of a violation will be subject to disciplinary action, up to and including termination.

Employees who wish to report a violation should contact their supervisor or General Manager directly. Employees should also review their state and local requirements for any additional reporting guidelines.

YellowHammer Medical will promptly and thoroughly investigate and, if necessary, address any reported violation.

Employees who have any questions or concerns regarding this policy and related reporting requirements should contact their supervisor, the Human Resources Director or any state or local agency responsible for investigating alleged violations.

## **EMPLOYMENT STATUS & RECORDKEEPING**

### **1.10 Employment Classifications**

For purposes of salary administration and eligibility for overtime payments and employee benefits, YellowHammer Medical classifies employees as either exempt or nonexempt. Non-exempt employees are entitled to overtime pay in accordance with federal and state overtime provisions. Exempt employees are exempt from federal and state overtime laws and, but for a few narrow exceptions, are generally paid a fixed amount of pay for each workweek in which work is performed.

If you change positions during your employment with YellowHammer Medical or if your job responsibilities change, you will be informed by the Director of Compliance or the Human Resources Director of any change in your exempt status.

In addition to your designation of either exempt or non-exempt, you also belong to one of the following employment categories:

**Full-Time:** Full-time employees are regularly scheduled to work greater or equal to 40 hours per week. Generally, regular full-time employees are eligible for YellowHammer Medical's benefits, subject to the terms, conditions, and limitations of each benefit program.

**Part-Time:** Part-time employees are regularly scheduled to work less than 40 hours per week. Regular part-time employees may be eligible for some YellowHammer Medical benefit programs, subject to the terms, conditions, and limitations of each benefit program.

**Temporary:** Temporary employees include those hired for a limited time to assist in a specific function or in the completion of a specific project. Employment beyond any initially stated period does not in any way imply a change in employment status or classification. Temporary employees retain temporary status unless and until they are notified, by YellowHammer Medical's Management, of a change.

### **1.11 Personnel Data Changes**

It is the responsibility of each employee to promptly notify their supervisor or the Human Resources Director of any changes in personnel data. Such changes may affect your eligibility for benefits, the amount you pay for benefit premiums, and your receipt of important company information. If any of the following have changed or will change in the coming future, contact your supervisor or the Human Resources Director as soon as possible:

- Legal name
- Mailing address
- Telephone number(s)
- Change of beneficiary
- Exemptions on your tax forms
- Emergency contact(s)
- Training certificates
- Professional licenses

### **1.12 Expense Reimbursement**

YellowHammer Medical reimburses employees for necessary expenditures and reasonable costs incurred while doing their jobs. Expenses incurred by an employee must be approved in advance by the Accountant.

Some expenses that may warrant reimbursement include, but are not limited, to the following: mileage costs, air or ground transportation costs, lodging, meals for the purpose of carrying out company business, and any other reimbursable expenses as required by law. Employees are expected to make a reasonable effort to limit business expenses to economical options.

To be reimbursed, employees must submit expense reports to the Accountant for approval. The report must be accompanied by receipts or other documentation substantiating the expenses. Questions regarding this policy should be directed to your supervisor.

### **1.13 Termination of Employment**

Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Common circumstances under which employment is terminated include the following:

- **Resignation** - Voluntary employment termination initiated by an employee.
- **Termination** - Involuntary employment termination initiated by YellowHammer Medical. In most cases, YellowHammer Medical will use progressive disciplinary actions before dismissing an employee. However, certain actions warrant immediate termination.
- **Layoff** - Involuntary employment termination initiated by YellowHammer Medical for non-disciplinary reasons.
- **Retirement** - Voluntary employee termination upon eligibility for retirement. Employees who intend to terminate employment with YellowHammer Medical, shall provide YellowHammer Medical with at least two weeks of written notice. Such notice is intended to allow the Company time to adjust to the employee's departure without placing undue burden on those employees who may be required to fill in before a replacement can be found.

Since employment with YellowHammer Medical is based on mutual consent, both the employee and YellowHammer Medical have the right to terminate employment at-will, with or without cause, at any time. In the case of employee termination, the employee will receive their accrued pay in accordance with all federal, state, and local laws.

Any employee who terminates employment with YellowHammer Medical shall return all files, records, keys, and any other materials that are the property of YellowHammer Medical.

Employee benefits will be affected by employment termination in the following manner:

- All accrued vested benefits that are due and payable at termination will be paid in accordance with applicable federal, state, and local laws.
- Some benefits may be continued at the employee's expense, if the employee elects to do so, such as healthcare coverage.
- The employee will be notified of the benefits that may be continued and of the terms, conditions, and limitations of such continuation.

If you have any questions or concerns regarding this policy, direct them to the Human Resources Director.



## **WORKING CONDITIONS & HOURS**

### **1.14 Work Hours**

The standard workweek is 40 hours.

Supervisors will advise employees of their scheduled shift, including starting and ending times. Business needs may necessitate a variation in your starting and ending times as well as in the total hours you may be scheduled to work each day and each week.

### **1.15 Emergency Closing**

At times, emergencies such as severe weather, fires, or power failures can disrupt operations. In extreme cases, these circumstances may require the closing of a work facility. The decision to close or delay regular operations will be made by YellowHammer Medical management.

When a decision is made to close the office, employees will receive official notification from their supervisor.

### **1.16 Parking**

YellowHammer Medical provides parking for employees in the building parking lot. There should be ample space for all employees. Employees may only park in open spaces or those designated for use by YellowHammer Medical vehicles parked in spaces designated for private use will be towed at the owner's expense.

### **1.17 Workplace Safety**

YellowHammer Medical is committed to providing a clean, safe, and healthful work environment for its employees. Maintaining a safe work environment, however, requires the continuous cooperation of all employees. YellowHammer Medical and all employees must comply with all occupational safety and health standards and regulations established by the Occupational Safety and Health Act and state and local regulations.

YellowHammer's Employee Safety Plan will comply with all applicable OSHA Standards, which are the regulatory requirements established and published by OSHA pursuant to the Occupational Safety and Health Act of 1970 and subsequent laws. YellowHammer will also follow mandatory standards for general industry and any other applicable standards, as well as any guidance specific to the cannabis industry. 29 CFR 1910. YellowHammer will comply with standards for recording and reporting occupational injuries and illnesses. 29 CFR 1904. Since we will move and store cannabis plants and products in our facility, we will also account for common hazards and solutions for warehouse workers, such as: Ergonomic and Musculoskeletal Disorders; Forklifts; Materials Handling; Slips, Trips, and Falls; Hazardous Chemicals; Emergency Planning; Electrical Hazards; Lockout/Tagout; Heat Illness; Automation and Robotics; Refrigerated Warehousing; Temporary Workers; and, Stress and Fatigue.

Due to the potentially hazardous nature of our workplace, all team members are responsible for familiarity and compliance with OSHA, EPA, and state regulations regarding job safety and health protection. YellowHammer will cooperate with all reasonable OSHA and EPA inspections and compliance reviews. YellowHammer will provide training and materials explaining the applicable standards and guidelines for all employees during the initial getting acquainted period, and periodically when applicable regulations are revised or added. All employees are required to participate, and a record will be maintained of all those in attendance. OSHA's Hazard Communication Standard requires that warning labels with orange and orange-red biohazard symbols be affixed to containers of regulated waste or, alternatively, red bags may be used. Employees who may come into contact with hazardous materials are required to receive information and training after the start of employment. We will maintain additional information, including a copy of the safety data sheets ("SDS"), about any chemical used or stored in the facility, which is available to employees during working hours. Employees will undergo training on how to maintain OSHA safety protocols while on premises, such as: wearing PPE; allowing rest time for staff between tasks of 10-minute breaks every two hours of work and one hour lunch break between every four hours of work; and, reporting potential workplace hazards to our Chief Operating Officer ("COO"). Applicable material safety data sheets will be readily available in processing areas. We will

use the Hazard Analysis of Critical Control Points (“HACCP”) system to identify specific safety hazards and measure and control them to ensure the safety of our products. HACCP is a science-based, systematic tool used in various industries to assess safety hazards and establish control systems that focus on prevention rather than relying exclusively on managing collateral damage. YellowHammer will use the HACCP system throughout all stages of production to avoid dangerous work environments throughout the processing workflow. Part of this process will be establishing Critical Control points throughout the production process and a system of measurements designed to monitor, evaluate, and control any variance or hazard to employee or visitor safety and security.

Next, YellowHammer will provide gloves, coveralls, and respirators for use in conjunction with hazardous and potentially health-afflicting materials. YellowHammer will also require PPE be used when participating with certain aspects of infusion. To ensure worker and consumer safety, YellowHammer will always identify, hold, and store toxic cleaning compounds, sanitizing agents, solvents used in the production of cannabis products, and other chemicals in a manner that protects against contamination. OSHA has identified falling and tripping as being major hazards associated with similar facilities and work environments. This is especially the case when floors are wet, damp, or otherwise coated in a way that makes them increasingly slippery. YellowHammer will require employees to wear slip-resistant shoes within production areas.

YellowHammer will utilize the following PPE for our employees’ safety: Hand Protection (e.g., protective gloves, nitrile gloves) where cut hazards or potential exposure to corrosive liquids, blood, chemicals, or other infections materials exist; Head Protection (e.g., hard hats) where danger of falling objects exist; Eye Protection (e.g., goggles or glasses) where risk of eye injuries exists, such as punctures, abrasions, contusions, or burns; Face Protection (e.g., face shields) where danger of flying particles or materials exist; Foot Protection (e.g., steel-toed boots) where risks of foot injury from corrosive, poisonous, or hot substances, or from falling objects, crushing, or penetrating actions exist; Hearing Protection (e.g., ear plugs) where risks of hearing damage from occupational noise exist and exceed the acceptable sound levels of the OSHA Noise Standard; Respiratory Protection (e.g., respirator, gas masks)

where respiratory health risks exist from inhaling smoke, fumes, particulate matter, etc.; Clothing Protection (e.g., plastic aprons) where risk of splashing chemicals exists; and, Sanitation Equipment (e.g., shoe booties, hair nets, beard nets) where staff will be handling or manufacturing food or drugs.

YellowHammer will also keep Emergency Kits in marked locations throughout the facility for quick access in an employee safety emergency. Employees will check the emergency kit once per month to verify all contents are present, in working condition, and unexpired. The emergency kit will include: a fire extinguisher; bottled water; non-perishable food; flashlights with extra batteries; first aid kit (assorted bandages, gauze, antibiotic ointment, sterile gloves, tweezers, antiseptics, cleansing wipes, scissors, and common over-the-counter medications such as Tylenol and Benadryl); a basic toolbox (wrench, pliers, screwdriver, hammer); garbage bags; hand sanitizer; face masks or coverings; buckets; a battery-powered radio; a charged cellular phone with charging cord; and, a USB battery pack.

In addition, all employees are expected to obey safety rules and exercise caution and common sense in all work activities.

### **Complaint and Reporting Procedure:**

Employees should immediately report any unsafe conditions to their supervisor without fear of reprisal. In the case of an accident that results in injury, regardless of how seemingly insignificant the injury may appear, employees must notify their supervisor. If you believe it would be inappropriate to report the matter to your supervisor, you can report it directly to:

General Manager Employees who violate safety standards, cause hazardous or dangerous situations, or fail to report or, where appropriate, remedy such situations may be subject to disciplinary action, up to and including termination of employment.

**Retaliation Prohibited:**

YellowHammer Medical expressly prohibits retaliation against anyone who reports unsafe working conditions or work-related accidents, injuries, or illnesses. Any form of retaliation will be subject to disciplinary action, up to and including termination of employment.

Questions or concerns regarding this policy should be directed to your supervisor or the Human Resources Director.

