Trade Secret Information Form

Under Minnesota's Data Practices Act, data submitted in a response becomes public upon completion of the evaluation process and negotiations are complete, or upon completion of the selection process for a solicitation. However, "trade secret information" as defined in Minn. Stat. § 13.37, subd. 1(b), cannot be disclosed to the public. While the majority of data submitted in a response is not trade secret information, the following form is needed to assist the State in making appropriate determinations about the release of data provided in a response.

All responders must select one of the following boxes:

☐ "Trade secret information" contained in my response: **NONE**. I understand that because my response does not contain "trade secret information" my entire response will become public record in accordance with Minn. Stat. § 13.591.

☒ My response **does** contain trade secret information because it contains data that:

1. is a formula, pattern, compilation, program, device, method, technique or process; **AND**
2. is the subject of efforts by myself or my organization that are reasonable under the circumstances to maintain its secrecy; **AND**
3. derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.

Complete only if trade secret status is asserted:

I am claiming that aspects of my response contain trade secret information. I have completed the following:

☒ I have clearly marked every page of the application response that contains "trade secret information" **AND** I am attaching a list, including page numbers, and an explanation justifying the trade secret designation, including, but not limited to providing explanation of all three items, numbers 1-3 above for each trade secret claim.

Please note that failure to attach an explanation may result in a determination that the data does not meet the statutory trade secret definition. All data that does not meet the definition of trade secret as defined by Minn. Stat.§13.37 subd.1(b) will become public in accordance with Minn. Stat. §13.591. The State reserves its right to make its own determination of Responder's Trade Secret Materials.

By submitting this response, responder agrees to indemnify and hold the State, its agents and employees, harmless from any claims or causes of action relating to the State's withholding of data based upon reliance on the above representations, including the payment of all costs and attorney fees incurred by the State in defending such an action.

ONLY information properly identified utilizing this form will be eligible for Trade Secret designation. This form must accompany any documentation that is being submitted for Trade Secret. This includes but is not limited to any material that may be submitted as part of the solicitation response, or in relation to a subsequent Contract. Information labeled "confidential," "proprietary," or labeled with similar tags with regard to limiting the State's disclosure will NOT be eligible for trade secret designation unless the form provided in the solicitation is properly completed and submitted as a cover page to the information, and it meets the statutory definition of a trade secret. By submitting a response you agree that the information submitted that does not follow the trade secret process defined herein and does not meet the statutory definition of trade secret may be released by the State without prior notification to the responder and/or the Contract Vendor.

LeafLine Labs
List Of Trade Secrets by Application Page Number

RFA Section	Page(s)	Explanation
A2	A10 through A19, A21, A25,	These pages, which are a portion of our business plan, including financial and business assumptions, calculations and pro-forma information are compilations, including methods, techniques, processes and formulas that are the subject of strict LLL ongoing efforts to keep secret. This information derives independent economic value from not being generally known or ascertainable and people contemplating entry to the medical cannabis business would pay, and in fact have paid, valuable consideration to have access to this information.
B2i, B2k	B32-B41 B47-B54	Our floor plans are integral to our security and reveal our separate grow rooms, our lighting protocol, our security systems, the interrelationships between propagation areas, veg areas and flower areas, extraction areas, etc. The floor plans are data that are a pattern and compilation. This information derives value from not being generally known and people contemplating entry to the medical cannabis business would pay, and in fact have paid, valuable consideration to have access to this information. The floor plan derives independent economic value from not being generally known.
B3j	B129-B132	Floor Plans. Same rationale as in B2i, except in the distribution center context.
D		We respectfully request the MDH to classify personal identifying information like names, addresses, contact information, etc. as nonpublic

APPLICATION CHECKLIST

Applicant Name: Leafline Labs, LLC

Application Date: October 3, 2014

Service Area(s): A (odd # districts): ☒ B (even # districts): ☒

	Statutory Requirement	Yes	No
1	I certify I have read the provisions of Minn. Stat. §§152.22 – 152.37 and my application complies with all the statutory requirements	☒	☐
2	My proposal entails a plan that would accomplish supplying medical cannabis to patients by July 1, 2015	☒	☐
3	My proposal entails a plan that would begin distribution at four (4) distribution facilities supplying medical cannabis to patients by July 1, 2016	☒	☐
4	I certify I will contract with a laboratory, subject to the commissioner's approval of the laboratory and any additional requirements set by the commissioner, for purposes of testing medical cannabis manufactured by the medical cannabis manufacturer as to content, contamination, and consistency to verify the medical cannabis meets the requirements of Minn. Stat. §§152.22, subdivision 6	☒	☐
5	I certify I will document and make available on request the following operating documents:		
	a. Procedures for the oversight of the manufacturer and procedures to ensure accurate recordkeeping	☒	☐
	b. Procedures for the implementation of appropriate security measure to deter and prevent the theft of medical cannabis and unauthorized entrance into areas containing medical cannabis	☒	☐
6	My proposal would implement security requirements, including requirements for protection of each location by a fully operational security alarm system, facility access controls, perimeter intrusion detection systems and a personnel identification system	☒	☐
7	I certify our manufacturing facility will not share office space with, refer patients to a health care practitioner, or have any financial relationship with a health care practitioner	☒	☐
8	I certify that we will not permit any person to consume medical cannabis on the property of the manufacturing or distribution facilities	☒	☐

	Statutory Requirement	Yes	No
9	I acknowledge I am subject to reasonable inspection by the commissioner and his or her designates	☒	☐
10	I certify I will not employ any person who is under 21 years of age or who has been convicted of a disqualifying felony offense and that all employees and staff must submit to a criminal history records check and a full set of classifiable fingerprints prior to beginning work	☒	☐
11	I certify I will not operate in any location, whether for distribution or cultivation, harvesting, manufacturing, packaging, or processing, within 1,000 feet of a public or private school existing before the date of the manufacturer's registration	☒	☐
12	I certify that I will comply with reasonable restrictions set by the commissioner relating to signage, marketing, display, and advertising of medical cannabis	☒	☐

The undersigned attests that the applicant organization will adhere to the statutory requirements listed above and that they have the authority to bind the applicant organization to the statutory requirements.

Peter Bachman
Name – Signature

10/3/14
Date

Peter Bachman
Name - Printed

REGULATORY AGENCY AUTHORIZATION FORM

I/We, the undersigned applicant, hereby state as follows:

I/We have either applied for or are currently or have been previously licensed or authorized to produce or otherwise deal in the distribution of cannabis in any form, in the following states or jurisdictions and corresponding agency or authority:

State & Agency	Name of Licensee	License or Registration #
CT - dept of consumer protection	Theraplant LLC	MMPR.0000004

I/We hereby specifically grant the Minnesota Department of Health permission to contact the above listed states or jurisdictions and their licensing agency or authority to confirm the information contained in the application for a manufacturer registration. I/We hereby specifically grant permission to the above listed states or jurisdictions and their licensing agency or authority to release to the Minnesota Department of Health any and all information relating to the application, licensure or authorization to produce or otherwise deal in the distribution of cannabis in any form, including the following:

a. Any denial, suspension, revocation or other sanction of the application, license or authorization and
b. A copy of documentation so indicating; or
c. A statement that the applicant was so licensed or authorized and was never sanctioned.

The undersigned attests that the applicant organization will adhere to the statutory requirements listed above and that they have the authority to bind the applicant organization to the statutory requirements.

Name – Signature

Date 9/30/14

Christopher Weidling
Name - Printed

NOTICE OF PROPER MANUFACTURING FACILITY ZONING FORM

TO BE COMPLETED BY APPLICANT

1. NAME OF ENTITY APPLYING FOR A MEDICAL CANNABIS REGISTRATION		
Leafline Labs, LLC		
2. ADDRESS OF THE PROPOSED MANUFACTURING LOCATION Tentative Address: 8235 97th Street South. The property is approximately 24 acres of land located south of 97th Street and approximately 2,000 feet west of Jamaica Avenue in the Cottage Grove Business Park.	3. DISTRICT 2nd Congressional District	
4. CITY Cottage Grove	5. COUNTY Washington	6. ZIP CODE 55016

CHECK ALL THAT APPLY

There are no local zoning restrictions specific to a medical cannabis manufacturing facility at the identified location. In the I-2 zoning district, this use is allowed by conditional use permit, and is subject to the conditions stiplated in City of Cottage Grove Resolution No. 2014-088.	☐ Yes	☑ No
The location of the proposed medical cannabis dispensary is in compliance with local zoning restrictions for medical cannabis manufacturing. Not applicable.	☐ Yes	☐ No
The proposed manufacturing has duly filed a request to the appropriate local zoning authority to approve the specified location for a medical cannabis manufacturing. The City Council of the City of Cottage Grove approved the conditional use permit and site plan on 9/17/14. If a zoning request was filed but has not been approved, the zoning determination is expected to be issued in approximately _____ DAYS ☐ WEEKS ☐ MONTHS ☐ (check one)	☑ Yes	☐ No

TO BE COMPLETED BY AN AUTHORIZED REPRESENTATIVE OF THE LOCAL ZONING OFFICE

Community Development Director/City Engineer Title of the Authorized Zoning Representative	City of Cottage Grove Name of the Local Jurisdiction
Jennifer Levitt Printed Name	651-458-2890 Telephone Number

Jennifer Levitt 9/10/14
Signature/Date

Subscribed and sworn to before me this 18 day of September, 2014.

(SEAL)
CARON M. STRANSKY
NOTARY PUBLIC - MINNESOTA
My Commission Expires Jan. 31, 2015

Caron M Stransky
Notary Public

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☑ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation. _____ _____	☑ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation. _____ _____	☐ Yes	☑ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation. _____ _____	☑ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation. _____ _____	☐ Yes	☑ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation. _____ _____	☑ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☑ No
If you are employed by the State, please state the name, agency and position. _____		

Adam

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☑ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☑ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☑ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☑ Yes	☐ No

Dated this 22 day of September, 2014

Signature of Owner / Managing Director

ADAM BACHMAN
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 22nd day of September, 2014.

CHERYL A. DEJARLAIS
Notary Public-Minnesota
My Commission Expires Jan 31, 2015
(SEAL)

Cheryl A. DeJarlais
Notary Public

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

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MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☒ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation.	☒ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation.	☐ Yes	☒ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation.	☒ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation.	☐ Yes N/A	☐ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation.	☒ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☒ No
If you are employed by the State, please state the name, agency and position.		

Andrew Bachna

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☒ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☒ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☒ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☒ Yes	☐ No

Dated this 29 day of SEPTEMBER, 2014

AW Bachman
Signature of Owner / Managing Director

ANDREW W. BACHMAN
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 29 day of September, 2014.

(SEAL) BECKIE L. NORTHROP NOTARY PUBLIC-MINNESOTA My Commission Expires Jan. 31, 2015

Notary Public

BECKIE L. NORTHROP
NOTARY PUBLIC-MINNESOTA
My Commission Expires Jan. 31, 2015

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☒ Yes	☒ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation. _____ _____	☐ Yes	☒ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation. _____ _____	☐ Yes	☒ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☒ No
If you are employed by the State, please state the name, agency and position. _____		

Jonathan

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☒ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☒ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☒ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☒ Yes	☐ No

Dated this 19th day of September, 2014

Jonathan C. Bachman
Signature of Owner / Managing Director

Jonathan C. Bachman
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 19th day of September, 2014.

Alexander Xochihua Carroll
(SEAL)
Notary Public - Minnesota
My Commission Expires January 31, 2017

9.19.14
Notary Public

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☑ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation.	☑ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation.	☐ Yes	☑ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation.	☑ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation.	☐ Yes	☑ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation.	☑ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☑ No
If you are employed by the State, please state the name, agency and position.		

Lynn

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☑ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☑ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☑ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☑ Yes	☐ No

Dated this 23 day of September, 2014

Lynn A. Bachman
Signature of Owner / Managing Director

Lynn S. Bachman
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 23rd day of Sep., 2014.

(SEAL)
KRISHNESWARY RAJAGOPALA
NOTARY PUBLIC-MINNESOTA
My Commission Expires Jan. 31, 2015

K.S. Rajagopala
Notary Public

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☒ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation. _____ _____	☐ Yes	☒ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation. _____ _____	☐ Yes	☒ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☒ No
If you are employed by the State, please state the name, agency and position. _____		

Mark

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☒ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☒ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☒ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☒ Yes	☐ No

Dated this 19th day of September, 2014

Signature of Owner / Managing Director

Mark W. Bachman
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 19th day of September, 2014.

(SEAL)
Alexander Xochihua Carroll
Notary Public - Minnesota
My Commission Expires January 31, 2017

9.19.14
Notary Public

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

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3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation.	☐ Yes	☒ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation.	☒ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation.	☐ Yes	☒ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation.	☒ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☒ No
If you are employed by the State, please state the name, agency and position.		

Panc

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☒ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☒ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☒ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☒ Yes	☐ No

Dated this 22 day of SEPT., 2014

Paul Bachman
Signature of Owner / Managing Director

PAUL BACHMAN
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 22nd day of September, 2014.

CHERYL A. DEJARLAIS
Notary Public-Minnesota
My Commission Expires Jan 31, 2015
(SEAL)

Cheryl A. DeJarlais
Notary Public

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

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1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☒ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation. _____ _____	☐ Yes	☒ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation. _____ _____	☐ Yes	☒ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☒ No
If you are employed by the State, please state the name, agency and position. _____		

Peter B

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☒ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☒ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☒ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☒ Yes	☐ No

Dated this 22nd day of September, 2014

Peter Bachman
Signature of Owner / Managing Director

Peter Bachman
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 22 day of Sept., 2014.

HATTIE JANE GOPLEN
Notary Public
Minnesota
My Comm. Expires
Jan 31, 2018
(SEAL)

Notary Public

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☑ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation.	☑ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation.	☐ Yes	☑ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation.	☑ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation.	☐ Yes	☑ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation.	☑ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☑ No
If you are employed by the State, please state the name, agency and position.		

M Baruchowitz

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☑ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☑ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☑ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☑ Yes	☐ No

Dated this 27th day of September, 2014

Signature of Owner / Managing Director

Mitchell Barchuk
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 29 day of September, 2014.

(SEAL)

Notary Public

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☒ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation.	☒ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation.	☐ Yes	☒ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation.	☒ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation.	☐ Yes	☒ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation.	☒ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☒ No
If you are employed by the State, please state the name, agency and position.		

Emmons

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☒ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☒ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☒ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☒ Yes	☐ No

Dated this 1 day of October, 2014

Signature of Owner / Managing Director

Daniel Emmans
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 1st day of October, 2014.

(SEAL)

Notary Public
Jennifer Stack
Commission Expires: 9/30/19

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☑ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation. _____ _____	☑ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation. _____ _____	☐ Yes	☑ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation. _____ _____	☑ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation. _____ _____	☐ Yes	☑ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation. _____ _____	☑ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☑ No
If you are employed by the State, please state the name, agency and position. _____		

Fung

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☑ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☑ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☑ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☑ Yes	☐ No

Dated this 1st day of October, 2014

Daniel Fung
Signature of Owner / Managing Director

Daniel Fung
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 1st day of October, 2014.

(SEAL)

Notary Public
Jennifer Stack
Commission Expires: 9/30/19

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☒ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation. _____ _____	☐ Yes	☒ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation. _____ _____	☐ Yes	☒ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☒ No
If you are employed by the State, please state the name, agency and position. _____		

KH

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☒ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☒ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☒ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☒ Yes	☐ No

Dated this 29th day of September, 2014

Kelly Henry
Signature of Owner / Managing Director

Kelly Henry
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 29th day of September, 2014.

BECKIE L. NORTHROP
NOTARY PUBLIC-MINNESOTA
My Commission Expires Jan. 31, 2015

Notary Public

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☑ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation.	☑ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation.	☐ Yes	☑ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation.	☑ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation.	☐ Yes	☑ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation.	☑ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☑ No
If you are employed by the State, please state the name, agency and position.		

Lane

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☑ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☑ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☑ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☑ Yes	☐ No

Dated this 1 day of OCT, 2014

Signature of Owner / Managing Director

JON G LAWE
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 1st day of October, 2014.

(SEAL)

Notary Public
Jennifer Stack
Date Commission Expires: 1/30/19

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☒ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation. _____ _____	☐ Yes	☒ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation. _____ _____	☐ Yes	☒ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☒ No
If you are employed by the State, please state the name, agency and position. _____		

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☒ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☒ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☒ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☒ Yes	☐ No

Dated this 22 day of Sept, 2014

Leslie McWhite
Signature of Owner / Managing Director

Leslie McWhite
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 22 day of Sept, 2014.

TAMMY J LAWLER (SEAL)
NOTARY PUBLIC - MINNESOTA
My Commission Expires Jan. 31, 2015

Notary Public

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☒ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation.	☒ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation.	☐ Yes	☒ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation.	☒ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation.	☐ Yes	☒ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation.	☒ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☒ No
If you are employed by the State, please state the name, agency and position.		

JR

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☒ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☒ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☒ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☒ Yes	☐ No

Dated this 29th day of September, 2014

Jonathan Rapport
Signature of Owner / Managing Director

JONATHAN RAPPOPORT
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 29 day of September, 2014.

BECKIE L. NORTHROP
NOTARY PUBLIC-MINNESOTA
My Commission Expires Jan. 31, 2015

Notary Public

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☒ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation.	☒ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation.	☐ Yes	☒ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation.	☒ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation.	☐ Yes	☒ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation.	☒ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☒ No
If you are employed by the State, please state the name, agency and position.		

Ruby

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☒ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☒ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☒ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☒ Yes	☐ No

Dated this 1ST day of OCT, 2014

Ethan Ruby
Signature of Owner / Managing Director

Ethan Ruby
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 1st day of October, 2014.

(SEAL)

Notary Public
Jennifer Stack
Commission expires: 9/30/19

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☑ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation. _____ _____	☑ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation. _____ _____	☐ Yes	☑ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation. _____ _____	☑ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation. _____ _____	☐ Yes	☑ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation. _____ _____	☑ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☑ No
If you are employed by the State, please state the name, agency and position. _____		

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☑ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☑ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☑ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☑ Yes	☐ No

Dated this 29 day of Sept., 2014

Signature of Owner / Managing Director

GARY STARR
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 29 day of Sept, 2014.

BECKIE L. NORTHROP
NOTARY PUBLIC-MINNESOTA
My Commission Expires Jan. 31, 2015

Notary Public

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☒ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation. _____ _____	☐ Yes	☒ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation. _____ _____	☐ Yes	☒ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☒ No
If you are employed by the State, please state the name, agency and position. _____		

Taylor

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☑ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☑ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☑ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☑ Yes	☐ No

Dated this 29 day of September, 2014

Glenn Taylor
Signature of Owner / Managing Director

Glenn Taylor
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 29 day of September, 2014.

BECKIE L. NORTHROP
NOTARY PUBLIC-MINNESOTA
My Commission Expires Jan. 31, 2015
(SEAL)

Notary Public

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☒ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation.	☒ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation.	☐ Yes	☒ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation.	☒ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation.	☐ Yes	☒ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation.	☒ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☒ No
If you are employed by the State, please state the name, agency and position.		

Thull

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☒ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☒ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☒ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☒ Yes	☐ No

Dated this 19th day of September 2014

Signature of Owner / Managing Director

Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 19 day of SEPTEMBER, 2014.

KIMBERLY A SPORS
(Notary) Public
Minnesota
My Comm. Expires
Jan 31, 2017

Notary Public

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☒ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation. _____ _____	☐ Yes	☒ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
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6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation. _____ _____	☒ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☒ No
If you are employed by the State, please state the name, agency and position. _____		

Turner

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I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☒ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☒ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☒ Yes	☐ No

Dated this 1st day of October, 2014

Scott Turner
Signature of Owner / Managing Director

Scott Turner
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 1st day of October, 2014.

(SEAL)

Notary Public
Jennifer Stack
commission Expires: 9/30/19

OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM

This form is to be completed by each owner of the applicant company and its managing director.

MEDICAL CANNABIS OWNER AND MANAGING DIRECTOR CERTIFICATION STATEMENT FORM		
1. I certify that I have not held an ownership interest in a cannabis manufacturer or its equivalent in another state or territory of the United States that had the registration or license suspended, revoked, placed on probationary status or subject to disciplinary action.	☒ Yes	☐ No
2. I certify that I have not managed or served on the board of any business or not-for-profit that was convicted, fined, censured, or had a registration suspended or revoked in an administrative or judicial proceeding. If no, provide a brief explanation.	☒ Yes	☐ No
3. Are you a party to any legal proceeding where damages, fines, or civil penalties may reasonably be expected to exceed $500,000 above any insurance coverage available to cover the claim? If yes, provide a brief explanation.	☐ Yes	☒ No
4. I certify that I am not delinquent on the filing of state or federal taxes. If no, provide a brief explanation.	☒ Yes	☐ No
5. If you have held a medical cannabis or medical marijuana license or registration in another State, have you been disciplined (including, but not limited to restricted, suspended, or terminated) by any State? If yes, provide a brief explanation.	☐ Yes	☒ No
6. I certify that I have not been denied a professional license, privilege of taking an examination, or had a professional license or permit disciplined by a licensing authority in Minnesota or other state. If no, provide a brief explanation.	☒ Yes	☐ No
Are you employed by the State of Minnesota? If no, skip next question.	☐ Yes	☒ No
If you are employed by the State, please state the name, agency and position.		

Weidong

I acknowledge that as an applicant, I have actual notice that, notwithstanding any State law: • Cannabis is a prohibited Schedule I controlled substance under federal law; • Any activity not sanctioned by the Statute or the administrative rules may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration; • Use of medical cannabis may affect an individual's ability to receive federal or State licensure in other areas; • Use of medical cannabis, in tandem with other conduct, may be a violation of State or federal law and could result in arrest, prosecution, conviction, or incarceration;	☒ Yes	☐ No
I certify that I have not been charged with or have been convicted of a "disqualifying felony offense" as defined under Minnesota section 152.22, subdivision 3.	☒ Yes	☐ No
I certify my acknowledgment that application fees are non-refundable.	☒ Yes	☐ No
I acknowledge that in filing an application for registration and receiving a date and time stamped receipt, the following: a. The Department is vested with broad discretion to select the applicants to be awarded a registration; and b. The Department's decisions in selecting the applicants shall be final.	☒ Yes	☐ No

Dated this 30th day of Sept, 2014

Signature of Owner / Managing Director

Christopher Weidling
Printed Name of Owner / Managing Director

Sworn to and subscribed before me on this 30th day of September, 2014.

(SEAL)

Notary Public
Jennifer Stack
Date Commission Expires: 9/30/19

LEAFLINE LABS RFA RESPONSE MASTER TABLE OF CONTENTS

**** Please find all End of Section C Exhibits in the supplemental binders accompanying this primary binder.*

LEAFLINE LABS RFA RESPONSE MASTER LIST OF EXHIBITS

LeafLine Labs

A. Business Overview

1. Brief Summary
2. Business Plan
3. Marketing Plan

SECTION TABLE OF CONTENTS

SECTION A EXHIBITS

A.1 Brief Summary

LeafLine Labs, LLC ("LLL") is pleased to submit this application for registration as a medical cannabis manufacturer. In its entirety, our application clearly demonstrates that:

- We have secured provisional ownership of a manufacturing facility, including all land use approvals, with provisional leasing agreements for multiple distribution sites;
- We feature significant and outstanding relevant professional experience:
    - Cannabis cultivation experience at large-scale;
    - Commercial manufacturing of "pharmaceutical grade" cannabis medicine using the finest equipment, processes and QA/QC available;
    - Stellar record of business ownership and management experience
    - Ownership and management of businesses that required 24-hour security.

LeafLine Labs has assembled a team with extensive experience operating complex companies and medical cannabis production facilities specifically. LLL combines one of Minnesota's leading business families and a group of medical cannabis professionals who have spent five years perfecting all aspects of running a pharmaceutical quality medical cannabis cultivation facility and currently operate a facility in Watertown, Connecticut under the name Theraplant. Several members of the Bachman family have combined with several of the principals of Theraplant to bring high quality medicine and palliative relief to pain and disease sufferers of Minnesota. Along with its combined 20+ years operating medical cannabis cultivation, LeafLine Labs also has significant medical expertise, extraction know-how and the clinical experience to devote resources and manpower to advancing the science of medical cannabis and creating new products and delivery methods for the patients of Minnesota.

Our long term operating plan has four major goals: i) Be compliant in every manner with Minnesota regulations, ii) Run a safe and secure facility for both the community and our workers that mitigates all external risks and prevents theft or diversion of our medicine, iii) Consistently grow industrial quantities of high quality medical cannabis that can be extracted into effective products for the patients of Minnesota, and iv) Provide patients with a safe, secure environment in which to obtain these very important medicines.

RELEVANT EXPERIENCE/INDUSTRY KNOWLEDGE

A successful cultivation and distribution operation that can consistently deliver medicine to the patients of Minnesota relies on both the experience of growing medical cannabis and on strong executive management with experience in regulatory compliance, best practices, safety, security and managing the interchange between complex moving pieces. LeafLine Labs has experience and qualifications in eight distinct areas relevant to running a compliant and successful operation that will deliver medicine to the patients of Minnesota on a regular basis.

Executive Management

As both a member of its Board and the President of LeafLine Labs, **Peter Bachman** will be responsible for overseeing the day-to-day implementation of LLL's operations and procedures. Mr. Bachman has a long and distinguished career in applying laws in an emerging field with rigorous scrutiny as an attorney in land use and environmental law, and most importantly, he has experience in managing how those laws are interpreted and the practical effects of such interpretation. Mr. Bachman's experience at the Metropolitan Council and the City of Minneapolis is directly relevant to his oversight of the LeafLine Operations Leadership Team ("OLT") and interacting with regulators in an honest and transparent manner. He also has years of experience practicing at Leonard, Street & Deinard, and nearly a decade as the executive director of the Minnesota Center for Environmental Advocacy (MCEA) from 1995 to 2003.

Ethan Ruby has been a leading medical cannabis patient advocate for more than three years and has spent the past year running Connecticut-based Theraplant's 64,000 square foot facility in Watertown Connecticut, which employs nearly 50 employees in the cultivation of medical cannabis. Mr. Ruby's Theraplant role and his oversight of a $8MM cultivation budget and 50 employees gives him the relevant knowledge for how to manage a complex operation under Connecticut's strict regulation, which is uniquely relevant to the strict rules Minnesota has placed on the cultivation and extraction of medical cannabis. Mr. Ruby also successfully managed Theraplant's crucial start-up and initial build-out stage that ultimately drives the success of a cultivation operation and placed medicine on the shelves just seven short months after receiving a cultivation license *(See Exhibit A.X.1 Letter from CT Department of Consumer Protection William Rubinstein at end of section).* Prior to Mr. Ruby's experience at Theraplant

in Connecticut, he spent time at Grass Roots Health & Wellness in Colorado, where he spent two years observing the cultivation methods and patient interaction of a successful Colorado dispensary and grow operation run by LeafLine Labs' Chief Operating Officer Daniel Emmans, Head of Physical Plant Scott Turner, and Master Grower Jon Lane.

Mr. Ruby's dedication to patient care, research and development is not just professional, but also a personal mission. He was tragically hit by a car and paralyzed while crossing a street when he was 26 years old and has suffered debilitating spinal pain since. He has since devoted his life to patient advocacy and improving the condition of both paralyzed and disabled people through education and fundraising.

Paul Bachman and **Glenn Taylor** each bring a wealth of corporate experience to LeafLine Lab's Board, where they will work with Mr. Ruby and Peter Bachman to oversee LeafLine Labs' operations. Paul Bachman is the President of Bachman's Inc., the Minnesota-based floral and landscaping giant and manages the retail end of its 1,000 employees while also serving as Chairman and Trustee for the last ten years for the American Floral Endowment. The Endowment has funded over fifteen million dollars of university research across the country, specifically related to pest management and improved growing techniques. Paul Bachman's experience managing thousands of employees in Minnesota, his knowledge of complex retail operations, and experience in managing every element of retail operations meshes perfectly with Glenn Taylor's unparalleled experience in Pharmacy Benefits Management and health care.

Mr. Taylor has spent the majority of his career overseeing multidimensional business operations within the pharmaceuticals and health care space. He has a substantial resume relating to operating businesses within a highly regulated, complex industry. While at Medco Mr. Taylor ran a $50 billion business unit and had hundreds of employees and multiple business units reporting into him. The Health Group Division focused on how large health care insurers selected their pharmaceutical benefits for their insured and administrative-only (ASO) clients. This gave Mr. Taylor, after more than 35 years in the health care and pharmaceutical sectors managing thousands of people and billions of dollars of revenue, invaluable experience and

insight into the complex interaction between a patient and insurer and a more global perspective on how to best provide care to individuals who seek relief from painful or debilitating conditions.

Operation of a Medical Cannabis Production Facility

LeafLine Labs' operational aspects will be run by a core Operations Leadership Team ("OLT") led by Dan Emmans (SVP Production and Manufacturing), Scott Turner (Chief Facility Engineer) and Jon Lane (Master Grower), all operational experts with more than a combined decade of experience and 250 grow/harvest cycles perfecting medical cannabis production methods. The OLT currently oversee Theraplant's 64,000 square foot facility in Connecticut where they work closely with LeafLine Labs Board member Ethan Ruby. Theraplant currently grows 100 strains and operates 275 lights within its facility in Connecticut and have trained more than 30 horticulture production technicians ("HPTs") on every aspect of grow operations, focusing on safety, security and delivering high quality medicine to patients on a consistent basis. *See Exhibit A.X.2 for letter from Joseph Seacrist (Watertown, CT Economic Development Commission)*

Prior to Theraplant, LeafLine Labs' OLT fully managed a 130,000 sq. ft. Colorado facility, operating under the name of Grass Roots Health and Wellness ("GRH") where they first opened a medical cannabis dispensary in Colorado in September of 2009 and began producing medical cannabis in January of 2010. In its production facility, GRH produced its own medical cannabis and subleased growing space to nine subtenant growers as allowed under Colorado law.

At its peak, GRH grew 227 different strains, sold to 30 dispensaries, and operated approximately 100 grow lights in 10,000 square feet of dedicated grow space (within the larger 130,000 square foot space). In addition, GRH managed the entire facility, including utilities and subtenant security.

The OLT's knowledge will be augmented by LLL Advisory Board member Jack Geyen's executive experience operating a large-scale horticultural growth operation (Bachman, Inc.), giving LeafLine Labs the extensive relevant experience necessary to run a successful cultivation operation. The OLT will also be supported by pharmaceutical facility experts Moria Feighery

Ross and Peter Rafa. Ms. Feighery-Ross and Mr. Rafa collectively possess more than fifteen years of pharmaceutical policy and procedure experience with Pharmatech, a consulting firm specializing in Pharmaceutical manufacturing excellence, including the creation and maintenance of DEA-compliant facilities as well as the creation of standardized policies and procedures.

Cannabis Cultivation

LeafLine Labs' Master Grower Jon Lane has grown medical cannabis since 2009. He has consulted for many other growers in implementing best growing practices. Teaming with strong operators like Mr. Emmans and Mr. Turner, who provide a growing environment with incredibly stable environmentals, enabled Mr. Lane to develop reliable growing techniques for medical grade cannabis. In addition, his study of root zones, symbiotic microorganisms and internal plant function has given him experience in both creating and growing new cannabis strains.

As noted above, LeafLine Labs will also boast the expertise of Minnesotan Jack Geyen, who will act as a key support member of Mr. Lane's cultivation team. Mr. Geyen is the former Director of Production for Bachman's where he worked for 20 years and oversaw 50-75 employees. He has more than 39 years of horticulture experience and is an expert in successfully managing large-scale cultivation operations.

Physical Security and Loss Aversion

Dag Sohlberg will head LeafLine Labs' security operations. Mr. Sohlberg is the Managing Partner of Apple Valley-based Sohlberg Associates, LLP, where he specializes in complex investigations, physical security, major event security and security countermeasures. He had a 26-year distinguished career with the FBI and was the Drug Demand Reduction Coordinator for the Minneapolis Division of the FBI. He has FBI training in almost every facet of security and drug control and brings almost 35 years of experience to LeafLine Labs' cultivation facility. Mr. Sohlberg was also a SWAT Team leader and U.S. Navy division Officer. Dag's external and internal security plan for LeafLine Labs was drafted with the input of local law enforcement. His plan will be implemented by LeafLine Labs employees or by one of the large, Minnesota-based security services providers with whom we have consulted, such as Allied Barton. Product deliveries will be handled by Garda or a similar armored guard truck service.

Mr. Sohlberg will be assisted by Jeff Lakey, who has spent several years as CEO of Starlight Security, providing security to industrial buildings, including medical cannabis production facilities. Mr. Lakey has several years of cannabis cultivation security, including leading Theraplant's security operations and is licensed in almost every area of physical security, including armed and unarmed security, robbery and loss prevention, onsite and offsite video surveillance, and security detail operations. LeafLine Labs' approach to both internal and external security is articulated more fully in our response to RFA Section C.8.

Cannabinoid Extraction

Daniel Fung will lead extraction operations as our Director of Product Development. Mr. Fung has spent the past year working in Theraplant's Connecticut facility developing cutting-edge delivery methods as well as refining the manner in which patients will receive their medicine.

Mr. Fung will work closely with Jeremy Applen, the Founder of Page Analytical, which is New Mexico's first state approved cannabis testing facility. Mr. Applen is an expert in cannabinoid formulation and testing and has worked with the New Mexico Department of Health in developing regulatory requirements for cannabis testing. He is also an expert in FDA standards and policies and will assist in formalizing and standardizing LeafLine Labs' extraction operation.

Messrs. Fung and Applen can rely on the world class expertise of Dr. Michael Guarnieri, who received his Ph.D. in Structural Biology and Biophysics from the University of Colorado School of Medicine, and is an expert on plant lipids and multiple extraction techniques for plant bioactive ingredients, including supercritical CO2, hyper-distillation and steam distillation. Dr. Guarnieri has almost a decade of experience as a Research Scientist at the prestigious National Renewable Energy Laboratory in Colorado, working on lipid extraction to turn plants into biofuels, a specialty that gives him highly relevant experience in developing extraction protocols.

Pharmaceutical Manufacturing and Quality Control

With respect to product management and validation procedures, Dr. Timothy Coleman, a key LeafLine Labs advisor, will assist Messrs. Rafa, Applen and Ms. Feighery-Ross to provide policies and procedures for LeafLine Labs employees. Dr. Coleman is an expert in both research

and pharmaceutical development, having spent almost a decade working for biotech companies and in the health care practice of PriceWaterhouseCoopers. He is the current CEO of Nemucore, a company involved in R&D of effective cancer treatment through the nano-engineering of existing cancer medications.

Financial Controls

Any successful cultivation operation must have tight financial controls and detailed books and record-keeping procedures. LeafLine Labs will implement strict financial controls and reporting procedures to ensure that its financials and books and records are maintained with best practices in mind. Treasurer Christopher Weidling brings more than a decade of experience to financial recordkeeping and budgetary modeling and will help President Bachman ensure that internal and financial controls are rigorously applied. Mr. Weidling previously spent 10+ years on Wall Street analyzing corporate finances as part of several well-respected firms. He also has a CFA and several years of medical cannabis financial experience as part of his role with Theraplant, where he oversees the financials.

LeafLine Labs will apply the highest standards of accountability and financial controls, including all aspects of inventory and financial matters. LLL's compliance efforts will also be reviewed by Board Member Mitchell Baruchowitz, a former Chief Compliance Officer of publicly-traded MarketAxess and current Head of Investment Banking for Cavu Securities, which gives him the relevant skill set to oversee LeafLine Labs' financial and internal controls with an emphasis on regulatory compliance and reporting, as well as the ability to implement precise audit methods and procedures.

Building Design

Given the resources LeafLine Labs is devoting to creating a world-class production facility, it is essential that we rely on a top local team for building design. All construction work will be done by local firms, including Ryan Companies US, Inc., Dunham Engineering, Bolton & Menk and Advanced Structural Technologies of Minneapolis. For more detail on the collective experience of our building team partners, please see Section B.2.

A.2 Business Plan

A.2a Production Capacity

LeafLine Labs has a conservative long term operating plan (the "Operating Plan") that is driven by the experience of its principals, who have previous and current cannabis cultivation and operating history in both Colorado and Connecticut: The knowledge of hundreds of grow cycles, as well as the knowledge gleaned from Bachman's Inc. horticultural operations and its 125 years of operating in Minnesota. As delineated in our A.1 response, LeafLine Labs' Operations Leadership Team ("OLT") currently operates a 64,000 square foot facility that achieved full production within eight months of receiving a license in Connecticut under laws that are of the same strict nature of Minnesota. The Connecticut operation, under the name Theraplant, gives the OLT a well-defined perspective and realistic notion of the timeframes and costs related to starting a facility and establishing a world-class operation in an expeditious yet realistic manner, fully compliant with Minnesota regulations.

Our Operating Plan is also conservative in light of the significant capital LeafLine Labs has already raised to sustain its operations throughout its projected build-out and normalized operations, which begin to occur in the ninth month of Year One. At that stage mature plants have already flowered, been harvested and extracted once, and additional production has been added incrementally with smaller fixed capital expenses rather than the large up-front capital costs required to run a legally compliant cultivation facility that can produce an adequate supply of high quality medicine as quickly as possible.

In support of our Operating Plan, we also submit for review a full three-year operating pro-forma with all assumptions that we have made in constructing the model. In order to be as thorough as possible, we have a detailed list of assumptions that underpin the manner in which we have constructed the model so that the Department of Health can assess our spending plan based on all resources at our disposal and expenditures we plan on making.

It should be noted that the Assumptions found within our Operating Plan *(Exhibits A.2a.1-A.2a.3)* are driven by the experience of our OLT's five-plus years of medical cannabis cultivation and specifically the experience of team members who have operated under the strict

requirements of Connecticut's medical cannabis law. With only four cultivation facilities in Connecticut, LeafLine Labs' OLT collaborates with regulators almost daily and our assumptions include the cost that Minnesota's strict regulation will have on production and the build out of a compliant facility. In addition, having learned from the hiring and management of almost 30 Horticultural Production Technicians ("HPT") in Connecticut, LeafLine Labs has the experience to accurately predict the costs of labor and training associated with the complex operations that will take place within the building when fully constructed. In conjunction with our executive team's extensive experience at the highest levels of complex organizations, including Bachman's Inc. and its unparalleled retail operation in Minnesota, we have a high confidence factor in the accuracy of our predictions and the adequacy of our capital to meet such needs.

As a general note on the Assumptions, LeafLine Labs approaches its facility design and build-out in a conservative manner that factors in all capital expenditures needed to both complete the production element of a cultivation facility and dispensing facilities but also accounting for all legally required support elements and the ancillary facility specific costs that result from adding production. Our approach is to budget carefully, leave adequate capital reserves to address any exogenous events that could slow or hamper production, and be prepared to scale our operation faster if patient demand merits, or slow expansion if patient demand or market conditions merit a slower approach. In every circumstance, LeafLine Labs budgets for incremental production increases and realistically flows a second stream of assumptive costs that go with added production so that we never experience capital shortfalls relating to expansion. On the retail side, we also make conservative assumptions relating to costs to properly staff a pharmacy-quality operation with appropriate education and marketing materials so that patients have full disclosure for the medicine they are prospectively going to use. We also take into account specific taxation related elements that affect how you must account for distribution facility operations given the federal illegality of medical cannabis.

We have not only laid out our full construction budget for a three-year period but have done so in a way that allows us to comfortably add production at controllable increments, which ensures that our staffing and support functions always grow synchronously with added production. This means that regulators and patients of Minnesota alike can trust LeafLine Labs to run a consistent,

well-funded operation that has safe and effective medicine on the shelves as soon as practicable but also has a long-term plan whereby its products are monitored and controlled consistent with pharmaceutical manufacturers who are regulated by the FDA, while also spending additional capital innovating and researching new methods of delivering relief to patients.

We have painstakingly detailed our labor assumptions so that the MDH can assess the positive impact of our operational vision and capital to implement on local job markets. Over 35% of LeafLine Labs is owned by persons with disabilities, minorities, women and veterans. We expect many employees to come from a diverse spectrum of backgrounds and we are committed to assisting disabled persons in finding meaningful employment within our company.

Exhibit A.2a.1 – Assumptions: LeafLine Labs Financing Summary

Exhibit A.2a.2 – Assumptions: LeafLine Labs Building Equipment Summary

TRADE SECRET INFORMATION

Exhibit A.2a.3 –LeafLine Labs Revenue Assumptions

Exhibit A.2a.4 – Assumptions: Forecasted Build-Out of Growing Rooms

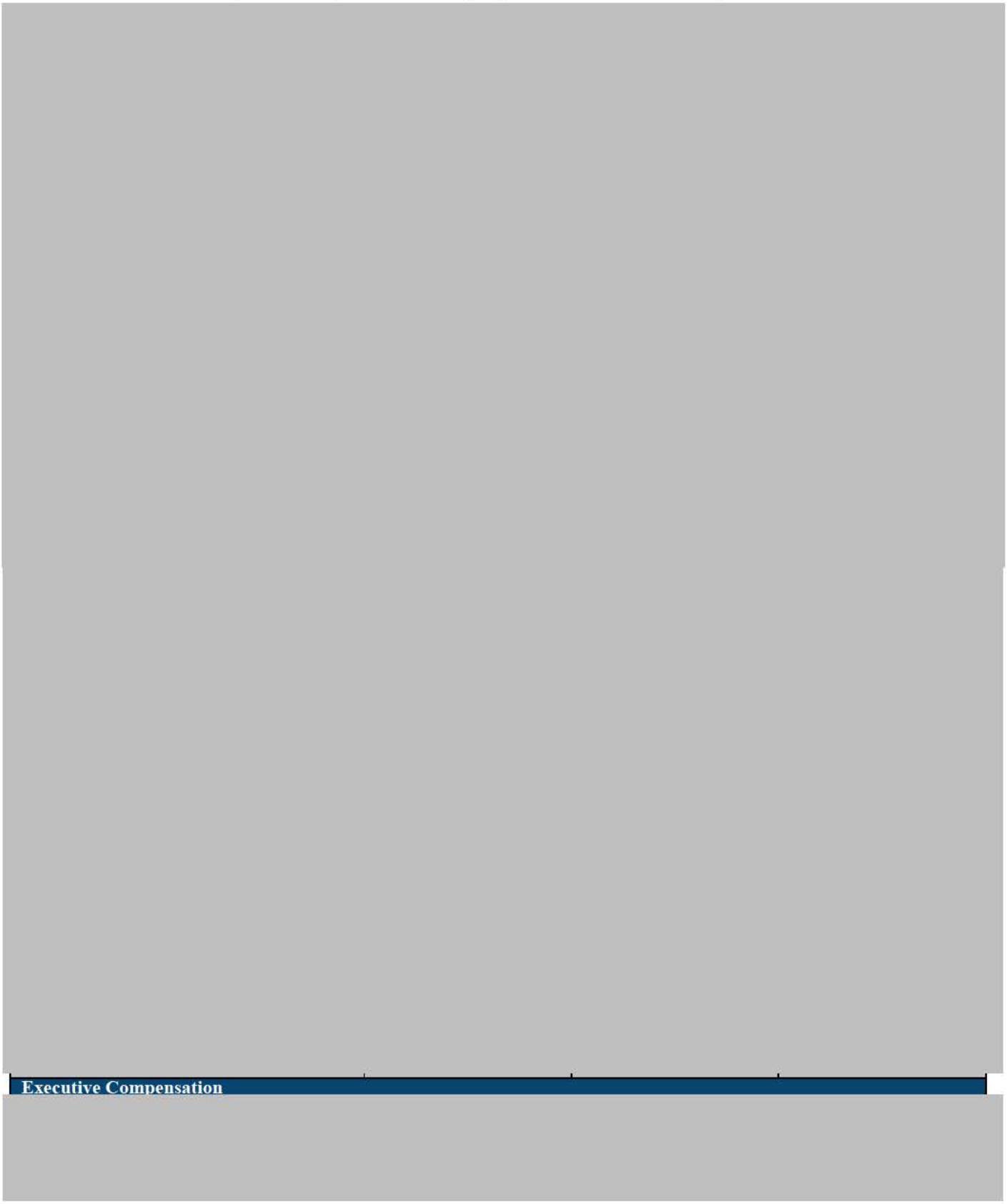
TRADE SECRET INFORMATION

Exhibit A.2a.5 – Extraction Capacity Measurement Assumptions

Exhibit A.2a.6 – Retail (Distribution) Labor Assumptions

TRADE SECRET INFORMATION

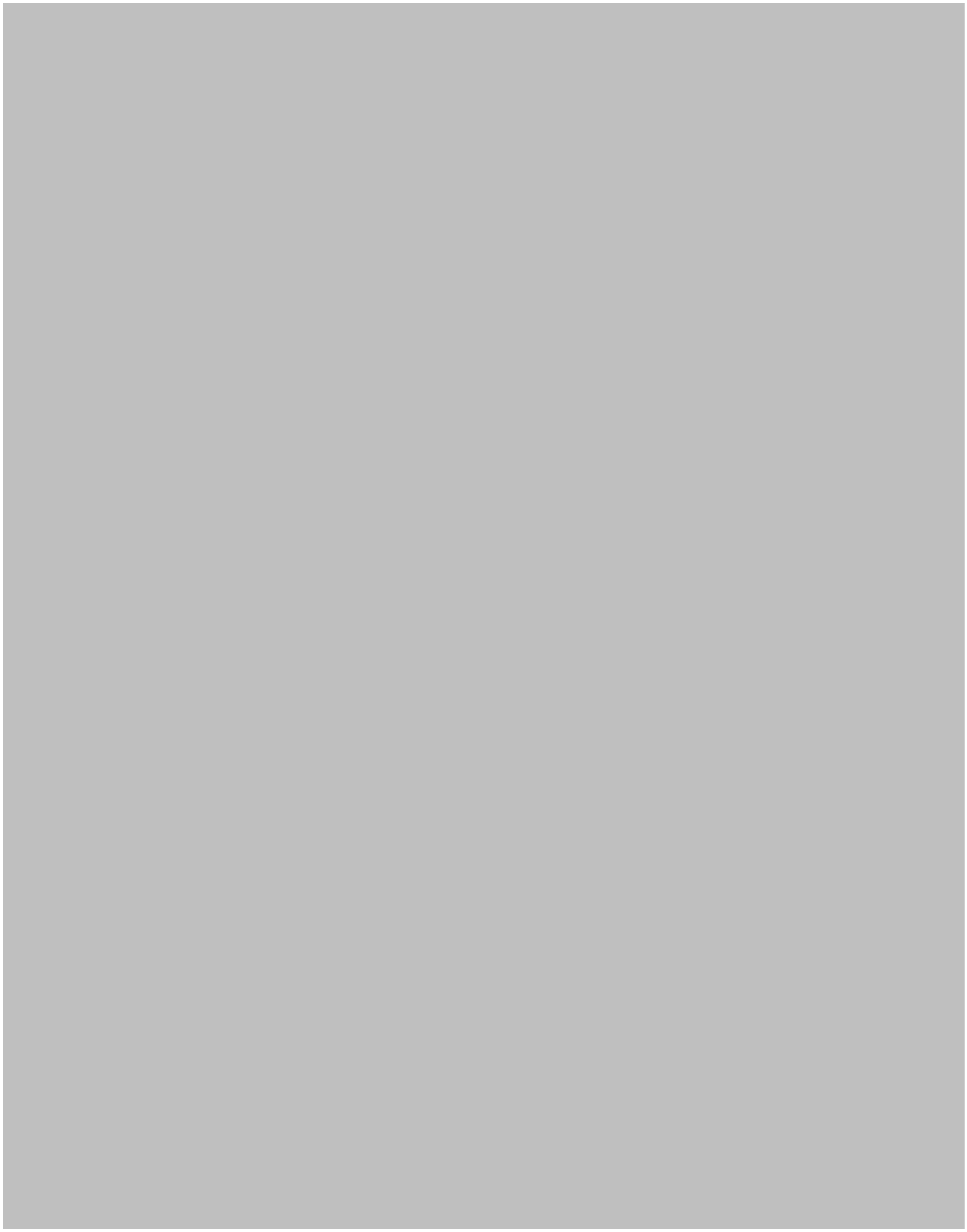
Exhibit A.2a.7 – Assumptions: LeafLine Labs Employees and Labor Costs by Phase



MINNESOTA DEP TRADE SECRET INFORMATION ONSE

LeafLine Labs Cottage Grove Cultivation Facility Pro-Forma Income Statements

Exhibit A.2a.8 – Year One



MINNESOTA TRADE SECRET INFORMATION ESPONSE

As detailed in the Year One model on the previous page, if LeaflineLabs is awarded a license to operate a facility in Cottage Grove, we intend to roll out an ambitious build-out and production ramp [redacted] By the end of Year 1, Leafline will boast a state of the art 40,000 square foot facility. Due to the concentration of resources and expertise, Leafline can accelerate improvement throughout that period if patient counts or demand exceed our expectations by spending additional capital to exceed our current projected Year 1 yield [redacted]

In our Phase 2 plan, which begins early in Year 2, we add additional capacity, [redacted] on an additional 50,000 square feet of production capacity and ancillary support space to bring the building to 90,000 square feet, which can support a large cultivation footprint while affording us the ability to increase packaging, extraction and research footprints. Since all 50,000 sq ft added will be brand new construction, we will direct our leading Minnesota-based construction and design team to use cutting edge energy efficient materials. We also make sure that we support union firms in the hiring of local trades to assist us in our construction needs. Throughout this construction, Leafline Labs will focus on hitting budgets and milestones so that the new capital is again deployed in a conservative manner throughout Year Two that allows us to maintain large capital cushions while spending significant resources on both improvements and adding additional labor. While the Leafline Labs Operational Leadership Team brings years of combined experience in cultivating medicine, we strongly believe that through the consistent application of policies and training standards, within 12 months of receiving a license local employees will have the experience and advanced training to lead most if not all grow teams, or become extraction engineers or packaging leaders, thereby flowing higher wages through the Minnesota economy. In our current projection, by the end of Year Two we would be producing close to [redacted] of medicine per month and employing more than [redacted] Minnesotans.

TRADE SECRET INFORMATION

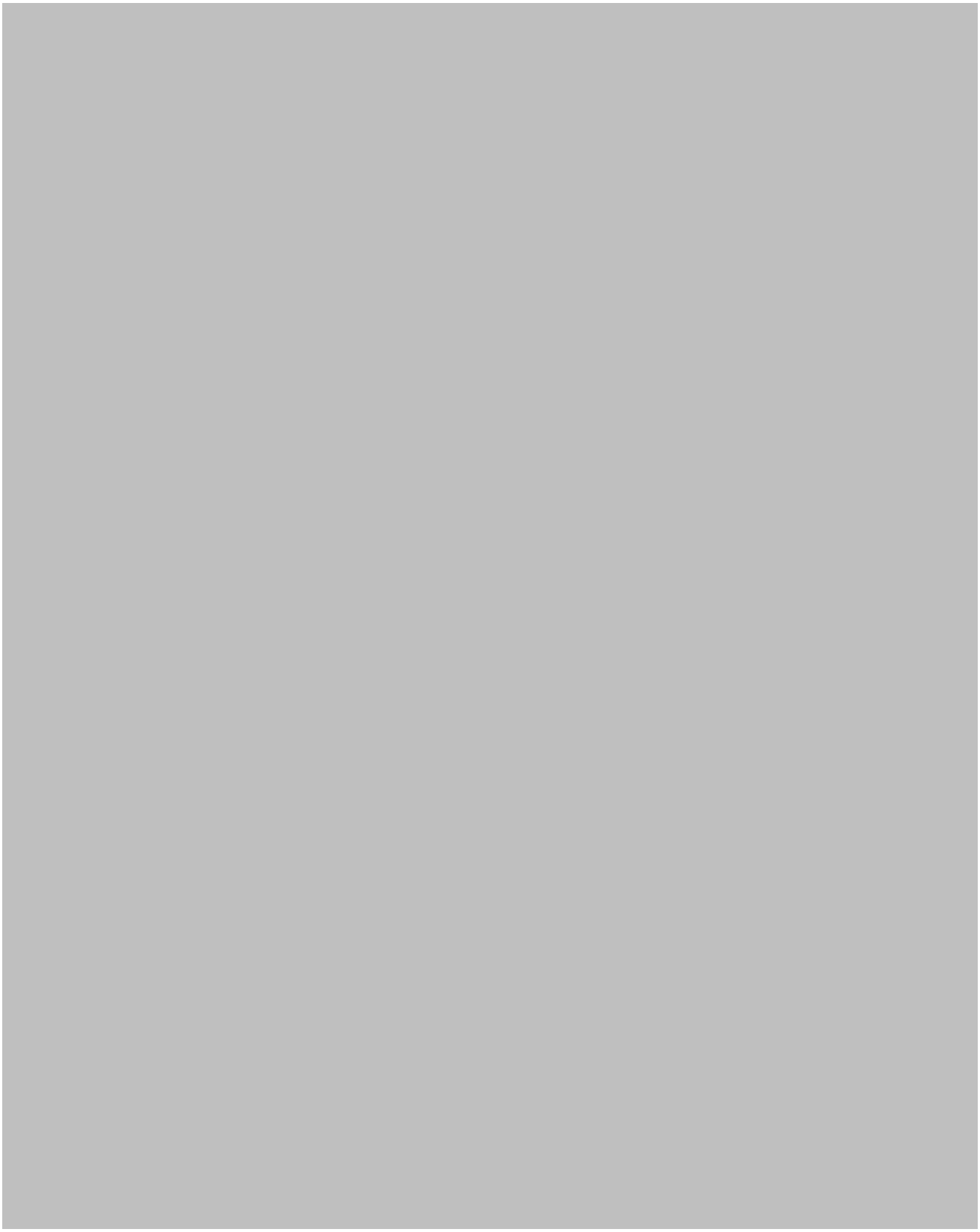
By the end of Year Three, we will have achieved scale in our cultivation operation, growing to [redacted] employees, a fair amount of whom would be team leaders and several who would be on their way to earning a Master Grower distinction. We would again spend an additional [redacted] By the end of Year Three, we would have an 140,000 square feet in the facility, most of which would be devoted to cultivation, research, packaging and extraction. We would use excess cash flow to devote to innovation and further product development and would maintain this size unless Minnesota patient count and demand exceeded the capability of other cultivators to grow to meet such demand. Leafline Labs would operate its long-term static operation and maintain excess grow capacity that could be immediately tapped to meet the needs of Minnesota patients and pick up any slack created by the inability of the other licensed cultivators to achieve scale. We are confident that our resources and experience and the conservatism of our planning and leadership ensure that we can successfully bring safe and effective medicine to market month after month so that shelves in dispensaries always have Leafline products available for patients.

[redacted]

TRADE SECRET INFORMATION

LeafLine Labs Cottage Grove Cultivation Facility Pro-Forma Income Statements

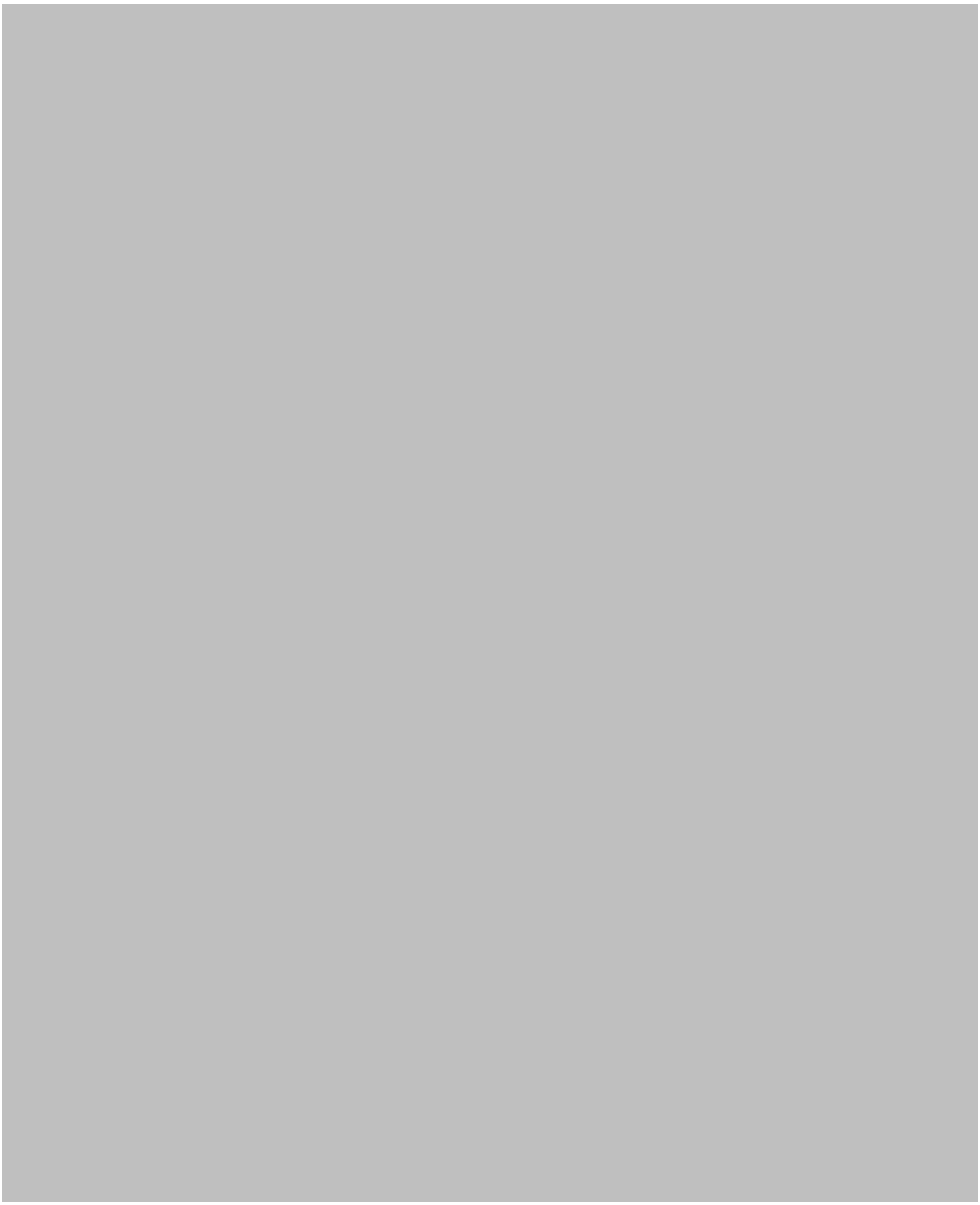
Exhibit A.2a.9 – Year Two



MINNESOTA TRADE SECRET INFORMATION ESPONSE

LeafLine Labs Cottage Grove Cultivation Facility Pro-Forma Income Statements

Exhibit A.2a.10 – Year Three



MINNESC **TRADE SECRET INFORMATION** A RESPONSE

Retail Distribution Operations

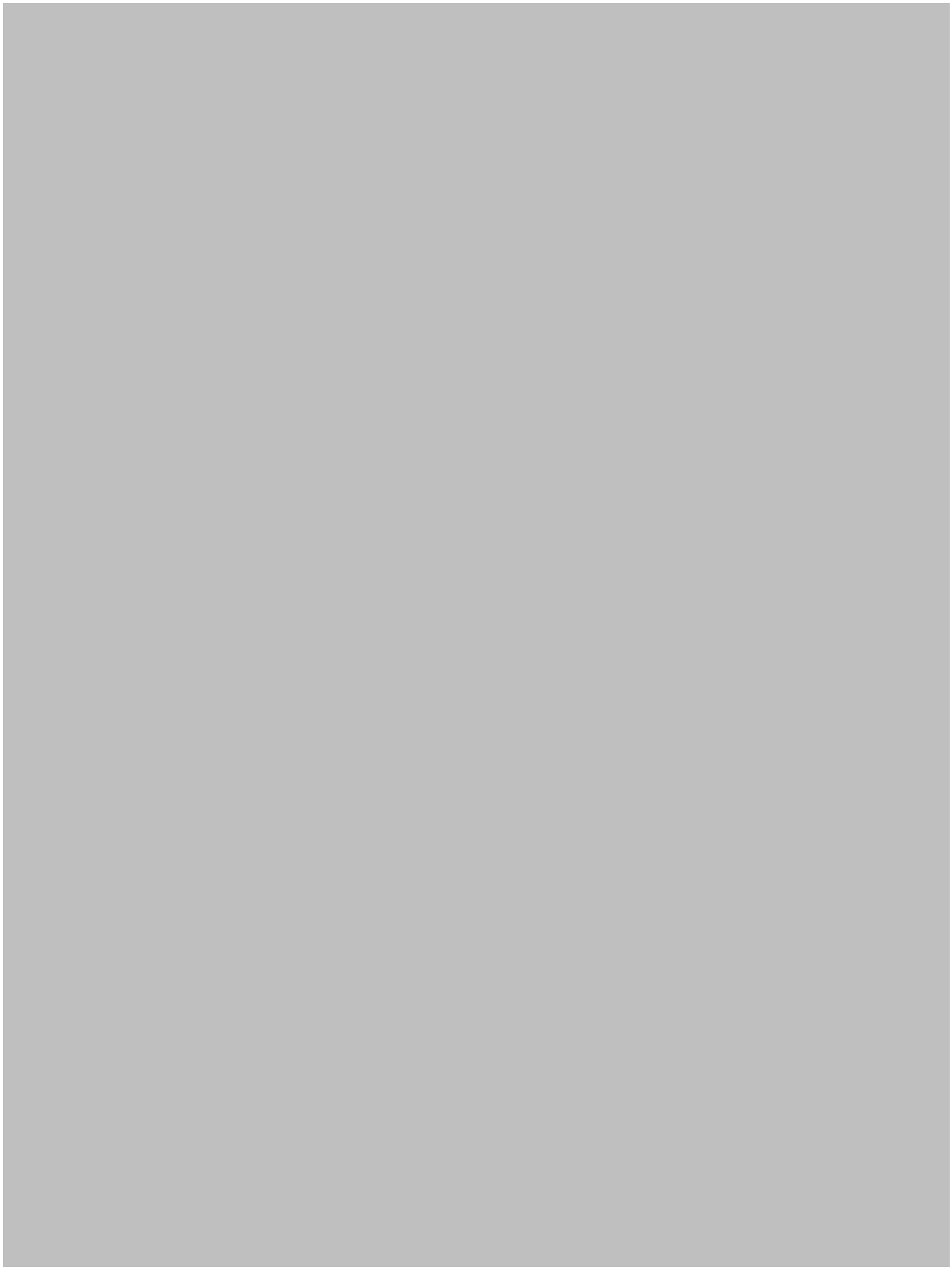
Leafline Labs is fortunate to have some of the most significant retail experience in Minnesota through its executives from the Bachman family. That allows us to accurately project our costs and operations in a rational manner while we conservatively deploy capital into the distribution locations that will faithfully serve their respective communities and provide guidance and medicine to the patients of Minnesota. Similar to our production model, we anticipate starting conservatively, with just 2 locations in 2015. Each location will be predesigned and has already been approved by its respective municipal district. Our model has key performance factors that greatly skew the results of our flagship location from the other 3 locations. Our flagship location is located in one of the most populous districts within Minnesota and its results reflect the patient count we expect to be serviced there.

For the remaining three locations, results normalize in each location after it has been operational for approximately 18 months which is why all 3 have similar revenue characteristics in Year 3. We plan on hiring top-flight pharmacists and are fortunate that key Leafline members Drs. Andrew Bachman and Gary Starr have knowledge and insight into what separates a good pharmacist from the type of world class pharmacists suffering patients in Minnesota deserve. Our core theme of patients first, and always resonates heavily in the way in which we plan on spending capital to provide marketing collateral and educational information which is not to drive a bigger bottom line, but to make sure we follow through on the company mandate to help and heal, and deliver a better quality of life to pain and disease sufferers.

Our model is fairly simple in that we will not try to be anything other than a simple retail location for people to receive their medicine, consult with experts on the best formulations and delivery methods that best work for them-all in a safe, secure and discreet manner. [redacted]

[redacted]

Exhibit A2a.11 LeafLine Labs Cottage Grove Distribution Facilities Pro-Forma EBIDTA



MINNESOTA **TRADE SECRET INFORMATION** SPONSE

Production Capacity

If LeafLine Labs receives a production and distribution license for medical cannabis, we will immediately close our purchase of the ~24-acre parcel in Cottage Grove, Minnesota for [redacted] We chose this specific plot of land because it allows us to expand to nearly 159,000 sq. ft. of grow capacity. [redacted]

While our business plan projects our operation to start small, producing only [redacted] of medication in Year One, we are confident that we have both the capital and conservative approach to scale our operation to more than meet the need of Minnesota patients in any year of operation. Our intention is to deploy improvement capital into our facility aggressively in order to be in an optimal position to begin the production of medication within 30 days. The build out of our facility would begin immediately and occur in three phases over the first two years, with Phase One of the capital improvement process costing approximately [redacted]

[redacted]

We have also projected our expenses in a conservative manner and made deeply discounted revenue projections, in order to have the worst-case scenario anticipated for our production, so that under any conditions we will run a stable, well-funded operation. If our production grows slower than anticipated or the market of patients needing medication does not materialize to our projected amounts, we can significantly decrease expenses related to proposed capital improvements and operations to stay on a stable path. For a more detailed analysis of our revenue and expense projections and our general financial model, please refer above to the three-year pro-forma.

[redacted]

Exhibit A.2a.12 below shows a full three-year snapshot of our projected production capacity in conservative yield conditions. Bear in mind that as we expand, our capacity increases beyond our current production for a six-month time period until new plants reach the initial harvest.

Exhibit A.2a.12 - Production Capacity Forecast

[redacted]

As Phase One moves past the initiation stage and becomes complete, we judiciously add flower rooms as needed to meet patient demand for medication. Since we conservatively reserve operating capital, we can increase our production almost immediately at minimal improvement cost, which drives down our ultimate cost per pound to produce. As patient demand moves our business production model into Phase Two, our cost to produce moves to a level where we can comfortably produce any capacity needed by most patient demand growth models. As seen above, Leafline Labs' largest fixed expenses are related to the initial acquisition of and the capital improvements to the facility we are building in Cottage Grove.

Exhibit A.2.a.13 below shows how our Phase Two and Phase Three build out decreases our cost to produce medication so that we can cost-effectively add to existing capacity, which allows us to provide medication at stable prices regardless of where market demand is at that time. Our capital base and the nature of our building improvements in Phase One will allow us to continue expanding capacity in a cost effective manner and is very likely to result in significant decreases in the prices at which we sell medication to distribution centers, which should also decrease the ultimate price of medication for patients.

Exhibit A.2a.13: Production Cost Analysis

As Leafline Labs grows through Phases 1-3, our business plan assumes that the demand for medication stabilizes at levels where our production capacity is sufficiently utilized. We would then focus our efforts on internal efficiencies and grow room configuration so that we can increase yield to add to maximum capacity. As *Exhibit A.2a.13* shows above with respect to price and *Exhibit A.2a.14* shows on the next page with respect to extraction, we believe that we

can continue to deliver medicine at stable prices and in continuous supply.

Exhibit A.2a.14: Extraction Conversion Information

Exhibit A.2a.15: LeafLine Labs Maximum Product Capacity Forecast

LeafLine Labs Maximum Production Capacity Forecast – Impact of Yield Increases

TRADE SECRET INFORMATION

A.2b Products

We are committed from day one, following receipt of a permit to cultivate medical cannabis, to develop a family of compliant and responsible products (formats, quantities and innovative methods) that meet increasing and ever-changing patient demand within the requirements of the statute. Section 2, Subdivision 6 of Minnesota Chapter 311 lists allowable forms of produced medical cannabis to include (1) liquid, including, but not limited to, oil; (2) pill; (3) vaporized delivery method with use of liquid or oil but which does not require the use of dried leaves or plant form; or (4) any other method, excluding smoking, approved by the commissioner. Existing literature on medical cannabis use indicates that the listed qualifying medical conditions in Section 2, Subdivision 14 have been treated with multiple formats of medical cannabis. Data showing superiority of any particular format has not been definitively proven. In following this regulation, LeafLine Labs intends to offer medical cannabis products as follows in Year One of operation: **Pure oils of varying viscosity, tinctures in bottle and individual carpule formats, oils packaged for vaporization in pens or other apparatuses, and pill capsules**. See below for an early visualization of what our product lineup would broadly look like – in form and in overall pharmaceutical aesthetic.

Exhibit A.2b.1: Early mock-up of envisioned LeafLine Labs Year One Product Line-up

Packaging and Labeling

From the highest-standard packaging solutions we will use, to the information-laden labels we will design and print on site, to the packaging and labeling protocols we have developed and will deploy at our facility, every step has been taken to comply fully with all established rules and standards.

Medical Cannabis Packaging

Our general approach to packaging is to use existing, high-quality child-resistant, lightproof containers and lids. We are in discussions with multiple vendors to use existing multi-layer extrusion blow-molded pharmaceutical containers to house our product. Our preference is for barrier bottles engineered with six layers that block oxygen ingress more effectively than regular bottles. The six-layer structure also incorporates a UV barrier *(see below)*.

We are exploring various options for a child-resistant pharmaceutical cap that combines tamper-evident, child-resistant and twist-off cap functionalities with the potential of a built-in desiccant that will be tested prior to implementation. This built-in feature eliminates packaging inefficiencies and streamlines the packaging operation by integrating the desiccant into the closure, eliminating the equipment and processing time needed to insert a drop-in desiccant separately. It also prevents the desiccant from touching the medicine. Additionally, this particular design of the cap and bottle eliminates the need for an induction seal.

Exhibit A.2b.2 Proposed Tamper-proof, Child Resistant, Lightproof Packaging

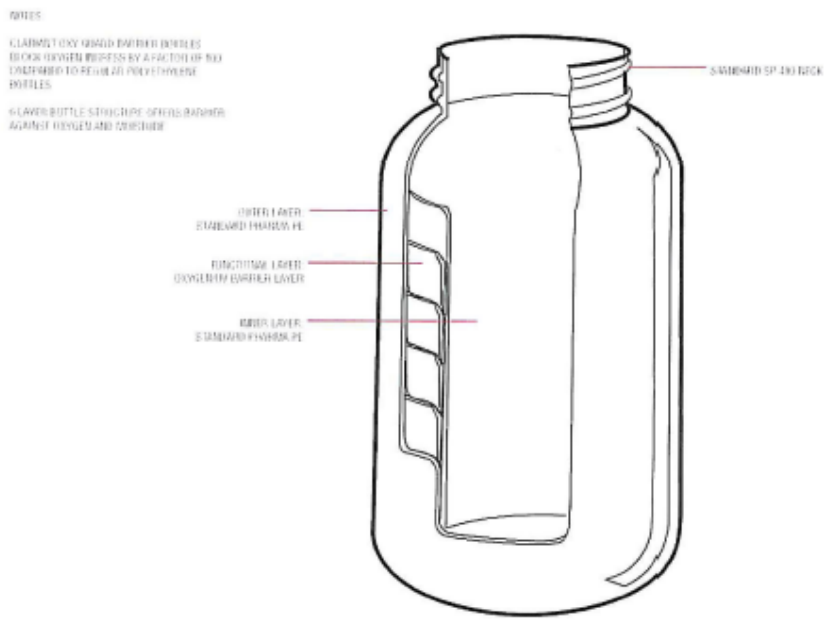
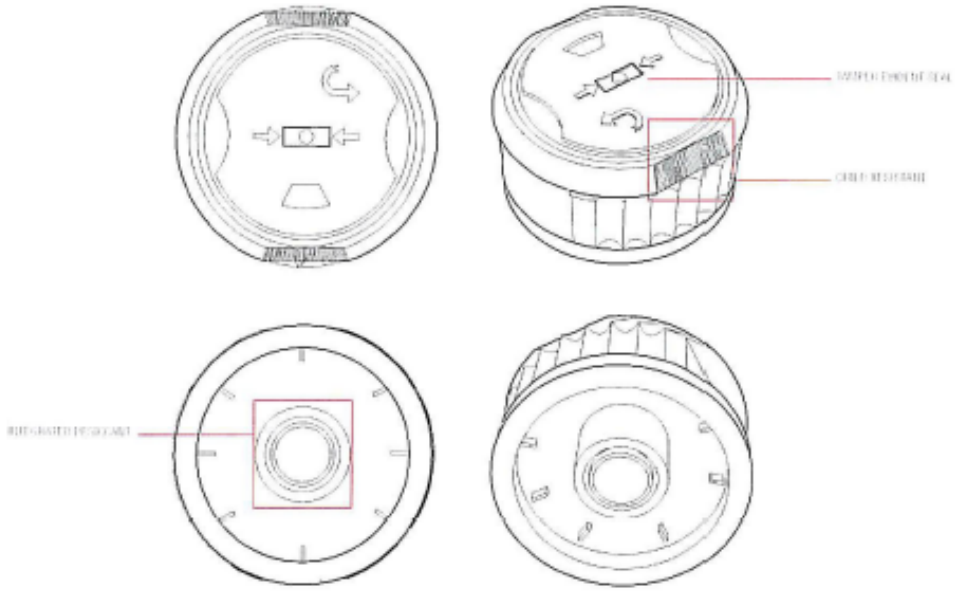


Exhibit A.2b.3 Proposed Built-in Desiccant Twist Caps



Product Nomenclature

To date, with only a handful of states having adopted medical cannabis-only programs, most cannabis strains on the market (most notably in in California and Colorado) are neither in alignment with nor expressive of our intention to build a medical cannabis production business that serves the community of medical doctors and their patients with science, research and quality assurance at every turn.

With our intention to cross commercial strains with one another in order to produce medicine with the appropriate terpenes, cannabinoid profiles and other active ingredients to treat the debilitating conditions approved per the statute, we plan to name each of these new genetically engineered strains in a clear, systemic fashion reflective of the core values of our therapeutically committed, socially responsible, scientifically sophisticated company. As there will ultimately be a multitude of strains that we produce and sell to patients at our distribution facilities, we require a system of nomenclature that meets the following objectives:

- Full compliance with MN Chapter 311.
- Is transparent and helpful to patients as well as their physicians and pharmacists who will assist and provide guidance in their treatment and decision-making. Please see A.3 below, where we detail our plans for an integrated communications and outreach plan ("3Ps" – Patients, Physicians and Pharmacists) designed with one overarching goal in mind: To help our various constituencies effectively navigate the challenges and opportunities posed by this new, and evolving, category.
- Is flexible and scalable such that it may accommodate and clearly designate a large number of strains with similar overall characteristics but differences enough that each strain can be easily distinguished.
- Does not have ties to the recreational system of nomenclature that exists legally in certain states and illegally in others.
- To always be as responsible as we are distinctive within a crowded marketplace.