**1.18 Security**

The purpose of YellowHammer Medical's security policy is to protect Company assets and to maintain a safe working environment for all employees.

**Facility Access:**

All regular YellowHammer Medical employees will be issued a key to gain access to YellowHammer Medical facilities. Employees who are issued keys are responsible for their safekeeping. All lost or stolen keys must be reported to your supervisor as soon as possible.

Upon separation from YellowHammer Medical, and at any other time upon YellowHammer Medical request, all keys must be returned to your supervisor.

**Closing Procedures:**

The last employee, or a designated employee, who leaves the office at the end of the business day assumes the responsibility to ensure that: all doors are securely locked; the alarm system is armed; thermostats are set on appropriate evening and/or weekend setting; and all appliances and lights are turned off with the exception of the lights normally left on for security purposes.

Employees are not permitted on company property after hours without prior written authorization from the Director of Compliance or the Human Resources Director.

### **1.19 Meal & Break Periods**

Depending on the length of an employee's shift, he or she may be entitled to meal and/or break periods as outlined in this policy. Non-exempt employees must be fully relieved of their job responsibilities and are not permitted to work during breaks and unpaid meal periods.

#### **Meal Periods:**

Employees working 5 or more hours in a workday are entitled to a 30-minute meal period. Employees working 10 or more hours in a workday are entitled to a second 30-minute meal period. For non-exempt employees, the meal period is unpaid. Non-exempt employees must record the beginning and ending of their meal periods using YellowHammer Medical's timekeeping system. In the limited circumstances described below, with the employee's and the Company's mutual consent, employees may waive their meal periods:

- If an employee's workday ends within six hours; or
- If an employee's workday will not exceed twelve hours, then the employee may waive their second meal period but only if the first meal period was not waived.

If an employee voluntarily waives a meal period, the employee must submit a written request and receive written authorization from their supervisor to do so.

In very limited situations, non-exempt employees may take a paid on-duty meal period. Non-exempt employees may only do so when the nature of their work requires it, and only after the employee and YellowHammer Medical agree in writing. Employees may revoke this agreement in writing at any time.

#### **Rest Periods:**

Non-exempt employees are also entitled to paid break periods in accordance with the following schedule:

- One 10 minute break period for shifts from 3.5 to 6 hours in length;

- Two 10 minute break periods for shifts of more than 6 hours and up to 10 hours;
- Three 10 minute break periods for shifts of more than 10 hours and up to 14 hours.

Supervisors will schedule meal and break periods in order to accommodate the Company's operating requirements. Where possible, breaks will be scheduled in the middle of each work period. Employees must take their meal and break periods, but if for any reason a non-exempt employee does not take the applicable meal or break period, the employee must notify his or her supervisor immediately.

If a non-exempt employee is discouraged, deterred, or otherwise impeded from taking a meal or break period they are entitled to, notify the Human Resources Director immediately.

For questions regarding this policy, please speak with the Human Resources Director.

### **1.20 Break Time for Nursing Mothers**

YellowHammer Medical accommodates employees who wish to express breast milk during the workday by providing reasonable break times to do so. The Company will provide a designated room, other than a bathroom, that is shielded from view, free from intrusion from coworkers and the public, and is in compliance with all other applicable laws for this purpose.

Employees who use regularly scheduled rest breaks to express breast milk will be paid for the break time. If the lactation break does not run concurrently with the employee's regularly scheduled compensated break, the lactation break time will be unpaid.

For questions related to this policy, please contact the Human Resources Director.

The management team will provide you with further details on available paid time off and other leave and benefits for which you may be eligible.

## **ACCOMMODATIONS**

### **1.21 Pregnancy Disability Leave & Pregnancy Accommodation**

Employees who are temporarily disabled because of pregnancy, childbirth, or related medical conditions may take up to 4 months of leave either before or after childbirth.

#### **Intermittent or Reduced Schedule Leave:**

Leave may be taken on an intermittent basis, or the employee may work a reduced work schedule if advised by their health care provider. YellowHammer Medical may require the employee to transfer temporarily to an alternative position with equivalent pay and benefits that would better accommodate recurring periods of leave.

#### **Notice:**

To the extent possible, employees must provide 30 days advance notice of their need for leave under this policy. YellowHammer Medical will respond to the request made by the employee as soon as practical but no later than 10 days after receiving the request. YellowHammer Medical will make every effort to respond to such request prior to the date leave is due to begin.

#### **Medical Certification:**

Employees must be prepared to provide YellowHammer Medical with medical certification by a health care provider to verify the employee's eligibility for the leave requested.

#### **Benefits Continuation:**

Employees taking pregnancy disability leave are entitled to maintain the same level of benefits and seniority with YellowHammer Medical for the duration of the leave as if the employee continued employment.



**Reasonable Accommodation:**

Employees who are limited in their abilities to perform their jobs because of pregnancy, childbirth, and related medical conditions may request a reasonable accommodation as is necessary. Reasonable accommodations include, but are not limited to:

- Modifying work duties, practices or policies;
- Modifying work schedules;
- More frequent breaks;
- Transfer to a less strenuous position;
- Providing furniture, or acquiring or modifying equipment or devices;
- Providing a reasonable amount of break time to express breast milk; or
- Time off to recover from pregnancy, childbirth, or related medical condition.

**Compensation:**

Leave under this policy is unpaid; however, employees may use accrued paid time off for this purpose.

**Return to Work:**

Employees returning from leave will be reinstated to the same position or a comparable position to the position held when leave began unless doing so is not possible due to legitimate business reasons unrelated to the employee taking such leave. Employees may be required to submit a release to return to work by their health care provider.

**Relationship with Federal Family and Medical Leave and Other Leave Policies:**

To the extent allowed by law, pregnancy disability leave must be taken concurrently with leave taken under the federal Family and Medical Leave Act. To the extent the Company

offers the employee leave through another plan or policy, the plan or policy with the greatest protection will apply.

**Questions Regarding this Policy:**

YellowHammer Medical will not retaliate against an employee for requesting or using leave or a reasonable accommodation under this policy. Employees should speak with the Human Resources Director to discuss their need for leave or reasonable accommodation, or if they have questions about this policy.

## **EMPLOYEE CONDUCT**

### **1.22 Standards of Conduct**

YellowHammer Medical rules and standards of conduct are essential to a productive work environment. As such, employees must familiarize themselves with, and be prepared to follow, the Company's rules and standards.

While not intended to be an all-inclusive list, the examples below represent behavior that is considered unacceptable in the workplace. Behaviors such as these, as well as other forms of misconduct, may result in disciplinary action, up to and including termination of employment:

- Theft or inappropriate removal/possession of property
- Falsification of timekeeping records
- Possession, distribution, sale, transfer, manufacture or use of alcohol or illegal drugs in the workplace
- Fighting or threatening violence in the workplace
- Making maliciously false statements about co-workers
- Threatening, intimidating, coercing, or otherwise interfering with the job performance of fellow employees or visitors
- Negligence or improper conduct leading to damage of company-owned or customer-owned property
- Violation of safety or health rules
- Smoking in the workplace
- Sexual or other unlawful or unwelcome harassment
- Excessive absenteeism

- Unauthorized use of telephones, computers, or other company-owned equipment on working time. Working time does *not* include break periods, mealtimes, or other specified periods during the workday when employees are not engaged in performing their work tasks.
- Unauthorized disclosure of any “business secrets” or other confidential or non-public proprietary information relating to the Company’s products, services, customers, or processes. *Wages and other conditions of employment are not considered to be confidential information.*

This policy is not intended to restrict an employee’s right to discuss, or act together to improve, wages, benefits and working conditions with co-workers or in any way restrict employees’ rights under the National Labor Relations Act.

Other forms of misconduct not listed above may also result in disciplinary action, up to and including termination of employment. If you have questions regarding YellowHammer Medical standards of conduct, please direct them to your supervisor or the Director of Compliance or the Human Resources Director.

### **1.23 Disciplinary Action**

Disciplinary action at YellowHammer Medical is intended to fairly and impartially correct behavior and performance problems early on and to prevent reoccurrence.

Disciplinary action may involve any of the following: verbal warning, written warning, suspension with or without pay, and termination of employment, depending on the severity of the problem and the frequency of occurrence. YellowHammer Medical reserves the right to administer disciplinary action at its discretion and based upon the circumstances.

YellowHammer Medical recognizes that certain types of employee behavior are serious enough to justify termination of employment, without observing other disciplinary action first.

These violations include but are not limited to:

- Workplace violence
- Harassment
- Theft of any kind
- Insubordinate behavior
- Vandalism or destruction of company property
- Presence on company property during non-business hours
- Use of company equipment and/or company vehicles without prior authorization
- Indiscretion regarding personal work history, skills, or training
- Divulging YellowHammer Medical's business practices or any other confidential information
- Any misrepresentation of YellowHammer Medical to a customer, a prospective customer, the general public, or an employee.

#### **1.24 Confidentiality**

YellowHammer Medical takes the protection of Confidential Information very seriously. "Confidential Information" includes, but is not limited to, computer processes, computer programs and codes, customer lists, customer preferences, customers' personal information, company financial data, marketing strategies, proprietary production processes, research and development strategies, pricing information, business and marketing plans, vendor information, software, databases, and information concerning the creation, acquisition or disposition of products and services.

Confidential Information also includes the Company's intellectual property and information that is not otherwise public. Intellectual property includes, but is not limited to, trade secrets, ideas, discoveries, writings, trademarks, and inventions developed through the course of your employment with YellowHammer Medical and as a direct result of your job

responsibilities with YellowHammer Medical *Wages and other conditions of employment are not considered to be Confidential Information.*

To protect such information, employees may not disclose any confidential or nonpublic proprietary information about the Company to any unauthorized individual. If you receive a request for Confidential Information, you should immediately refer the request to your supervisor.

The unauthorized disclosure of Confidential Information belonging to the Company, and not otherwise available to persons or companies outside of YellowHammer Medical, may result in disciplinary action, up to and including termination of employment. If you leave the Company, you may not disclose or misuse any Confidential Information.

This policy is not intended to restrict an employee's right to discuss, or act together to improve, wages, benefits and working conditions with co-workers or in any way restrict employees' rights under the National Labor Relations Act.

Questions regarding this policy should be directed to the Human Resources Director.

### **1.25 Personal Appearance**

The purpose of YellowHammer Medical's personal appearance policy is to ensure a safe and sanitary workplace for all employees. YellowHammer Medical strives to maintain a professional working environment that promotes efficiency, positive employee morale and promotes a professional image. During business hours or when representing YellowHammer Medical, employees are expected to use common sense and good judgment to meet the goals of this policy.

Generally, employees should wear appropriate clothing, observe high standards of personal hygiene, and dress and groom themselves according to the requirements of their positions.

Questions regarding appropriate workplace attire should be directed to your supervisor or the Human Resources Director.

## 1.26 Workplace Violence

YellowHammer Medical strictly prohibits workplace violence, including any act of intimidation, threat, harassment, physical violence, verbal abuse, aggression or coercion against a coworker, vendor, customer, or visitor.

Prohibited actions, include, but are not limited to the following examples:

- Physically injuring another person
- Threatening to injure another person
- Engaging in behavior that subjects another person to emotional distress
- Using obscene, abusive, or threatening language or gestures
- Bringing an unauthorized firearm or other weapon onto company property
- Threatening to use or using a weapon while on company premises, on company-related business, or during job-related functions
- Intentionally damaging property

All threats or acts of violence should be reported immediately to your supervisor or security personnel. Employees should warn their supervisors or security personnel of any suspicious workplace activity that they observe or that appears problematic. Employee reports made pursuant to this policy will be kept confidential to the maximum extent possible. YellowHammer Medical will not tolerate any form of retaliation against any employee for making a report under this policy.