As the medical cannabis strains we intend to produce will span the Indica/Hybrid/Sativa spectrum, we will primarily classify each within four easily recognizable and easy-to-remember color-coded packages and utilize an actual descriptive name for each of those four colors whose first letter corresponds to the accepted name of that strain's primary classification:

- **I** = Indica dominant = Inchworm green
- **H** = Indica/Sativa Hybrid = Hunter green
- **S** = Sativa dominant = Sea blue
- **C** = special strain with high Cannabidiol content (CBD) = Cerulean

Exhibit A.2b.4 – Color-coding and Nomenclature for Primary Product Classification

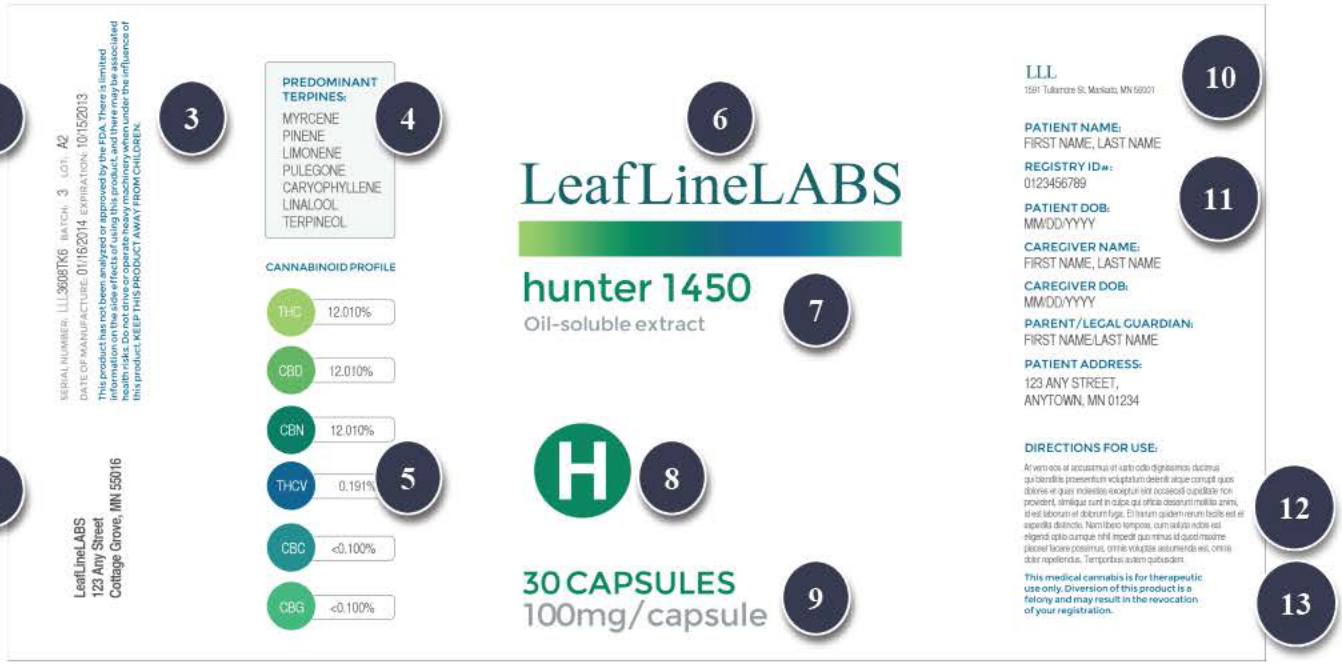
Each strain will be available under its commercial name in multiple delivery forms* including compressed capsules and extracts of concentrated oil. Additionally, each strain will be assigned a visible, four-digit number (e.g. 1404) that delineates the calendar year in which the strain was originally cultivated ("14") and a unique number for the particular product as it varies from other strains in its "family" with a similar primary classification (I/H/S/C). Furthermore, we are developing and will provide collateral materials to dispensaries and physicians, including posters and brochures, with clear and helpful information about the make-up of each unique strain and the system of identification/nomenclature that we will be employing,

**** It is likely that not all strains will be available across all possible medical cannabis formats. We will base such decisions on patient/dispensary demand and insights attained over time.***

Sample LeafLine Labs Label

As exemplified below, all our product labels, across any/all formats, will contain all the information required by Minn. Chapter 311 with the intent of properly informing patients about their medicine, safe use, etc. as well as to clearly and pharmaceutically distinguish our products.

Exhibit A.2b.5 Sample label



1. Manufacturer's Address
2. Date of manufacture, Product Serial #, Batch/Lot #, and Expiration Date
3. FDA/Warning Statements
4. Terpene Profile
5. Cannabinoid Profile
6. Manufacturer/Distributor Name
7. Product Name, Strain Number and Sub-Description
8. I/H/S/C (Indica, Hybrid, Sativa, High CBD) Quick Reference
9. Generic Product Description and Weight
10. Distribution Facility Name and Address
11. Registered Patient Name, ID and Caregiver/Parent Info.
12. Directions for Use
13. Therapeutic Use Only Statement

A.2c Pricing

LeafLine Labs fees for medical cannabis charged to patients enrolled in the registry program are based on the cost of manufacturing the various forms of medication we will offer. These fees are also consistent with the fees for similar medications charged to patients in other states where medical cannabis is legal, laws are similar to those in Minnesota and recreational cannabis is not legal. The relative street cost of illegal cannabis plant material on the black market has also been taken into account when modeling LeafLine Labs' anticipated fee structure. This will be an important factor in ensuring that medical cannabis products are not diverted illegally but are still available to Minnesotans with qualifying medical conditions at reasonable cost when compared to black market cannabis products.

Product pricing in the first year is expected to average $85 per gram of cannabis extract. This equates to a cost of approximately $17 per gram of raw cannabis flower which is a more commonly seen figure but less relevant for the Minnesota medical cannabis market where plant products are not allowed. We plan to maintain similar margins for all other downstream products. These pricing estimates are not expected to change substantially in years 2-3.

A.2d Customers

As part of our conservative approach to production, we have also estimated patient counts at modest levels in order to position our production and dispensary operations to be successful. We have used Minnesota's current population of 5.4MM people to extrapolate a small patient population in Year One and have assumed that Minnesota's two producers are of equal size and skill. In Year One, we project 10,000 total patients, requiring each producer to serve approximately 5,000 patients. We project some adjustment period as patients identify the type of products they want to use and the correct dosages and so we believe our capacity is adequate to serve the 5,000 patients we anticipate in this initial period.

In Years Two and Three, we have made a straight-line projection of 20,000 and 30,000 total patients respectively, which would make each producer responsible for approximately 10,000 and 15,000 patients respectively. With a conservative current capacity projected at 15,000 pounds of cannabis per annum, we could see all 15,000 patients in Year Three and have

approximately one pound of raw flower extract per patient, which depending on strength, dosage and other individual elements, should prove more than adequate. Since many extractions can be used in highly diluted form, our production capacity is not only adequate for all three initial years of the projected patient counts, but we think we could serve more than 50% of the Minnesota market if another licensed producer were to fall short of its anticipated medicinal production.

Exhibit A.2d.1 – Market Size Assumptions and LeafLine Labs Share Analysis

Minnesota Medical Cannabis Market Size Assumptions			
Population	**5,400,000**		
Initial # of Producers	2		
Population/Initial Producers	2,700,000		
	Year One	**Year Two**	**Year Three**
# projected patients	10,000 *(1.85% of total MN population)*	20,000 *(3.7%)*	30,000 *(5.5%)*
LLL patients @40% share	4,000	8,000	12,000
LLL patients @50% share	5,000	10,000	15,000
LLL patients @60% share	6,000	12,000	18,000
LLL patients @70% share	7,000	14,000	21,000
LLL patients @75% share	7,500	15,000	22,500
Lbs. of product needed for our patients at 50% share forecast*	**3,750**	**7,500**	**11,250**

** assumes just 0.75 lbs. per patient per year (or 1 oz. per month)*

A.3 Marketing Plan

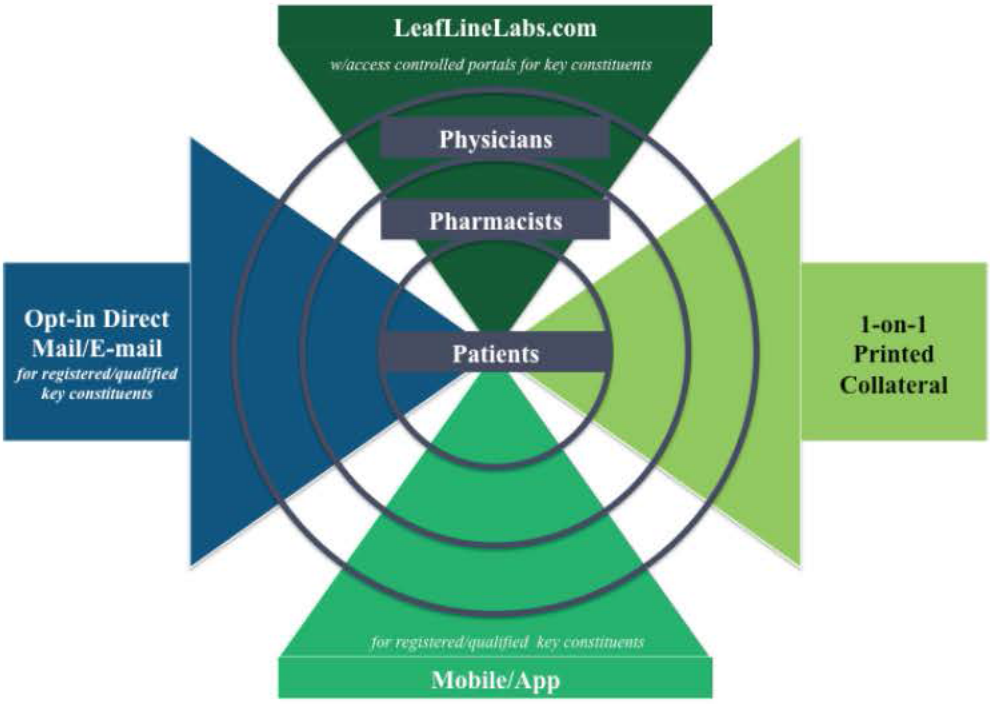
A.3a.b.c.d are all covered in the following narrative.

Our primary focus at LeafLine Labs is and will continue to be the industry-leading cultivation of the highest quality medical cannabis, however within this new medical cannabis ecosystem we believe it is incumbent on the industry's leaders to provide the utmost in statewide **understanding**, **compliance** and **transparency**. Therefore we see it as our requirement and commitment to those who will form and shape this new ecosystem that we offer best-in-class communications and outreach within the state guidelines for doing so.

Our company's existence is predicated on educating patients, caregivers and medical professionals and ensuring that patients have a reliable supply of medication. LeafLine Labs intends to bring the same level of professionalism to our communications and compliant community outreach as we do to the rest of our operations. We have secured a highly experienced communications team, including seasoned experts with current and prior experience at well-respected national marketing communications agencies, including Haberman, Leo Burnett and DDB, as well as public relations and crisis communications veterans with experience in both consumer and government affairs. Key members of our leadership team have considerable experience in the proper marketing of prescription medication and healthcare services, both to physicians and patients, and understands how to operate within highly regulated industries such as ours.

Together, the LeafLine Labs lead team has prepared the master vision for an integrated communications and outreach plan, to be vetted by the OMC Commissioner following licensure, and designed with one overarching goal in mind: **To help our various constituencies effectively navigate the challenges and opportunities posed by this new, and evolving, category**. As uncharted territory for the people of Minnesota, with new brands and new behaviors as well as misinformation and misperceptions, education and information is of the utmost importance. Thus, we have developed a comprehensive framework to guide our outreach efforts, called **3P Communications and Outreach,** as shown here:

Exhibit A.3.1 LeafLine Labs 3P Communications and Outreach



3P Communications and Outreach, with the Commissioner's approval, will focus on targeted education and guidance of Physicians, qualified Patients, and on-staff Pharmacists; informing them and assisting them in the proper way to treat qualified conditions with medical cannabis. We have developed distinct educational objectives for each of these audiences and will develop materials for each that address these information needs.

Exhibit A.3.2 3P Objectives

Patients	Physicians	Pharmacists
Understand what conditions are covered.	Understand which patients may be eligible for medical cannabis.	Understand the range of LeafLine Labs' product portfolio (strains, forms, etc.) and the distinctions within.
Understand how to get registered with MDH.	Understand how and why to recommend medical cannabis, and the LeafLine Labs products available to their patients.	
Understand where and how to purchase LeafLine Labs products.		Understand when, how and why our product offering has changed/will change.
Understand the importance of purchasing only from licensed dispensaries.	Understand the process and physician/patient obligations in registering for the program.	
Understand proper use.	Understand proper patient use so that knowledge/instructions can be shared.	Understand the high compliance standards and protocols that go into the production of every LeafLine Labs product.
Understand LeafLine Labs product (strain and form) options and distinctions.		

Furthermore, we will work to keep all three of these constituencies apprised of changes in the law, including any additional conditions that may become approved for coverage.
All of our outreach efforts will be tightly integrated, designed to provide a consistent and cohesive message to our target audiences. We think of ourselves as a direct marketer, because our plan largely eschews broad reaching media channels in favor of highly targeted, selectively placed messaging approaches that more efficiently and effectively reach only the intended audience: **Qualified patients, caregivers, and their medical providers**. In the same vein, the vast majority of our messages will be delivered through opt-in channels. This means that recipients will actively choose to consume the content we are providing - whether that's by coming to visit our website, signing up to receive updates via email, picking up an educational brochure at their doctor's office, or downloading our mobile app, for example.

The backbone of LeafLine Labs' 3P Communications plan will be our brand website, **LeafLineLabs.com**. Its architecture and content is and will be designed to accommodate a wide range of anticipated patient and key constituent visitors and help move them through the process: From answering basic questions around medical cannabis to helping them learn how to get registered and how to find a local dispensary.

For a good example of the kind of content one might encounter there we suggest a navigational visit through ***Theraplant.com***, where in Connecticut a similar communications and outreach model has been designed and deployed by that cultivation center's lead team in conjunction with it's late-September operational launch. Many of Theraplant's lead team would be serving on the front lines of the LeafLine Labs lead team and advisory board. On this page and the next several are some early depictions of how a LLL site will actually look, to the right a landing page that welcomes visitors and a deeper, informational page. The entire site features a modern and clean look, simple and clear navigation, with the

Exhibit A.3.3 LeafLineLabs.com Website Example

home page including several key content modules designed to direct visitors immediately to some of the most important information that lies deeper in the site.

The LeafLineLabs.com experience will be designed to accommodate optimal use on mobile devices, including both cellphones and tablets. We subscribe to a development philosophy of "mobile first," which recognizes the importance, and primacy, of web access via mobile devices for many people. It is crucial to create a user experience that works as well on those devices as it does on a traditional desktop. This user-first approach ensures that whenever and wherever patients or medical professionals find themselves in need of information, they can get what they need quickly and easily. This is the gold standard in the industry and we will not accept anything less for our patient and partners in care.

Exhibit A.3.4 LeafLineLabs.com Website Screenshots

An important facet of our website design is the incorporation of an **Access-Controlled Patient Portal**. This section will house all of the product-specific information about our product portfolio and will be accessible only to qualified LeafLine Labs patients in Minnesota via a company-provided password that will be distributed at dispensaries following a validated purchase of actual product. In addition to providing patients with detailed information on their medication, it will provide several patient-only tools to provide feedback to us about their experiences with our products, helping guide our ongoing research and development efforts.

The gateway to the patient portal is depicted at right *(Exhibit A.3.5)* and as a site feature will not be launched until after we have released product into the marketplace.

Exhibit A.3.5 LeafLineLabs.com Patient Portal

While our website will have a great deal of i and functionality, we believe in the importan helping visitors go directly to the original source if they choose. For that reason, we wi prominently include links to the Minnesota Department of Health and other public resources facilitating program sign-ups, updates, e-alerts, etc.

And while we intend to build the most robust website in the category, we are not satisfied to sit back and rely on patients and medical professionals to come to us. We know it's equally important to reach out to them in places they already are, and in the real, not just virtual world. To that end we will develop educational materials *(shown below)* that we will place in physicians offices and in our distribution facilities. In addition to inviting readers to come to our website for more information, these pieces will provide high-level guidance on the process of becoming a qualified patient and navigating the category. These pieces will be written using language, and a type size, that makes them easily accessible and comprehensible for all qualified patients.

's Collateral

Another means of providing useful information and utility to patients, at all times and wherever they may be, is by means of a custom built mobile app. We're envisioning an app, made available only to qualified LeafLine Labs patients, intended to help them track and manage the use of their medicine and give them all the info they may need, whether at home, with their physicians, at the dispensary, or on the go. Some of the key features we envision (not immediately but more likely after at least one full year of an operational program) are:

- Virtual registration card displaying their cannabis registration card information.
- Product profile that provides detailed information on the strain they are currently using.
- Purchase history to track past products tried.
- Diary for capturing dosage and usage instruction, notes on patient experience with past and current products.
- A "refill" reminder alerting patients when they are eligible to obtain more medicine.
- Dispensary finder and directions generator.
- Product catalogue showing all product strains and forms available at that time

The app will work on both Apple and Android devices and will look like this *(Exhibit 3.A.8):*

Perhaps the broadest reaching of our 3P efforts will be those in the public relations space. These initiatives can be a valuable tool for keeping our constituents aware of what's going on in the category and with the company. This includes positive news and developments, as well as crisis communications in the event of unexpected challenges.

One increasingly important communications tool that often falls under the realm of public relations is that of social media. While social media is a particularly broad sphere, different social media platforms lend themselves to different primary uses and audiences. While we do not anticipate using social platforms like Facebook, we do see potential value in leveraging Twitter to accomplish our communications objectives. Twitter has largely come to be used as a personalized news feed, and we believe it could be a powerful and efficient way to pass along and amplify **helpful information and messages broadcast by government entities, journalists, and partners in the implementation of Chapter 311 such as dispensaries and other cultivators**.

There is one exception to the rule that is our 3P's Communications framework. Which is to say, there is one additional group of people we intend to communicate with beyond qualified patients, physicians, and pharmacists of our products. And that is anyone who may see the existence of Minnesota's new medical cannabis program as an opportunity for abuse or recreational use. **If we had a fourth 'P,' it would be for "Prevention."** Specifically, we intend to develop a program targeting teens with educational materials designed to prevent the underage and unqualified use of medical cannabis. We recognize that we would need to receive input from students, teachers, parents and other stakeholders, as well as Department of Health approval, in order to create the most effective possible messaging for this important demographic.

Exhibit A.3.9 Substance Abuse Prevention Examples

Furthermore, we have made it a past business practice to become deeply involved in our communities, partnering with and supporting non-profit organizations, including addiction prevention and treatment services. We would look to do the same in Minnesota, developing relationships with these groups to get our message out and support their efforts to strengthen our communities.

So, while the vast majority of our efforts in preparing our application for a manufacturing and distribution permit in Minnesota have been focused on developing productive relationships in the communities in which we hope to operate, and designing the most rigorous operational plan possible, we have also taken the time to think through how we will eventually reach out to the people who this is all ultimately intended to help, and ensure they have the information and understanding they need to successfully adopt the program. Anything less wouldn't be putting Patients first.

A.X Other Exhibits

Exhibit A.x.1 Letter of Good Standing from DCP Commissioner W. Rubinstein

STATE OF CONNECTICUT
DEPARTMENT OF CONSUMER PROTECTION
165 Capitol Avenue, Hartford, Connecticut 06106

WILLIAM M. RUBENSTEIN
COMMISSIONER

DANNEL P. MALLOY
GOVERNOR

September 9, 2014

Ethan Ruby
Theraplant, LLC
856 Echo Lake Road
Watertown, CT 06795

Re: THERAPLANT, LLC – Letter of Good Standing

Dear Mr. Ruby:

I am writing to confirm that Theraplant, LLC's ("Theraplant) license to operate a production facility in the State's medical marijuana program is in good standing.

After a competitive evaluation process among 16 applicants for a license to operate production facilities, the Department of Consumer Protection ("DCP") announced, on January 28, 2014, that four such producer licenses would be awarded. Theraplant received the highest score in the evaluation process and was selected as one of the four entities entitled to hold a producer license. The scoring was based upon an evaluation of the company's financial structure and wherewithal, technical abilities, security systems and business plans. After completing the conditions precedent to the issuance of the license, Theraplant's producer license was issued on February 7, 2014.

In addition to the issuance of the producer license, all financial backers (except those with both (1) less than a 5% financial interest and (2) no role whatsoever in operation or management of the entity), as well as all employees of the company, are required to be licensed by DCP. A background check on all such licensees related to Theraplant has been conducted prior to the issuance of any such licenses. We found no information that concerned us about whether the individuals so licensed were suitable persons to hold licenses in the medical marijuana program.

Since the issuance of Theraplant's producer license, Theraplant has met all of its target dates for construction and commencement of operations of its production facility in accordance with our regulations. Theraplant has been fully certified by our inspectors to be in compliance with our regulations and has, therefore, been authorized to produce medical marijuana products for distribution to licensed dispensaries.

Sincerely,

William M. Rubenstein

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Exhibit A.x.2 Letter of Support: Watertown, CT Economic Development Commission

TOWN OF WATERTOWN, CONNECTICUT 1780 Working for you

September 10, 2014

To Whom it May Concern:

Re: Theraplant Company Application for a Medical Marijuana Production Facility in Minnesota.

This is a letter of support for the application of the Theraplant Company to open a medical marijuana production facility in the State of Minnesota.

Mr. Ethan Ruby, the Company President, Dan Emmans his partner and their whole management team requested a series of meetings with various Town of Watertown officials well before they proceeded with a formal application to the Planning and Zoning Commission, in order to make sure his company would be welcome in Watertown. After a number of such meetings, on behalf of the Town, I determined their business will be well regulated by state regulations, and as such he, his team and his business were welcome in the Town.

In addition, I performed due diligence on Mr. Ruby, Mr Emmans, and their personal and professional history. After a thorough internet search, it became clear that Mr. Ruby was not just a responsible businessman, but a significant contributor to many charitable causes in support of other paraplegics, since Mr Ruby is himself a paraplegic. Above and beyond his stellar personal background, Mr. Ruby and his team have proven themselves to be competent and ethical business people. They have eagerly and willingly met with all Town regulators and elected officials, filed all paperwork on time without complaint, met personally before our Planning and Zoning Commission as well as our Economic Development Commission. They were eager to have public forums in which possibly concerned citizens could voice their opposition. To date, only three citizens have expressed concerns, which is highly unusual for the Town of Watertown, where citizens frequently turn out in large numbers to voice their opinions.

Mr. Emmans has relocated his family in the Watertown area and Mr Ruby lives in nearby New York State, a short commute to Watertown, showing their personal support for the longevity and permanence of their business.

Theraplant has purchased an approximately 64,000sf former industrial paint factory in our business park. The neighboring companies in the Business Park have welcomed the addition of Theraplant to their neighborhood.

After scoring significantly higher than all other statewide applicants for only four growing permits, Theraplant Watertown is currently producing medical grade marijuana for distribution in Connecticut. The principals in the business have taken an active role in the community, maintaining constant contact with all Town officials and inviting town and state of Connecticut officials to take tours of their operations. There has been no exceptional police activity at the facility except for routine patrols of the entire business park.

Mr. Ruby and Mr Emmans have already spent millions of dollars on building plans for the facility, security plans for the facility, and have voluntarily met with our Police Chief and Fire Chief on many occasions to get their approval of the fire and security plans for the facility. Both Chiefs are pleased and satisfied with Theraplants's response to their questions.

In short, the Town of Watertown and the Economic Development Commission wholeheartedly welcomes and supports the Theraplant Company to build and operate a medical marijuana growing facility and become an active member of the Watertown business community.

Sincerely,

Joseph F. Seacrist

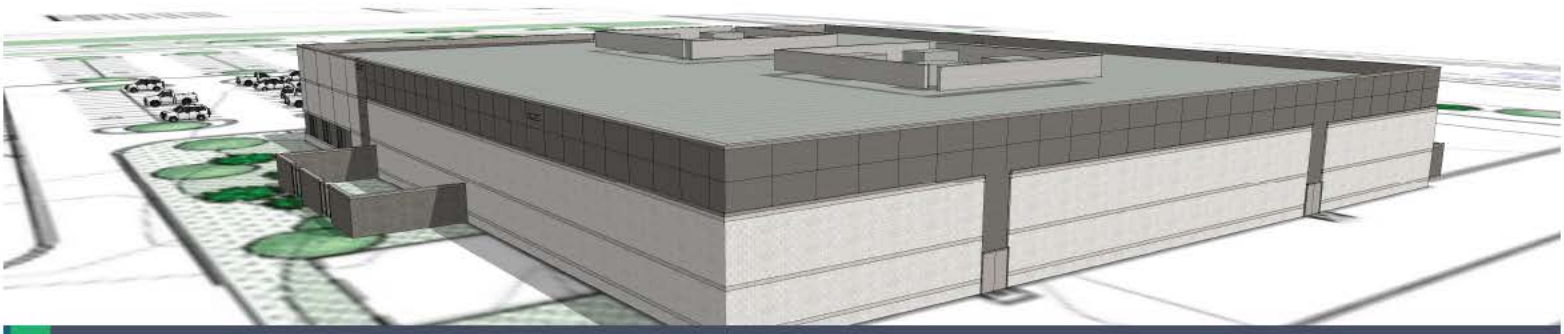
Joseph Seacrist
Economic Development Coordinator
Town Hall Annex, 424 Main Street
Watertown CT 06795
(860) 945-4858
e-mail: Seacrist@watertownct.org

CC: Charles Frigon, Town Manager
Joseph McGrail, Chairman Watertown Economic Development Commission

LeafLine Labs

B. Facilities

1. Intended Service Area(s)
2. Manufacturing Facility
3. Distribution Facilities



SECTION TABLE OF CONTENTS

SECTION TABLE OF CONTENTS *(continued)*

SECTION B EXHIBITS

B.1 Intended Service Area(s)

LeafLine Labs is seeking to be registered in either Service Areas A or B.

B.2 Manufacturing Facility

The design and construction of the new 50,750 sq. ft. manufacturing facility, [redacted] and the remote 3,000 sq. ft. dispensary facilities shall be performed and managed by Ryan Companies US, Inc. Ryan is headquartered in Minneapolis, providing and managing all design and construction services for Leafline Labs. Ryan is a 3rd generation national real estate solutions provider with annual revenues in excess of $1.3 billion. Ryan has strong business and civic relationships in the Twin Cities market with a stellar performance and professional reputation to ensure that design, construction and physical operations of the facilities will meet all required regulatory requirements and schedules for Leafline Labs to fully meet all operational requirements of MDH. Ryan has a construction completion record spanning over 20 years with a *zero* facility turnover deficiencies record for its clients. Ryan's performance record and professionalism is consistent with LeafLine Labs' commitment to the needs of patients in Minnesota.

Dunham Engineering, a Minneapolis based mechanical and electrical engineering design firm, will provide the technical specifications and design documents of the new 50,750 sq. ft. manufacturing facility. Ryan and Dunham have a strong working relationship performing design and build services on critical building systems with 100% performance success. Dunham has a deep working knowledge with the State and local health and inspecting regulatory agencies to guide the total project team during project turnover, equipment maintenance and long-term system operations.

Bolton & Menk is a civil engineering and surveying firm with headquarters in the Twin Cites comprised of over 100 civil planners and engineers. B&M's existing working relationship with the City of Cottage Grove administrative staff provides a strong working partnership for the

design and construction of the new 50,750 sq. ft. manufacturing facility. Its municipal expertise will be weaved into the site engineering of the new LeafLine Labs facility to ensure effective jurisdictional and safety engineering coordination that meets all scheduling requirements of the project. Ryan and B&M have a deep working relationship that ensures communications and performance expectations are aligned with the requirements of LeafLine Labs.

Advanced Structural Technologies of Minneapolis, MN shall provide the structural engineering and design services for the new 50,750 sq. ft. manufacturing facility. Ryan and AST have collaborated on over 50 projects in the last five years.

B.2b Business and Zoning Authorization

LeafLine Labs has established all requisite zoning and use permit approvals from the city of Cottage Grove, as well as confirmation of building and fire/safety code compliance.

Please see the following pages for copies of:

- Cottage Grove CUP Resolution from City Clerk (for the full staff report see Exhibits at end of Section B) - *Exhibit B.2.b1*
- Cottage Grove Building Code Compliance Letter from Chief Building Official - - *Exhibit B.2.b2*
- Cottage Grove Fire Code and Life Safety Compliance Confirmation Letter from Deputy Director of Public Safety/Fire Chief - *Exhibit B.2.b3*

Please refer to the response to question D.1. The documents evidencing LLL's authority to conduct business in Minnesota are provided as Exhibits to Section D.1, as follows:

- *Articles of Organization of LLL certified by Minnesota Secretary of State.*
- *Member Control Agreement of Leafline Labs, LLC.*
- *Minnesota Department of Revenue Business Registration and Tax Identification Number confirmation.*

Exhibit B.2.b1 LLL Cottage Grove Manufacturing Facility – Conditional Use Permit Resolution

STATE OF MINNESOTA)
COUNTY OF WASHINGTON)
CITY OF COTTAGE GROVE)

I, the undersigned, being the duly qualified and acting City Clerk of the City of Cottage Grove, Minnesota, DO HEREBY CERTIFY, that I have carefully compared the attached copy of Resolution No. 2014-088 of the City of Cottage Grove with the original on file in my office and the same is a full, true and complete transcript therefrom.

WITNESS, my hand as such City Clerk and the corporate seal of the City this 18th day of September 2014.

Caron M Stransky
Caron M. Stransky
City Clerk

SEAL

G:\clerk\Templates\Caron\Certification Sheet.doc

1. A dispensary facility is not proposed with this pharmaceutical manufacturing and processing facility.

2. A pharmaceutical manufacturing and processing facility shall be ventilated so that all odors cannot be detected by a person with a normal sense of smell at the exterior of the pharmaceutical manufacturing and processing facility or at any adjoining use or property. Growing, manufacturing, or processing medical cannabis must comply with all applicable laws and shall not produce noxious or dangerous gases or odors or otherwise create a danger to any person or entity in or near the manufacturer's facilities. The applicant shall provide to the City verification from a qualified industrial hygienist that the pharmaceutical manufacturing and processing facility provides appropriate odor control systems so as not to produce any noxious or dangerous gases or odors or create any dangers to any person or entity in or near the pharmaceutical manufacturing and processing facility. An odor maintenance plan must be submitted to the City and approved by the City's consultant.

3. All signage must comply with City Sign Ordinance regulations, and a building permit must be obtained prior to the installation of any signs.

4. All applicable permits (building, electrical, grading, mechanical, and right-of-way) and a commercial plan review packet must be completed, submitted, and approved by the City prior to the commencement of any construction activities. Detailed construction plans must be reviewed and approved by the Building Official and Fire Marshal.

5. Final drainage plans must be submitted to the South Washington Watershed District for review.

6. Irrigation shall be provided for all sodded and mulched landscaped areas, including maintenance to take place to the curb line of 97th Street. Irrigation must also be provided to each landscape island interior to the parking lot. The irrigation system shall consist of an underground sprinkling system that is designed by a professional irrigation installer to meet the water requirements of the site's specific vegetation. The system shall be detailed on the landscape plan. A maintenance plan must be submitted to the City for approval for all other yard areas featuring prairie grasses and wildflowers. The grass area for that section of land abutting Renewal by Andersen's private access road must be maintained.

7. All site lighting must meet City Code requirements. All light fixtures must be downward directed with cut-offs and be architecturally designed to match the overall design for the building. The specifications of all light fixtures must be provided by the City with the application for a building permit.

8. Final architectural plans, lighting details, and exterior construction materials and colors must be reviewed and approved by the Planning Department prior to the issuance of a building permit.

9. The grading and erosion control plan for the site must comply with NPDES II Permit requirements. Erosion control devices must be installed prior to commencement of any grading activity. Erosion control must be performed in accordance with the recommended practices of the "Minnesota Construction Site Erosion and Sediment Control Planning Handbook" and the conditions stipulated in Title 10-5-8, Erosion Control During Construction, of the City's Subdivision Ordinance.

10. The applicant must provide the City with an as-built survey of all private utilities prior to issuance of a certificate of occupancy.

11. All mechanical and odor suppression equipment and trash enclosures must be screened as required in City Code Title 11, Chapter 6, Section 3, Solid Waste Storage and Title 11, Chapter 6, Section 4, Screening Requirements.

12. All landscaping improvements must comply with the City's landscaping and tree preservation regulations as required in City Code Title 11, Chapter 6, Section 5, Landscaping Requirements, and City Code Title 11, Chapter 6, Section 6, Tree Preservation. Installation of landscaping shall occur in a timely fashion and be consistent with an approved plan. A letter of credit in the amount of 150 percent of the landscape estimate shall be submitted to the City as required by City Code Title 11, Chapter 6, Section 5(I). The financial guarantee shall be in effect for one year from the date of installation to ensure the installation, survival, and replacement of the landscaping improvements. The property owner must continue maintenance of all the landscaping improvements as shown on the approved landscaping plan dated September 10, 2014.

13. The property owner must allow City personnel to enter upon the property to maintain, repair, and inspect all public utility systems that exist on the property. Flushing the fire hydrant internal to the site is the City's responsibility.

14. The property owner must allow the City to plat their property and agrees to sign the final plat for recording purposes at the Washington County Recorder's Office. All required drainage and utility easements and platted parcels will be shown on the final plat. The stormwater basin in the northwest corner of the site will be platted as an outlot and deeded to the City upon acceptance by the City Engineer.

15. The property owner must agree to grant to the City without cost to the City all drainage and utility easements as recommended by the City Engineer. Temporary easements are acceptable until the final plat has been recorded. At a minimum, the temporary drainage and utility easements will consist of a ten-foot minimum width along the property boundary lines adjoining a public right-of-way the east boundary line of the site. A five-foot minimum width is required along the south property boundary line. A 40-foot wide utility and drainage easement is required along the west property boundary line as depicted on the Certificate of Survey dated September 8, 2014. These easements will be shown on the future plat.

16. The applicant must remove all temporary construction access drives connecting to 97th Street.

17. Outdoor storage of containers, pallets, waste/recycle containers, etc. are prohibited.

18. Exterior building materials for future building additions must be similar to the principal structure's exterior color, design, texture, and exterior building materials.

19. All conditions and requirements of the Contract for Private Development By and Between Cottage Grove Economic Development Authority and Leafline Labs, LLC dated September 9, 2014, must be complied with.

20. The pharmaceutical manufacturer must be registered by the commissioner of Health as required in the 2014 Minnesota Session Laws -- Chapter 311 -- S. F. No. 2470.

21. The exterior building materials for the proposed security building must be similar to the principal structure's exterior color, design, texture, and exterior building materials.

22. The design and materials for the security fencing must match the specifications of the Montage Commercial Majestic 3/4 – Rail Fence or equivalent design.

23. The west drive connection to 97th Street must be realigned to be directly across from the existing access drive on the north side of the road.

Passed this 17th day of September 2014.

Myron Bailey, Mayor

Attest:

Caron M Stransky

Caron M. Stransky, City Clerk

Exhibit B.2.b2 LLL Cottage Grove Manufacturing Facility – Building Code Compliance Letter

Cottage Grove
Where Pride and Prosperity Meet

September 22, 2014

Dr. Edward Ehlinger, Commissioner of Health
Minnesota Department of Health
625 North Robert Street
St. Paul, MN 55155-2538

Mr. Peter Bachman
Leafline Labs, LLC
222 – 2nd Street SE, #1106
Minneapolis, MN 55414

RE: Leafline Labs Building Site

Dear Sirs:

The Leafline Labs Manufacturing Facility plans (dated 9/10/14) were provided to the City for preliminary review for State Building Code compliance.

After discussions with Doug Feickert, Senior Architect with Ryan Companies, regarding the applicable codes noted on Sheet A201 and a brief review of sheets A202, A301, A401, and A402, I have determined that the preliminary plans appear to be compliant with State of Minnesota Building and Construction Standards.

Please contact me at 651-458-2828 or blabrosse@cottage-grove.org should you require anything further.

Sincerely,

Bob LaBrosse
Chief Building Official

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Exhibit B.2.b3 LLL Cottage Grove Manufacturing Facility – Fire Code Compliance Letter

Cottage Grove
Where Pride and Prosperity Meet

September 22, 2014

Dr. Edward Ehlinger, Commissioner of Health
Minnesota Department of Health
625 North Robert Street
St. Paul, MN 55155-2538

Mr. Peter Bachman
Leafline Labs, LLC
222 – 2nd Street SE, #1106
Minneapolis, MN 55414

RE: Leafline Labs Building Site

Dear Sirs:

The Leafline Labs' plans that specifically pertain to the fire protection plan and fire hydrants were reviewed by the Cottage Grove Fire Department.

The preliminary fire protection plan appears to be compliant with City of Cottage Grove standards. The placement of the hydrants around the structure for the Phase 1 development appear to be appropriately spaced for adequate water supply in the event of a fire.

The Cottage Grove Fire Department looks forward to working with Leafline Labs on the fire life safety components of their project.

If you need further information, please don't hesitate to contact me at 651-458-2855 or rredenius@cottage-grove.org.

Sincerely,

Richard Redenius

Richard Redenius
Deputy Director of Public Safety – Fire Chief

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B.2c Local Government Support

In addition to the support shown above related to our acquisition of a Conditional Use Permit in Cottage Grove, we have received additional support from local government as follows:

- Letter from the Mayor Bailey - *Exhibit B.2.c1*
- Letter from Senator Katie Sieben and Representative Dan Schoen - *Exhibit B.2.c2*
- Letter from Director of Public Safety/Police Chief - *Exhibit B.2.b3*

Exhibit B.2.c1 LLL Cottage Grove Manufacturing Facility –Letter from the Mayor

Cottage Grove
Where Pride and Prosperity Meet

September 22, 2014

Dr. Edward Ehlinger, Commissioner of Health
Minnesota Department of Health
625 North Robert Street
St. Paul, MN 55155-2538

Mr. Peter Bachman
Leafline Labs, LLC
222 – 2nd Street SE, #1106
Minneapolis, MN 55414

Dear Sirs:

On behalf of the City Council of the City of Cottage Grove I am hereby informing the State of Minnesota of our unanimous support for the proposed medical cannabis manufacturing facility proposed by Leafline Labs. This facility's site plan/conditional use permit approval and the real estate transaction were all unanimously approved by the City Council at its meeting of September 17, 2014.

The City of Cottage Grove has conducted extensive research into the various aspects of medical cannabis manufacturing around the country. Included in our due diligence has been facility operations and community impacts in Watertown, Connecticut, with specific review of the Theraplant, LLC facility in that community. The Leafline Labs' project closely emulates this facility. Our findings are that the Theraplant facility/operator is a positive contributor to that community. Leafline Labs will likewise be a positive contributor to the community of Cottage Grove, the greater Twin Cities Metro, and the State of Minnesota.

The partners at Leafline Labs have brought together an impressive group of professionals well able to ensure their project, its operation, and the Minnesota Medical Cannabis industry moves forward in a positive and seamless fashion. From its financial and operational partners, to its security team, to engineering, architectural, construction and development partners, Leafline Labs has brought together leaders in each and every aspect of this project. It is unfathomable how a better prepared, better planned project would be possible beyond that which is proposed by Leafline Labs.

The City of Cottage Grove presents itself as a supportive partner in this project. As the land developers for our Cottage Grove Business Park, we have the site ALTA survey and environmental surveys, regional storm water, potable water, sanitary sewer, and roadways in place to seamlessly serve this project. As is our customary approach to land development, we have guaranteed Leafline Labs that the development site is buildable; we take responsibility for any necessary soil correction, and therefore, Leafline Labs is able to concentrate on meeting

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State needs and requirements rather than concerning itself with any development issues beyond the manufacturing facility itself.

The City is prepared to transfer title to Leafline Labs for the development site as soon as the State license is received for this facility. Further, our development agreement allows Leafline Labs to begin construction of their facility ahead of the real estate transaction should they have the need to do so.

Leafline Labs has proposed a quality facility to meet both the short-term and long-term needs of their operation and that of the State of Minnesota. Their initial facility will be 50,750 square feet with an expansion capability up to 159,250 square feet on a 24-acre parcel within the Cottage Grove Business Park. Further, Leafline Labs has been granted a First Right of Refusal on an adjacent 20 acres should further expansion is needed to meet their operational and State of Minnesota future needs.

Leafline Labs and the City of Cottage Grove have been working on this project over the past few months. Our planners, engineers, public works, and public safety personnel and our development and construction team have all been involved in bringing this project forward. We believe, in partnership with the State of Minnesota and the City of Cottage Grove, nobody is better positioned to complete a successful project within state guidelines and timelines than is Leafline Labs.

It is without reservation, and on behalf of the citizens and taxpayers of the City of Cottage Grove, I hereby express my enthusiastic support for the Leafline Labs proposal to operate a medical cannabis manufacturing facility within the City of Cottage Grove and the State of Minnesota.

Respectfully Submitted,

Myron Bailey
Mayor
City of Cottage Grove

Exhibit B.2.c2 LLL Cottage Grove Manufacturing Facility –Letter from State Senator and House Representative

Dan Schoen
State Representative

District 54A
Dakota and Washington Counties

Minnesota House of Representatives

Peter Bachman, President
Leafline Labs, LLC
222 2nd Street SE, #1106
Minneapolis, MN 55414

Dear Mr. Bachman:

This letter serves to thank you for your interest and express our support in making Cottage Grove home to LeafLine Labs' state-of-the-art manufacturing and production facility. We'd like to congratulate LeafLine Labs on its successful and unanimous Conditional Use Permitting approval by the City of Cottage Grove City Council on September 17th as a significant step in its process to pursue registration in Minnesota to produce medical cannabis.

We appreciate LeafLine Labs being a Minnesota-grown company with roots in horticulture, business, citizenship and healthcare. LeafLine Labs dedication to detail and planning for this venture is to be commended. We appreciate that LeafLine Labs has chosen Cottage Grove as the location to invest its time, resources and job creation.

As representatives of this community, we are excited about the opportunity to work with LeafLine Labs toward launching a successful and compassionate medical cannabis production and delivery to serve Minnesotans medical needs. We wish you success in your application to the Minnesota Department of Health and are hopeful to celebrate with you at the proposed groundbreaking on the 24-acre location.

Best wishes,

Katie Sieben

Senator Katie Sieben

Representative Dan Schoen

State Office Building, 100 Rev Dr Martin Luther King Jr Blvd, St. Paul, Minnesota 55155-1298
(651) 459-3753
(651) 296-4342
FAX: (651) 296-8605 Email: rep.dan.schoen@house.mn

NOT PRINTED AT GOVERNMENT EXPENSE

Exhibit B.2.c3 LLL Cottage Grove Manufacturing Facility –Letter from Deputy Director of Public Safety/Police Chief

Cottage Grove
Where Pride and Prosperity Meet

Department of Public Safety
Police • Fire • EMS

September 18, 2014

Leafline Labs, LLC
Attn: Mr. Peter Bachman
222 2nd St. SE, # 1106
Minneapolis, MN 55414

Re: Proposed Medical Marijuana Manufacturing Facility in Cottage Grove, MN

Dear Mr. Bachman,

This letter is to inform you that the Cottage Grove Department of Public Safety has no objections to the proposed medical marijuana manufacturing facility by Leafline Labs LLC in the City of Cottage Grove. Prior to the Cottage Grove City Council's September 17, 2014 public hearing for the Conditional Use Permit and site plan review for a pharmaceutical manufacturing and processing facility, the Public Safety Command Staff (police, fire and emergency medical services) had the opportunity to meet with Dag Sohlberg of Sohlberg and Associates LLP regarding the security plans for the proposed facility.

Mr. Sohlberg has extensive experience in law enforcement and in the security and protection industry. Mr. Sohlberg retired after a long career with the FBI and since retiring has coordinated several high profile national events.

MN State Statute 152.29 section 9 outlines Security Requirements for Manufacturers of Medical Cannabis and the proposed MN Rules chapters 4770.0900 for Monitoring and Surveillance requirements, 4770.1000 Alarm System Requirements and 4770.1100 Transportation of Medical Cannabis. The adopted statute and proposed rules are detailed, thorough and will provide a high level of physical and employee security. Mr. Sohlberg's intentions are to not only meet the statutory security requirements but to exceed them. He intends on fully cooperating with local public safety officials to ensure the physical security of the facility and transportation of product. This facility should have no impact upon the safety and security of this community.

Respectfully,

Craig Woolery

Craig Woolery
Director of Public Safety, City of Cottage Grove

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B.2d Property Owner Consent

The Cottage Grove facility property is owned by LeafLine Labs. LeafLine has a fully executed Development Agreement with the Cottage Grove Economic Development Authority dated September 17, 2014 for the purchase of the property where Leafline's production facility will be. The agreement is contingent on MDH registration of Leafline as a medical cannabis manufacturer.

B.2e Exterior Signage and Graphics

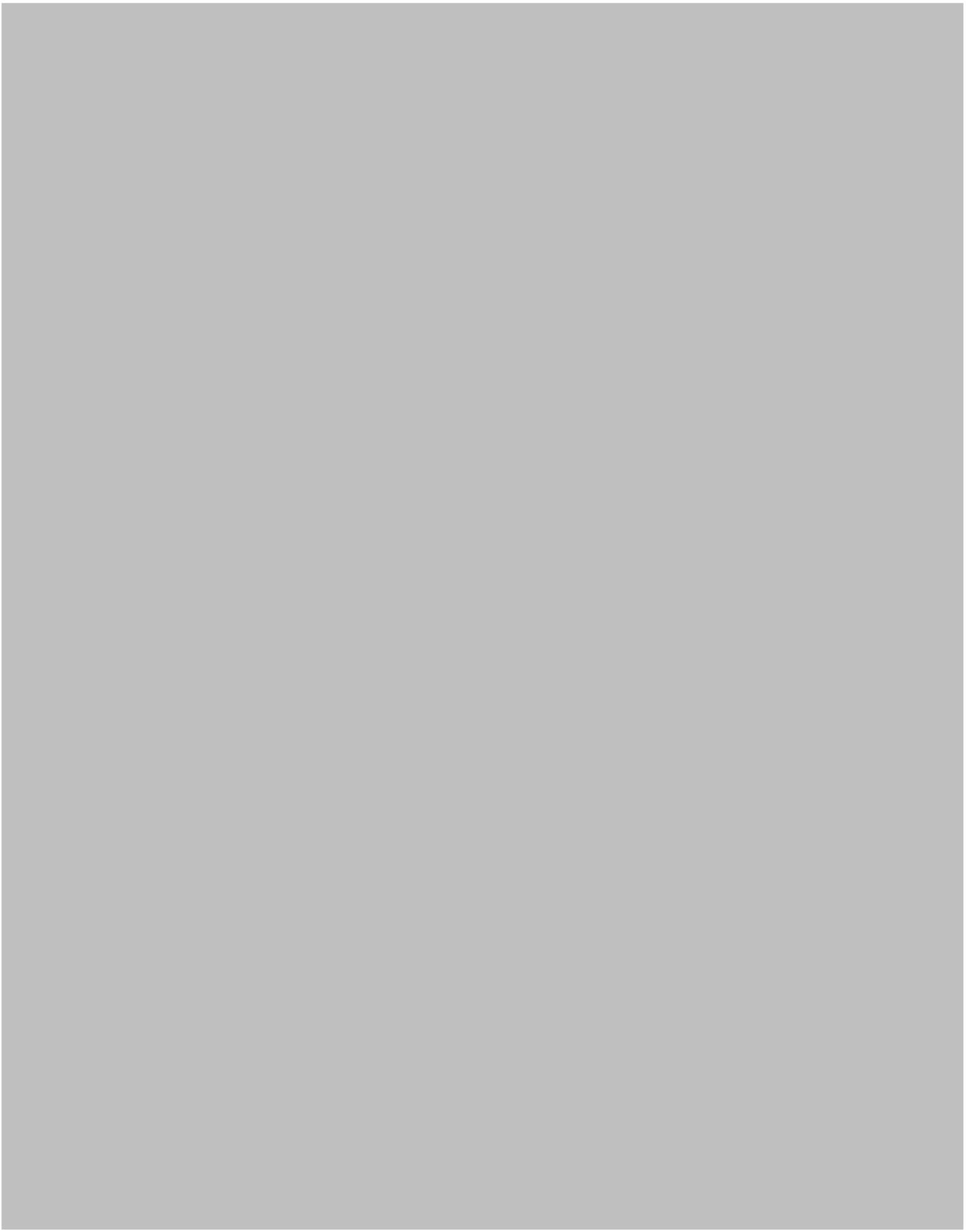
LeafLine Labs intends to have one, simple exterior identifying sign on its facility as generally shown below:

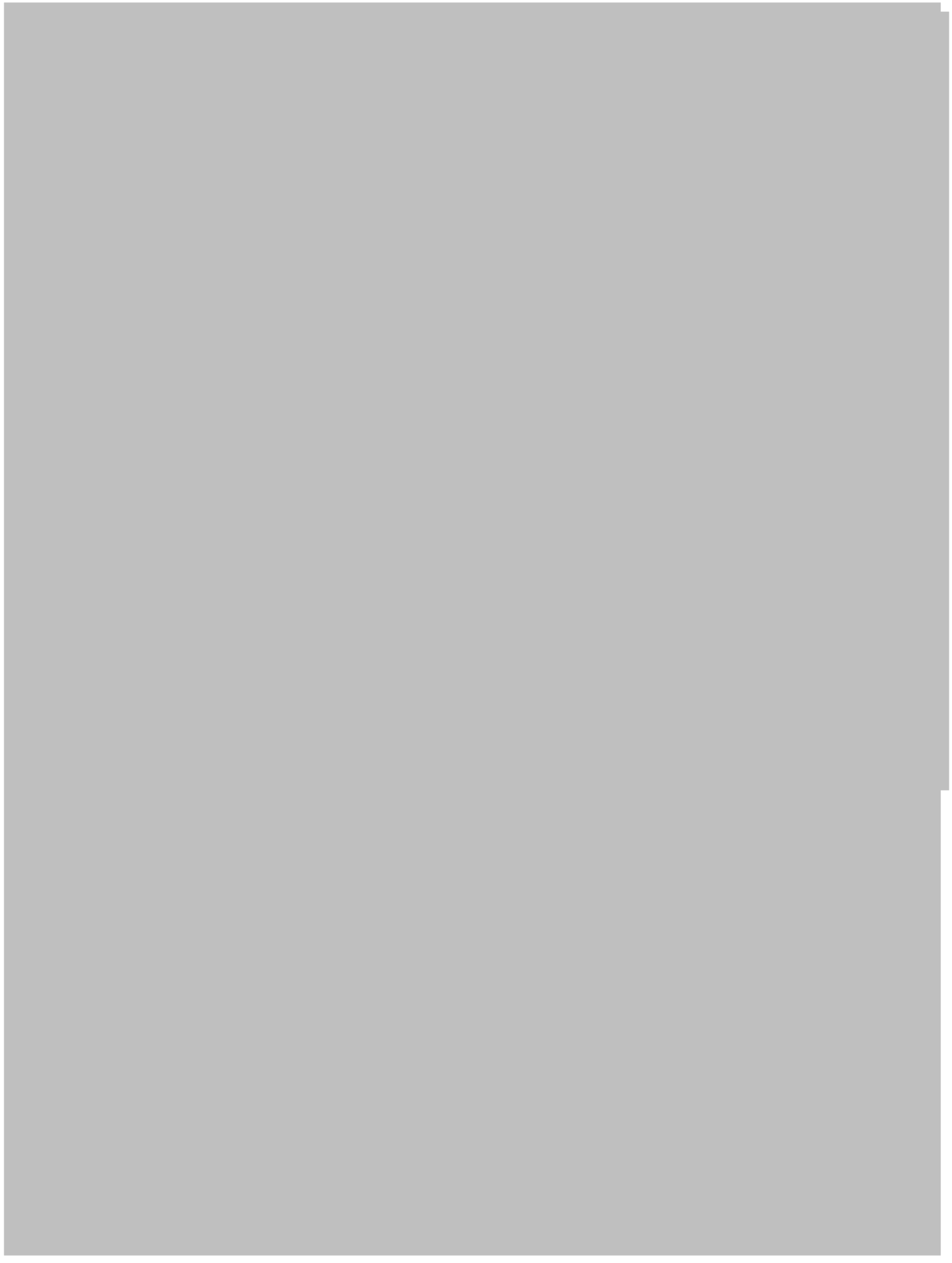
Exhibit B.2e1 – LLL Exterior Signage Rendering

At each entrance of the premises, at a minimum, there will also be a sign in a conspicuous location that reads,

- "PERSONS UNDER TWENTY-ONE YEARS OF AGE NOT PERMITTED ON THESE PREMISES."

- "THESE PREMISES ARE UNDER CONSTANT VIDEO SURVEILLANCE".





[redacted]

Cottage Grove
Where Pride and Prosperity Meet

September 18, 2014

Mr. Peter Bachman
Leafline Labs, LLC
222 2nd Street SE, #1106
Minneapolis, MN 55414

RE: Proposed Pharmaceutical Manufacturing Facility; Cottage Grove, MN

Dear Mr. Bachman:

The City of Cottage Grove has received your planning applications for the proposed pharmaceutical manufacturing and processing facility that produces a medical cannabis pharmaceutical product. The proposed site consists of approximately 24 acres of land located south of 97th Street and approximately 2,000 feet west of Jamaica Avenue. This particular area is located within the Cottage Grove Business Park in Cottage Grove, Minnesota. The City understands that your project does include growing marijuana inside the facility and manufacturing and processing this material into medical cannabis, but does not include a dispensary facility.

Per your request, our office prepared a map that identifies all existing businesses within 1,000 feet of the proposed 24 acre site. None of these existing businesses are used for religious worship, public or private schools, convents, charitable institutions whether supported by private or public funds, hospital or veterans' homes, or any camp or military establishments. This 24-acre site and surrounding properties are zoned I-2, General Industry District. This zoning classification is consistent with the "industrial" land use designation on the 2030 Future Land Use Map in the City's Future Vision 2030 Comprehensive Plan, March 2011.

An aerial photo of the 24-acre site and properties surrounding the proposed site is attached. All surrounding uses within 500 feet of the proposed pharmaceutical manufacturing facility and the approximate 24-acre parcel are compatible industrial land uses.

The City Council approved your conditional use permit and site plan applications on September 17, 2014. A certified copy of the City resolution adopted by the City Council is attached.

If you have any questions, please call me at 651-458-2890.

Sincerely,

Jennifer Levitt
Community Development Director/City Engineer

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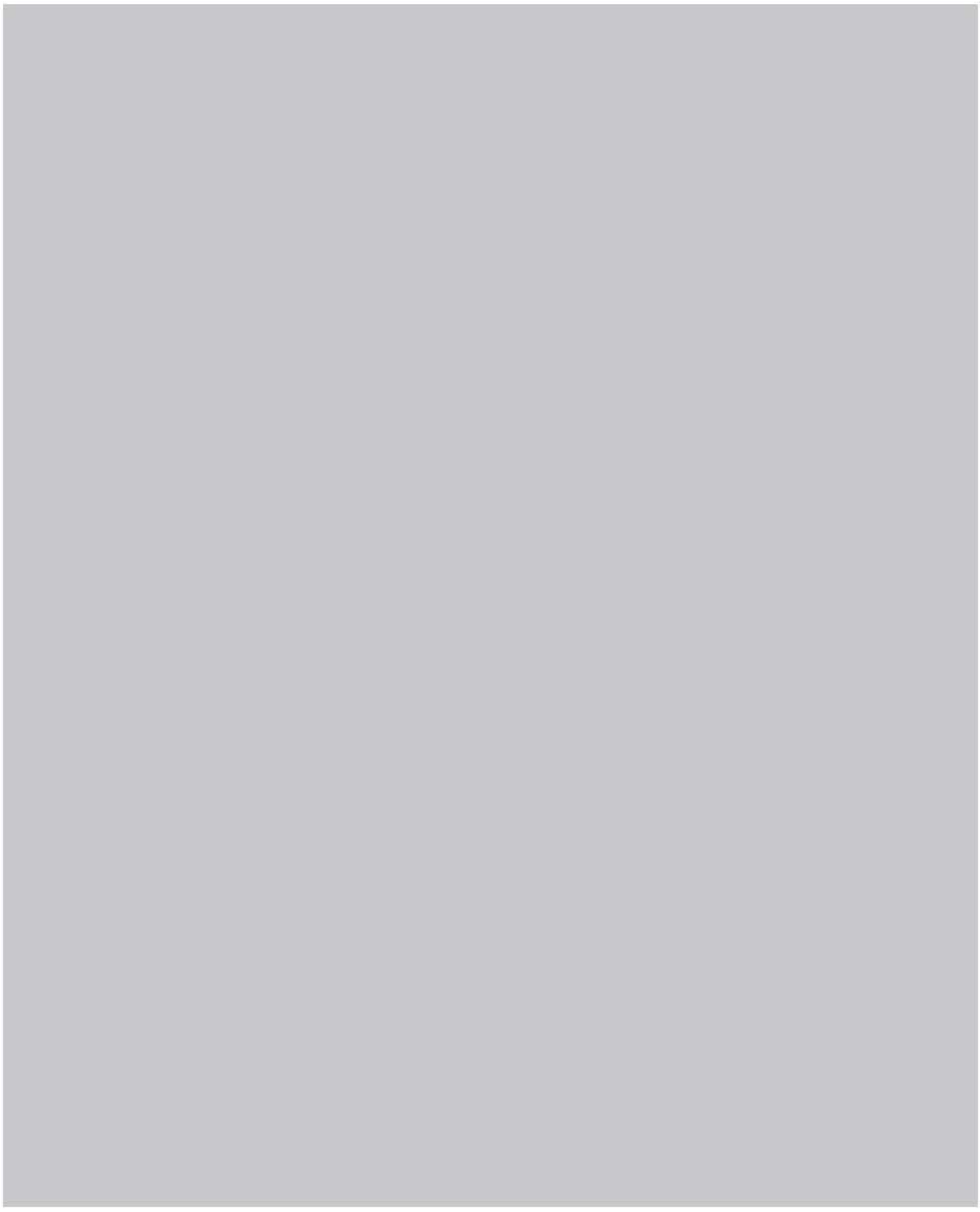
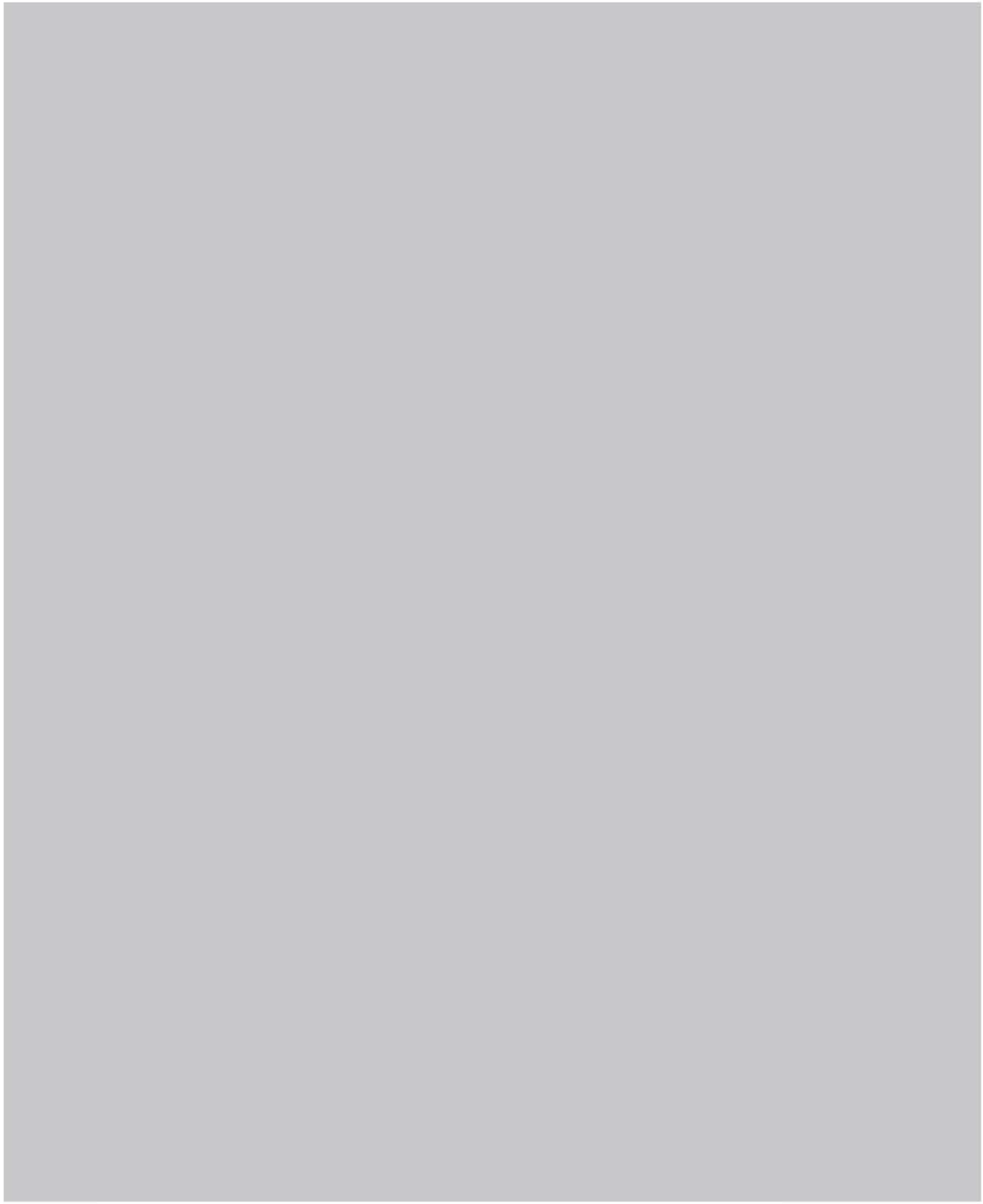
Exhibit B.2i1: LLL Cottage Grove Manufacturing Facility – Phase 1 Production Facility



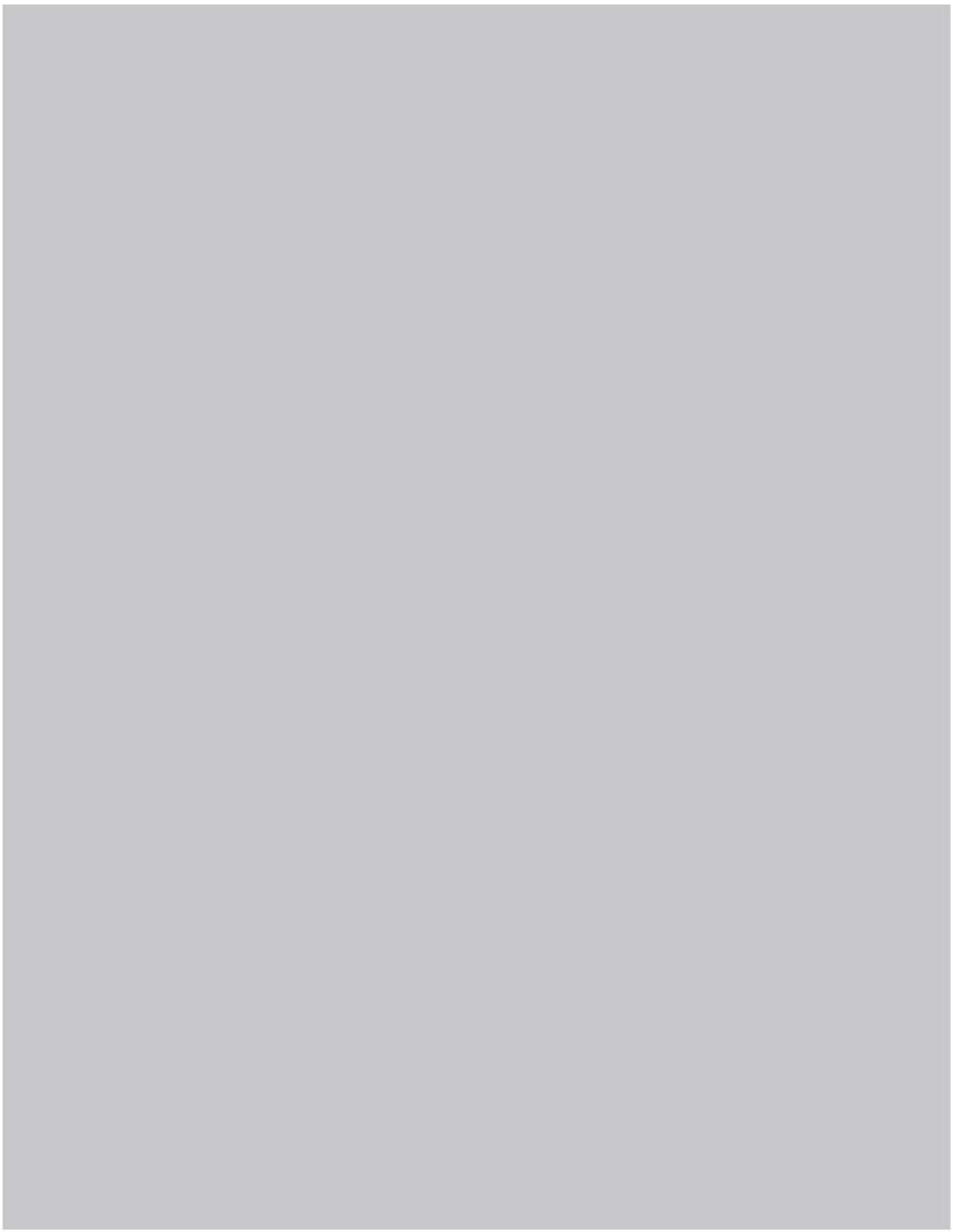
TRADE SECRET INFORMATION

Exhibit B.2i2: LLL Cottage Grove Manufacturing Facility – Cannabis Growing, Propagation and R&D



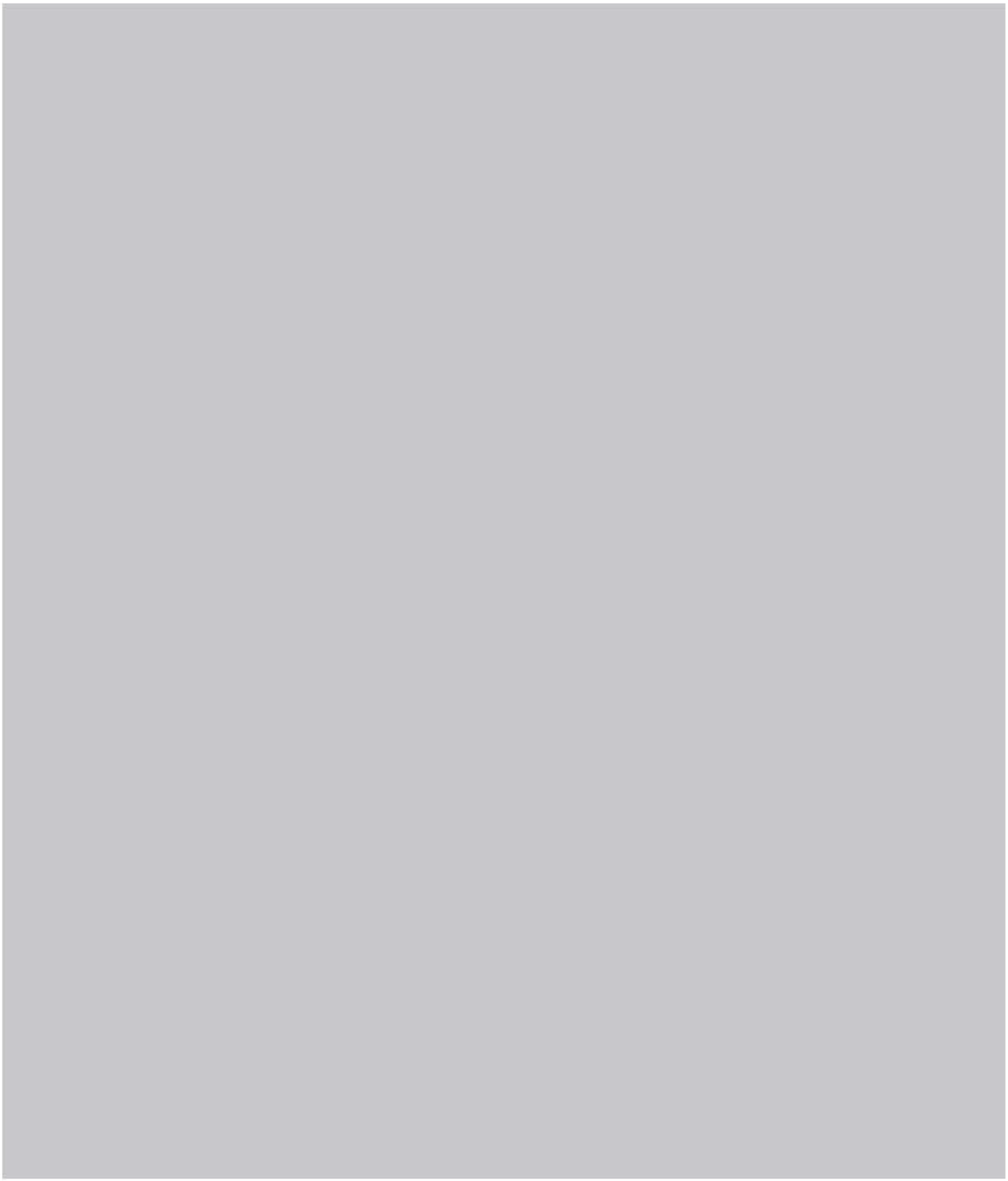
TRADE SECRET INFORMATION

Exhibit B.2i3: LLL Cottage Grove Manufacturing Facility – Harvesting and Curing



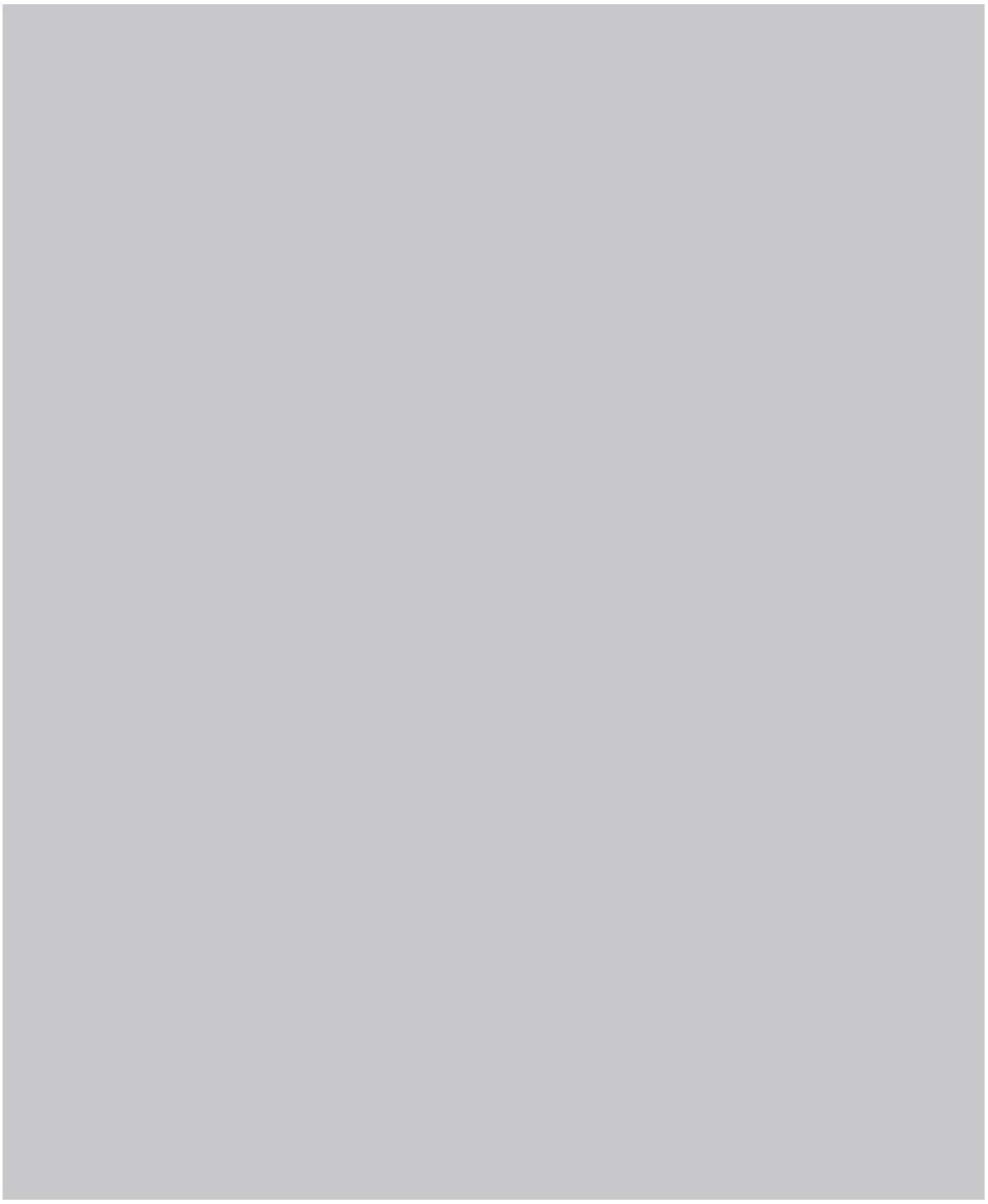
TRADE SECRET INFORMATION

Exhibit B.2i4: LLL Cottage Grove Manufacturing Facility – Production/Manufacturing