YellowHammer Medical will take prompt remedial action, up to and including immediate termination, against any employee found to have engaged in threatening behavior or acts of violence.

## **1.27 Drug & Alcohol Use Policy**

YellowHammer Medical is committed to maintaining a workplace free of substance abuse. No employee is allowed to consume, possess, sell, purchase, or be under the influence of alcohol, recreational, or illegal drugs, as defined by federal law, on any property owned by or leased on behalf of YellowHammer Medical, or in any vehicle owned or leased on behalf of YellowHammer Medical.

The use of over-the-counter drugs and legally prescribed drugs is permitted as long as they are used in the manner for which they were prescribed and provided that such use does not hinder an employee's ability to safely perform his or her job. Employees should inform their supervisor if they believe their medication will impair their job performance, safety or the safety of others, or if they believe they need a reasonable accommodation when using such medication.

YellowHammer Medical will not tolerate employees who report for duty while impaired by the use of alcohol or drugs. All employees should report evidence of alcohol or drug abuse to their supervisor or the Human Resources Director immediately. In cases in which the use of alcohol or drugs creates an imminent threat to the safety of persons or property, employees are required to report the violation. Failure to do so may result in disciplinary action, up to and including termination of employment.

As a part of our effort to maintain a workplace free of substance abuse, YellowHammer Medical employees may be asked to submit to a medical examination and/or clinical testing for the presence of alcohol and/or drugs. Within the limits of federal, state, and local laws, YellowHammer Medical reserves the right to examine and test for drugs and alcohol at our discretion.

As a condition of your employment with YellowHammer Medical, employees must comply with this Drug & Alcohol Use Policy. Be advised that no part of the Drug & Alcohol Use Policy shall be construed to alter or amend the at-will employment relationship between YellowHammer Medical and its employees.



Employees found in violation of this policy may be subject to disciplinary action, up to and including termination of employment.

### **1.28 Sexual & Other Unlawful Harassment**

YellowHammer Medical is committed to a work environment in which all individuals are treated with respect. YellowHammer Medical expressly prohibits discrimination and all forms of employee harassment based on race, color, religion, sex, national origin, age, disability, military or veteran status, or status in any group protected by state or local law.

Sexual harassment is a form of discrimination and is prohibited by law. For purposes of this policy sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when this conduct explicitly or implicitly affects an individual's employment, unreasonably interferes with an individual's work performance, or creates an intimidating, hostile, or offensive work environment. Unwelcome sexual advances (either verbal or physical), requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of employment; (2) submission or rejection of the conduct is used as a basis for making employment decisions; or, (3) the conduct has the purpose or effect of interfering with work performance or creating an intimidating, hostile, or offensive work environment.

Sexual and unlawful harassment may include a range of behaviors and may involve individuals of the same or different gender. These behaviors include, but are not limited to:

- Unwanted sexual advances or requests for sexual favors.
- Sexual or derogatory jokes, comments, or innuendo
- Unwelcomed physical interaction
- Insulting or obscene comments or gestures
- Offensive email, voicemail, or text messages

- Suggestive or sexually explicit posters, calendars, photographs, graffiti, or cartoons
- Making or threatening reprisals after a negative response to sexual advances
- Visual conduct that includes leering, making sexual gestures, or displaying of sexually suggestive objects or pictures, cartoons or posters
- Verbal sexual advances or propositions
- Physical conduct that includes touching, assaulting, or impeding or blocking movements
- Abusive or malicious conduct that a reasonable person would find hostile, offensive, and unrelated to the Company's legitimate business interests
- Any other visual, verbal, or physical conduct or behavior deemed inappropriate by the Company

Harassment on the basis of any other protected characteristic is also strictly prohibited.

**Complaint Procedure:**

YellowHammer Medical strongly encourages the reporting of all instances of discrimination, harassment, or retaliation. If you believe you have experienced or witnessed harassment or discrimination based on sex, race, national origin, disability, or another factor, promptly report the incident to your supervisor. If you believe it would be inappropriate to discuss the matter with your supervisor, you may bypass your supervisor and report it directly to the Human Resources Director.

Any reported allegations of harassment or discrimination will be investigated promptly, thoroughly, and impartially.

Any employee found to be engaged in any form of sexual or other unlawful harassment may be subject to disciplinary action, up to and including termination of employment.

### **Retaliation Prohibited:**

YellowHammer Medical expressly prohibits retaliation against any individual who reports discrimination or harassment, or assists in investigating such charges. Any form of retaliation is considered a direct violation of this policy and, like discrimination or harassment itself, will be subject to disciplinary action, up to and including termination of employment.

### **1.29 Telephone Usage**

YellowHammer Medical telephones are intended for the sole use of conducting company business. Personal use of the Company's telephones and individually owned cell phones during business hours is prohibited except in emergencies. In addition, long distance phone calls which are not strictly business-related are expressly prohibited.

Any employee found in violation of this policy will be subject to disciplinary action, up to and including termination of employment.

### **1.30 Personal Property**

Employees should use their discretion when bringing personal property into the workplace. YellowHammer Medical assumes no risk for any loss or damage to personal property.

Additionally, employees may not possess or display any property that may be viewed as inappropriate or offensive on YellowHammer Medical premises.

### **1.31 Use of Company Property**

Company property refers to anything owned by the company: physical, electronic, intellectual, or otherwise. The use of company property is for business necessity only.

When materials or equipment are assigned to an employee for business, it is the employee's responsibility to see that the equipment is used properly and cared for properly. However, at all times, equipment assigned to the employee remains the property of the Company, and is subject to reassignment and/or use by the Company without prior notice or approval of

the employee. This includes, but is not limited to, computer equipment and data stored thereon, voicemail, records, and employee files.

YellowHammer Medical has created specific guidelines regarding the use of company equipment. Below is a list of employee responsibilities and limitations with regards to company property.

**Personal Use of Company Property:**

Company property is not permitted to be taken from the premises without proper written authority from company management.

**Company Tools:**

All necessary tools are furnished to employees in order to assist them in their required duties. Each employee is, in turn, responsible for these tools. Tools damaged or stolen as a result of an employee's negligence will, to the extent permitted by federal, state and local law, be charged to the employee.

**Care of Company Property:**

Office areas should be kept neat and orderly and all equipment should be well-maintained. The theft, misappropriation, or unauthorized removal, possession, or use of company property or equipment is expressly prohibited.

Any action in contradiction to the guidelines set herein may result in disciplinary action, up to and including termination of employment.

**1.32 Smoking Prohibited**

YellowHammer Medical provides a smoke-free environment for its employees, customers, and visitors. Smoking is prohibited throughout the workplace & the use of cannabis products in the neighboring areas. We have adopted this policy because we have a sincere interest in the health of our employees and in maintaining pleasant working conditions. Any violation of this policy will result in immediate termination.

### **1.33 Visitors in the Workplace**

To ensure the safety and security of YellowHammer Medical and its employees, only authorized visitors are permitted on Company premises and in Company facilities.

All visitors must enter through the main reception area and sign in and out at the front desk. All visitors are also required to wear a “visitor” badge while on YellowHammer Medical premises. Authorized visitors will be escorted to their destination and must be accompanied by a representative of the Company at all times.

### **1.34 Computer, Email & Internet Usage**

Computers, email, and the Internet allow YellowHammer Medical employees to be more productive. However, it is important that all employees use good business judgment when using YellowHammer Medical electronic communications systems (ECS).

### **Standards of Conduct and ECS**

YellowHammer Medical strives to maintain a workplace free of discrimination and harassment. Therefore, YellowHammer Medical prohibits the use of the Company’s ECS for bullying, harassing, discriminating, or engaging in other unlawful misconduct, in violation of the Company’s policy against discrimination and harassment.

### **Copyright and Other Intellectual Property**

Respect all copyright and other intellectual property laws. For the Company’s protection as well as your own, it is critical that you show proper respect for the laws governing copyright, fair use of copyrighted material owned by others, trademarks and other intellectual property, including the Company’s own copyrights, trademarks and brands. Employees are also responsible for ensuring that, when sending any material over the Internet, they have the appropriate distribution rights.

YellowHammer Medical purchases and licenses the use of various computer software for business purposes and does not own the copyright to this software or its related

documentation. Unless authorized by the software developer, YellowHammer Medical does not have the right to reproduce such software for use on more than one computer. Employees may only use software according to the software license agreement. YellowHammer Medical prohibits the illegal duplication of software and its related documentation.

### **Social Media Guidelines**

The following behaviors are examples of previously stated or additional actions and activities under this policy that are prohibited:

- Sending or posting discriminatory, harassing, or threatening messages or images about coworkers, supervisors or the Company that violate the Company's policy against discrimination and harassment.
- Stealing, using, or disclosing someone else's code or password without authorization.
- Pirating or downloading Company-owned software without permission.
- Sending or posting the Company's confidential material, trade secrets, or non-public proprietary information outside of the Company. *Wages and other conditions of employment are not considered confidential material.*
- Violating copyright laws and failing to observe licensing agreements.
- Participating in the viewing or exchange of pornography or obscene materials.
- Sending or posting messages that threaten, intimidate, coerce, or otherwise interfere with the job performance of fellow employees.
- Attempting to break into the computer system of another organization or person.
- Refusing to cooperate with a security investigation.
- Using the Internet for gambling or any illegal activities.

- Sending or posting messages that disparage another organization's products or services.
- Passing off personal views as representing those of YellowHammer Medical.

### **Privacy and Monitoring**

Computer hardware, software, email, Internet connections, and all other computer, data storage or ECS provided by YellowHammer Medical are the property of YellowHammer Medical. Employees have no right of personal privacy when using YellowHammer Medical ECS. To ensure productivity of employees, compliance with this policy and with all applicable laws, including harassment and anti-discrimination laws, computer, email and Internet usage may be monitored.

This policy is not intended to restrict an employee's right to discuss, or act together to improve, wages, benefits and working conditions with co-workers or in any way restrict employees' rights under the National Labor Relations Act.

Violations of this policy may result in disciplinary action, up to and including termination of employment. Questions or concerns related this policy should be directed to your supervisor or the Human Resources Director.

### **1.35 Company Supplies**

Only authorized persons may purchase supplies in the name of YellowHammer Medical. No employee whose regular duties do not include purchasing shall incur any expense on behalf of YellowHammer Medical or bind YellowHammer Medical by any promise or representation without express written approval.

## **TIMEKEEPING & PAYROLL**

### **1.36 Attendance & Punctuality**

Absenteeism and tardiness place an undue burden on other employees and on the Company. YellowHammer Medical expects regular attendance and punctuality from all employees. This means being in the workplace, ready to work, at your scheduled start time each day and completing your entire shift. Employees are also expected to return from scheduled meal and break periods on time.

All time off must be requested in writing, in advance, as outlined in the Company's Paid Time Off (PTO) policy. If an employee is unexpectedly unable to report for work for any reason, he or she must directly notify their supervisor as early as possible, and preferably prior to their scheduled starting time. It is not acceptable to leave a voicemail message with a supervisor, except in extreme emergencies. In cases that warrant leaving a voicemail message or when an employee's direct supervisor is unavailable, a follow-up call must be made later that day.

If an illness or emergency occurs during work hours, employees should notify their supervisor as soon as possible.

Employees, who are going to be absent for more than one day, should contact their supervisor on each day of their absence. YellowHammer Medical reserves the right to ask for a physician's statement in the event of a long-term illness (three consecutive days), or multiple illnesses or injuries. If an employee fails to notify their supervisor after three consecutive days of absence, YellowHammer Medical will presume that the employee has voluntarily resigned. YellowHammer Medical will review any extenuating circumstances that may have prevented him or her from calling in before the employee is removed from payroll.