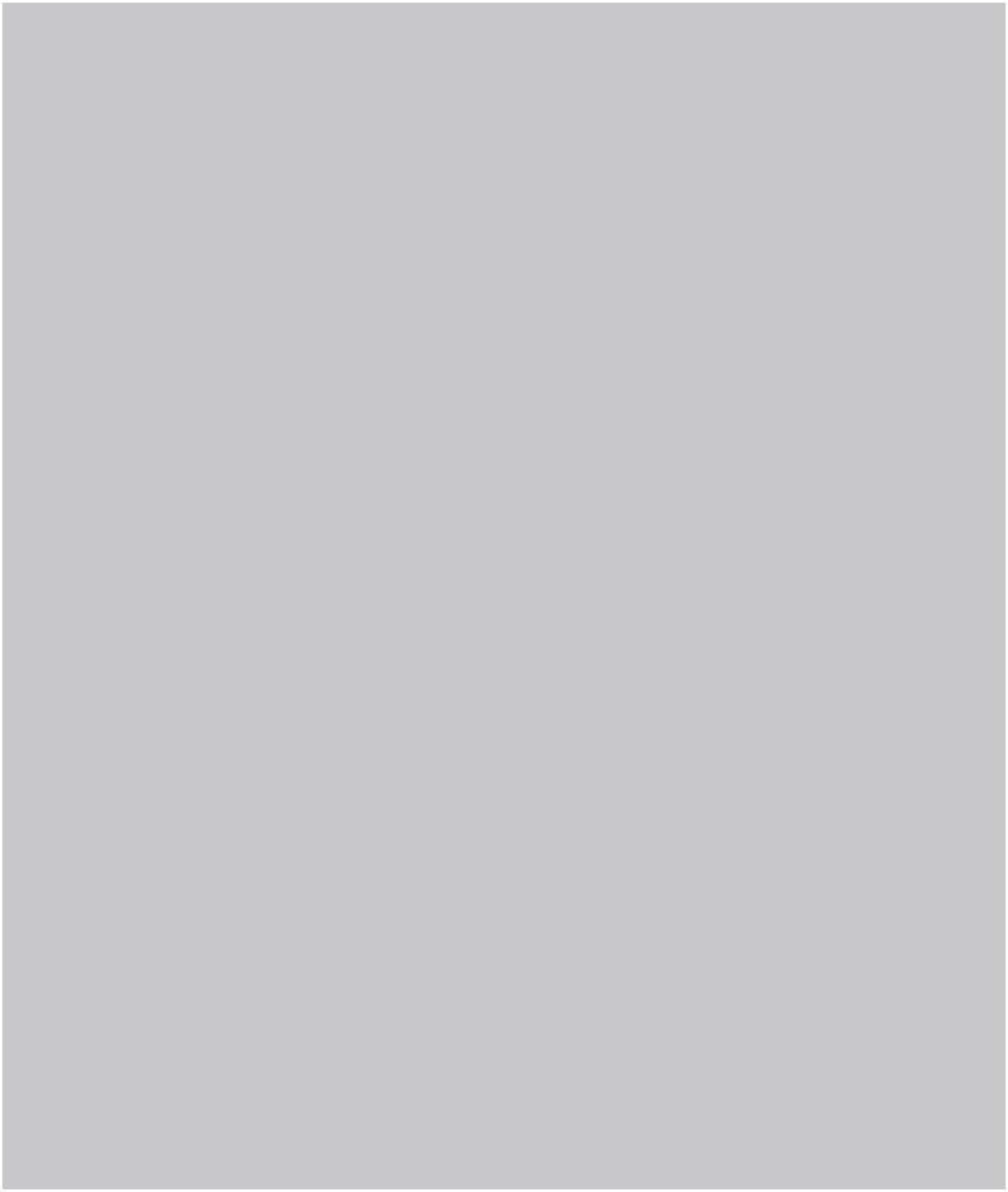
TRADE SECRET INFORMATION

Exhibit B.2i5: LLL Cottage Grove Manufacturing Facility – Packaging and Labeling



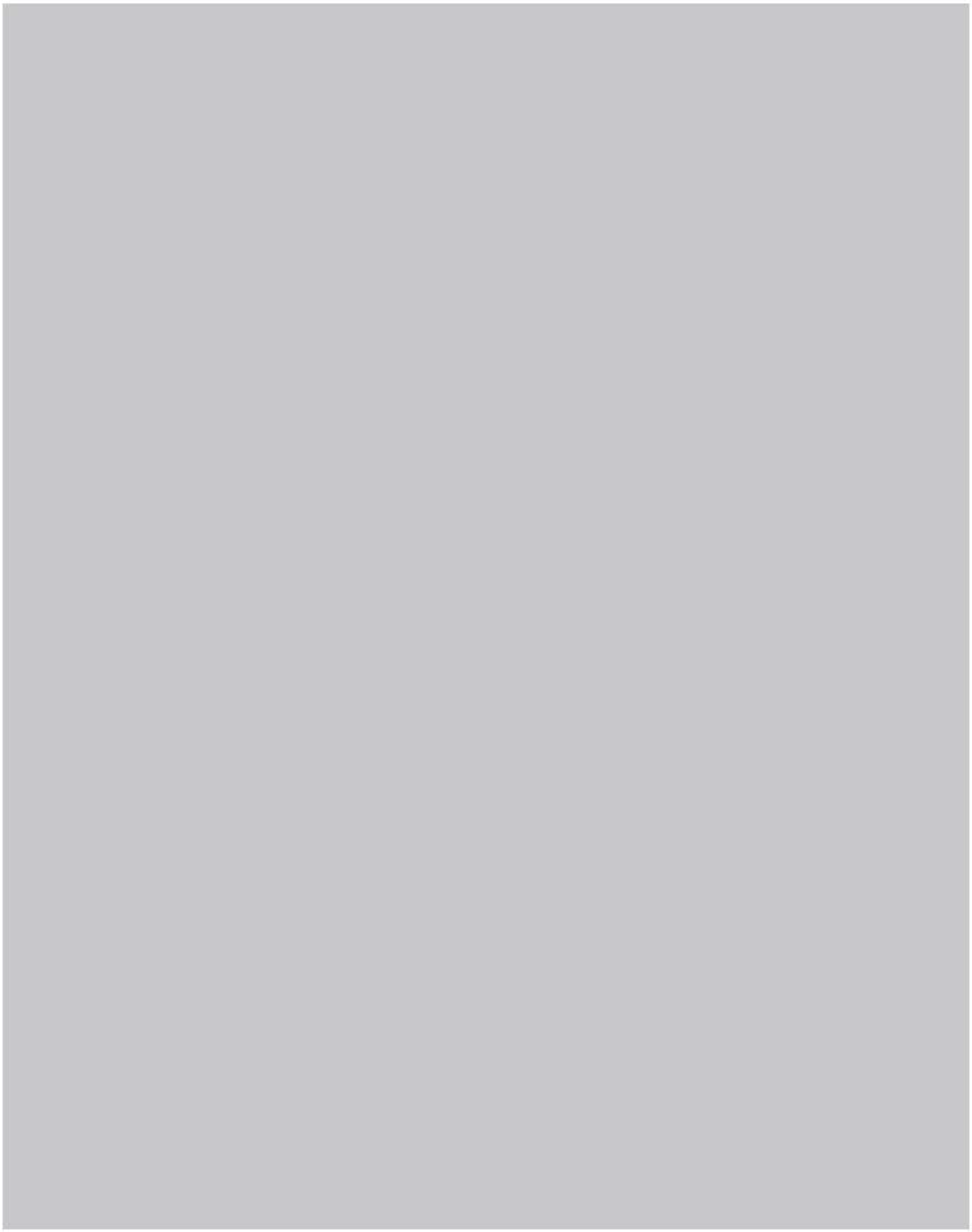
TRADE SECRET INFORMATION

Exhibit B.2i6: LLL Cottage Grove Manufacturing Facility – Vault, Product Storage, Quarantine Storage



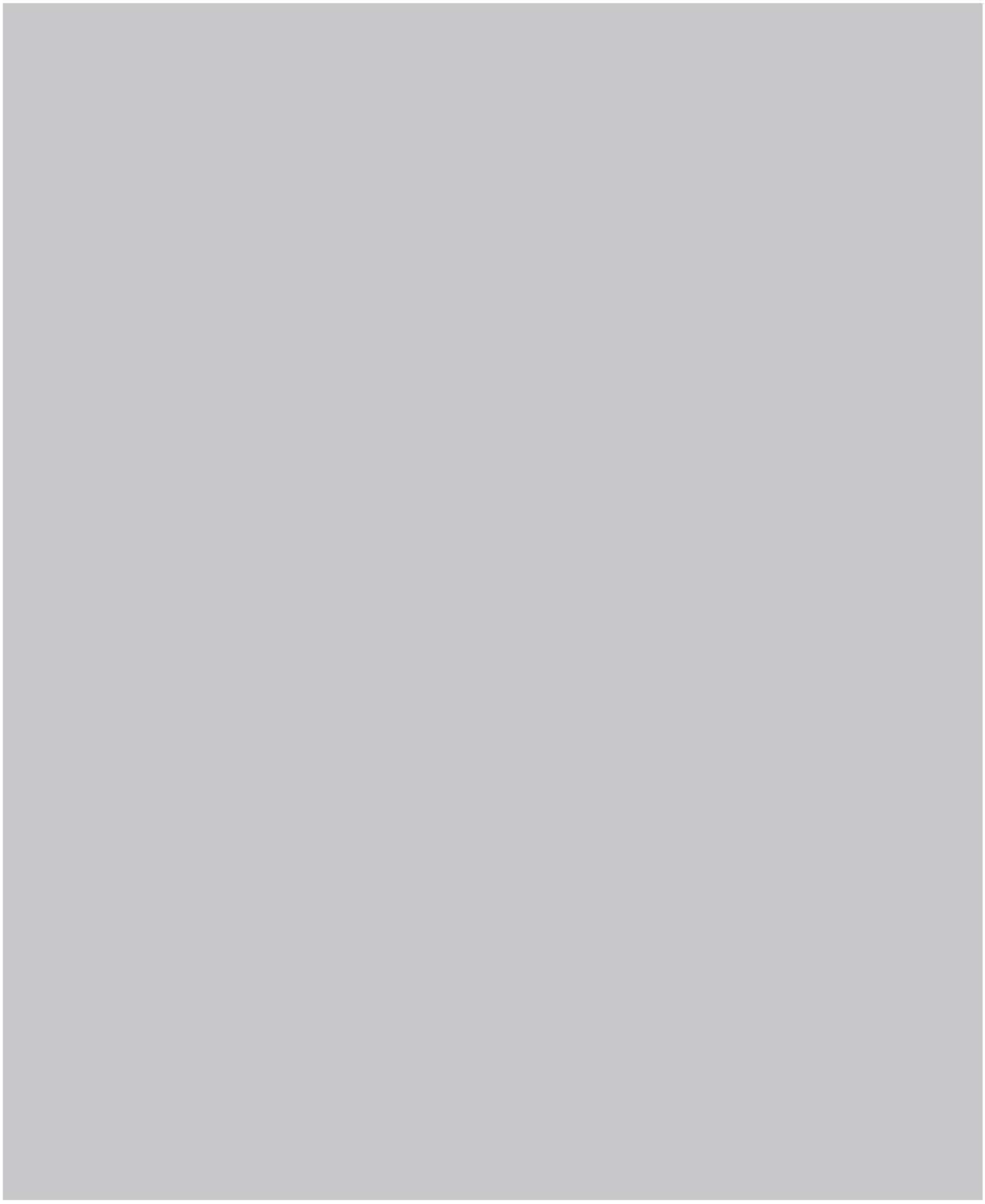
TRADE SECRET INFORMATION

Exhibit B.2i7: LLL Cottage Grove Manufacturing Facility – Employee Restrooms



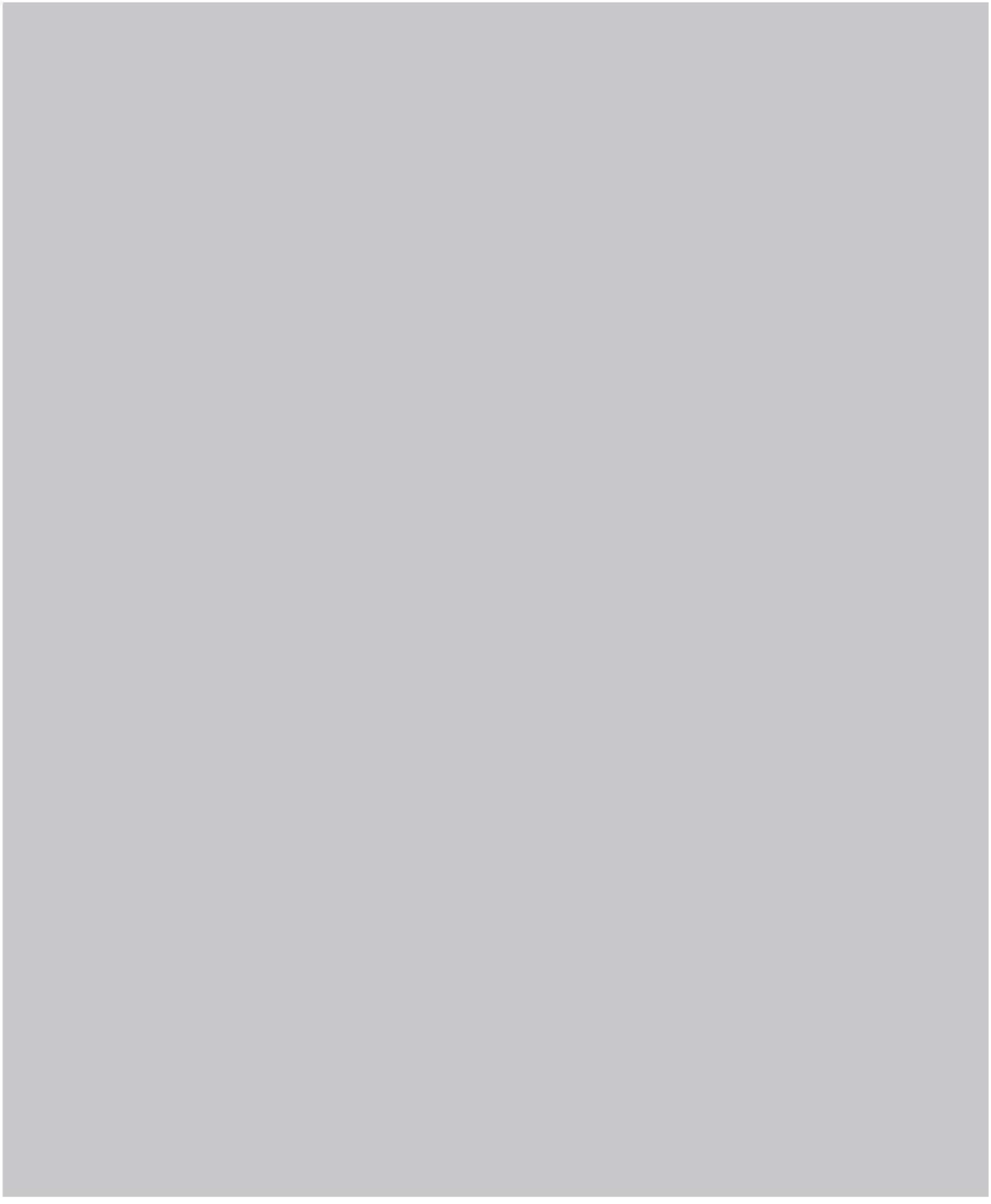
TRADE SECRET INFORMATION

Exhibit B.2i8: LLL Cottage Grove Manufacturing Facility – Employee Locker and Break Rooms



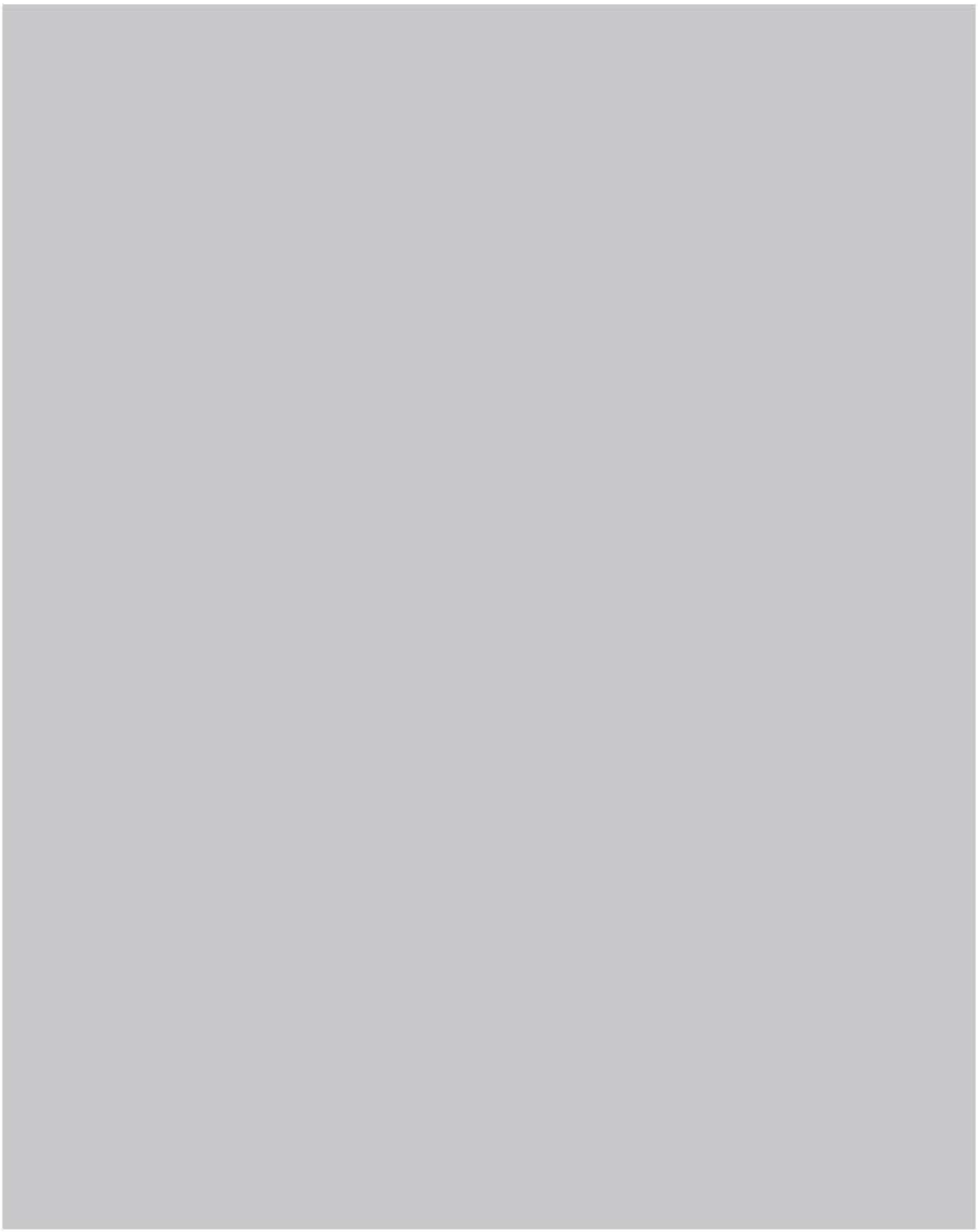
TRADE SECRET INFORMATION

Exhibit B.2i9: LLL Cottage Grove Manufacturing Facility – All areas related to the Production of Medical Cannabis



TRADE SECRET INFORMATION

Exhibit B.2i10: LLL Cottage Grove Manufacturing Facility – Equipment, Electrical and Administrative (i.e. Non-production),



TRADE SECRET INFORMATION

B.2j Site Development and Construction Plan

The new 50,750 sq. ft. manufacturing facility shall be designed, constructed and placed into operation [redacted] to ensure distribution of medicinal product by the July 1, 2015 deadline. Ryan has secured critical delivery dates of all key building materials to meet the required scheduling requirements of LeafLine Labs per the plan and construction schedule shown on the following pages *(Exhibit B.2j1)*. The City of Cottage Grove planning and engineering administration staff has demonstrated its excitement and commitment to the project as a tremendous partner to expedite all necessary building permit requirements and subsequent onsite inspections. [redacted]

Some highlights of our proposed facility construction:

- Intentional separation of manufacturing/production facility from distribution facilities for greater security.
- New facility specifically designed and constructed for intended business use.
- [redacted]
- Walls and ceiling space custom white color for maximum light reflectance for growth.
- Demising walls between grow spaces to be designed and constructed with full particulate zone protection between grow rooms.
- [redacted]
- Optimum light level and height management for optimum plant management and harvest.
- [redacted]

- Positive workspace environment to limit rotation, increase employee loyalty.
- Energy consumption efficiency as compared to existing facility; electricity and gas.
- Efficient space layout to optimize options resulting in limited plant loss.
- Low maintenance design to reduce risks of business operations.
- HVAC and lighting control management for grow room segregation to optimize grow stages of plants.
- Way-finding signage specifically tailored to new facility, avoids unintentionally misdirected individuals.
- Fully modern designed facility fire protection system to limit and compartmentalize damage to structure and product in case of fire.
- Built to ensure health and life safety of employees, community and surrounding businesses (smells, sounds, waste, etc.)
- Building design based on a working facility with tested and verified performance metrics and operations.
- Design for energy efficiency of total operations and consumptive public utilities.

Exhibit B.2.j1: LLL Manufacturing Facility Exterior Site Rendering

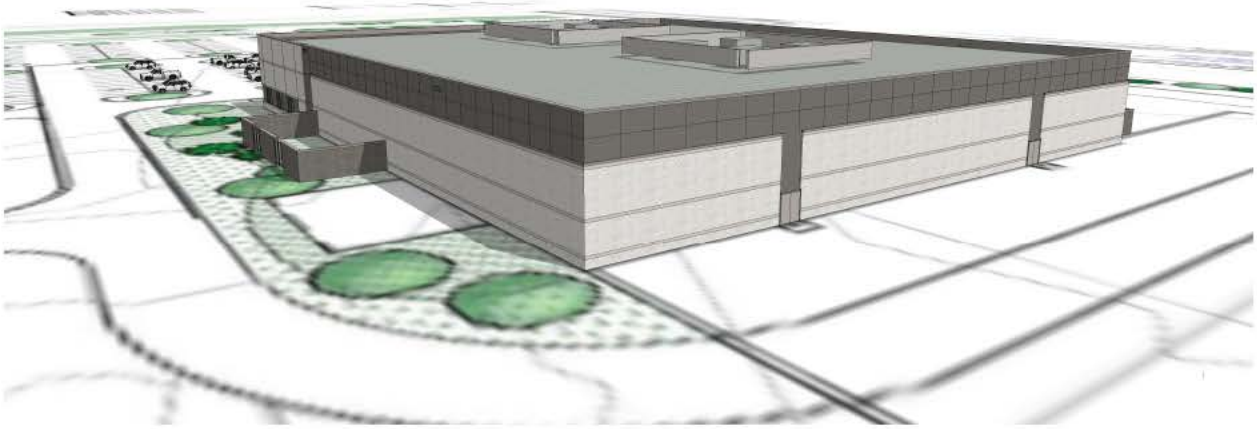


Exhibit B.2j2: LLL Cottage Grove Manufacturing Facility Construction Plan (1 of 2)

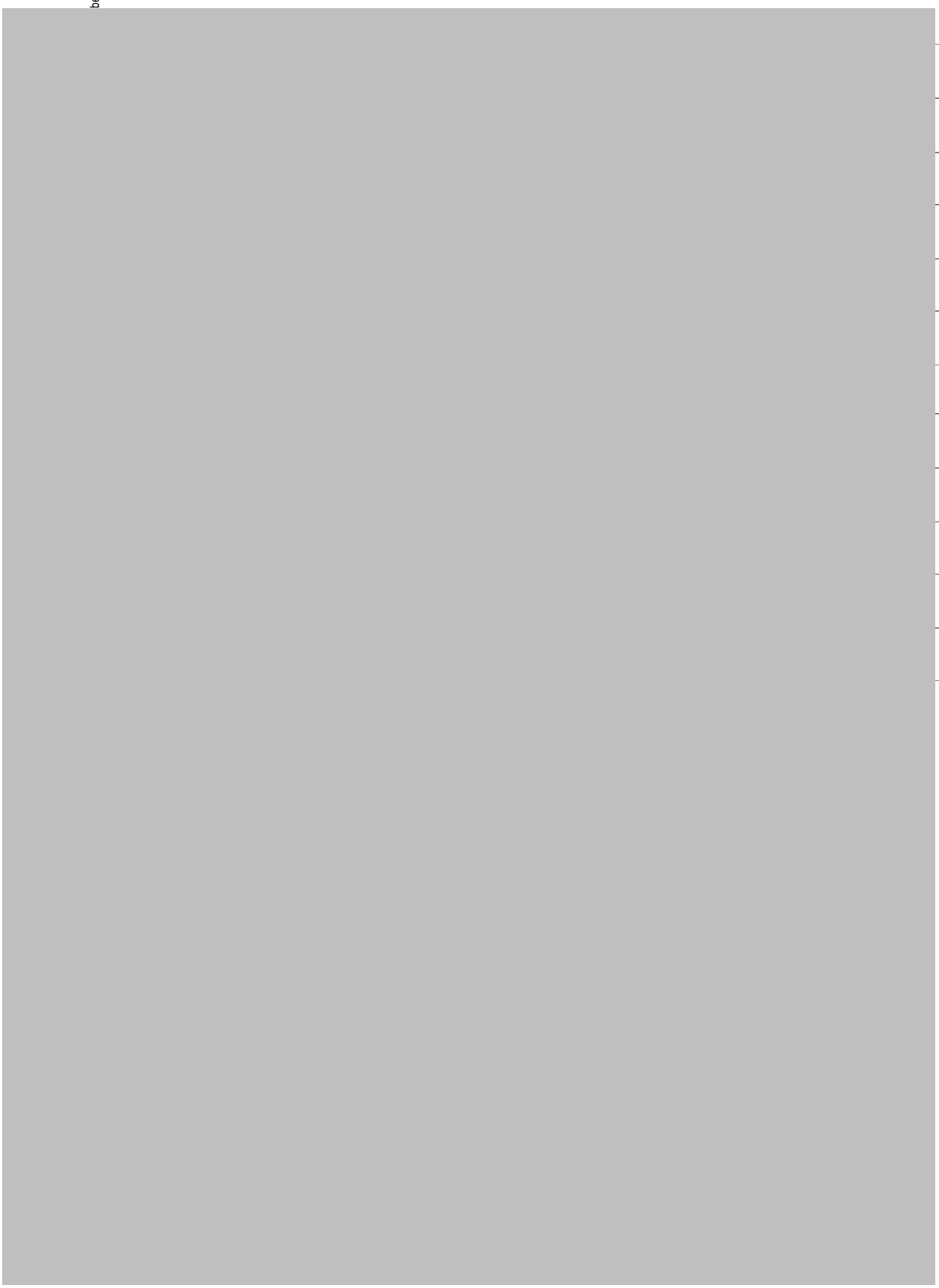
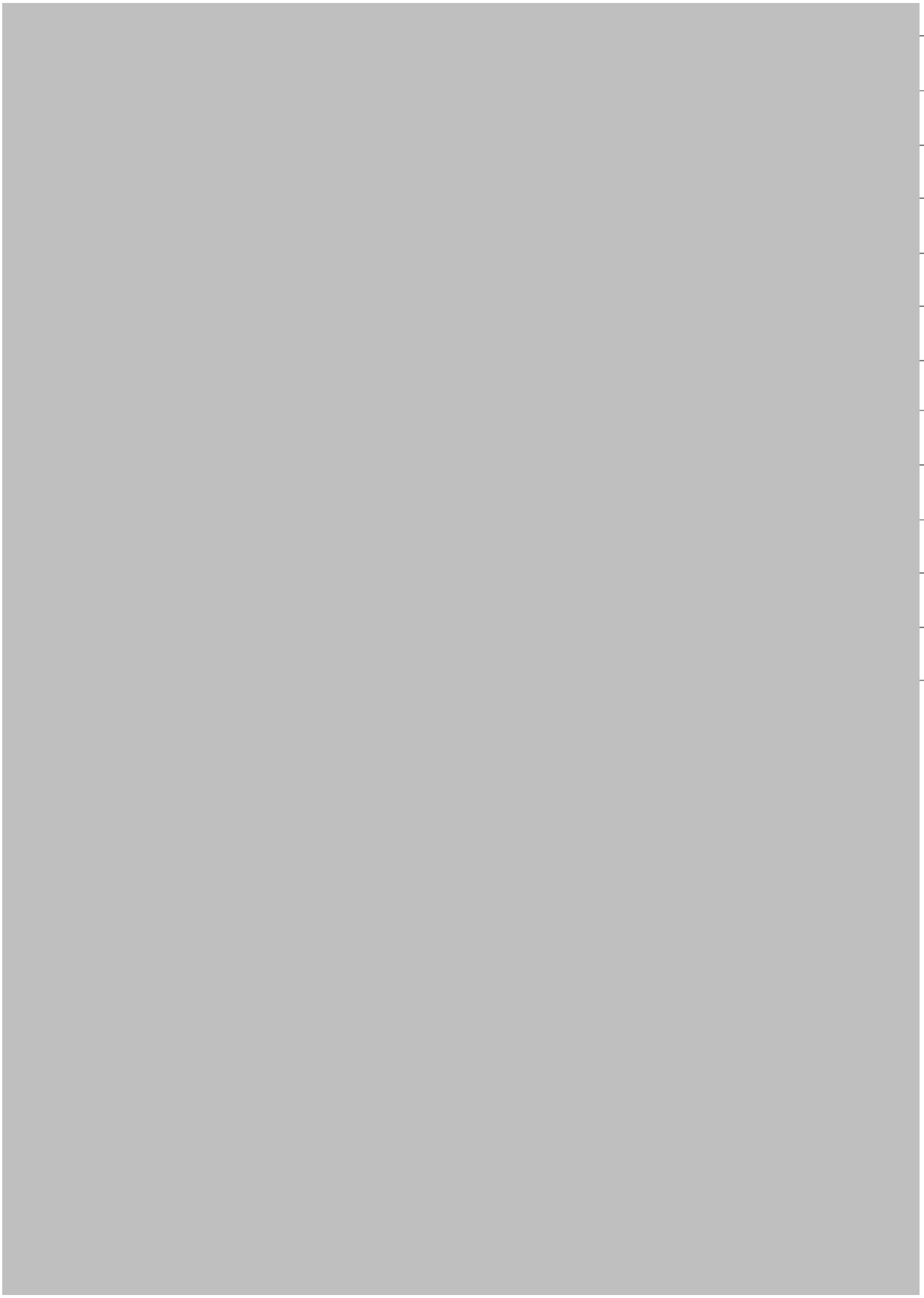
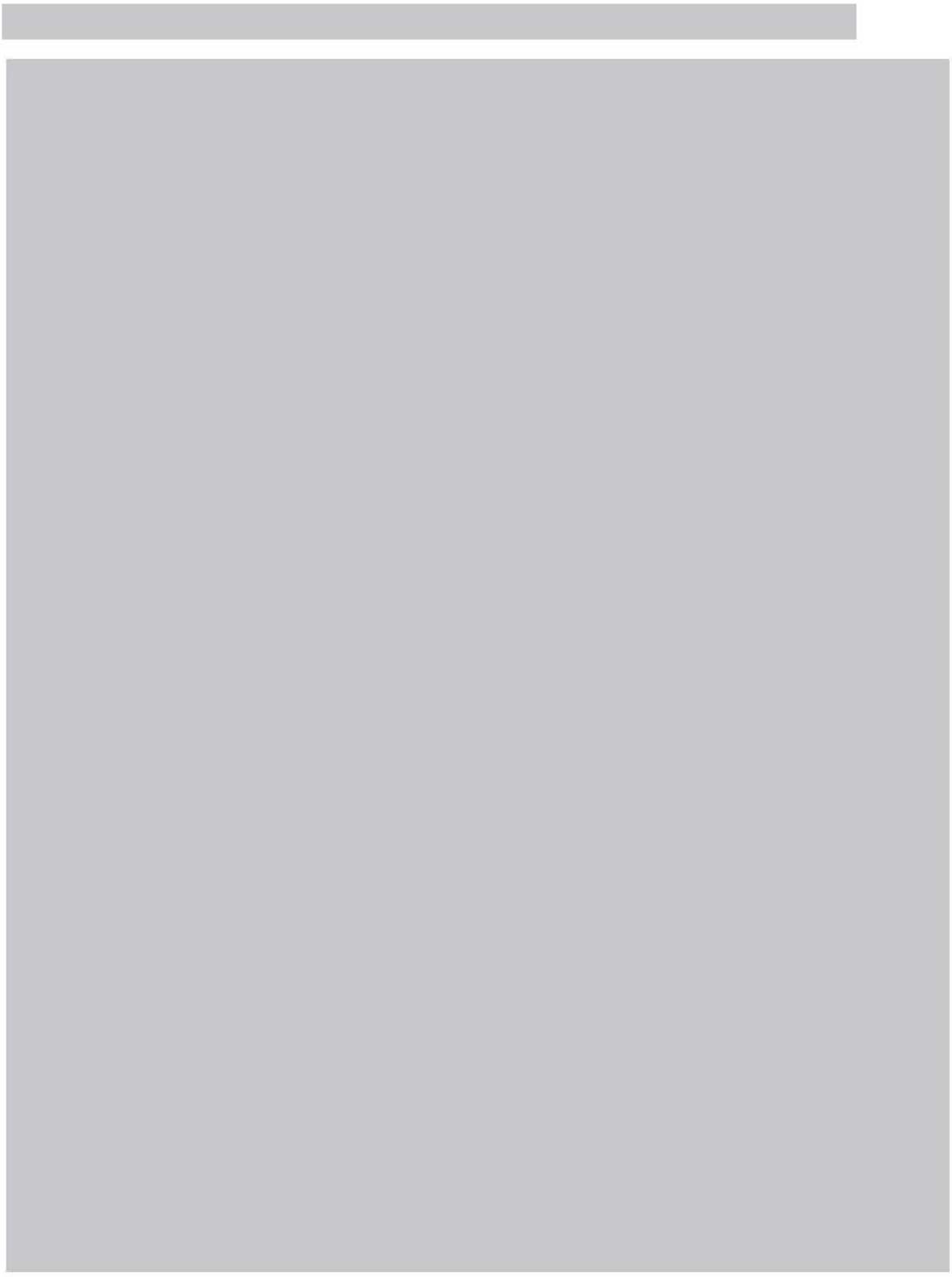


Exhibit B.2j2: LLL Cottage Grove Manufacturing Facility Construction Plan (2 of 2)



[redacted]



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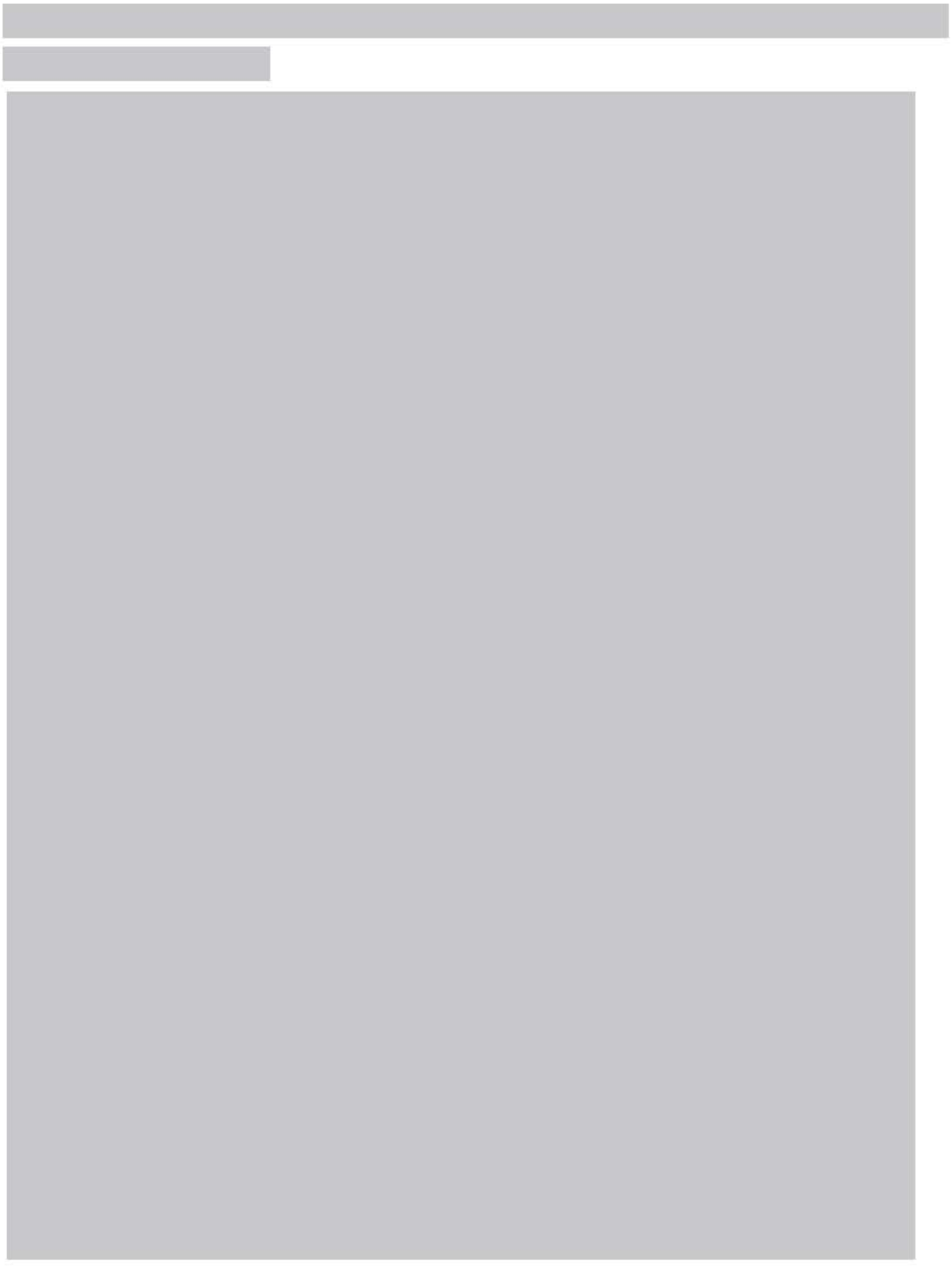