Should undue or recurrent absence and tardiness become apparent, the employee will be subject to disciplinary action, up to and including termination of employment.



This policy is not intended to restrict an employee's right to discuss, or act together to improve, wages, benefits and working conditions with co-workers or in any way restrict employees' rights under the National Labor Relations Act.

### **1.37 Timekeeping**

It is the Company's policy to comply with applicable laws that require records to be maintained of the hours worked by our employees. Every employee is responsible for accurately recording time worked.

In addition to recording arrival and departure time, non-exempt employees are required to accurately record the start and end of each meal period as well as any departure for non-work-related reasons.

YellowHammer Medical strictly prohibits non-exempt employees from working off the clock for any reason. All time spent working must be logged and accounted for; this includes time spent using electronic devices for work-related purposes.

Vacation days, sick days, holidays, and absences for jury duty, funeral leave or military training must be specifically recorded by all employees.

It is the responsibility of all employees to submit and approve their time records each week.

Altering, falsifying, tampering with time records, or recording time on another employee's time record may result in disciplinary action up to and including termination of employment.

### **1.38 Paydays**

YellowHammer Medical employees are paid on a bi-weekly basis. In the event that a regularly scheduled payday falls on a holiday, employees will be paid on the day preceding the holiday, unless otherwise required by state law.

Paychecks will not, under any circumstances, be given to any person other than the employee without written authorization. Paychecks may also be mailed to the employee's listed address or, upon advance written authorization, deposited directly into an employee's bank

account. Employees who elect payment through direct deposit will receive an itemized statement of wages when the Company makes direct deposits.

In the event of employee termination, the employee will receive their accrued pay in accordance with applicable federal, state and local laws.

### **1.39 Payroll Deductions**

YellowHammer Medical makes deductions from employee pay only in circumstances permitted by applicable law. This includes, but is not limited to, mandatory deductions for income tax withholding and Social Security and Medicare contributions as well as voluntary deductions for health insurance premiums and other related contributions.

If you believe that an improper deduction has been made from your pay, raise the issue with the Accountant immediately. YellowHammer Medical will promptly investigate. If the investigation reveals that you were subjected to an improper deduction from pay, you will be reimbursed promptly.

### **1.40 Overtime**

The nature of our business sometimes requires employees to work overtime. Supervisors will notify employees when overtime is required. Employees are not permitted to work overtime without prior authorization from their supervisor.

Non-exempt employees will be paid overtime for one and one-half times (1.5) the regular rate of pay for all hours worked in excess of 40 hours in the same workweek.

There may be exceptions to these standards where applicable by state or local law. Employees are encouraged to speak with their supervisor or the Director of Compliance for more information.

Please be reminded employees are not permitted to work overtime unless it has been authorized in advance by their supervisor.

# Exhibit 23 - 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.**

Keith J. Smith

\_\_\_\_\_  
Printed Name of Verifying Individual

CEO

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

\_\_\_\_\_  
Signature of Verifying Individual

12/13/2022 | 12:20 PM PST

\_\_\_\_\_  
Verification Date

## **Introduction**

We are dedicated to establishing procedures and products that are safe and consistent. Our quality control (“QC”) and quality assurance (“QA”) plan defines methods within the manufacturing process that will provide consistently safe, potent, and high-quality products, including testing at different stages of production, and a plan for any failed test samples. We designed this plan in alignment with industry best standards, good agricultural practices, good manufacturing practices, and regulatory compliance, with a focus on employee, patient, and community safety. Our executive team will review this plan at least annually to identify areas of improvement and implement changes. Ala. Admin. Code r. 538-x-3-.05.03.m.16.d. We will promptly notify the Alabama Medical Cannabis Commission (“the AMCC”) of any changes to our QA/QC plan.

Internal record keeping will document all medical cannabis product details, including packaging, ingredients, and medical cannabis concentrates utilized in each production batch or infused product, storage of cannabis, and any destruction or disposal. We will maintain these records for at least two years and reference record keeping documents in the event of a recall. We will refer to the harvest or batch number previously assigned to cannabis products we receive to facilitate quick and easy identification in the event of a recall.

### **23.1 - Quality Dispensing Processes**

We will provide high quality products with consistent standards of safety, potency, stability, and lifespan. Ala. Admin. Code r. 538-x-8-.05.03.a.01. Each step of our dispensing process will include quality control.

Our head of QA and head of QC will construct our QA/QC plan and perform reviews of the plan monthly during Year One and every six months thereafter. When creating QA/QC plans and SOPs for each area of our business, our quality staff will apply a foundational QA tool known as the PDCA cycle, short for “Plan, Do, Check, Act.” The cycle begins by defining what objectives must be met to guarantee the quality of the product or process in question and developing a plan to accomplish those objectives. The next component is to carry out the plan in a small-scale, controlled environment, where outcomes can be easily measured, and real-world data gathered. After performing the plan, the plan must be checked by

reviewing the results against desired outcomes and identifying differences and similarities. Finally, action will be taken to address the root causes of undesirable outcomes identified in the previous step and adjustments will be made to the QA/QC plan to avoid these deviations in the future.

Our quality staff will continually employ the PDCA cycle to assess and improve our QA/QC plan and associated SOPs. When modifications to the QA/QC Plan become necessary, the head of QA and head of QC will be responsible for ensuring that current revisions are included in the QA/QC Plan and associated SOPs, and that distribution of the revised Plan is made to all appropriate parties. We will also update all documentation methods and associated SOPs with all regulatory changes or process changes within the facility such that there is never a lapse in the quality of our records or question as to their proper storage.

For a QA/QC plan to function properly, provisions must be made for effective communication of the results from QA/QC activities to all affected parties. We will establish clear channels of communication and outline the given party's responsibilities. All changes and revisions made during reviews will be implemented into our written SOPs and forwarded to all appropriate parties, allowing staff throughout our operations to keep up to date on our continuously evolving business practices. All revisions to the Plan will be clearly marked. In the event a major revision to the QA/QC Plan is required, each copy will be reissued to all appropriate employees.

### *Functions of QA/QC*

Although QA and QC are independent, both are interrelated functions. QA is process oriented, encompassing the entire dispensing process from receipt of product through dispensing to patients and caregivers. The ultimate goal of QA is to ensure patient safety.

Conversely, QC is product oriented, composed of in-process testing and testing of the final product. The role of QC is to develop testing methods, establish product specifications (e.g., the acceptable values for product quality standards), and perform the testing for every batch received. Another way to view the roles of QA and QC is when there is deviation in the QC process (e.g., a test was performed by QC outside of its validated processes). In such a case, the QC team would conduct the investigation into what went wrong, while the QA team would review that investigation for compliance.

Departmental directors and managers will develop a process for each stage of operations, validate the process (e.g., repeat the process multiple times to demonstrate that the process always yields a product with the same quality standards), and establish narrow “target” ranges and wider “acceptable” ranges for every process parameter. If deviations happen outside of the narrower range, but within the wider range, QA will accept that the product is safe though not optimal. If the deviations happen outside of the wider range, QA will reject the batch, or may require additional data to support the release of the product.

#### *Dispensing QA/QC and Audits*

The head of QA and head of QC will conduct weekly QA/QC inspections of dispensing processes to identify problems, inadequacies, or gaps in any SOPs. They will also confirm that our employees dispense all medical cannabis products consistently in a safe manner, to provide safety, potency, stability, lifespan, and consistency among batches, in accordance with our SOPs and applicable laws. This will include inspections of dispensing materials and medical cannabis products, oversight of dispensing activities, and training/retraining of dispensing staff in response to changes in SOPs, or the Rules, or repeated errors identified by the quality managers.

Our Chief Compliance Officer (“CCO”), head of QA and head of QC each have extensive experience in compliance and quality concerns across numerous industries, including cannabis. As an extra measure of protection for our patients and the public, the head of QC will conduct dispensing line audits periodically throughout daily dispensing activities and during dispensing startup and shutdown operations. Audits will include inspections of equipment and inventory and making sure dispensing equipment is in good operating order. The inspection will also include examining dispensing materials for structural integrity, damage, or defects. Our dispensing audit also evaluates overall dispensing efficiency, downtime, and any product damage or loss caused by our dispensing SOPs. This audit will identify dispensing issues for which we will immediately work to find solutions and integrate them into our SOPs. We will also revise our dispensing SOPs immediately to integrate any changes to packaging laws or regulations approved by the legislature or the AMCC.

### *Handling and Sanitation Standards*

This subsection provides an overview of the safety and sanitation practices we will use in our dispensing activities. We will maximize the potential of the cannabis we dispense by employing pharmaceutical and cannabis industry best practices. We will document these best practices in SOPs, which we will generate prior to commencing business. Together, the procedures outlined in this section will maintain adequate sanitation principals in all areas of operations at our facility, including receiving, transporting, segregating, preparing, dispensing, and storing of medical cannabis products.

Throughout training for every process within the facility, instructors will emphasize the importance of sanitation for preventing contamination. By teaching staff how to minimize the transmission of contaminants, we will operate a facility that dispenses safe, contaminate-free medical cannabis products. Other training specific to chemicals will include how to store different chemicals and cleaning compounds and how to sanitize equipment and facilities using any AMCC-approved sanitizing agents. We will train all relevant staff to inspect the quality of the locker and ensure that it always meets or exceeds the NFPA Flammable Liquid Code #30 and OSHA Standard 1910.106 for storage of Class I, II, and III liquids. We have incorporated sanitation practices into SOPs for all activities within the facility such that every procedure concludes by returning the space in which it occurs to a clean baseline state. This will include all equipment used in the performance of such operations, such as scissors, buckets, carts, and other dispensing-related items. We will also properly dispose of all disposable items used in operations, with trash removed daily whenever they are full, and at the conclusion of activities. Collectively, these controls will help provide sanitary conditions, well maintained throughout all dispensing operations, to produce contaminate-free medical cannabis.

Additionally, we will develop internal formalized inspections of the entire facility, and request all required inspections with the AMCC and other necessary state and local agencies prior to commencing operations. During inspections, management will make our entire facility accessible to inspectors, including every area used for preparation, storage, dispensing, sale, distribution, or transportation of medical cannabis products, as well as all associated utensils, fixtures, furniture, machinery, and devices. Management and other staff will perform sanitation inspections of dispensing areas quarterly (on a staggered schedule)

or after any contaminant incident. Inspections will consist of a full sweep of dispensing areas, with a particularly close eye paid to conditions within the cannabis product storage areas. During this inspection, the managing staff member will record all observed deficiencies in physical controls and order their repair or note lapses in cultural controls and order the completion of additional training. The observation of any physical deficiency or cultural lapse will result in a reevaluation of SOPs relating to that area or operation. The CCO and associated management-level staff will update all existing SOPs involved with new best practices to avoid the deficiency/lapse in the future. Compliant procedures and regular inspections will guarantee that, if contaminants or pests are present within the facility, they are observed and addressed as quickly as possible.

#### *Facility Sanitation Generally*

Maintaining a sanitary facility is essential to preventing contamination of our medical cannabis inventory that could lead to diminished quality and potentially impact patient safety. We will outfit our facility, including all floors, walls, and ceilings, in a manner to allow for easy cleaning and sanitation by minimizing areas where unsanitary conditions may develop, keeping our facility in good repair, and making all areas of the facility readily accessible by operations and sanitation staff. Assisted by our thoughtful facility design, sanitation staff will be able to easily perform daily cleanings to maintain the entirety of our building, fixtures, and other facilities in a sanitary condition, with all dispensing and storage areas maintained free of debris. In conjunction with constructing an easily cleanable facility, we will provide adequate lighting in all areas where medical cannabis is stored and dispensed, and in all areas where equipment and utensils are kept or sanitized.