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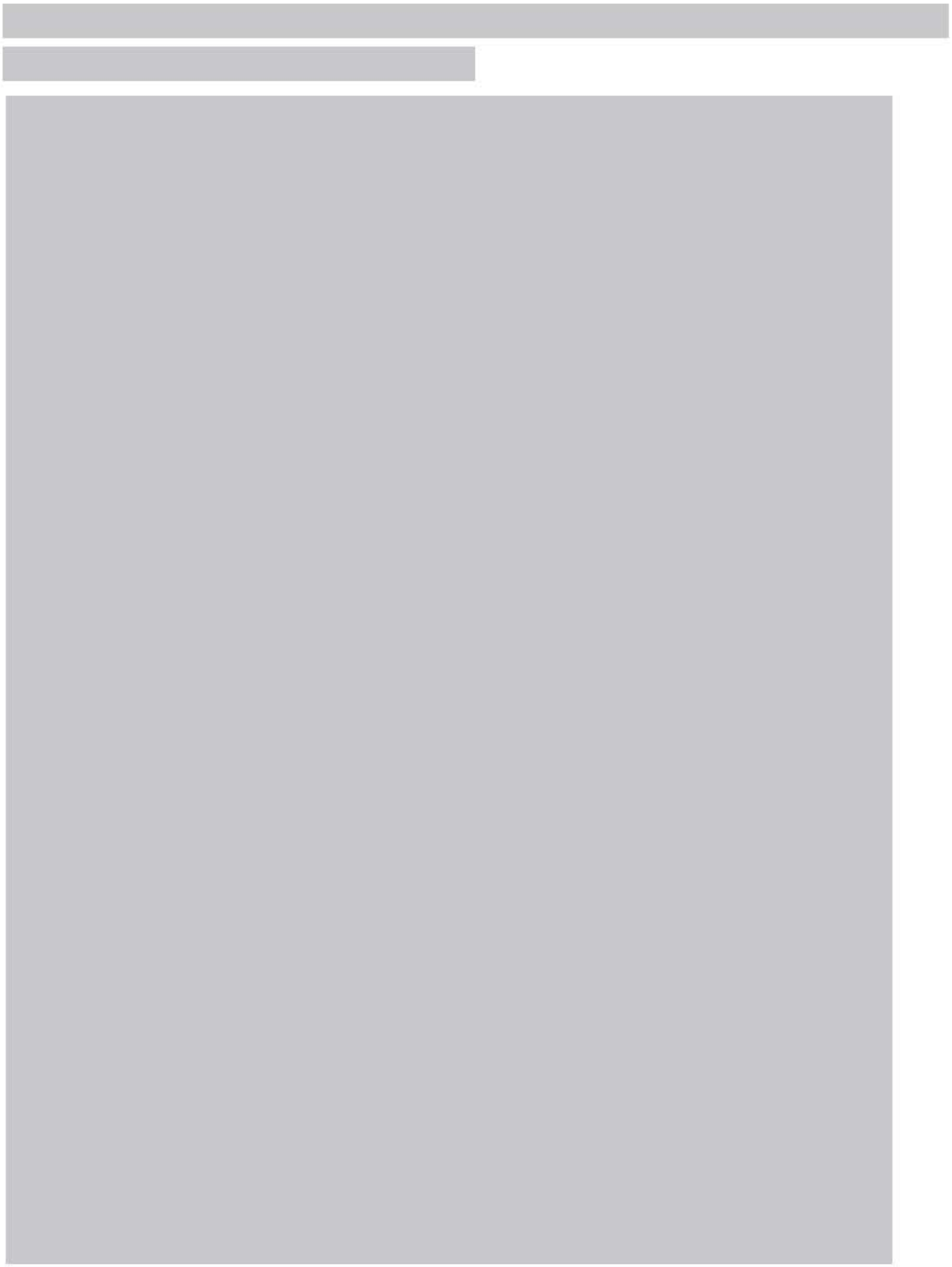

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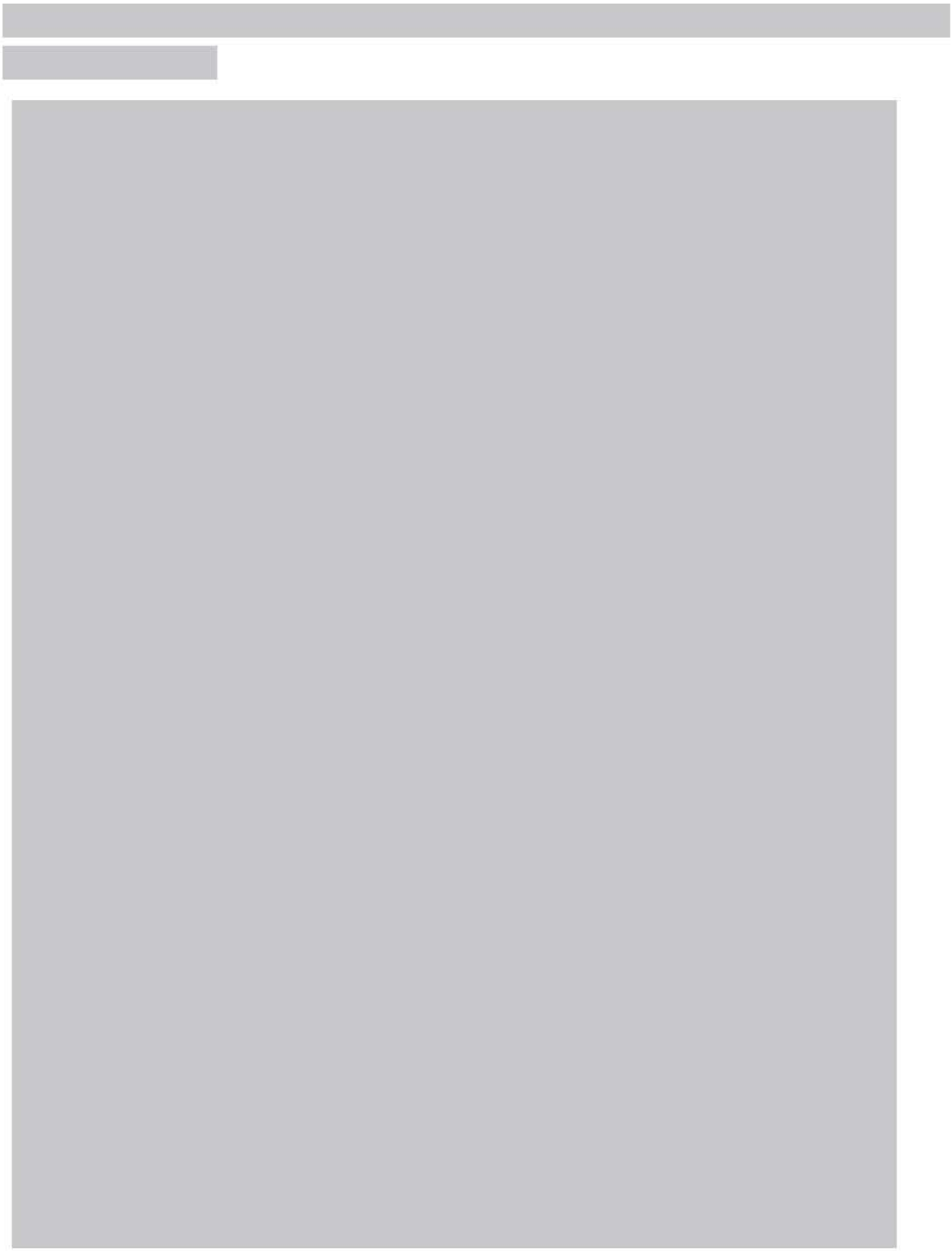

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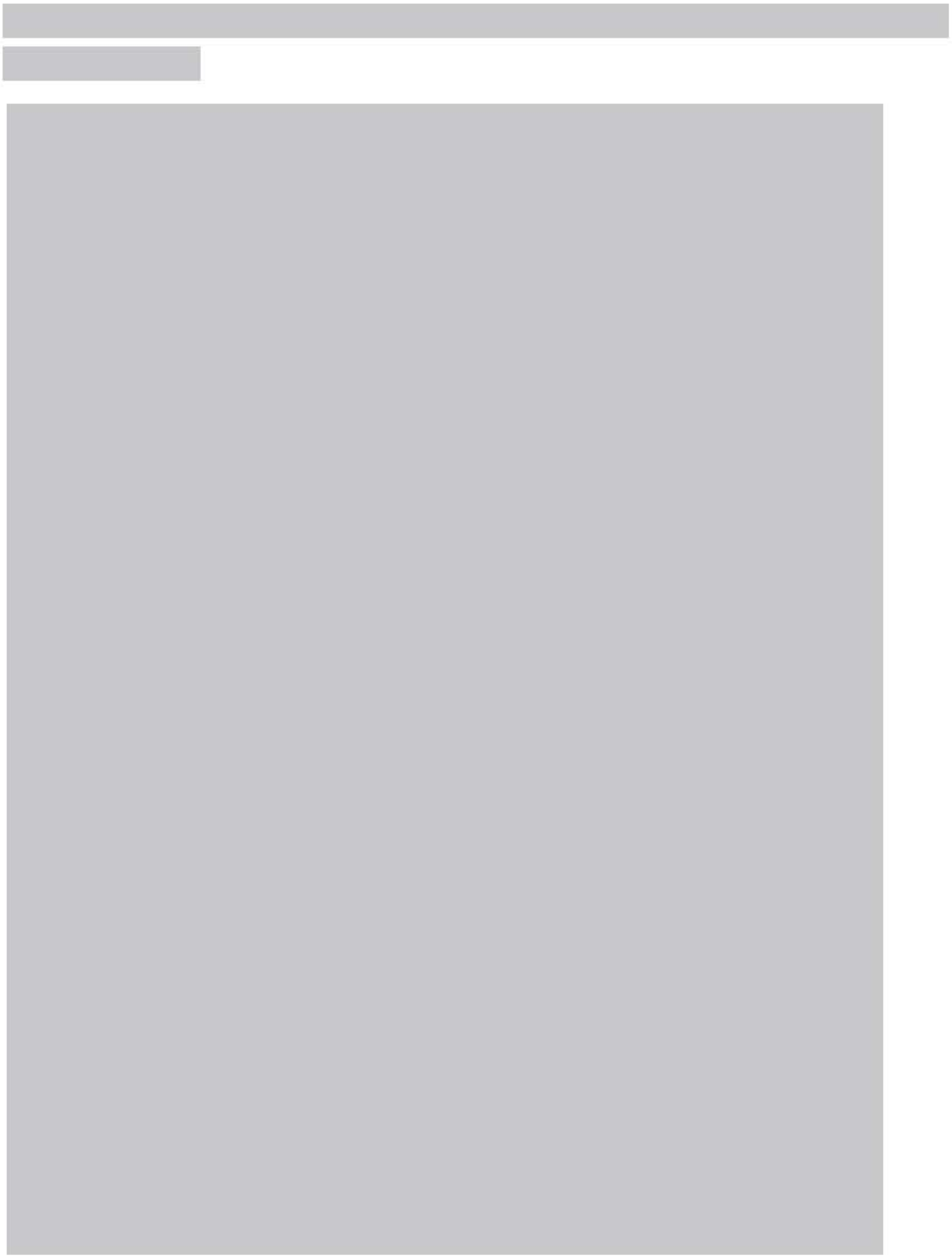
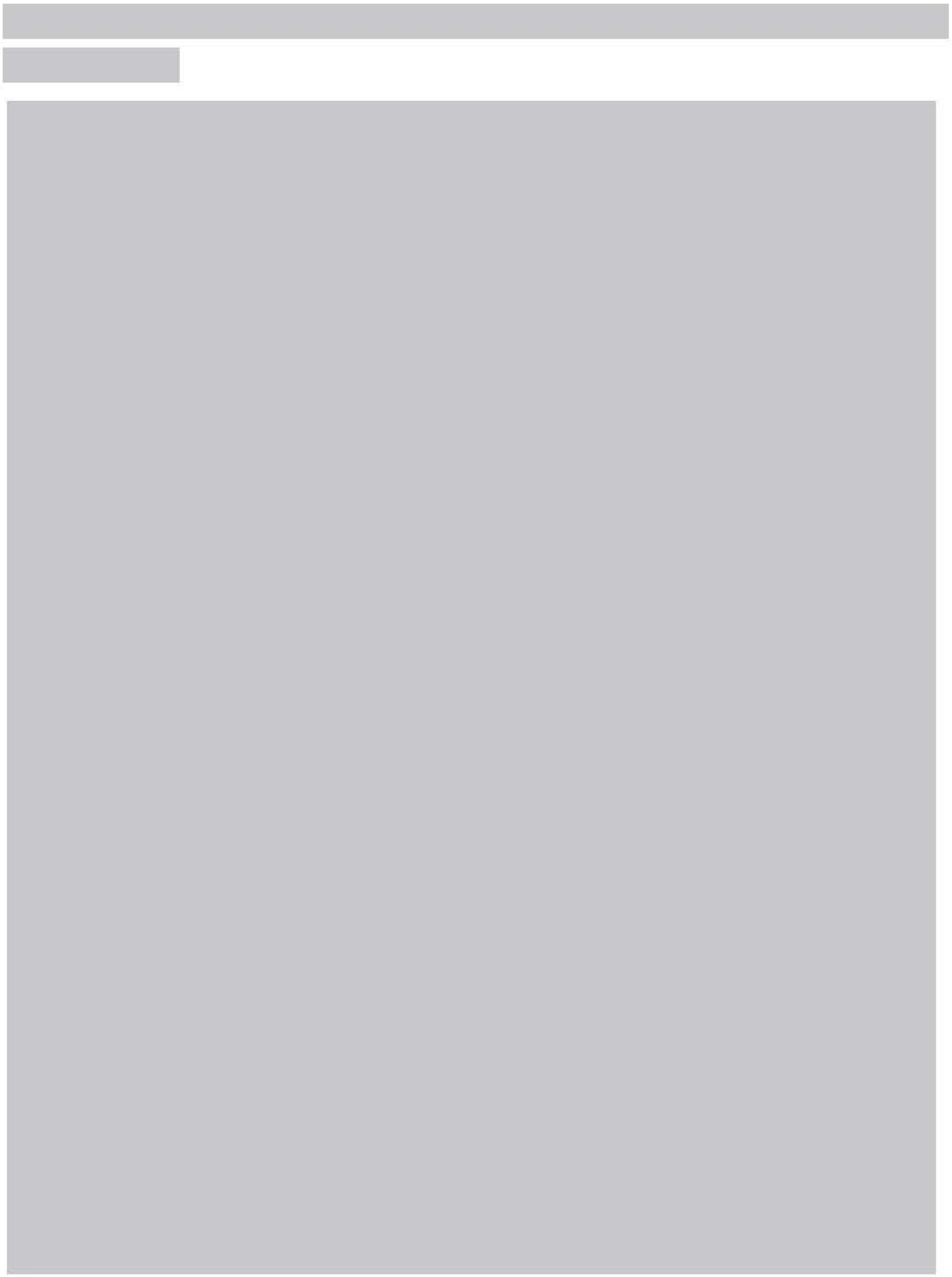


TRADE SECRET INFORMATION

TRADE SECRET INFORMATION

[redacted]

TRADE SECRET INFORMATION



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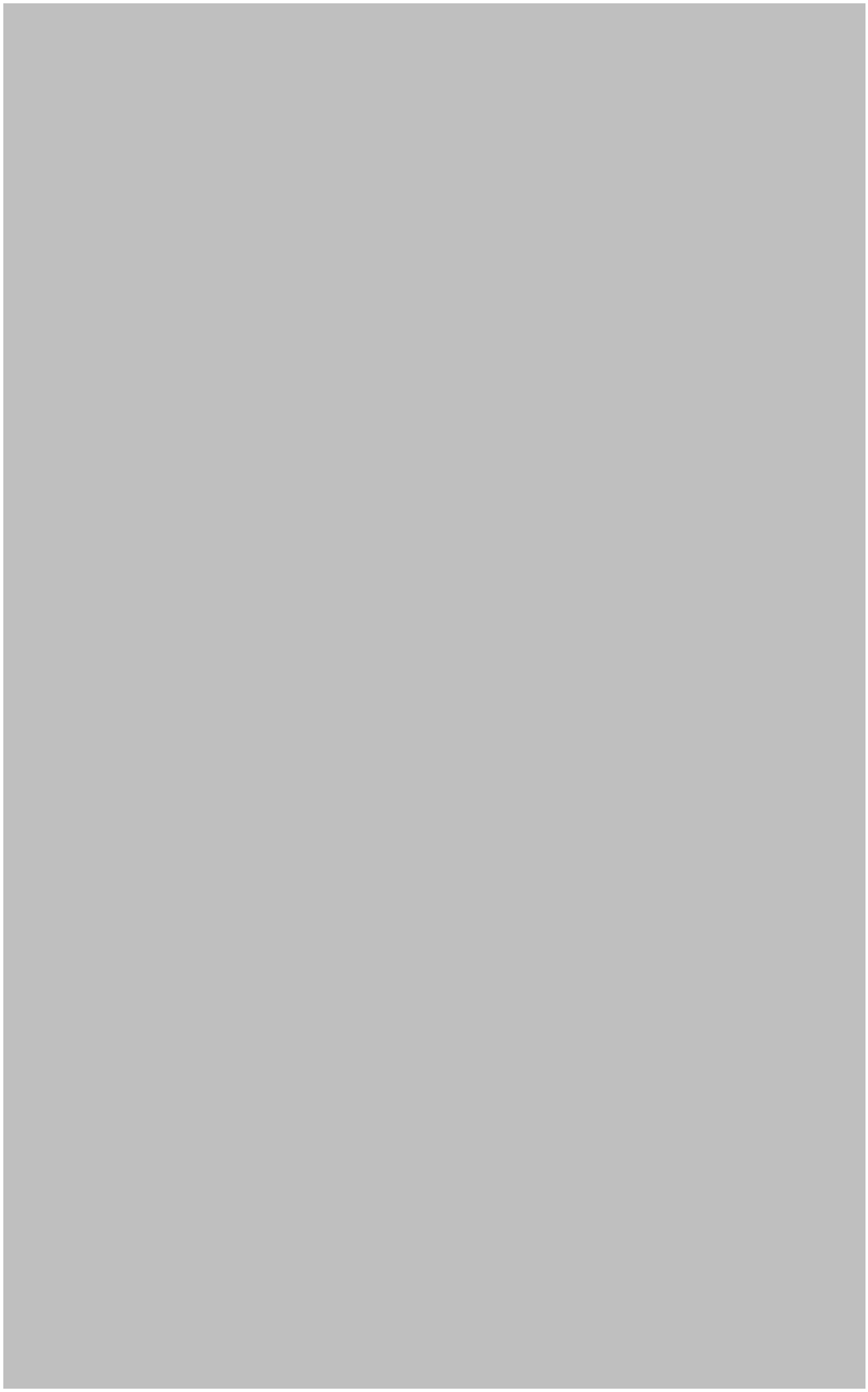


B.2l and m Secure Facility and Limited Access Plans

The LeafLine Labs team has planned and will institute an elaborate security plan that fully addresses both internal and external production facility security. The plan utilizes physical, electronic and human components to deliver true duplicity at all levels of entrance, exit and especially contact with product at any stage from seed to final shipment. Our procedures will ensure that access to all areas is very limited but most importantly that all movement of people and product is monitored fully.

Our manufacturing facility will feature the utmost in security protocols. Only authorized employees are allowed into the manufacturing facility main entrance. Guests or visitors will be stopped by security. Approved visitors must have an employee with them all times while on the property.

A professionally monitored security alarm system in full compliance with Minn. Rules Ch. 4770 will be installed which will provide intrusion and fire detection of all facility entrances and exits, any rooms with exterior windows, rooms with exterior walls, roof hatches, skylights, and storage rooms.

B.2n Air Treatment/Odor Reduction Plan

Through the experience of having operated medical cannabis manufacturing facilities in both Colorado and Connecticut, our Operations Lead team has faced and met all manner of challenges leading to the optimization of efficient grow room design, including comprehensive air filtration systems for elimination of contaminants and odor control, HVAC needs and maintenance.
Our Cottage Grove facility's mechanical air quality design shall incorporate eco-friendly strategies such as activated charcoal filters for exhaust air serving vegetation spaces. This will limit air borne contaminants such as dust, pollen and specifically odors. We will consider incorporating reusable filters where possible to limit our waste stream, and to ensure that our on-site maintenance practices consistently deliver odor free performance for adjacent properties and the City of Cottage Grove.

In fact, during the process of securing our Conditional Use Permit the Community Development Director of Cottage Grove stated that the city was completely satisfied with our plans to eliminate any external odors.

B.2o Previous Experience Developing New Manufacturing Facilities

LeafLine Labs Operations Lead Team will use the same approach and similar resources as the Theraplant executives did when they constructed the medical cannabis manufacturing facility in Watertown, Connecticut. The OLT is accustomed to working with aggressive timelines, strict quality specifications and achieving results within these constraints. LeafLine Labs has contracted with a team of local experts who together bring a breadth of experience to constructing manufacturing facilities. LeafLine Labs has partnered with Ryan Companies for design and construction of the facility. Ryan has direct experience in the design and construction of sophisticated environmentally controlled manufacturing and testing spaces inclusive of unique humidity, air-quality and odor management building systems. In the last five years, Ryan has constructed over 12 federal and state regulated food, pharmaceutical and medical research & development laboratory and testing facilities incorporating their clients' operational quality assurance and policy implementation requirements. Strong familiarity of LeafLine Labs' facility and business operations is a direct match of Ryan's experience to infuse quality design and construction practices to ultimately best serve their clients.

LeafLine Labs has contracted with Bolton & Menk for the civil site design on the project. Bolton & Menk has 65 years of experience in civil engineering, landscape architecture and surveying for large facility site development. Bolton & Menk has provided these services throughout the Upper Midwest for food and beverage processing facilities, rendering plants, as well as public and academic facilities. Services provided at these sites have included infrastructure (sanitary, water and storm) design, street and parking design, traffic improvements, site ADA compliance, landscape design, as well as the implementation of sustainable practices throughout the site.

In sum, LeafLine Labs operations lead team has substantial experience in actually planning and constructing a medical cannabis production facility and has teamed with leading engineers, architects and construction companies to design and build the facility.

B.3 Distribution Facilities

B.3a Location(s)

LeafLine Labs has identified the following distribution facility locations pending MDH approval in either Service Area A or B:

Service Area A

District 3: 8450 Xerxes Ave. N., Brooklyn Park, MN 55444; operational by Jul. 1st, 2015

District 7: 1415 1st St S., Willmar, MN 56201; operational by Dec. 31st, 2015

District 1: 121 Sioux Road, Mankato, 56001 MN Mar. 31st, 2016

District 5: 7500 42nd Ave. N., New Hope, MN 55427; operational by Jul. 1st, 2016

Service Area B

District 2: 4640 Slater Rd, Eagan, MN 55122; operational by Jul. 1st 2015

District 8: 3899 Minnesota 73, Hibbing, MN 55746; operational by Dec. 31st 2015

District 6: 125 33rd Ave. S., St. Cloud, MN 56301; operational by Mar. 31,, 2016

District 4: 1664 Suburban Ave., St. Paul, MN 55106; operational by Jul. 1st, 2016

Exhibit B.3a1: LLL Distribution Center, Service Area A, District 3 (Brooklyn Park, MN)

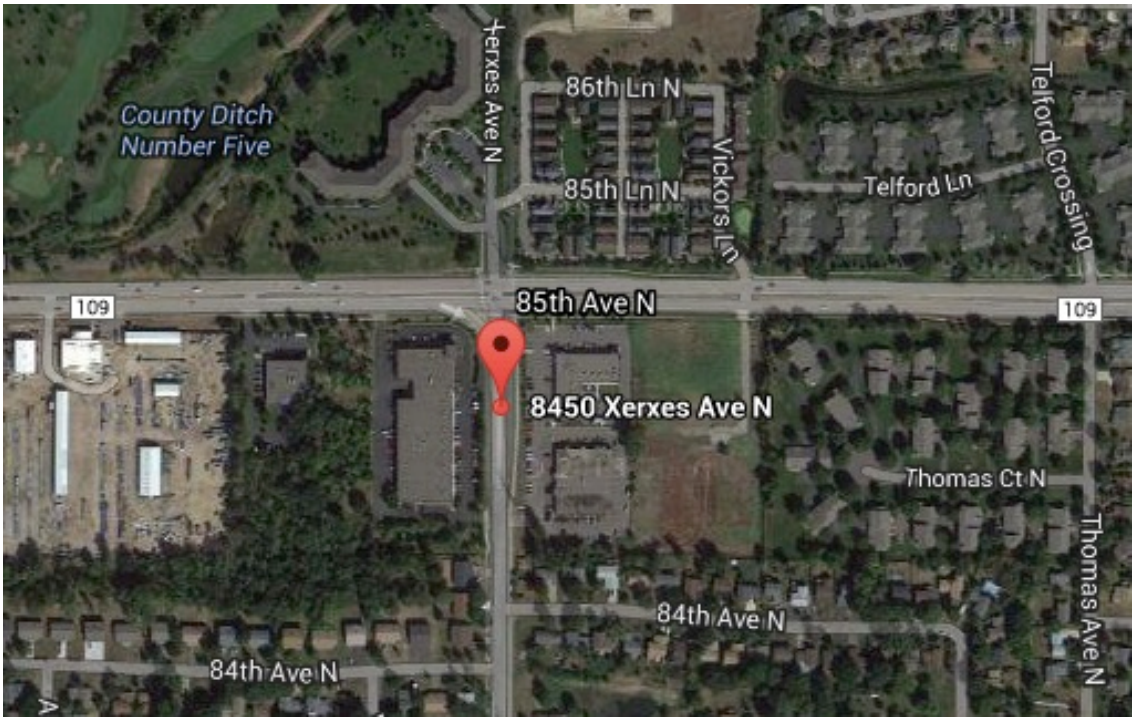


Exhibit B.3a2: LLL Distribution Center, Service Area A, District 7 (Willmar, MN)

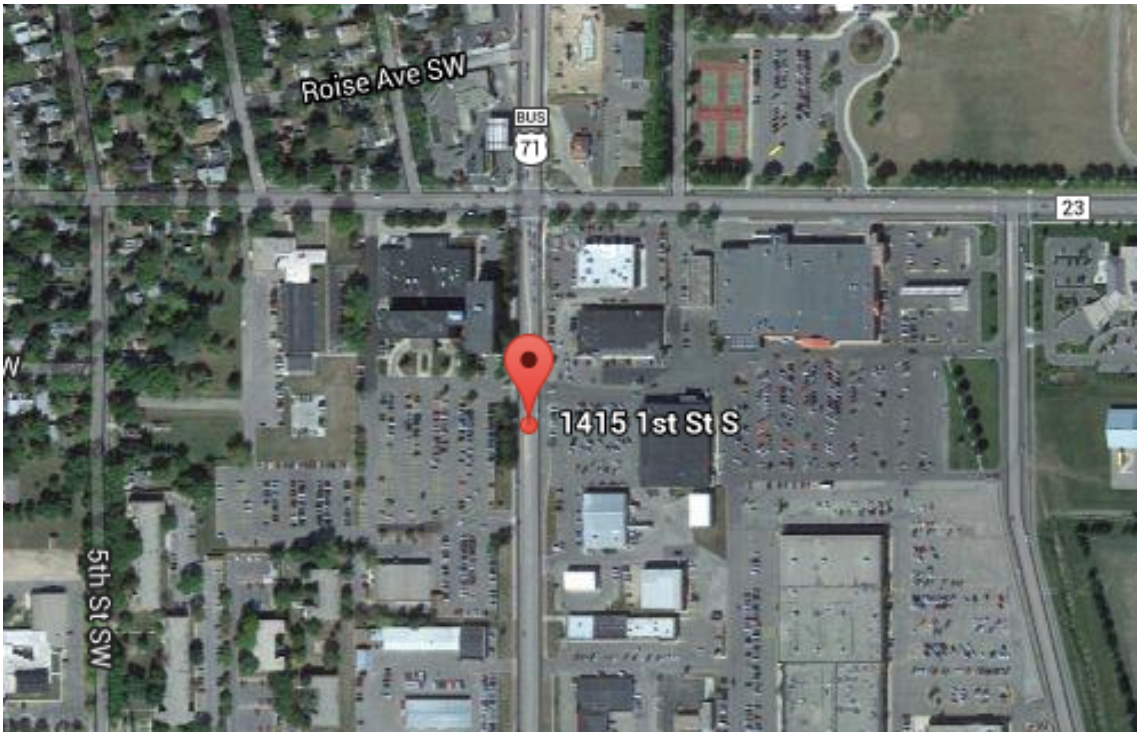


Exhibit B.3a3: LLL Distribution Center, Service Area A, District 1 (Mankato, MN)

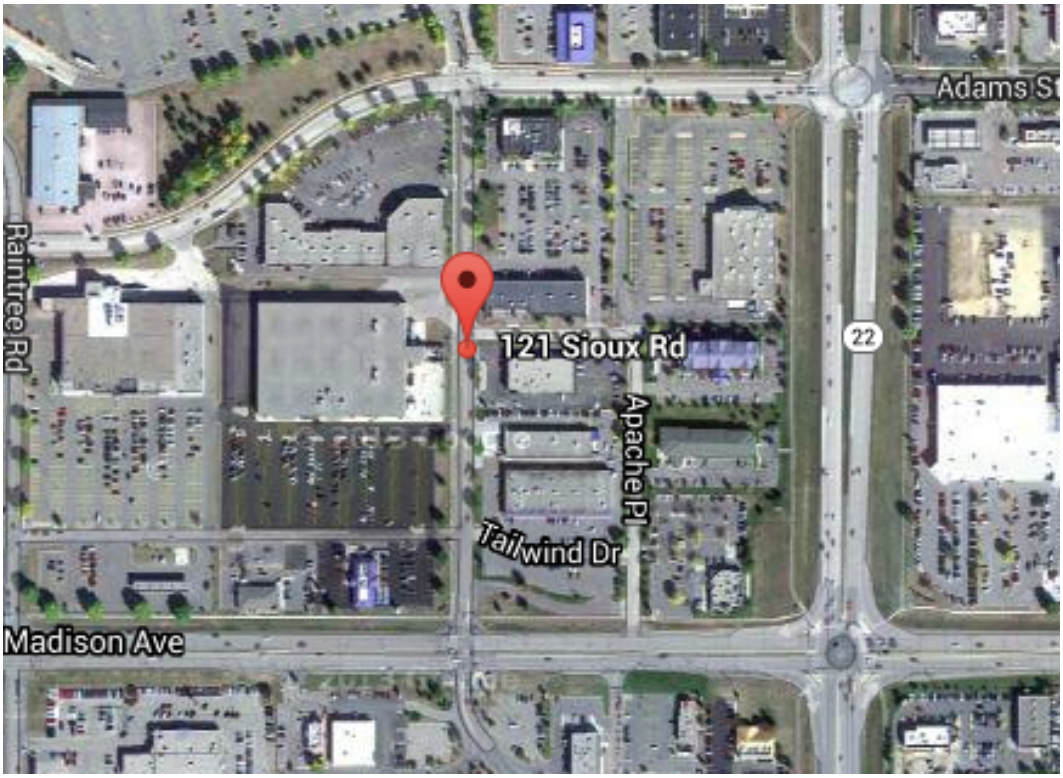


Exhibit B.3a4: LLL Distribution Center, Service Area A, District 5 (New Hope, MN)

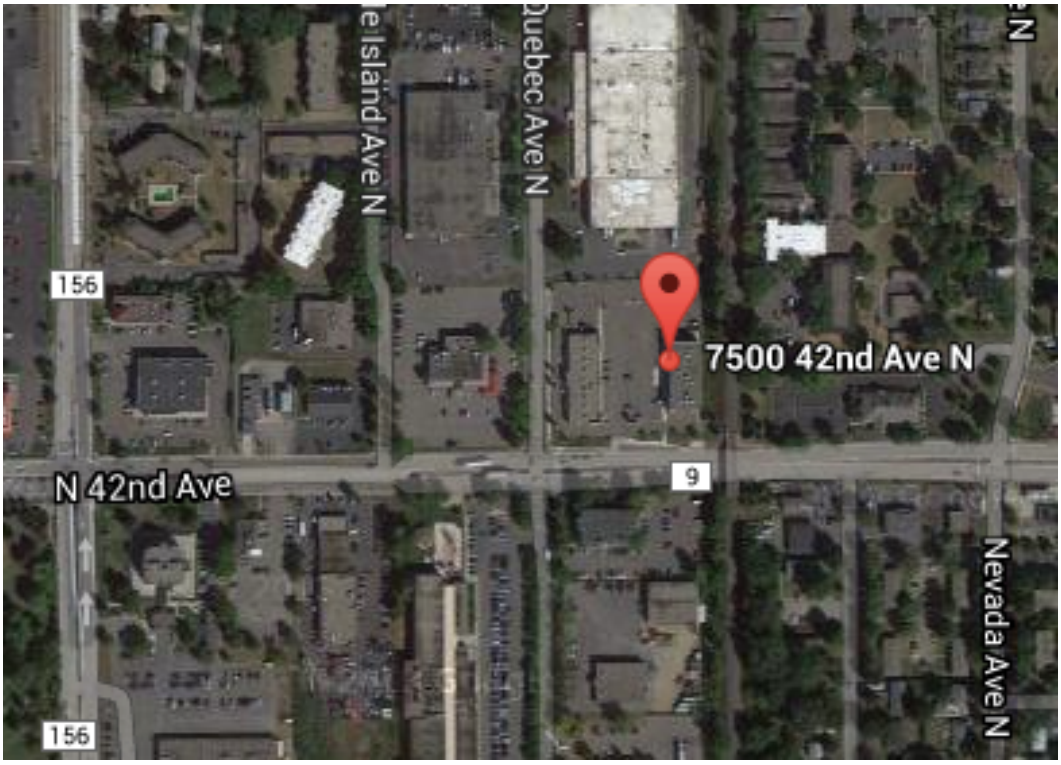


Exhibit B.3.a5 LLL Distribution Center, Service Area B, District 2 (Eagan, MN)

Exhibit B.3.a6 LLL Distribution Center, Service Area B, District 8 (Hibbing, MN)

Exhibit B.3.a7 LLL Distribution Center, Service Area B, District 6 (St. Cloud, MN)

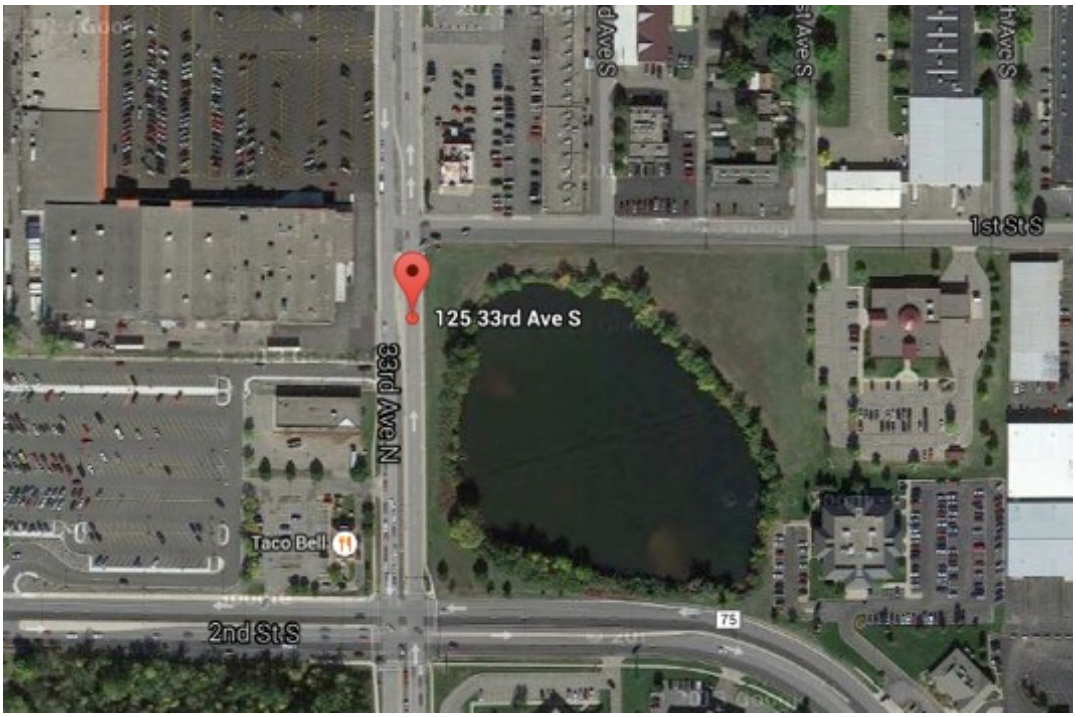


Exhibit B.3.a8 LLL Distribution Center, Service Area B, District 4 (St. Paul, MN)

B.3b Business and Zoning Authorization

Documents to establish state, local building, and fire requirements for LeafLine Labs' first distribution facilities (Zone A: Brooklyn Park, or Zone B: Eagan) are pending the local approval process using site and floor plans —as shown in B.3i and 3j – for the facilities developed by Ryan Companies.