Sanitation staff will perform cleanings of all contact surfaces, including utensils and equipment used for preparation, storage, and dispensing of medical cannabis products, as frequently as our company procedures deem necessary to protect against contamination. To facilitate effective and adequate cleaning, our equipment and utensils will be designed and made of material and workmanship that is suitable for sanitary handling of medical cannabis products. Further, sanitation staff will only use sanitizing agents that are approved by the AMCC and will always use agents in full accordance with instructions on the product label. All cleaning and sanitation supplies intended for general facility upkeep will be held



in a cleaning closet. Sanitation staff will identify all toxic cleaning compounds and sanitizing agents and store them in a manner in accordance with manufacturer's recommendations and product labels, as well as any applicable local, state, or federal law, rule, regulation, or ordinance.

Sanitation staff will also maintain all operating systems for waste in a manner to not constitute a source of contamination in areas where medical cannabis products are exposed. All litter, waste, and debris will be regularly disposed of in the proper waste system so as to not contribute to contamination in areas where cannabis is exposed. We will diligently monitor and screen our entire facility for pests while implementing and maintaining our pest prevention tactics. Part of these tactics will include the removal of rubbish to minimize the possible development of odor and/or harborage or breeding place for pests. We have contracted with Waste Management Services based out of Birmingham. Waste Management Services specializes in business waste pickup, and it is a company with strong values that has our full confidence in their ability to remove waste in a way that will not infringe on any of our daily operations.

#### *Employee Hygiene Practices*

We will create and implement strict personal hygiene procedures for all individuals at our facility who may work in direct contact with medical cannabis products. In order to maintain a sanitary facility, we will require that all employees bathe/shower before coming to work, wear a clean uniform each day, and maintain adequate personal hygiene. Employees who do not comply with policies regarding attire and grooming will be subject to disciplinary action, and all our employees will maintain a high level of personal hygiene. We will prohibit employees who feel sick or display symptoms of an illness from working their scheduled shift, including handling any medical cannabis product. Employees with any illness, open lesion (e.g., boils, sores, infected wounds), or any other abnormal source of microbial contamination for which there is a reasonable possibility of contact with medical cannabis products will be required to remain at home until their condition is remedied. Employees with a combined cough and fever will also be required to stay home from work.

Any employee with the following diseases or conditions will not be permitted to come to work or to handle medical cannabis products until cleared to return to work by a physician, in accordance with regulations applicable to food handlers:

- Amebiasis;
- Enterohemorrhagic E. coli;
- Shigellosis;
- Typhoid fever or paratyphoid fever;
- Hepatitis A, viral hepatitis, or jaundice of unspecified etiology; or,
- Persistent diarrhea.

The water supply at our facility will be safe, potable, and provide an adequate supply necessary for cannabis dispensing operations. Plumbing will be carefully installed and maintained, and of adequate size and design to carry sufficient quantities of water to required locations throughout the facility. Facility plumbing will properly convey sewage and liquid disposable waste away from the facility with no cross-connections between the potable water lines and wastewater lines. Our facility will also feature sufficient and readily accessible toilet facilities, which sanitation staff will maintain in a sanitary condition and in good repair, with sinks suitable for handwashing located at each toilet facility.

We will provide our employees and visitors with fully stocked and convenient handwashing facilities furnished with running water at a temperature suitable for sanitizing hands. Such facilities will be located where good sanitary practices require employees to wash and sanitize their hands and will also include effective nontoxic sanitizing cleansers and sanitary towels or suitable hand drying devices. We will require all employees to wash hands thoroughly before starting each shift, before handling medical cannabis products, and anytime hands become contaminated or soiled. When employees wash hands, all exposed skin up to the elbow must be scrubbed for 10-15 seconds with particular attention given to nail beds, under fingernails, in finger webs, and the thumb. We will require that hands must be washed, at a minimum:

- Before donning fresh gloves;

- After the use of the restroom;
- Before and after handling any medical cannabis product;
- After disposing of any waste, dirty surface, or taking out the garbage;
- After touching hair, face, body, clothes, or apron;
- After sneezing, coughing, or using a tissue;
- After handling any chemicals;
- After eating, drinking, smoking, chewing gum, or chewing tobacco;
- After handling money; and,
- After touching service animals.

We will train employees to use handwashing sinks only for handwashing. Other activities must occur in utility sinks. All designated handwashing facilities will feature large signs that clearly read in bold lettering, "FOR HANDWASHING ONLY." Signs with instructions for proper hand washing will be posted at handwashing stations and in restrooms to encourage proper practices, and we will include a demonstration of proper handwashing techniques in onboarding training.

#### *Good Manufacturing Practices ("GMP")*

Our approach to quality will be integrated into every stage in the dispensing process and we will prioritize quality and safety at every level of our company. Leading this effort will be our head of QA and head of QC. Our head of QA has a B.S. in Chemistry and has multiple years of experience in the legal cannabis industry working in product testing along with serving as an Operations Manager and a Director of Operations in a healthcare setting. Our head of QC, meanwhile, has over 16-years of professional experience, has an M.S. in Occupational Therapy and a J.D., along with experience as a CEO, COO, and Occupational Therapist. They will work collaboratively with other staff to ensure our extensive operational standards comply with current GMP principles. All procedures, methods, and facilities will be fully prepared for an inspection from the AMCC prior to full operations and will continue to retain their integrity for subsequent inspections from the AMCC and other agencies ensuring the safety of our medical cannabis products and Alabama patients.

Through the implementation of a Quality Management System (“QMS”), we will model our approach to quality based on compliance with standards set forth by the U.S. Food and Drug Administration (“FDA”) in 21 C.F.R. Part 111 and Part 117, which establish current good manufacturing practice in dealing with products fit for human consumption, such as dietary supplements and manufactured food. For example, we will conduct comprehensive hazard analysis with adherence to the Hazard Analysis and Critical Control Point (“HACCP”) system, which reduces food safety risks by identifying and controlling potential hazards at every part of the dispensing process. 21 C.F.R. §117.130. Examples of Critical Control Points (“CCPs”) and preventative controls in the dispensing process are food allergen cross-contamination mitigation, established recall plans, and appropriate labeling practices. 21 C.F.R. §117.135. We will establish facility, equipment, and personnel sanitation in accordance with 21 C.F.R. §117.10, §117.35, §117.37, and §117.40. Our general food safety plan integrates all of the aforementioned concerns, in addition to many others, and will sufficiently meet standards for quality and consistent medical cannabis products fit for human consumption. 21 C.F.R. §117.126. We understand these standards are changing as the industry evolves and will remain informed of such changes.

In addition to the rigorous up to date GMP standards, our operations consider aspects of safety specific to the cannabis industry. For example, one significant consideration is how cannabinoid levels are affected by the heat and moisture. We have designed the dispensing and storage process based on product requirements and specifications established for all medical cannabis products we handle and dispense. We will properly vet all source ingredients for medical cannabis products from outside facilities (e.g., sugar and wheat) for their own facility GMP compliance, manufacturing practices, and general safety. Further, we will store medical cannabis products that can support the rapid growth of undesirable microorganisms in humidity- and temperature-controlled rooms to prevent such growth.

#### *Personal Protective Equipment*

All employees and visitors are required to use PPE in certain areas and for specific activities within our facility. We will keep PPE readily available and adequately stocked in areas where it may be required. Staff and visitors must inspect PPE prior to each use, and staff must dispose of any damaged equipment or mark it as damaged and send it for repair.

We will require all staff to change into sterile clothing and dedicated footwear before entering the storage areas within the facility. Each staff member will don a sterile Tyvek® (or similar) suit, nitrile gloves, safety glasses, shoe covers, hair net, and a beard net (if applicable) before entering a storage area, and then perform all operations in them. If staff observe a defect in their PPE or other staff members' they will immediately cease their current task, leave the area, remove all PPE, and reset all personal sanitation procedures before reentering the area. Staff will perform visual PPE inspections on themselves and others before undertaking significant activities where the absence of a team member during that process would have a significant negative impact upon the success of the activity or the safety of cannabis products or team members. Should the implementation of single-use Tyvek® suits be deemed too costly long-term, we will pursue a contract for reusable sterile gowning with a local vendor. PPE serves the ultimate purpose of protecting cannabis products from pests or other contaminants introduced by staff or other individuals within the facility.

We will provide gloves, coveralls, and respirators for use in conjunction with hazardous and potentially health-afflicting materials. We will require PPE be used when participating with certain aspects of storage and dispensing. For example, when working with sanitizing agents, we will comply with the Environmental Protection Agency's ("EPA") Worker Protection Standard guidelines for the appropriate respirator to pair with the given chemical. To maintain worker and consumer safety, we will always refer to any AMCC authorized list when selecting chemicals for sanitation and will identify, hold, and store chemicals, toxic cleaning compounds, sanitizing agents, and solvents in a manner that protects against contamination.

Each task performed within the facility will have an associated SOP, which details the PPE required for the specific task. PPE available on site is identified in this chart:

PPE	Required Use
Hand Protection (e.g., protective gloves, nitrile gloves)	Where cut hazards or potential exposure to corrosive liquids, blood, chemicals, or other infectious materials exist.
Head Protection (e.g., hard hats)	Where danger of falling objects exists.

Eye Protection (e.g., goggles or glasses)	Where risk of eye injuries exists, such as punctures, abrasions, contusions, or burns.
Face Protection (e.g., face shields)	Where danger of flying particles or materials exist.
Foot Protection (e.g., steel-toed Boots)	Where risks of foot injury from corrosive, poisonous, or hot substances, or from falling objects, crushing, or penetrating actions exist.
Hearing Protection (e.g., ear plugs)	Where risks of hearing damage from occupational noise exist and exceed the acceptable sound levels of the OSHA Noise Standard.
Respiratory Protection (e.g., respirator, gas masks)	Where respiratory health risks exist from inhaling smoke, fumes, particulate matter, etc.
Clothing Protection (e.g., plastic aprons)	Where risk of splashing chemicals exists.
Sanitation Equipment (e.g., shoe booties, hair nets, beard nets)	Where staff will be handling or manufacturing food or drugs.

In addition to PPE, we will conspicuously place OSHA spill kits (compliant with *Title 29, Code of Federal Regulations*) and first aid kits throughout our facility.

### **23.2 - Testing**

#### *Production Testing*

Product testing in the medical cannabis industry is crucial to patient safety, and we will follow all required AMCC testing protocols and utilize AMCC-approved state testing laboratories to assess the quality and safety of the medical cannabis products we dispense. Batches that have had samples submitted for testing will be retained and delegated to specific compartments or storage areas until the given batch has passed all mandatory testing. Finished products will not be released for sale until all testing has been completed, passed, and product specifications have been met. Quality control personnel will review these documents and release the appropriate products into the dispensing product stream.

We will conduct testing at distinct points between receipt of products and the dispensing and sale of those products. Ala. Admin. Code r. 538-x-8-.05.03.a.02. Before labeling a product for sale, we will officially test our products through a licensed state laboratory. We will log all testing results in the state seed-to-sale tracking system. Ala. Code

§ 20-2A-60(a). These practices will allow us to provide the highest quality medical cannabis products.

The head of QA will work with management to develop a process for each cannabis product, validate the process, and establish narrow target ranges for every process parameter. In the event of nonconformance, the QA team will use a root cause analysis method. The QA team will then review the investigation and make appropriate changes and validate the process to guarantee compliance with regulations.