Our meeting with the city for this purpose is scheduled for October 7th in Brooklyn Park and zoning approval from Eagan was anticipated right around the time of the RFA response submission deadline.

Supporting documents for the other three distribution sites in each zone are dependent on construction planning for those sites. It is anticipated that this planning and approval process will follow a similar timeline to the first distribution site and will commence approximately six to nine months before the projected opening date for each facility.

B.3c Local Government Support

LeafLine Labs has received letters of support from each of the eight cities in which potential distribution facilities would be located (for Zone A: Mankato, New Hope, Brooklyn Park and Willmar; and Zone B: Eagan, St. Paul, St. Cloud and Hibbing).

Please find all of these letters attached as exhibits B3.c1-B.3c8 in the following pages.

Exhibit B.3.c1 Brooklyn Park Letter of Support

DEPARTMENT OF COMMUNITY DEVELOPMENT

5200 85th Avenue N., Brooklyn Park, MN 55443-4300 Phone 763-424-8000 Fax 763-493-8391
TDD 763-493-8392

Kim E.G. Berggren
Director of Community Development

September 11, 2014

LeafLine Labs, LLC Board of Directors
78 10th Street #508
St. Paul, MN 55101

To the Board of Directors at LeafLine Labs, LLC,

Consider this letter confirmation that the City of Brooklyn Park is willing to work with LeafLine Labs to identify a suitable location for a dispensary facility for medical cannabis in accordance with the Zoning Ordinance as approved by the Planning Commission and City Council.

We hope that your application to the State of Minnesota is successful and look forward to working with you in the future. Please feel free to contact me if you have any questions.

Best,

Kim Berggren
Director of Community Development
Kimberly.Berggren@brooklynpark.org
763-493-8050

Exhibit B.3.c2 Willmar Letter of Support

September 4, 2014

LeafLine Labs, LLC Board of Directors
78 10th Street #508
St. Paul, MN 55101

To the Board of Directors of LeafLine Labs LLC,

This letter shall serve as confirmation that City staff is willing to work with LeafLine regarding launching a successful medical cannabis production and or dispensary facility, provided the proposed use conforms to the Willmar Zoning Ordinance and Municipal Code and is approved by the Planning Commission and City Council.

We look forward to working closely with you and your staff of the LeafLine Labs LLC once you receive approval from the State of Minnesota and preliminarily find a suitable and approved site in the City of Willmar.

Sincerely,

CITY OF WILLMAR

Bruce Peterson
Director of Planning and Development Services

Charlene Stevens
City Administrator

Exhibit B.3.c3 Mankato Letter of Support

10 Civic Center Plaza
Post Office Box 3368
Mankato, Minnesota 56002-3368

Phone: (507) 387-8600
Fax: (507) 388-7530
www.ci.mankato.mn.us

MANKATO
Leading the way...

August 24, 2014
LeafLine Labs, LLC Board of Directors
78 10th street # 508
St. Paul, MN 55101

To the Board of Directors of LeafLine Labs LLC,

This letter shall serve as confirmation that city staff is willing to work with Leafline regarding launching a successful medical cannabis production and or dispensary facility, provided the proposed use conforms to the Mankato City Code and is approved by the Planning Commission and City Council.

We look forward to working closely with you and your staff of the LeafLine Labs LLC once you receive approval from the State of Minnesota and preliminarily find a suitable and approved site in the City of Mankato.

Sincerely,

Paul Vogel

Director of Community Development.

Mankato is an affirmative action, equal opportunity employer
Printed on recycled paper with soy ink

Exhibit B.3.c4 New Hope Letter of Support

September 16, 2014

LeafLine Labs, LLC Board of Directors
78 – 10th Street #508
St. Paul, MN 55101

Re: Medical Cannabis Distribution Center

This letter serves as confirmation that the City of New Hope would be willing to work with LeafLine Labs, LLC for the successful location of a dispensary for medical cannabis in the city, provided that the proposed use conforms with the City Code and all State of Minnesota requirements regarding the placement of such dispensary. At the September 15 work session meeting, the City of New Hope City Council reviewed the proposed use and agreed that the city would allow the placement of a dispensary within its city limits.

If approved by the State of Minnesota, the city will work closely with LeafLine Labs to ensure that their desired location meets all City Code and State Licensing requirements.

Sincerely,

Jeff Sargent
Director of Community Development

CC: Kirk McDonald, City Manager
Mayor Kathi Hemken and City Council
Valerie Leone, City Clerk

CITY OF NEW HOPE

4401 Xylon Avenue North • New Hope, Minnesota 55428-4898 • www. ci.new-hope.mn.us
City Hall: 763-531-5100 • Police (non-emergency): 763-531-5170 • Public Works: 763-592-6777 • TDD: 763-531-5109
City Hall Fax: 763-531-5136 • Police Fax: 763-531-5174 • Public Works Fax: 763-592-6776

Exhibit B.3.c5 Eagan Letter of Support

City of Eagan

Mike Maguire
Mayor

Paul Bakken
Cyndee Fields
Gary Hansen
Meg Tilley
Council Members

Dave Osberg
City Administrator

September 4, 2014

LeafLine Labs, LLC Board of Directors
78 10th Street #508
St. Paul, MN 55101

Dear Board of Directors of LeafLine Labs, LLC:

This letter shall serve as confirmation that City staff is willing to work with LeafLine regarding the potential location of a medical cannabis dispensary facility, provided the proposed use conforms to the Eagan City Code and receives any necessary Administrative or City Council approvals. We will plan to work with you and your staff of LeafLine Labs LLC once you receive approval from the State of Minnesota and preliminarily find a suitable and approved site in the City of Eagan.

Sincerely,

Jon Hohenstein
Community Development Director

Municipal Center
3830 Pilot Knob Road
Eagan, MN 55122-1810
651.675.5000 phone
651.675.5012 fax
651.454.8535 TDD

Maintenance Facility
3501 Coachman Point
Eagan, MN 55122
651.675.5300 phone
651.675.5360 fax
651.454.8535 TDD

www.cityofeagan.com

The Lone Oak Tree
The symbol of
strength and growth
in our community.

Exhibit B.3.c6 Hibbing Letter of Support

CITY OF HIBBING

CITY ADMINISTRATOR'S OFFICE

TOM DICKLICH
City Administrator
OFFICE: 218.362.5930 | CELL: 218.969.4850
tdicklich@ci.hibbing.mn.us

September 18, 2014

LeafLine Labs, LLC Board of Directors
78 10th Street #508
St. Paul, MN 55101

To the Board of Directors of LeafLine Labs, LLC

This letter shall serve as confirmation that City staff is willing to work with LeafLine regarding launching a successful medical cannabis production and or dispensary facility, provided the proposed use conforms to the Hibbing City Code and is approved by the Planning Commission and the City Council.

We look forward to working closely with you and your staff of the LeafLine Labs, LLC once you receive approval from the State of Minnesota and preliminarily find a suitable and approved site in the City of Hibbing.

Sincerely,

Tom Dicklich
City Administrator
City of Hibbing

Rick Cannata
Mayor
City of Hibbing

401 East 21st Street | Hibbing, Minnesota 55746 | www.hibbing.mn.us | EEO/AA

Exhibit B.3.c7 St Cloud Letter of Support

CITY OF
ST.CLOUD
MINNESOTA

September 12, 2014

Leafline Labs, LLC Board of Directors
78 10th Street #508
St. Paul, MN 55101

To the Board of Directors of Leafline Labs LLC,

This letter shall serve as confirmation that City of St. Cloud staff have reviewed preliminary information as it relates to the proposal to locate a successful medical cannabis dispensary facility. Formal land use application review will be required in conformance with the St. Cloud Zoning Ordinance and Municipal Code and approvals by the Planning Commission and City Council.

Following approval from the State of Minnesota, please contact us to discuss specific proposed locations and the City of St. Cloud's land use and zoning application process.

Sincerely,

Dave Kleis
Mayor, City of St. Cloud

Matt Glaesman
Community Development Director, City of St. Cloud

Cathy Mehelich
Economic Development Director, City of St. Cloud

400 2nd Street South > St. Cloud, MN 56301-3699 > 320.255.7201 > www.ci.stcloud.mn.us

Exhibit B.3.c8 St. Paul Letter of Support

DEPARTMENT OF SAFETY AND INSPECTIONS
Ricardo X. Cervantes, Director

CITY OF SAINT PAUL
Christopher B. Coleman, Mayor

375 Jackson Street, Suite 220
St Paul, Minnesota 55101-1806

Telephone: 651-266-8989
Facsimile: 651-266-9124
Web: www.stpaul.gov/dsi

September 30, 2014

LeafLine Labs, LLC Board of Directors
78 10th Street #508
St. Paul, MN 55101

RE: **Application by LeafLine Labs for Medical Cannabis Distribution in Saint Paul**

To Whom It May Concern:

I am writing about your application to the State Department of Health to operate a Medical Cannabis Distribution Facility in Saint Paul.

Proposed location
You are proposing to locate your facility in an existing commercial space located at 1676 Suburban Avenue. This space is located within a shopping center. You have a Letter of Intent with the property owner.

Zoning
This facility complies with local zoning regulations. The property is zoned B2 (Community Business District). The proposed use is considered similar to a Pharmacy and this use is permitted in the B2 District.

Separation from Schools
The property is more than 1000 feet from the nearest property used for a school.

Building and Fire Codes
You have not submitted building plans for the facility and until you do, the City cannot make a final determination on whether the facility will comply with Building and Fire Codes. However, based on our discussions about the building and your operation, the City anticipates that the proposed facility will be able to comply.

If you have any questions, you can contact me at 651-266-9086 or tom.beach@ci.stpaul.mn.us.

Sincerely,

T. Beach

Tom Beach
Zoning Specialist

cc: Wendy Lane, DSI Zoning
Steve Ubl, DSI Building
Angie Wiese, DSI Fire Safety
William Martinez, Police
Katie Knutson, Government Relations
Peter Warner, City Attorney

An Equal Opportunity Employer

B.3d Property Owner Consent

LeafLine Labs has received letters of intent and purchase owner intent for each of the eight properties at which potential distribution facilities would be located (for Zone A: Mankato, New Hope, Brooklyn Park and Willmar; and Zone B: Eagan, St. Paul, St. Cloud and Hibbing).

Please find all of these letters attached as exhibits B3.d1-B.3d11 in the following pages.

Exhibit B.3.d1 Letter of Intent and Property Owner Consent, Brooklyn Park (Service Area A)

Minneapolis - St. Paul
4350 Baker Road, Suite 400
Minnetonka, MN 55343
www.colliers.com
MAIN +1 952 897 7700
FAX +1 952 897 7704

Colliers INTERNATIONAL

Sent via email to:

September 24, 2014

Mr. Sam Nguyen
Due Thanh Building
8450 Xerxes Avenue North
Brooklyn Park, MN 55444

RE: LETTER OF INTENT
LEAFLINE LABS
8450 XERXES AVENUE NORTH
BROOKLYN PARK, MN 55444

Dear Mr. Nguyen:

On behalf of Leafline Labs ("Tenant"), Colliers International is pleased to submit this Letter of Intent to lease office space at 8450 Xerxes Avenue North. Of the properties we evaluated, we identified your building as an option that meets Tenant's necessary requirements with the terms set forth below.

LANDLORD/OWNER:	DucThanh Center LLC
PREMISES:	Suites D, E and F consisting of approximately 3,590 rentable square feet.
USE:	This location for Leafline Labs will be used as a dispensary for medical cannabis as approved by the State of Minnesota. They will be seeing patients registered with the state and consulting with them and then dispensing the medications, much like a pharmacy. There will be a robust security system and the publicly view-able portion will consist of a waiting room and a secure window station through to a person who will be registering and greeting patients. Staffing will include pharmacists and other ancillary staff at the dispensary. The law requires that a pharmacist be present in the dispensary for dispensing the medication.
INITIAL TERM:	Please propose a three (3) year Lease Term.
OPTION TO RENEW:	Tenant requests one (1), three (3) year renewal option at the then current market rents. Tenant shall give the Landlord nine (9) months prior written notice of its intent to renew.

COMMENCEMENT DATE:	Approximately February 1, 2015 or at such date Landlord and Tenant agree upon.
RENTAL RATE (PSF):	
OPERATING EXPENSES & REAL ESTATE TAXES:	Please provide the 2014 projected operating expense and real estate tax information on a rentable square foot per year basis. Also, please acknowledge if utilities are included or will be separately metered. (CAM/RE for 2014 is $7.00 psf; Gas and Electric is tenant's responsibility; Sewer and water is part of CAM).
TENANT IMPROVEMENT ALLOWANCE:	No Tenant Improvement Allowance will be provided for a 3 year lease.
BUILDING SIGNAGE / IDENTIFICATION:	Both wall and pylon signage will be permitted for tenant, all signage to be at tenant's cost and shall meet the City of Brooklyn Park sign ordinance.
SECURITY AND FIRE PROTECTION:	Premises has a fire sprinkler system and fire alarm system. Tenant will need to furnish and install its own security system complaint with the State of Minnesota guidelines.
HVAC:	Premises is served by rooftop HVAC units that are operation 24 hours per day.
BROKERAGE FEE:	The parties acknowledge that the Tenant is represented by Michael Gelfman of Colliers International and that if Tenant and Landlord execute a Lease, then Landlord shall pay a Brokerage Fee of $3.00 per square foot to Colliers International pursuant to the terms set forth in a separate Brokerage Fee Agreement.

Mr. Sam Nguyen
September 24, 2014
Page 2

This is a Letter of Intent. The only document binding either party will be a fully executed lease agreement.

Sincerely,

Michael L. Gelfman, SIOR
Vice President
952.897.7875

This Letter of Intent is Agreed and Accepted by:

LEAFLINE LABS, LLC

By _____

Its President

Date 9/24/2014

DucThanh Center LLC hereby agrees that Leafline Labs, LLC may operate a medical cannabis dispensary on the premises for the duration of the actual or potential lease.

By _____

Its President

Date 09-25-14

Exhibit B.3.d2 Letter of Intent, Willmar (Service Area A)

Minneapolis - St. Paul
4350 Baker Road, Suite 400
Minnetonka, MN 55343
www.colliers.com
MAIN +1 952 897 7700
FAX +1 952 897 7704

Colliers INTERNATIONAL

September 25, 2014

RE: REQUEST FOR PROPOSAL
KANDI PLAZA
1415 FIRST STREET SOUTH
WILLMAR, MN 56201

On behalf of Leafline Labs ("Tenant"), Colliers International is pleased to submit this Request for Proposal to lease retail-office space at Kandi Plaza. Of the properties we evaluated, we identified your building as an option that meets Tenant's necessary requirements. At this time we are requesting you provide us with a written proposal or Letter of Intent in accordance with the terms set forth below.

LANDLORD/OWNER:	Kandi Plaza, LLC / Jim Olson, Owner
PREMISES:	Tenant requires approximately 3,000 square feet. Premises is identified as Suites 8/9 and Suite 10 Combined square feet is 2685 sf.
USE:	This location for Leafline Labs will be used as a dispensary for medical cannabis as approved by the State of Minnesota. They will be seeing patients registered with the state and consulting with them and then dispensing the medications, much like a pharmacy. There will be a robust security system and the publicly view-able portion will consist of a waiting room and a secure window station through to a person who will be registering and greeting patients. Staffing will include pharmacists and other ancillary staff at the dispensary. The law requires that a pharmacist be present in the dispensary for dispensing the medication.
INITIAL TERM:	Please propose a three (3) year Lease Term.
OPTION TO RENEW:	Tenant requests one (1), three (3) year renewal option at the then current market rents. Tenant shall give the Landlord nine (9) months prior written notice of its intent to renew.
COMMENCEMENT DATE:	Approximately January 1, 2015 or at such date Landlord and Tenant agree upon.
RENTAL RATE:	

OPERATING EXPENSES & REAL ESTATE TAXES: The current CAM rate is calculated at $4.15 psf. CAM rates are adjusted annually. Included in the rate is lawn care, snow removal, refuse pickup, property mgmt., real estate taxes and insurance. Utilities are billed separately and paid by Tenant.

TENANT IMPROVEMENT ALLOWANCE: Leasehold improvements required by Tenant shall be at Tenant's sole expense.

BUILDING SIGNAGE / IDENTIFICATION: Above each suite site, a sign canister is provided by Landlord. Tenant's expense is for the making of the name sign insert(s). Also, on the east end of subject property, a marquee sign is provided. Again, Tenant will be responsible for the making of the name sign insert(s).

SECURITY AND FIRE PROTECTION: There are fire extinguishers provided in each suite. Tenant will need to furnish and install its own security system complaint with the State of Minnesota guidelines.

HVAC: Each suite is serviced by it's own HVAC unit. Billing is provided accordingly by the City of Willmar (water, sewer, electricity) and CenterPoint (gas).

BROKERAGE FEE: The parties acknowledge that the Tenant is represented by Michael Gelfman of Colliers International ("CI"). If Tenant and Landlord execute a Lease, CI shall be paid a commission accordingly – Listing Broker shall pay CI a Brokerage fee equivalent to 10% of the first annual base rent and Landlord shall pay a Brokerage Fee of $5220.

This is a Request for Proposal. The only document binding either party will be a fully executed lease agreement.

Landlord

Tenant
Leafline Labs

9/25/14
Date

Exhibit B.3.d3 Property Owner Consent, Willmar (Service Area A)

KANDI PLAZA, LLC
1415 S. 1st Street
Willmar, MN 56201

September 24, 2014

To: Leaf line Labs, LLC

I, James C. Olson Jr as owner of Kandi Plaza, LLC hereby agree that Leafline Labs, LLC may operate a medical cannabis dispensary on the premises located above for the duration of the actual or potential lease.

James C Olson Jr.

James C. Olson Jr
Chief Manager
Kandi Plaza, LLC

Exhibit B.3.d4 Letter of Intent, Mankato (Service Area A)

LETTER OF INTENT TO LEASE SPACE
BY AND BETWEEN
Leafline Labs, LLC., AS "TENANT"
AND
Mega Load Properties, LLC, AS "LANDLORD"

WHEREAS, Leafline Labs, LLC, (hereinafter referred to as "Tenant"), proposes to lease space in the building located at 121 Sioux Road suite 103, Mankato, Minnesota, from Mega load Properties, LLC, (hereinafter referred to as "Landlord"). The negotiations for a lease agreement shall proceed on the basis of the following general understanding:

1. **PREMISES:** Tenant desires to lease approximately 2178 square feet of space, as shown on Exhibit A (hereinafter the "Premises").
2. **TERM:** Three (3) years
3. **POSSESSION** : The possession of suite 103 on December 1, 2014, to allow for tenant build out only.
4. **COMMENCEMENT:** The Lease Agreement shall commence on January 1 , 2015 , or the date Tenant opens its doors for business, whichever is sooner.
5. [redacted]
6. **RENEWAL OPTIONS:** One (1), three (3) year option.
7. **RENEWAL RENT:** Years 4-6, $17.90/sq. ft. or $38,986.20 annually, payable in monthly installments of $3248.50.
8. **TYPE OF LEASE:** Triple net, with Tenant responsible for its pro rated share of all operating expenses for the building, including real estate taxes, building insurance, building repairs, rubbish removal, lawn care, snow removal and lot maintenance. Landlord shall be responsible for repairs to the roof and structural repairs to the building.

1

9. **UTILITIES:** Tenant's Premises shall be separately metered for all utilities and Tenant shall pay the utility company directly. Tenant will also pay its own telephone and interior janitorial costs.

10. **Cam Rate for 2014 is:** Operating /sf $ 2.22

Property Tax/sf $1.88

Total Cam/ sf $4.10

11. **LANDLORD CONSTRUCTION:** Tenant will accept premises "as is."

12. **TENANT CONSTRUCTION:** Tenant will be responsible for: all interior partitions - including changes to the heating, ventilating, air conditioning and electrical systems required by said partitions; wall covering; floor covering; painting; installation of equipment, fixtures; and any other improvements and decorating required for Tenant's use of the Premises.

Before improving or altering the "Leased Premises" the Tenant will obtain prior written consent from the Landlord which shall not be unreasonably withheld. All alterations will be performed in a good and workmanlike manner and conform to all present building codes. Tenants will secure Landlord against mechanical liens as the Landlord requests them.

13. USE: Tenant proposes to use the Premises for a dispensary for medical cannabis as approved by the State of Minnesota.

Mega load Properties, LLC, hereby agrees that Leafline Labs, LLC may operate a medical cannabis dispensary on the premises for the duration of the actual or potential lease.

13. BROKERAGE FEE: The parties acknowledge that the Tenant is represented by Michael Gelfman of Colliers International and that if Tenant and Landlord execute a Lease, then Landlord shall pay a Brokerage Fee of $3.00 per square foot to Colliers International pursuant to the terms set forth in a separate Brokerage Fee Agreement

Tenant and Landlord will attempt to negotiate a Lease Agreement for the Premises on or before November 14, 2014. This Letter of Intent is non-binding and sets forth the general understanding of the parties upon which the Lease negotiations will proceed. Neither party is or shall be obligated in any way to the other by reason of this Letter of Intent. If a Lease is not executed on or before December 1, 2014, there will be no further obligation on the part of either party to proceed with Lease negotiations.

2

- Signature Page

Signed and agreed to this 1st day of October, 2014.

TENANT:
By: Rita Bozhwar
Title: President

LANDLORD:
By:
Title: Owner

3

Exhibit B.3.d5 Letter of Intent, New Hope (Service Area A)

Minneapolis - St. Paul
4350 Baker Road, Suite 400
Minnetonka, MN 55343
www.colliers.com
MAIN +1 952 897 7700
FAX +1 952 897 7704

Colliers INTERNATIONAL

Sent via email to: justin.rath@colliers.com

September 26, 2014

Mr. Justin Rath
Colliers International
4700 Lexington Avenue, Suite B
Shoreview, MN 55126

RE: LETTER OF INTNENT FOR
VILLAGE ON QUEBEC
7500 42ND AVENUE NORTH
NEW HOPE, MN 55427

Dear Justin:

On behalf of Leafline Labs ("Tenant"), Colliers International is pleased to submit this Letter of Intent to lease retail-office space at Village on Quebec in New Hope, MN. Of the properties we evaluated, we identified your building as an option that meets Tenant's necessary requirements at terms set forth below.

LANDLORD/OWNER:	University Auto Sales and Service LLC Defined Benefit Trust
PREMISES:	Approximately 3,768 square feet.
USE:	This location for Leafline Labs will be used as a dispensary for medical cannabis as approved by the State of Minnesota. They will be seeing patients registered with the state and consulting with them and then dispensing the medications, much like a pharmacy. There will be a robust security system and the publicly view-able portion will consist of a waiting room and a secure window station through to a person who will be registering and greeting patients. Staffing will include pharmacists and other ancillary staff at the dispensary. The law requires that a pharmacist be present in the dispensary for dispensing the medication.
INITIAL TERM:	Please propose a three (3) year Lease Term.
OPTION TO RENEW:	Tenant requests one (1), three (3) year renewal option at the then current market rents. Tenant shall give the Landlord nine (9) months prior written notice of its intent to renew.

Colliers INTERNATIONAL

COMMENCEMENT DATE: Approximately January 1, 2015 or at such date Landlord and Tenant agree upon.

NET RENTAL RATE:
Please specify the net rental rate per rentable square foot for each year during the Initial Term.

[redacted]

OPERATING EXPENSES & REAL ESTATE TAXES: The 2014 projected operating expense and real estate tax information on a rentable square foot per year basis are $7.00 Per Rentable Square Feet. Utilities are separately metered to the Premises.

TENANT IMPROVEMENT ALLOWANCE: Landlord will provide a Tenant Improvement Allowance of $10.00 per rentable square feet to be utilized within the Premises. All planned improvements to the Premises shall be submitted to Landlord for approval.

BUILDING SIGNAGE / IDENTIFICATION: Tenant will have the opportunity to install signage on the existing Pylon located on 42nd Avenue. In addition Tenant will have the opportunity to install building signage above Premise. All signage shall be subject to city codes and ordinances and approved by Landlord.

SECURITY AND FIRE PROTECTION: Tenant will need to furnish and install its own security system complaint with the State of Minnesota guidelines. Premises has sprinkler system.

HVAC: HVAC is metered separately. Tenant will have approximately three (3) dedicated rooftop units (1st generation) that will service the Premises.

Mr. Justin Rath
September 26, 2014
Page 3

TERMINATION OPTION: Tenant may have a one-time Termination Option in the event the Federal Government requires Tenant to cease operations in the Premises. Upon notification to Landlord, Tenant agrees to pay all unamortized transaction costs to Landlord.

BROKERAGE FEE: The parties acknowledge that the Tenant is represented by Michael Gelfman of Colliers International and that if Tenant and Landlord execute a Lease, then Landlord shall pay a Brokerage Fee of $3.00 per square foot to Colliers International pursuant to the terms set forth in a separate Brokerage Fee Agreement.

This is a Letter of Intent. The only document binding either party will be a fully executed lease agreement.

Please acknowledge your agreement with the previous terms and condition by signing below as soon as possible.

Sincerely,

Michael L. Gelfman, SIOR
952.897.7875
michael.gelfman@colliers.com

Agreed and Accepted by:

University Auto Sales and Service LLC Defined Benefit Trust

By _____ MOHSEN AGHAMIRZAT

Its Trustee

Date 9-29-2014

University Auto Sales and Service LLC Defined Benefit Trust hereby agrees that Leafline Labs, LLC may operate a medical cannabis dispensary on the premises for the duration of the actual or potential lease.

By _____

Exhibit B.3.d6 Letter of Intent, Eagan (Service Area B)

COMMERCIAL REAL ESTATE SERVICES

Peter J. Dugan
Retail Brokerage Services
CBRE, Inc.

CBRE
4400 West 78th Street
Suite 200
Minneapolis MN 55437

T 952.924.4806
F 952.832.8023

Peter.Dugan@cbre.com

September 24, 2014

Mr. Michael Gelfman
Colliers International
4350 Baker Road, Suite 400
Minnetonka, MN. 55343

Re: Request For Proposal
Leafline Labs
4640 Slater Road
Eagan, MN. 55122

Dear Mike:

In response to Leafline Labs ("Tenant"), CBRE, Inc. is pleased to submit this Letter of Intent to lease office space at 4640 Slater Rd.

LANDLORD/OWNER:	*Grace Gospel, LLC.*
PREMISES:	*Tenant requires approximately 3,000 square feet. Per design plans (to be attached). [generally known as, Suites 100, 110, 120 and hallway].*
USE:	*This location for Leafline Labs will be used as a dispensary for medical cannabis as approved by the State of Minnesota. They will be seeing patients registered with the state and consulting with them and then dispensing the medications, much like a pharmacy. There will be a robust security system and the publicly view-able portion will consist of a waiting room and a secure window station through to a person who will be registering and greeting patients. Staffing will include pharmacists and other ancillary staff at the dispensary. The law requires that a pharmacist be present in the dispensary for dispensing the medication.*
INITIAL TERM:	*Three (3) year Lease Term.*
OPTION TO RENEW:	*One (1), three (3) year renewal option at (see below). Tenant shall give the Landlord nine (9) months prior written notice of its intent to renew.*

COMMENCEMENT DATE: *Approximately January 1, 2015 or at such date Landlord and Tenant agree upon.*

RENTAL RATE:

OPERATING EXPENSES & REAL ESTATE TAXES: *Estimated 2014 projected operating expense and real estate tax information on a rentable square foot per year basis (below).*

Real Estate Taxes:	*$6.00 estimated*
CAM:	*$4.00 estimated*
Insurance:	*$0.35 estimated*

Utilities are separately metered.

DELIVERY CONDITION: *"As-is".*

TENANT IMPROVEMENT ALLOWANCE: *None. All planned demolition and improvements to the Premises shall be submitted to Landlord for approval.*

BUILDING SIGNAGE / IDENTIFICATION: *Tenant will have interior directional signage. Landlord will work with the Tenant to create a main-entrance monument and will share in cost.*

SECURITY AND FIRE PROTECTION: *None currently in place. Tenant will need to furnish and install its own security system complaint with the State of Minnesota guidelines.*

HVAC: *The Building's HVAC system, hours of operation and the cost, (under Tenant control) and are separately metered. The proposed Premises are served by two (2) RTU's that have been professionally maintained and serviced. Tenant should inspect the HVAC system to determine its suitability for Tenant use.*

BROKERAGE FEE: *The parties acknowledge that the Tenant is represented by Michael Gelfman of Colliers International and that if Tenant and Landlord execute a Lease, then Landlord shall pay a Brokerage Fee of $3.00 per square foot to Colliers*

International pursuant to the terms set forth in a separate Brokerage Fee Agreement.

LEASE CONTINGENCY / TERMINATION OPTION: *Leafline Labs requires a one-time option to terminate the lease for any reason and prior to occupancy and before December 31, 2014. If Tenant should choose to terminate this lease, a payment of $6,000.00 will be paid to the Landlord upon notification of termination.*

If the above terms and condition are acceptable, please acknowledge below and return to the undersigned for execution by Tenant. Upon execution of this letter, Tenant's attorney shall prepare and deliver to Landlord a Ground Lease Agreement that generally conforms to this letter.

The above terms and conditions are not exhaustive and are for negotiation purposes only and shall not be construed to be an offer by Tenant to lease any property on such terms, nor shall this letter constitute a binding agreement on behalf of either party. Specific additional issues will need to be addressed in a formal Lease Agreement. Neither party shall be bound or obligated to perform under the terms set forth above unless both parties execute a formal Lease Agreement. In the event the parties are not able to agree upon and execute, for any reason whatsoever, a mutually acceptable Lease Agreement, it is understood that each party reserves the right to cancel all negotiations and consider other offers. In the event that a Lease Agreement is executed and delivered by both parties, the terms of such Lease Agreement shall supersede all prior discussions and negotiations, including by way of example, this letter, and such Lease Agreement shall constitute the entire agreement of the parties.

*This proposal and any discussions between Landlord, CBRE and Tenant must remain **CONFIDENTIAL** and shall not be disclosed to any other party, except as may be required by law.*

Best Regards,

Peter J. Dugan
CBRE - Brokerage Services

Accepted by Tenant
Leafline Labs

By: Peter Bachman
Name: Peter Bachman
President

Accepted by Landlord

By:
Name: Grace Gospel LLC
President

Exhibit B.3.d7 Property Owner Consent, Eagan (Service Area B)

Toh-Eng Lim, D.D.S.
EAGAN DENTAL CLINIC
4640 SLATER ROAD, SUITE 150
EAGAN, MN 55122
TELEPHONE: (651) 808-5252
WRITE2LIM@GMAIL.COM

September 23, 2014

LETTER OF INTENT

This is to state that Dr. T. E. Lim, of Eagan Dental Clinic (owner) hereby agrees that Leafline, LLC (tenant) may operate a medical cannabis dispensary at 4640 Slater Road, Eagan, Minnesota in which the Tenant is interested to be leasing from Grace Gospel, LLC for the duration of the actual or potential lease.

Yours,

Dr. T. E. Lim
Eagan Dental Clinic
4640 Slater Road
Eagan, MN 55122
651-808-5252

GRACE GOSPEL, LLC
4640 Slater Road, Eagan, MN 55122
651-214-6681

September 23, 2014

Letter of Intent

This is to state that Dr. T. E. Lim, of Grace Gospel, LLC (owner) hereby agrees that Leafline, LLC (tenant) may operate a medical cannabis dispensary at 4640 Slater Road, Eagan, Minnesota in which the Tenant is interested to be leasing from Grace Gospel, LLC for the duration of the actual or potential lease.

Truly yours,

Dr. T. E. Lim

Grace Gospel, LLC
651-214-6681

Exhibit B.3.d8 Letter of Intent and Property Owner Consent, Hibbing (Service Area B)

Close~Converse
COMMERCIAL & PREFERRED PROPERTIES
Specializing in Commercial Real Estate & Business Brokerage

521 Charles Street | Brainerd, Minnesota 56401
(218) 828-3334

September ___, 2014

Oppidan Investment Company
5125 County Road 101, Suite 100
Minnetonka, MN 55345

RE: West Side Commons in Hibbing, MN

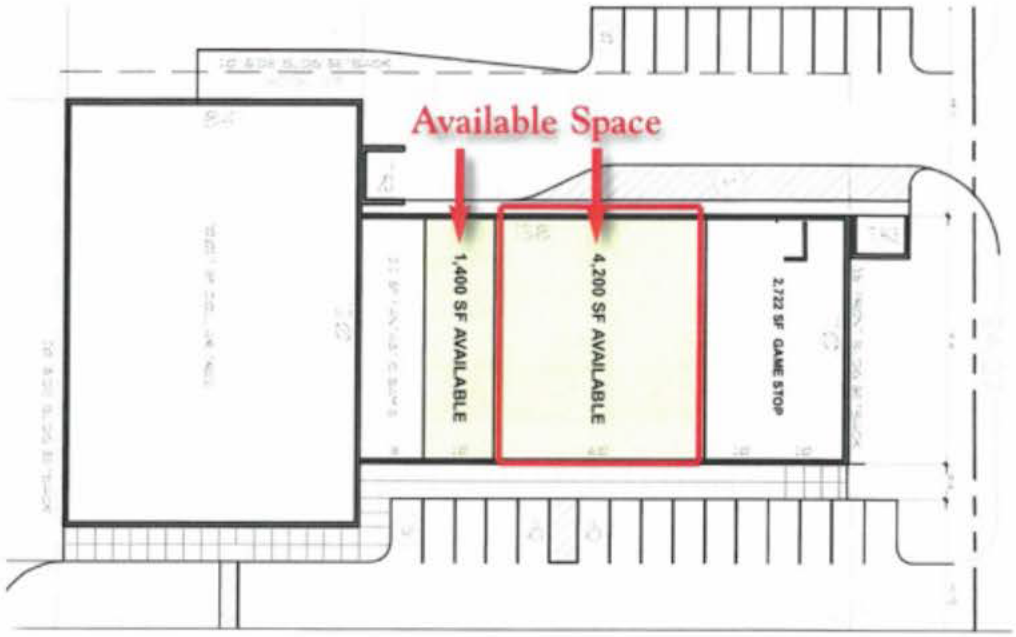
Dear Michael:

On behalf of Oppidan Investment Company, the following is a proposal to lease for Leafline Labs to be located in the center at 3899 Highway 73, Hibbing, MN.

LANDLORD:	KTJ Limited Partnership 120 5125 County Road 101, Suite 100 Minnetonka, Minnesota 55345
TENANT:	Leafline Labs _____ _____
USE:	This location for Leafline Labs will be used as a dispensary for medical cannabis as approved by the State of Minnesota. They will be seeing patients registered with the state and consulting with them and then dispensing the medications, much like a pharmacy. There will be a robust security system and the publicly view-able portion will consist of a waiting room and a secure window station through to a person who will be registering and greeting patients. Staffing will include pharmacists and other ancillary staff at the dispensary. The law requires that a pharmacist be present in the dispensary for dispensing the medication. **KTJ Limited Partnership 120 hereby agrees that Leafline Labs, LLC may operate a medical cannabis dispensary on the premises for the duration of the actual or potential lease.**
TRADE NAME:	_____
LEASE FORM:	Standard Landlord lease form.