### *Licensed Testing*

We will conduct a variety of tests on our products and official testing through a State Testing Laboratory. Ala. Admin. Code r. 538-x-8-.05.03.a.03. We will make our medical cannabis products available to an independent, third-party cannabis testing laboratory approved by the AMCC for purposes of sampling for safety and ingredient testing. We will select an AMCC-approved, accredited, independent laboratory that has adopted an SOP with a validated method to test cannabis products. All testing laboratories we contract with must be able to provide accurate and validated test results for: cannabinoid content and potency, terpene profiles, heavy metals, chemical contamination, microbials, mycotoxins, residual pesticides, residual solvents, and any other testing protocols as established by the AMCC. Ala. Admin. Code r. 538-x-10-.04.06.a-i. We will only work with testing laboratories that comply with all Laboratory Standards outlined by the AMCC. Ala. Admin. Code r. 538-x-10-.05.

We will always conduct testing through a licensed State Testing Laboratory and adhere to all testing regulations and requirements before dispensing any medical cannabis products from our facility. Ala. Admin. Code r. 538-x-10-.01. Batches that have had samples submitted to testing labs or the AMCC will be retained and delegated to a storage area in the intermediate vault until the given batch has passed all mandatory third-party testing. Finished products will not be released for sale until all testing has been completed, passed, and product specifications have been met. QC personnel will review these documents and release the appropriate products for sale.

All samples collected for testing will be derived from a single batch and will comprise at least ten grams and no more than thirty grams; a sample of medical cannabis will be

derived from a single batch and must be the lesser of one percent of the total product weight of the production run or ten units of product. Ala. Admin. Code r. 538-x-4-.07.12.o.03.b. All samples will be homogenized before testing. Ala. Admin. Code r. 538-x-4-.07.12.o.03.b. Under no circumstances will we sell or transfer the cannabis or medical cannabis to another licensee, patient, or caregiver, unless and until the State Testing Laboratory clears us to do so based on the written results of successfully completed testing. Ala. Admin. Code r. 538-x-4-.07.12.o.03.c. All samples collected from our facility will be done in a manner that complies with applicable regulation from the AMCC. Ala. Admin. Code r. 538-x-10-.03.03. We will work closely with the State Testing Laboratory performing the testing to facilitate smooth and efficient testing procedures of all our medical cannabis and cannabis products. We will never use more than one State Testing Laboratory to perform official testing on the same batch or sample of cannabis or medical cannabis except as expressly provided applicable law. Ala. Admin. Code r. 538-x-10-.03.04.b.

### *Internal Testing*

We will go above and beyond the required testing by building an internal testing laboratory. This will serve to further ensure patient safety, provide more insight into the exact point in the storage or dispensing process at which quality failures occur, and enable us to perform research on the relationship between environmental control parameters/process specification parameters and the resulting changes in genotypic and phenotypic qualities of the product (e.g., CBD content, THC content, and terpene profile).

We will purchase Shimadzu equipment to analyze our products for potency and USP equipment (e.g., an incubator, petri dishes, a sterile hood, growth media, etc.) to analyze products for contaminants such as molds, insects, debris. This includes the Cannabis Analyzer for Potency, a turn-key solution, complete with a column, mobile phase, certified standards, methods, batches, and reports. This allows for sample submission to reporting in just a few mouse clicks, with easy and minimal workflow for the inexperienced analyst. We may also purchase ICP-MS equipment to analyze its products for heavy metals and GC-MS equipment to analyze products for residual solvents. We will perform all internal testing in designated rooms, which will be RAs under constant video surveillance, with access limited to authorized personnel who require such access for their job responsibilities.



For internal testing, random batch sampling, homogenous sampling, and other statistically sound sampling methodologies will follow testing lab protocols for collection of valid samples. When sampling takes place, we will take duplicate samples to ensure a retained sample is maintained on site and securely stored for a period of no less than one (1) year past the set expiration date. Sampling will be conducted after receipt of finished products and at further points if necessary due to contamination or long storage durations. These retained samples will provide for adequate product testing in the case a complaint is filed by a patient or another medical cannabis establishment.

Cannabis product specifications will be based on the potency levels intended for each product. We will utilize internal potency testing assays to correctly label finished products and set product specifications. HPLC, in conjunction with a validated scientific method, will be utilized to measure the formulation THC:CBD ratios in finished products. We will not use this testing to supplant approved testing laboratory analysis, rather, internal testing will serve as an additional tool to guarantee the correct formulation of products. These tests will allow us to identify improperly formulated products and determine product potency matches the product specifications set by QA/QC personnel.

### **23.3 - Returns and Remediation**

Any test failure will be recorded in the seed-to-sale inventory system and will result in the entire cannabis batch associated with that result being quarantined. Ala. Admin. Code r. 538-x-8-.05.03.a.04; 538-x-10-.08.06. Within seven business days of test failure notification, we will communicate with the testing laboratory our acceptance of the result, or we will file to retest, challenge, or request remediation of the result. Ala. Admin. Code r. 538-x-10-.08.05.a-d. We understand that we may not challenge or request a retest by a State Testing Laboratory unless, at the time samples are initially taken for testing, we ensure that three samples are collected at the same time by a State Testing Laboratory using tamper-resistant containers. Ala. Admin. Code r. 538-x-10-.08.06. Furthermore, one of the samples will be taken by the State Testing Laboratory for testing and we will place the other two samples in a secure quarantine storage area at our facility for further retesting by a secondary State Testing Laboratory. Ala. Admin. Code r. 538-x-10-.08.06. We may choose to conduct business for retesting and remediation with a different licensed testing

laboratory. Ala. Admin. Code r. 538-x-10-.08.02.a. If at any time, further testing cannot be performed due to (A) the lack of available State Testing Laboratories to conduct further or additional tests, or (B) the lack of viable samples from which to perform retesting, tiebreak testing, or challenge testing, we will have no choice but to accept the result of the failed test and destroy or attempt remediation of the batch as required under the Rules. Ala. Admin. Code r. 538-x-10-.08.06.a-b. If a sample failed testing based on AMCC pesticide standards, we will immediately recall cannabis and products from that batch. Ala. Admin. Code r. 538-x-10-.04.06.g.03.

If a sample provided for retesting meets product standards, we will process, package, label, or sell that product, as notated in the statewide seed-to-sale tracking system and communicated by testing certificate. Ala. Admin. Code r. 538-x-10-.08.10. If, upon retesting, the sample fails the same official test, we will destroy and dispose of the entire batch. Ala. Admin. Code r. 538-x-10-.08.09. We will simultaneously initiate a recall on any cannabis from that batch or associated products that are no longer within our possession.

We will utilize all available resources to retrieve unsafe products as soon as possible. We may be in contact with the AMCC for communication about community safety and resolution of the issue. Our recall tracking will include how much product from the recalled batch has been sold, product that is still available for sale, product that is in the process of transfer, product being processed, postharvest raw product, and all returned products. Ala. Code § 20-2A-60(a)(6)(a-e). We will coordinate transportation as needed between any other licensed cannabis businesses with impacted products and provide related documentation. Staff will receive all products returned to the facility, log them into the electronic inventory system, and immediately secure and quarantine them in a Restricted Area, physically separated from all other products within our facility.

Upon completion of a recall, we will summarize details of the recall, record it in the digital inventory system, and submit a report to the AMCC. Our report will include: the total amount of recalled cannabis, including types, forms, batches, and lots; for whom the recalled cannabis was received; the means of transport of the recalled cannabis; the reason for the recall; the number of recalled samples, types, forms, and batched, there were sent to laboratories, and the dates of testing and results; the manner of disposal of recalled cannabis including who oversaw the disposal, method of disposal, date of disposal, and the

amount disposed of by types, forms, and batched. We will submit inventory data to the AMCC prior to destruction of any recalled cannabis. Ala. Code § 20-2A-60(a)(4). We will also include any additional information deemed relevant by the AMCC.

Whenever a sample fails any testing, the head of QA and head of QC will initiate an investigation to determine when the contamination may have occurred, how it occurred, and whether company procedures to avoid such contamination were properly followed during production. If the investigation reveals that dispensing staff did not fully comply with our existing SOPs, our executive team and departmental directors/managers will retrain and discipline employees as necessary and, if possible, amend SOPs to avoid future misunderstandings of the correct procedures or to provide additional oversight to enforce the SOPs. If the investigation reveals any flaws or gaps in our SOPs that contributed to its occurrence, the head of QA will work with management to revise relevant SOPs so as to avoid similar issues in the future.

### **Conclusion**

Product testing and QA/QC in the cannabis industry are crucial to patient and public safety, and we are dedicated to following all required AMCC testing protocols, implementing testing standards and methods, and utilizing approved state testing laboratories to assess the quality and safety of the medical cannabis products we dispense. Together, the testing standards set by our knowledgeable and experienced team will help us to provide safe and high-quality products with consistent potency, stability, and lifespan among batches of the same product. These standards and methods are based upon AMCC guidelines and industry best practices to exceed the requirements for testing product quality and safety.

# Exhibit 24 - 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.**

Keith J. Smith

CEO

\_\_\_\_\_  
Printed Name of Verifying Individual

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

\_\_\_\_\_  
Signature of Verifying Individual

\_\_\_\_\_  
Verification Date

## **Introduction**

We designed this plan in alignment with industry best standards and regulatory compliance, with a focus on safety. Our recall plan defines methods for adverse event notification, product returns, and investigative steps to be taken in the event a recall is required. Our executive team will review this plan at least annually to identify areas of improvement and implement changes. Ala. Admin Code. r. 538-x-3-.05.03.m.16.d. We will promptly notify the Alabama Medical Cannabis Commission (“the AMCC”) of any changes to this plan. We will always regard complaints and adverse events related to our medical cannabis products with the utmost importance and urgency.

Internal record keeping will document details for each production batch, storage of cannabis, and any destruction or disposal. We will maintain these records for at least two years and reference record keeping documents in the event of a recall. A harvest or batch number will be assigned to cannabis products for facilitation of quick and easy identification in the event of a recall.

Our recall and contamination plan also accounts for the safety of employees and others on the premises, notification of proper authorities, exploring the possibility of retesting or remediation, proper disposal of contaminated cannabis and medical cannabis, 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. Ala. Admin Code. r. 538-x-4-.07.12.o.04.

### **24.1 Provisions for Chain of Custody Notification**

Our complete documentation of the product chain of custody allows us to track the movement of medical cannabis and medical cannabis products at every step of the process. We will utilize seed-to-sale inventory tracking systems to identify the originating licensed cultivator, processor, or integrated facility in the chain of custody related to an adverse event. Metrc will allow us to contact any cannabis businesses that may have cultivated, processed, tested, or otherwise interacted with our products related to an adverse event. Our recall committee will be comprised of the Director of Quality Assurance (“DQA”), Director of Quality Control (“DQC”), Head of Retail Operations (“HRO”), Director of Security (“DOS”), and certified dispensers within their respective locations. The recall committee is

tasked with chain of custody documentation related to contaminated or recalled products and providing notification to the appropriate parties. Our notification will include our business name, license number, details of the contamination, and product return information. The recall committee will coordinate transportation as needed between any other licensed cannabis businesses with impacted products, and they will provide related documentation. The recall committee will also encourage other licensees involved in the chain of custody delineation to stay in contact with the recall committee - we have designated the DQA and DQC as the main points of contact. After confirming the chain of custody and affected products, we will offer to provide reimbursement for recalled products and record subsequent refunds in our inventory system. Ala. Code § 20-2A-60(a)(10).

#### **24.2 Factors for Recall**

We will provide several avenues for individuals to report adverse effects experienced with our products. Ala. Code § 20-2A-60(a)(9). Physicians, caregivers, and patients will be able to report issues with products by directly contacting our facilities. Methods for this will include in person to any employee or electronically through our website. Certifying physicians can make updates directly to Metrc and the patient registry. We prefer and will encourage direct contact from our patients. For all product complaints, regardless of severity, we will respond to the individual within one business day - if the individual desires a response and provides contact information. Upon receiving a complaint or notification considered to be an adverse event, our HRO will alert the DQA, and DQC, and notify the AMCC.

We will log all testing results in the state seed-to-sale tracking system. Ala. Code § 20-2A-60(a). Any test failure will result in the entire cannabis batch associated with that result being quarantined. Ala. Admin Code. r. 538-x-10-.08.06. Upon notification of a failed test, our managerial team will work with a State Testing Laboratory and either accept, retest, challenge, or request remediation of the result within seven days. Ala. Admin Code. r. 538-x-10-.08.05(a-d). If a sample failed testing based on Alabama Department of Agriculture pesticide standards, we will immediately recall cannabis and products from that batch. Ala. Admin Code. r. 538-x-10-.04.06.g.03.

If a sample provided for retesting meets product standards, we will process, package, label, or sell that product, as notated in the statewide seed-to-sale tracking system and communicated by testing certificate. Ala. Admin Code. r. 538-x-10-.08.10. If at any time, further testing cannot be performed due to the lack of available State Testing Laboratories or the lack of viable samples, we will accept the result of the failed test and destroy or attempt remediation of the batch as required under the Rules. Ala. Admin Code. r. 538-x-10-.08.06(a-b). If, upon retesting, the sample fails the same official test, we will destroy and dispose of the entire batch and document this action in the Statewide Seed-to-Sale Tracking System. Ala. Admin Code. r. 538-x-10-.08.09. We will simultaneously initiate a recall on any cannabis from that batch or associated products that are no longer within our possession. We understand the AMCC may, at its discretion, order our business to undertake a recall and we will always comply and cooperate with any recalls ordered by the AMCC.

### **24.3 Responsible Roles**

We will train every employee at our facilities on our recall procedures. Our Chief Compliance Officer (“CCO”), DQA, and DQC will plan and conduct these staff trainings. Our DOS will proactively introduce themselves to local police departments and first responders and communicate their contact information, along with contact details for our business generally. In the event of a recall, the DOS will notify these regulatory entities. Further, our Chief Executive Officer (“CEO”) is a special deputy with the Jefferson County Sheriff’s department and will help facilitate a close relationship between our business and all local law enforcement entities, accompanying our DOS on any personal visits they make to these agencies.

Our DQA and DQC will oversee recall procedures. They will preside over the collection and record of our recalled products. Although Quality Assurance (“QA”) and Quality Control (“QC”) departments are independent, both are interrelated functions, and both have a role in recall and contamination procedures. Departmental directors and managers will develop a process for each stage of operations, validate the process (e.g., repeat the process multiple times to demonstrate that the process always yields a product with the same quality standards), and establish narrow “target” ranges and wider “acceptable” ranges for every

process parameter. If deviations happen outside of the narrower range, but within the wider range, QA will accept that the product is safe though not optimal. If the deviations happen outside of the wider range, QA will reject the batch, or may require additional data to support the release of the product.

QA is process oriented, encompassing the entire production process including sales. The ultimate goal of QA is patient safety. Conversely, QC is product oriented, composed of in-process testing and testing of the final product. The role of QC is to develop testing methods, establish product specifications (e.g., the acceptable values for product quality standards), and perform randomized testing for every. Another way to view the roles of QA and QC is when there is deviation in the QC process, e.g., a test was performed by QC outside of its validated processes. In such a case, the QC team would conduct the investigation into what went wrong, while the QA team would review that investigation for compliance.

We will have several methods for the AMCC, patients, caregivers, or physicians to notify us of an adverse event. Our HRO will monitor our systems for complaints, review each report, and determine the necessary next steps. They will work with the CCO, DOS, DQA, and DQC to initiate a recall when needed. Vendors that may support our recall resolution include food safety professionals, legal counsel, and our regular testing laboratory.

#### **24.4 Seed-To-Sale Notification Protocols**

Our internal record keeping will document all product details available from the originating facilities, all testing results, storage of cannabis, and any destruction or disposal of product in our custody. Leaf Logix will serve as our inventory and tracking system, and it will properly interface with Metrc to better allow us to accurately track cannabis products. Ala. Admin Code. r. 538-x-4-.05.04. We have a thorough record keeping system and we will maintain these records for at least two years and reference record keeping documents in the event of a recall. We will maintain product identification with harvest or batch numbers that are assigned to cannabis products, helping to facilitate quick and easy identification in the event of a recall.

We will log all testing results in the state seed-to-sale tracking system. Ala. Code § 20-2A-60(a). Any test failure will result in the entire cannabis batch associated with that



result being quarantined. Ala. Code § 20-2A-60(a)(6). We will diligently record where products are in our lifecycle, including which have been sold, are available for sale, are being transferred or processed into a new form, and any product that is in postharvest raw form. Ala. Code § 20-2A-60(a)(6)(a-e). If we find any adverse results related to our released products, we will contact individuals that purchased our products as soon as possible and we will take the additional step of noting the recall in the patient registry so the patient's certifying physician is aware and may advise on patient health accordingly. We will operate with complete transparency during any contamination or recall event to protect public health.

#### **24.5 Returns and Remediation Process**

We will utilize all available resources to retrieve recalled products back to our integrated facilities as soon as possible. Upon receipt of recalled medical cannabis and products, our QC team will review the product, track it in inventory control, and segregate it in our designated quarantine area until the AMCC authorizes disposal. We will clearly mark the recalled cannabis or products, making them easily distinguishable from sellable products. We will submit inventory data to the AMCC prior to destruction of any quarantined cannabis. Ala. Code § 20-2A-60(a)(4). We have contracted with Waste Management ("WM") of Birmingham to provide waste collection services for our dispensary facility. Our staff will prepare and compile waste into appropriate WM receptacles and follow all WM instructions for curbside pickup. We will also work with regulatory agencies as needed to protect public health during the disposal process. If directed to do so by the AMCC, we may submit products for retesting or remediation.

Utilizing our meticulous inventory procedures and Leaf Logix system, we will track which products remain to recall. All data associated with a recall will be recorded in our inventory system, including inventory of medical cannabis and products at our facility, the location of medical cannabis when it is sold, and the documentation of any cannabis products that were destroyed or disposed of at our facility. Staff will utilize invoices, transportation manifests, shipping logs, and sales records to confirm the accuracy of inventory system records.

We will establish a procedure to publicly communicate a recall of usable cannabis or cannabis products that present a probability of serious adverse health consequences with exposure. This will include a mechanism to contact all patients who have, or could have, obtained contaminated products from our facility, with clear instructions on product return. We will offer to provide reimbursement for the recalled product through our chain of custody process, and we will record subsequent refunds in the seed-to-sale system. Ala. Code § 20-2A-60(a)(10). We will provide several avenues for individuals to report adverse effects experienced with our products. Ala. Code § 20-2A-60(a)(9). If necessary and as approved by the AMCC, we may provide recall communication via traditional and social media platforms. Our recall tracking will include how much product from the recalled batch has been sold, product that is still available for sale, product that is in the process of transfer, product being processed, postharvest raw product, and all returned products. Ala. Code § 20-2A-60(a)(6)(a-e).

#### **24.6 Crisis Reports to Regulatory Bodies**

We will promptly and efficiently notify proper authorities in the event of discovery of product contamination. We will designate our DQC to initiate and implement a recall, maintain records of our recall activities, and provide communication with the AMCC, testing facilities, and other licensees as needed. Our CEO is currently a special deputy with the Jefferson County Sheriff's department and our DOS is a former investigator with Birmingham Police department, and both have developed proactive relationships with local authorities, including their current/former employers, and will contact them directly in the event of a recall. Their close relationships with these departments have already helped establish our business as a close contact with local law enforcement and we will continue to foster those relationships as we build out our operations in Birmingham. Within 24 hours of discovery, we will notify the AMCC by phone, email, or certified mail. Our notification will include our business name, license number, details of the contamination, and recall procedures performed, if any. We may also be in contact with the Alabama Department of Agriculture or Department of Health for communication about community safety and resolution of the issue.

Upon completion of the recall, the recall committee will summarize the details, record it in the digital inventory system, and submit a report to the AMCC. Our report will include: the total amount of recalled cannabis, including types, forms, batches, and lots; the names of the recall committee members; for whom the recalled cannabis was received; the means of transport of the recalled cannabis; the reason for the recall; the number of recalled samples, types, forms, and batches, that were sent to laboratories; the dates of testing and results; and the manner of disposal of recalled cannabis including who oversaw the disposal, method of disposal, date of disposal, and the amount disposed of by types, forms, and batches. We will submit inventory data to the AMCC prior to destruction of any recalled cannabis. We will also include any additional information deemed relevant by the AMCC.

#### **24.7 Preserve and Protect Products**

We will maintain our medical cannabis product integrity through proper storage and preservation techniques, based on industry standards. In the event of contamination or recall, we will implement additional procedures for the safe removal, secure transportation, and compliant temporary storage of our medical cannabis. This process will allow us to provide products to our patients while we resolve the contamination or recall. We may apply for a temporary variance to support these recall procedures. Ala. Admin. Code. r. 538-x-4-.08.06. Our standard operating procedures for dispensing will be followed as closely as possible, and modified by our HRO as needed, while at a temporary facility. All products will be diligently tracked in the state seed-to-sale system.

We have defined QC and QA procedures to efficiently identify contamination and recall situations as they develop. Before they begin work at our facility, all staff will complete training on a spectrum of potential hazards and materials that may influence a recall. We will also train staff on proper packaging, labeling, and storage conditions to prevent contamination by impurities or foreign substances. These trainings will help to protect our products.

Once identified, managers will notify employees to activate recall procedures. We will isolate affected cannabis products immediately upon notification of a recall and sequester unaffected products in a safe area. Staff will remove safe cannabis stock from sales floors in an orderly and secure manner. Staff will then collect storage containers of our products and

load them into compliant transportation vehicles. Simultaneously, staff will log these products in the seed-to-sale tracking system. We will then transport our cannabis products to a secure, AMCC approved, temporary storage facility. At this facility medical cannabis products will be made available for safe dispersal to patients.

We will provide continual access to medical cannabis for our patients. If our integrated facility is impacted by a recall, we will sequester safe cannabis for continual medical access. This may include the transportation of medical cannabis products to an AMCC-approved auxiliary site, for safe dispersal to patients in emergency situations.

If all products under our control and in our possession are recalled or otherwise impacted by contamination, we will work with the AMCC and another licensed medical cannabis business to meet the continual needs of our patients. In all recall related events, we will actively communicate updates to our patients and their caregivers.

#### **24.8 Investigation and Analysis**

Any legitimized adverse event claim will undergo a rigorous investigation to determine the root cause – whether within our facility or beyond. Our CCO has ample experience overseeing audits of quality and mitigating risk in future operations. Her experience as the Director of Trust and Safety for Shipt provided her with the opportunity to adeptly own and resolve time-sensitive, high-profile quality incidents both internally and externally in a manner that helped achieve a satisfactory resolution and mitigates future risk to the company. Her experience includes working cross-functionally with Legal and PR teams on verbal and written communications to affected parties, as well as handling all interactions with law enforcement. Our CCO will therefore oversee and audit this investigation, which will be conducted by the DQA and HRO. Fortunately, both our DQA and HRO also bring experience in performing quality investigations in retail settings to our team and their experience will help facilitate smooth, efficient, and accurate resolution of recall and contamination issues at our Alabama dispensary.

Data from the initial contamination complaint will be utilized and formalized in our records during this process. Reliable recordkeeping in all aspects of business will provide a solid foundation for claim investigation. We will utilize inventory systems to link a potential product defect to associated batches, personnel, equipment, storage, and procedures.

The DQA will work with the HRO to develop a process for each product, validate the process, and establish narrow target ranges for every process parameter. In the instance of nonconformance or deviations from the standard, the QA team will use a root cause analysis method. The QA team will then review the investigation and make appropriate changes and validate the process to guarantee compliance with regulations. Our executive team will communicate with other impacted licensees to guarantee all factors are included in our investigation. We will revise our standard operating procedures immediately to integrate any changes and conduct additional staff training, as necessary. All analysis results will be included in our recall report to the AMCC.

### **Conclusion**

We are dedicated to the safety of our patients, employees, and the community. Our recall plan provides specific procedures, defines timelines, and assigns roles and responsibilities if a safety issue arises with any of the cannabis or cannabis products within our facility control. While we will take every measure possible to prevent a contamination or recall incident, we recognize that there are a various number of reasons a recall may occur. We have a duty to run a responsible and ethical operation and we will always comply with a recall, whether voluntary or AMCC mandated.

# Exhibit 25 - 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.**

Keith J. Smith

CEO

Printed Name of Verifying Individual

Title of Verifying Individual

*Keith J. Smith*

12/13/2022 | 12:20 PM PST

Signature of Verifying Individual

Verification Date

**25.1 – Any proposed logos, branding, messaging, or other marketing or advertising communications, either in-house (e.g., in displays or on video monitors installed in the dispensing site) or providing exemplars of any specific advertisements.**

Our company’s proposed logo is attached below.

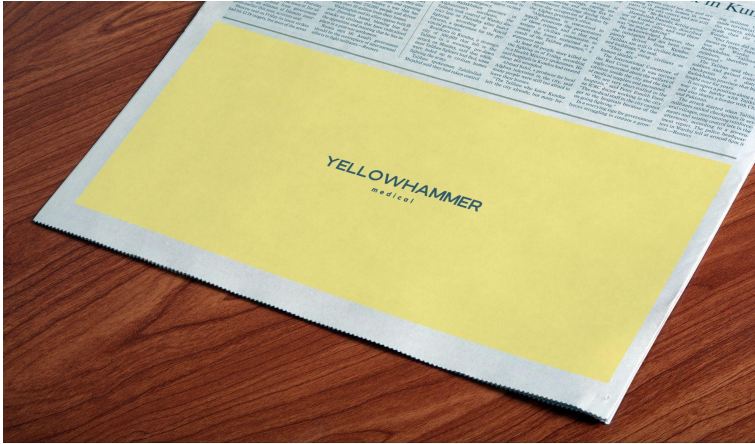
Proposed Company Logo



We will market in local newspapers and magazines with verified audiences that are solely of and above the age of 21. Our proposed advertisements are attached below, which are simple brand awareness signaling.

Proposed Magazine Newspaper Advertisements





We will utilize exit bags for holding purchased products which will bear our logo, mockups of which are attached below. This is to create brand awareness and is compliant with marketing regulations.

Proposed Exit Packaging



**25.2 – Any specific media outlets or platforms where the marketing or advertising campaigns or programs will be utilized.**

While we will be hiring a Marketing Director, we will not be marketing with any specific media outlet or third party.



**25.3 – The identity of any media outlet, social media platform, or third-party individual or entity which 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.**

While we will be hiring a Marketing Director, we will not be marketing with any specific media outlet or third party, other than creating a Facebook page displaying our contact information, address, pictures of our interior sales floor, and where we will post independent research/educational materials.

# Exhibit 26 – 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.**

Keith J. Smith

CEO

\_\_\_\_\_  
Printed Name of Verifying Individual

\_\_\_\_\_  
Title of Verifying Individual

*Keith J. Smith*

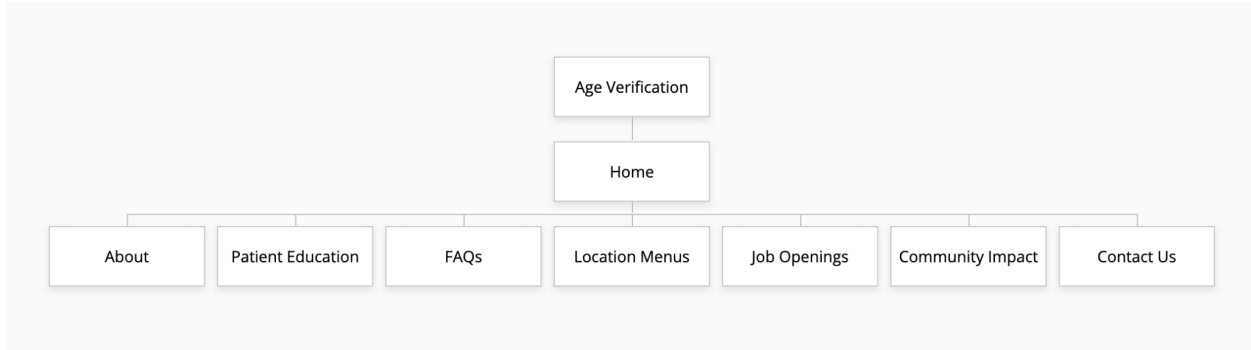
12/13/2022 | 12:20 PM PST

\_\_\_\_\_  
Signature of Verifying Individual

\_\_\_\_\_  
Verification Date

**26.1 – A complete site map of each website owned or operated by the Applicant.**

See below for our dispensary’s website map.



**26.2 – The web address of each webpage, social media page, or other online site owned or operated by the Applicant.**

We have not yet paid for an address and created this website. We do not have any social media pages at this time. We will be creating a Facebook page, if licensed, for visibility.

December \_\_\_\_, 2022

Alabama Medical Cannabis Commission  
P.O. Box 309585  
Montgomery, Alabama 36130

Re: Applicability of FORM I to Yellowhammer Medical Dispensaries, LLC (the "Company")

To Whom It May Concern:

No entity possesses an ownership interest in the Company. All of the owners of the Company are individuals. As such, this exhibit is not applicable to the Company.

**Yellowhammer Medical Dispensaries, LLC**

CEO/Owner/Contact Person

By: \_\_\_\_\_

Name: *Keith Jeffrey Smith*

Date Signed: December 23, 2022

The applicant has secured a Letter of Intent from Assured Partners for the insurance required by the Alabama Medical Cannabis Commission. Members of Yellowhammer Medical Dispensaries have been involved in medical cannabis in other states and have never had issues procuring insurance at the levels required by the AMCC. Below is an email exchange with the commission on October 4<sup>th</sup> verifying that a Letter of Intent is sufficient to fulfill the requirements of this section.

**Is this insurance required to be acquired before the submission on December 30?**

The AMCC rules require applicants to show the ability to maintain such minimum levels of coverage. At the time of application, this may be evidenced by a letter of intent or other guarantee of coverage contingent upon licensure.



December 23, 2022

Yellowhammer Medical Dispensaries LLC.

17 20<sup>th</sup> Street North, Ste. 300

Birmingham, AL 35205

Re: Letter of Intent: Yellowhammer Medical Dispensaries LLC.

To Whom It May Concern:

It is a pleasure for me to have the opportunity to recommend one of our valued clients: Yellowhammer Medical Dispensaries LLC. and Jeff Smith, CEO. Yellowhammer Medical Dispensaries LLC. has engaged our Cannabis Practice as their outsourced risk management and insurance team to help develop a risk analysis that will include several stages of their development:

1. Leasing/purchasing of the retail locations
2. Construction activity to ready the site for operations
3. Operational stage (once cannabis is on the premise)

Part of this analysis will also consist of standard safety and loss control measures for entering and egress of the facility, burglar alarms, fire protection, specific requirements for storing the inventory, cash and vendor tracking systems.

Per our review, we intend to provide Yellowhammer Medical Dispensaries LLC the minimum requirements of insurance required by the state of Alabama for \$2,000,000 in casualty, workers' compensation, liability and (as applicable) auto liability coverage. These coverages will be secured by insurance carriers with a minimum financial rating of AM Best A- VII.

The property and casualty insurance lines of coverage will include:

1. Property Coverages: TBD per buildout
  - a. Building coverage
  - b. Tenant Improvements and betterments



- c. Business Personal property
  - d. Business Income and Extra Expense
  - e. Indoor Crop Coverage
  - f. Cannabis Inventory and finished products
2. Auto Liability: \$2,000,000 combined single limit
  - a. Owned and Hired Non-Owned
3. General liability: \$2,000,000 per occurrence; \$2,000,000 aggregate
  - a. Assault & Battery
4. Product Liability: \$2,000,000 per occurrence; \$2,000,000 aggregate
  - a. Product withdrawal sub limits: \$100,000
5. Workers Compensation: statutory limits
  - a. Job descriptions
  - b. Safety program
6. Professional Liability (E&O): \$2,000,000 per occurrence and aggregate
7. Cyber Liability: \$1,000,000 per occurrence; \$2,000,000 aggregate
8. Employment Practice Liability: \$1,000,000 per occurrence; \$1,000,000 aggregate

Our history and review of Jeff Smith’s ownership, management team, insurance and risk management plans clearly indicate a company thoroughly versed in the cannabis industry with a strong depth of experienced processes, procedures, and personnel.

Based upon our experience, our discussions and reviewing their preliminary applications for our Cannabis and Hemp insurance programs; we can foresee no difficulty in fulfilling the insurance policies required for managing their operations and compliance for all the city, county and state requirements.

If you have any questions, feel free to call our office.

Sincerely,

**Doug Esposito**  
Energy & Cannabis Practice Leader  
AssuredPartners

FORM K: Affidavit of Entity Applicant for  
Alabama Medical Cannabis License

STATE OF ALABAMA )  
 )  
Jefferson 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: Yellowhammer Medical Dispensaries, LLC

2. NAME OF AFFIANT: Jeffrey Lyndel Smith

3. AFFIANT'S POSITION WITH APPLICANT: Owner

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.

JS 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.)**

JS 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.

JS 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.

\_\_\_\_\_  
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.

\_\_\_\_\_  
INITIAL HERE

f. Applicant understands, acknowledges, and will continue to respect and comply with AMCC Rules regarding limited communication during the Application process.

\_\_\_\_\_  
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.

\_\_\_\_\_  
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.

\_\_\_\_\_  
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.

\_\_\_\_\_  
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.

\_\_\_\_\_  
INITIAL HERE

\_\_\_\_\_  
Signature of Affiant  
Acting for and on behalf of:

Yellowhammer Medical Dispensaries, LLC

Applicant

Sworn to and subscribed before me on this 8<sup>th</sup> day of November, 2022.

\_\_\_\_\_  
Notary Public

My Commission Expires: 5-1-23

[SEAL]



**FORM K: Affidavit of Entity Applicant for  
Alabama Medical Cannabis License**

STATE OF ALABAMA )  
 )  
Jefferson 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: Yellowhammer Medical Dispensaries, LLC
2. NAME OF AFFIANT: Keith Jeffrey Smith
3. AFFIANT'S POSITION WITH APPLICANT: \_\_\_\_\_
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.  
KS 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.)**  
KS 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.  
KS 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.

KS 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.

KS INITIAL HERE

f. Applicant understands, acknowledges, and will continue to respect and comply with AMCC Rules regarding limited communication during the Application process.

KS 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.

KS 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.

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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.

KS 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.

KS INITIAL HERE

[Signature]

Signature of Affiant  
Acting for and on behalf of:

Yellowhammer Medical Dispensaries, LLC  
Applicant

Sworn to and subscribed before me on this 7<sup>th</sup> day of December, 2022

[Signature]  
Notary Public

My Commission Expires: 5-1-23



[SEAL]