LEASE SPACE:	The lease space consists of approximately 4,200 sf as shown in **Exhibit A.**
LEASE TERM:	Five (5) Years
RENT AMOUNT:	
OPTION TO RENEW:	One (1), three (3) year renewal option at the then current market rents. Tenant shall give the Landlord nine (9) months prior written notice of its intent to renew
OPERATING EXPENSES:	Tenant shall pay to Landlord a proportionate share of Operating Expenses for the development which shall include property taxes, property insurance and common area maintenance. This cost shall be $5.77 per square foot per year ($2,019.50/month) for 2014 and then adjusted annually.
TENANT IMPROVEMENT ALLOWANCE:	None.
DELIVERY DATE:	Said space to be delivered to Tenant in its current condition upon execution of a Lease.
RENT COMMENCEMENT DATE:	January 1st, 2015.
FIRST MONTH'S RENT:	Upon execution of the Lease, Tenant shall pay to Landlord, the amount equal to Tenant's first month's base rent and operating expenses.
SECURITY DEPOSIT:	In addition to the first month's rent and operating expenses the Tenant shall pay to Landlord a security deposit, which shall be equal to $5,950.00.
SIGNAGE:	Subject to applicable governmental rules and regulations and Landlord sign criteria set out in the Lease. Said building signage shall be at Tenant's sole cost.
HOURS OF OPERATION:	As standard for this type of business.
UTILITIES:	All utilities are individually metered and Tenant shall pay for all of its own utilities, including gas, electric, phone and Internet.

Exhibit A
Lease Space



SECURITY AND FIRE PROTECTION:	Fire Sprinklers are monitored 24 hours a day. Tenant will need to furnish and install its own security system complaint with the State of Minnesota guidelines.
HVAC:	Landlord will turn the HVAC over to the tenant in good working condition.
GUARANTEED:	This lease shall be guaranteed.
BROKERAGE FEE:	The parties acknowledge that the Tenant is represented by Michael Gelfman of Colliers International and that if Tenant and Landlord execute a Lease, then Landlord shall pay a Brokerage Fee of $3.00 per square foot to Colliers International pursuant to the terms set forth in a separate Brokerage Fee Agreement.

This Letter of Intent expresses the non-binding intent of the parties to negotiate a lease agreement upon the terms outlined above and any binding obligations shall be contained only in a final and definitive lease agreement executed by both parties and satisfactory to both parties and their counsel.

If this proposal is acceptable to you, please acknowledge your acceptance of these terms and conditions below and a lease agreement will be prepared for signature.

Presented By:

By: on behalf of KTJ Limited Partnership 20 9/25/14
Date

Its: _____

Accepted By:

By: _____ 9/30/14
Date

Its: President

Exhibit B.3.d9 Letter of Intent and Property Owner Consent, St. Cloud (Service Area B)

CEC Theatres
Movie Excellence Since 1955

September 22, 2014

Cinema Entertainment Corp. hereby agrees that Leafline Labs, LLC may operate a medical cannabil dispensary on the premises for the duration of the actual or potential Lease.

Sincerely,

Tony Tillemans

Tony Tillemans

Vice President

Cinema Entertainment Corp.
1621 Division Street, Waite Park, MN 56387 Phone (320) 251-9131 Fax (320) 251-1003

September 22, 2014

Michael L. Gelfman, SIOR
Colliers International

RE: 125 – 33RD AVENUE SOUTH – FORMER HOLLYWOOD VIDEO BUILDING

Dear Michael:

Cinema Entertainment Corporation is presenting to you a Letter of Intent for Retail Space as more specifically outlined below. This letter of Intent is not intended to be a formal offer, but merely an outline of terms which would be acceptable terms for leasing space in the below described property.

Premises:	3,000 – 3,500 s.f. of interior space in the multi-tenant retail building located at 125 – 33rd Avenue South, St. Cloud, MN.
Tenant:	Leafline Labs
Guarantor:	_____
Landlord:	Cinema Entertainment Corporation
Use:	The permitted use shall be as a dispensary for medical cannabis as approved by the State of Minnesota, and the sale of products related thereto.
Annual Minimum Rent:	[redacted]
Option Rent:	Tenant shall have 1 three-year option to be exercised by giving nine months written notice to Landlord prior to the expiration of the lease period. Base rent for the option period shall be negotiated at the time Tenant exercises its option to extend.
Landlord Turnover:	The projected Landlord turnover date is to be determined.
Percentage Rent:	None.
Security Deposit:	One Month's Rent
Term of Lease:	Three (3) years
Lease Commence:	Lease will commence Thirty (30) days from the date which the landlords construction permit is complete and finaled by the government agency with jurisdiction, or approximately January 1, 2015.

CAM:	Paid monthly based on Tenant's pro rata share of gross leasable area of the shopping center. Tenant may audit upon request with 15 days notice. CAM, estimated at $3.25 – $3.50 per square foot per year.
Real Estate Taxes:	Paid annually based on Tenant's pro rata share of gross leasable area of the shopping center, excluding separately assessed tenants. Real estate taxes shall be defined as all ad valorem taxes that are assessed on real estate property owners as a class. Taxes are currently estimated at $3.50 per square foot on an annualized basis.
Utilities:	Tenant shall pay all utility expenses related to the leased premises. It is anticipated that electricity and natural gas will be separately metered, and Tenant will have full responsibility for direct payment of utility bills. Tenant shall also pay its pro-rata share of all utilities relating to the common area. In the event that utilities are shared, Tenant shall pay its pro-rata share.
Assignment/Subleasing:	Tenant will have the right to assign or sublease the premises to any other entity for any lawful use with Landlord's reasonable consent and review of financials.
Exclusive Clause:	No other store in the individual building, leased by Tenant, shall be used for the purpose of operating as a dispensary for medical cannabis as approved by the State of Minnesota, or selling related products.
Landlords Work:	Landlord will provide the following items per Tenant's plan: • All demising walls sheet-rocked, taped, sanded and ready for paint. • Floor ready for ceramic/porcelain tile or VCT floor covering. • Rooftop unit for heating/cooling to code ready for use, minimum 1 ton per every 300 square feet, with a minimum of 3 tons. • 2' x 4' drop in acoustical ceiling tile suspended on a T-bar system both white in color, with 2' x 4' drop in lighting. • Provide a minimum of 200 AMP, three-phase, circuit service panel electrical service;
Signage:	It is agreed that the Tenant will have the right to incorporate signing on its storefront of the building at the Tenant's own expense. All signing shall conform to the Landlord's sign criteria, city ordinances and shall be subject to Landlord's approval.
Commission:	Landlord shall be responsible for and pay all commissions arising from this Lease. The parties acknowledge that Granite City Real Estate, LLC is representing the Landlord in this transaction and will be paid $1.50 per gross square foot of lease space. The parties acknowledge that the Tenant is represented by Michael Gelfman of Colliers International and that if Tenant and Landlord executed a Lease, then Landlord shall pay a Brokerage Fee of $3.00 per gross square foot to Colliers International pursuant to the terms set forth in

a separate Brokerage Fee Agreement.

Security & Fire Protection:	The property is not sprinkled. The Tenant will need to furnish and install its own fire, security and life safety systems, compliant with the State of Minnesota guidelines.

This Letter of Intent is intended by the parties to be entirely non-binding, with no contractual obligations or duties, either expressed or implied, arising hereunder. Either party is free to terminate negotiations at any time for any reason whatsoever.

Sincerely,

Tony Tillemans

Tony Tillemans
Cinema Entertainment Corporation

We consent to this Letter of Intent this 25th day of September, 2014

Tenant: Leafline Labs

By: Patty Backman

Its: President

Exhibit B.3.d10 Letter of Intent, St. Paul (Service Area B)

NAIEverest

LETTER OF INTENT

9//22/2014

VIA EMAIL to: *Michael.gelfman@colliers.com*

Attention: Michael Gelfman
mailto:michael.gelfman@colliers.com

Re: Leafline Labs Letter of Intent
Suburban Square
1664 Suburban Avenue
St. Paul, MN 55106
Suite 1678 consisting of approximately 4,157 Square Feet

Dear Michael:

This letter sets forth the basic business terms upon which the owner, as Lessor for 1664 Suburban Ave (***"Landlord"***), is interested in negotiating with Leafline (***"Tenant"***) for the Lessee's right to lease Suite 1678 in the 1664 Suburban Ave property (as such term is defined below).

The basic business terms are as follows:

1. ***Lessor:*** Suburban Square Partners LLP
2. ***Lessee:*** Leafline Labs
3. ***Property:*** 1664 Suburban Ave, St. Paul, MN 55106, Suite 1678 consisting of approximately 4,157 square feet of rentable and useable area. There is no common area factor for this property. Outline of space depicted on Exhibit A.
4. ***Occupancy:*** January 1st, 2015, or as agreed upon between Lessor and Lessee
5. ***Use*** This location for Leafline Labs will be used as a dispensary for medical cannabis as approved by the State of Minnesota. They will be seeing patients registered with the state and consulting with them and then

dispensing the medications, much like a pharmacy. There will be a robust security system and the publicly view-able portion will consist of a waiting room and a secure window station through to a person who will be registering and greeting patients. Staffing will include pharmacists and other ancillary staff at the dispensary. The law requires that a pharmacist be present in the dispensary for dispensing the medication.

6. ***Lease Term*** The term of the Lease shall be for a period of thirty six (36) months.

7. ***Lease Rates :*** [redacted]

8. ***Construction Allowance:*** Landlord will deliver the premises in accordance with the drawings approved by both Landlord and Tenant which would include a demising wall.

9. ***Additional Rent:*** The rate is quoted on a Triple Net Basis. Tenant shall pay its pro-rata share of Building Taxes, Building Insurance and Building Common Area Maintenance. Landlord has indicated that the Triple Net Charges for 2014 is estimated to be $6.82 per square foot.

   Gas and electricity are separately metered and will be the responsibility of the Tenant. Suite janitorial is also the responsibility of the Tenant. Water is included in the Operating Expenses.

10. ***Option to Renew:*** Tenant requests one (1), three (3) year renewal option at the then current market rents. Tenant shall give the Landlord nine (9) months prior written notice of its intent to renew.

11. ***Security Deposit:*** One month's gross rent at lease execution.

12. ***Signage:*** Landlord will provide a location on one of the pylons and the building with prior governmental approval and approved by local code.

13. ***Security and Fire Protection:*** The building is fully sprinkled.

14.	***HVAC:***	The HVAC is a roof top unit. The space is currently serviced by 2 - 4 ton roof tops. The units are operational.
15.	***Brokerage Fee:***	The parties acknowledge that the Tenant is represented by Michael Gelfman of Colliers International and that if Tenant and Landlord execute a Lease, then Landlord shall pay a Brokerage Fee of $3.00 per square foot to Colliers International pursuant to the terms set forth in a separate Brokerage Fee Agreement as a one time fee.
16.	***Non-Binding:***	The submittal of this outline and any other correspondence or communications of any type shall not create any obligation whatsoever on the parties except to the extent covered in a formal lease agreement which has been executed by and between the parties and delivered to Tenant and Landlord.
17.	***Availability:***	This proposal is subject to availability on the basis of leasing activity now in progress.

This letter of intent shall not under any circumstances be deemed to be an offer or a contract. Furthermore, no prior or subsequent correspondence or course of dealing between Landlord and Tenant shall be construed to create any contract. No contract shall be deemed to exist, neither Landlord nor Tenant shall have any rights or obligations to each other, nor shall Tenant have any rights with respect to the Property, unless and until a Lease Agreement document containing all terms and provisions is prepared, approved by both parties and a lease has been executed by both Tenant and Landlord.

NAIEverest

By: Peter Bachman
Name: Peter Bachman
Its: President
Address:

Tel:

Fax:

Email: peterhbachman@gmail.com

[Landlord] Suburban Square Partners LLP

By: Ronald E Clark
Name: RONALD E. CLARK
Its: GENERAL PARTNER
Address:

Tel:

Fax:

Email: RONCLARK@RONCLARK.COM

Leafline Labs
Letter of Intent – Suburban Square
Page 5

Exhibit A

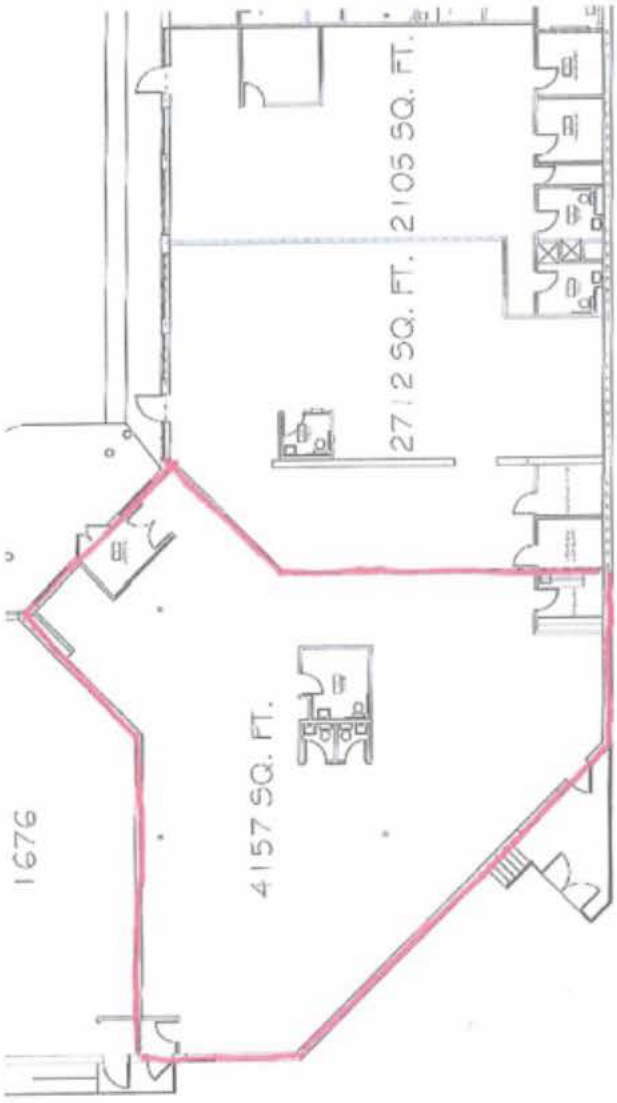


Exhibit B.3.d11 Property Owner Consent, St. Paul (Service Area B)

Suburban Square Partners, LLP
7500 West 78th Street
Edina, MN 55439

952.947.3000
Fax 952.947.3030

September 22, 2014

To Whom It May Concern:

Suburban Square Partners, LLP hereby agrees that Leafline Labs, LLC may operate a medical cannabis dispensary on the premises for the duration of the actual or potential lease.

Ron Clark
General Partner

B.3e Other Location Activities and Agreements

All of our proposed distribution facilities will be in physical retail spaces dedicated only to medical cannabis, except for the proposed facility in Eagan, MIN (District 2, Service Area B). The Eagan site is located in a professional building and will be in a completely separate office space dedicated to LeafLine Labs for its distribution of medical cannabis. Our distribution facility will be protected by security detailed elsewhere in this section and by reinforced structural elements in any walls adjoining adjacent businesses to prevent a facility breach through such common elements. At the time of this application response, other businesses located within the medical office building in which the Eagan facility is located include:

1- Dr. Toh-Eng Lim, DDS. Eagan Dental Clinic; provides general dentistry services. Office building owner.
2- Eastern Psychology Services, General psychology practice.

No health care practitioners, as defined by the MDH, operate businesses in the professional building in which the Eagan distribution facility is located.

B.3f Exterior Signage and Graphics

Much like the external rendering for our proposed manufacturing facility in Cottage Grove, LeafLine Labs intends at this time to have one, simple exterior identifying sign on its distribution facilities as generally shown below:

Exhibit B.3f1 – LLL Exterior Signage Rendering

In addition to this signage LeafLine Labs will prominently display signage at each facility entrance:

- "THESE PREMISES ARE UNDER CONSTANT VIDEO SURVEILLANCE".

B.3g Photographs of Surrounding Area

The following pictures depict the surrounding neighborhoods and businesses within 500 feet of each proposed LeafLine Labs distribution facility.

Exhibit B.3g.1 – Area/Businesses Surrounding Brooklyn Park, Willmar Distribution Facilities

BROOKLYN PARK

Brooklyn Park LeafLine Location

Site & Surrounding Neighborhood

Surrounding Neighborhood

Surrounding Neighborhood

WILLMAR

Willmar LeafLine Location

Site & Surrounding Neighborhood

Site & Surrounding Neighborhood

Surrounding Neighborhood

Exhibit B.3g.2 – Area/Businesses Surrounding Mankato, New Hope Distribution Facilities

MANKATO

Mankato LeafLine Location

Site & Surrounding Neighborhood

Site & Surrounding Neighborhood

Surrounding Neighborhood

NEW HOPE

New Hope LeafLine Location

Surrounding Neighborhood

Surrounding Neighborhood

Surrounding Neighborhood

Exhibit B.3g.3 – Area/Businesses Surrounding Eagan, Hibbing Distribution Facilities

EAGAN

Eagan LeafLine Location

Surrounding Neighborhood

Surrounding Neighborhood

Surrounding Neighborhood

HIBBING

Hibbing LeafLine Location

Site & Surrounding Neighborhood

Surrounding Neighborhood

Surrounding Neighborhood

Exhibit B.3g.4 – Area/Businesses Surrounding St. Cloud, St. Paul Distribution Facilities

ST. CLOUD

St.. Cloud LeafLine Location

Site & Surrounding Neighborhood

Surrounding Neighborhood

Surrounding Neighborhood

ST. PAUL

St. Paul LeafLine Location

Surrounding Neighborhood

Surrounding Neighborhood

Surrounding Neighborhood

B.3h Map of Nearby Public Establishments

Bolton and Menk has provided to LeafLine Labs base maps with 500 and 1,000-foot lines in for all potential distribution locations. To the best of our knowledge given the information provided and obtained, there are two houses of worship (Eagan, St. Paul) within the 1,000 foot buffer requiring identification per the RFA.

Exhibit B.3.h1 Map of Establishments within 500', Brooklyn Park (Service Area A)

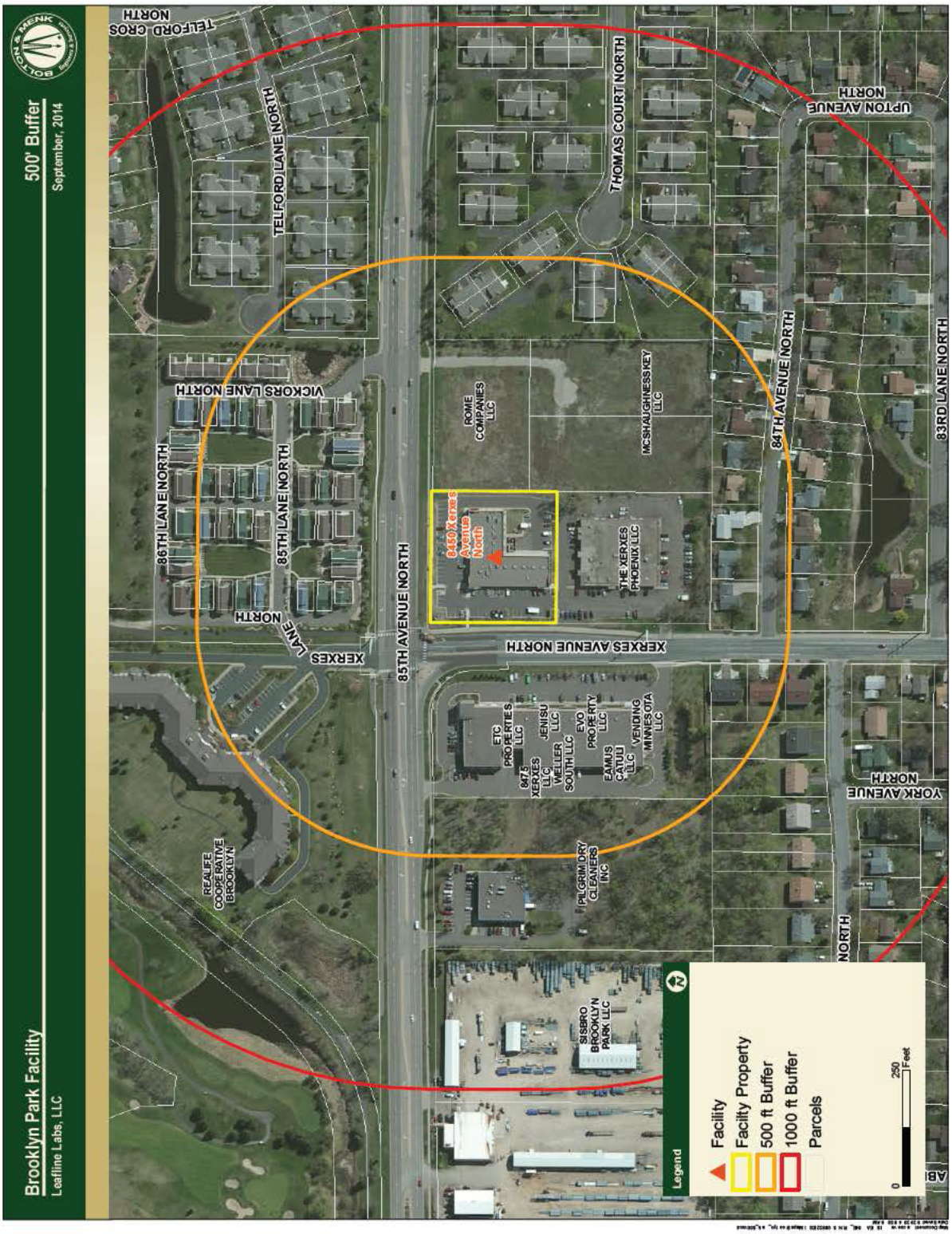


Exhibit B.3.h2 Map of Establishments within 1,000', Brooklyn Park (Service Area A)

Exhibit B.3.h3 Map of Establishments within 500', Willmar (Service Area A)

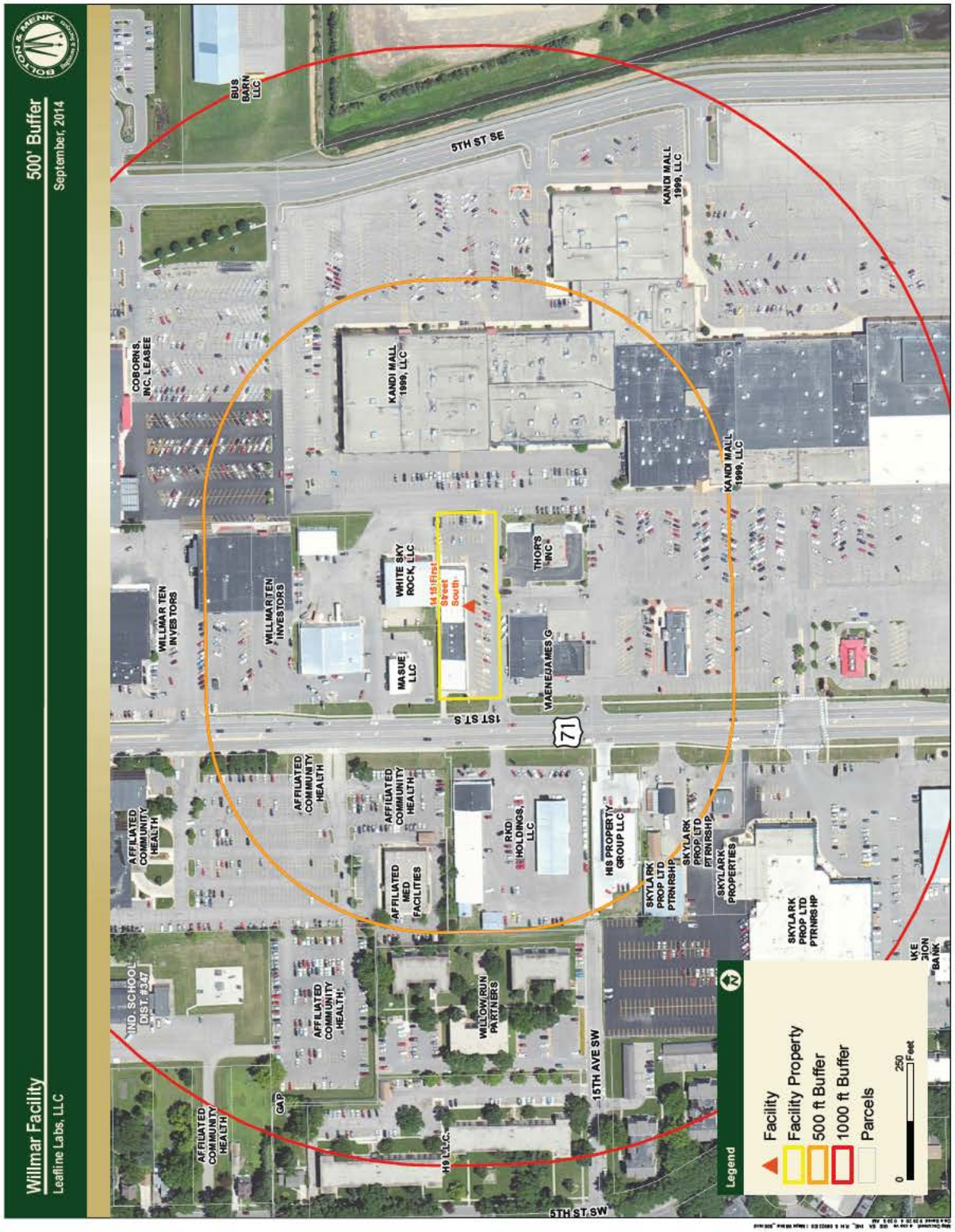


Exhibit B.3.h4 Map of Establishments within 1,000', Willmar (Service Area A)

Exhibit B.3.h5 Map of Establishments within 500', Mankato (Service Area A)

Exhibit B.3.h6 Map of Establishments within 1,000', Mankato (Service Area A)

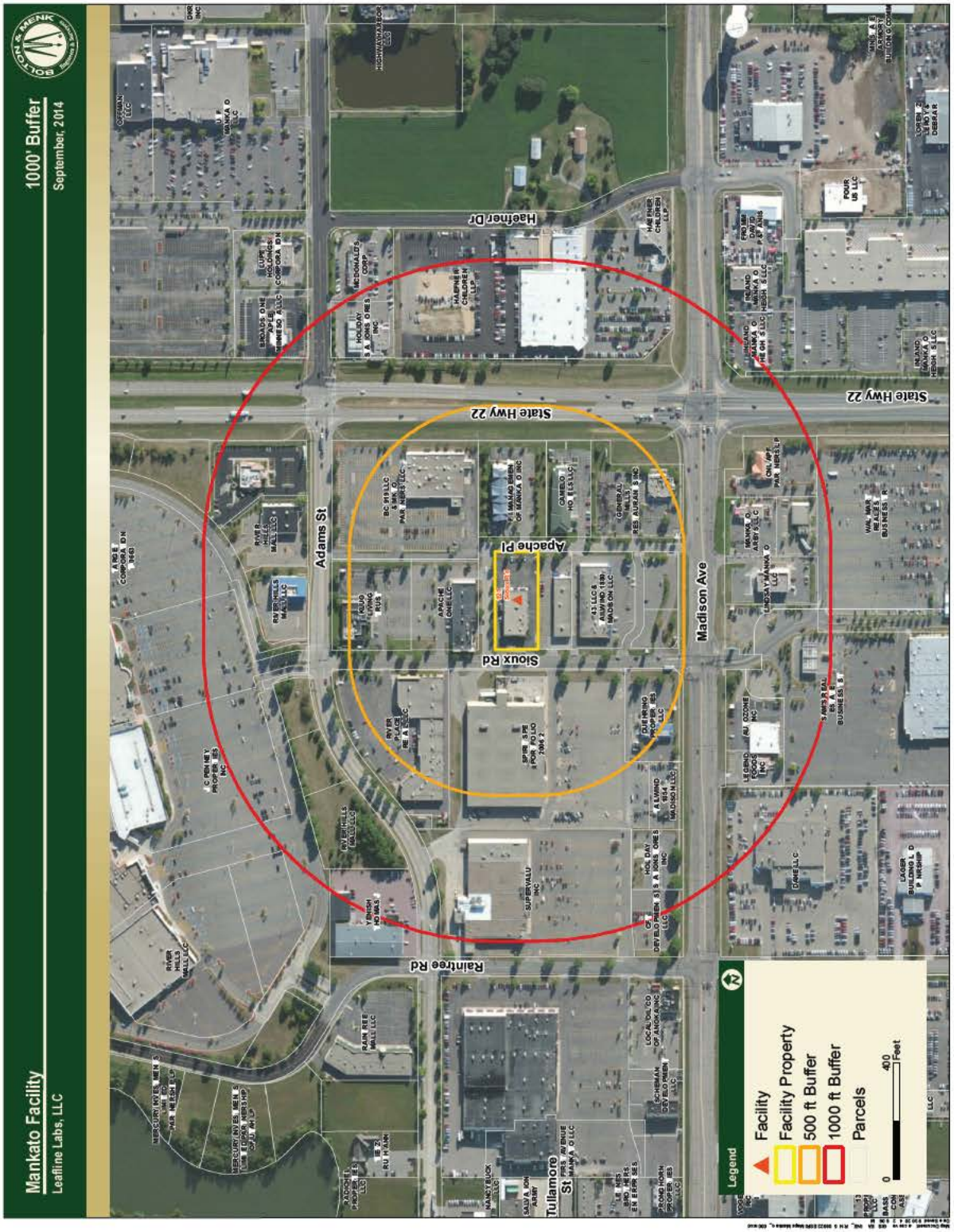


Exhibit B.3.h7 Map of Establishments within 500', New Hope (Service Area A)

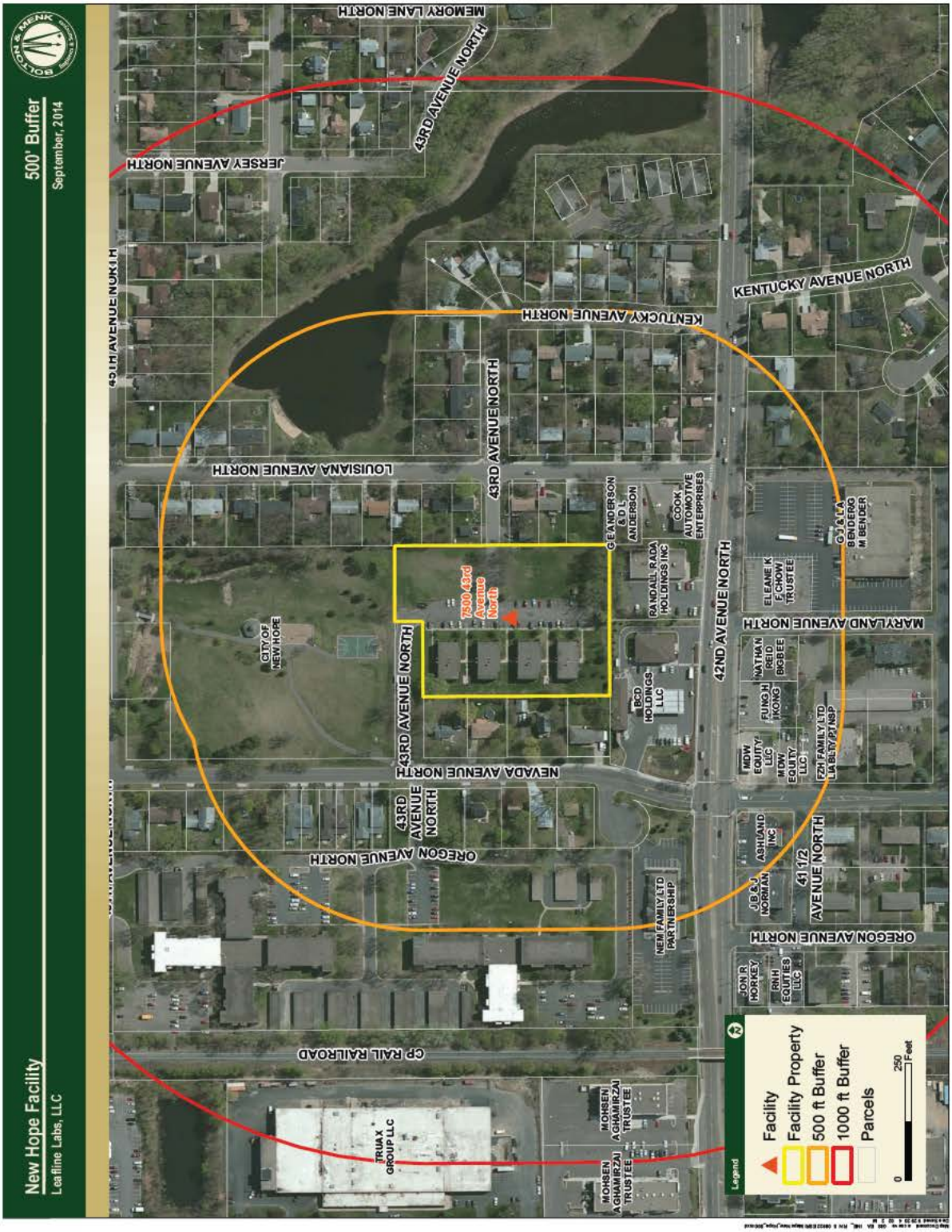


Exhibit B.3.h8 Map of Establishments within 1,000', New Hope (Service Area A)

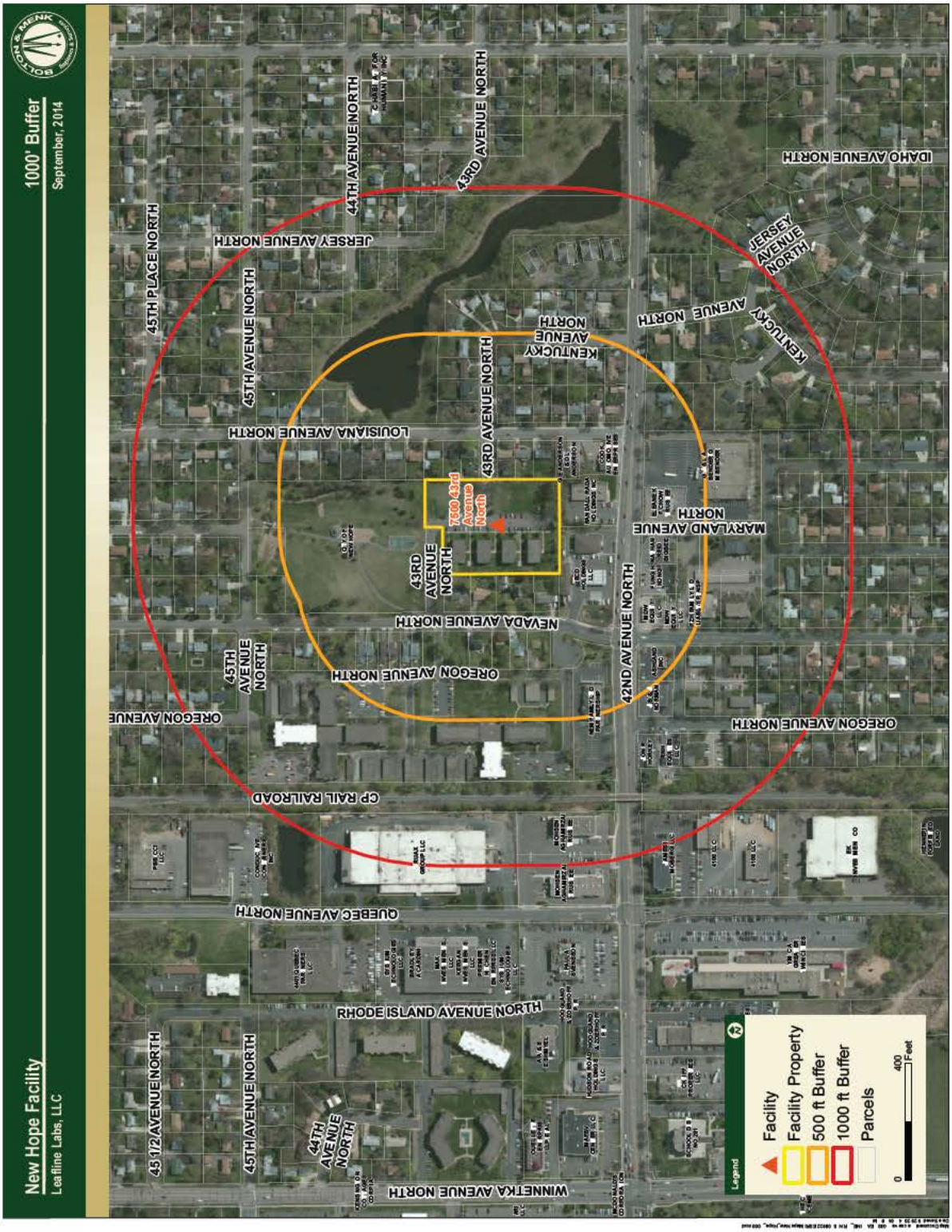


Exhibit B.3.h9 Map of Establishments within 500', Eagan (Service Area B)

Exhibit B.3.h10 Map of Establishments within 1,000', Eagan (Service Area B)

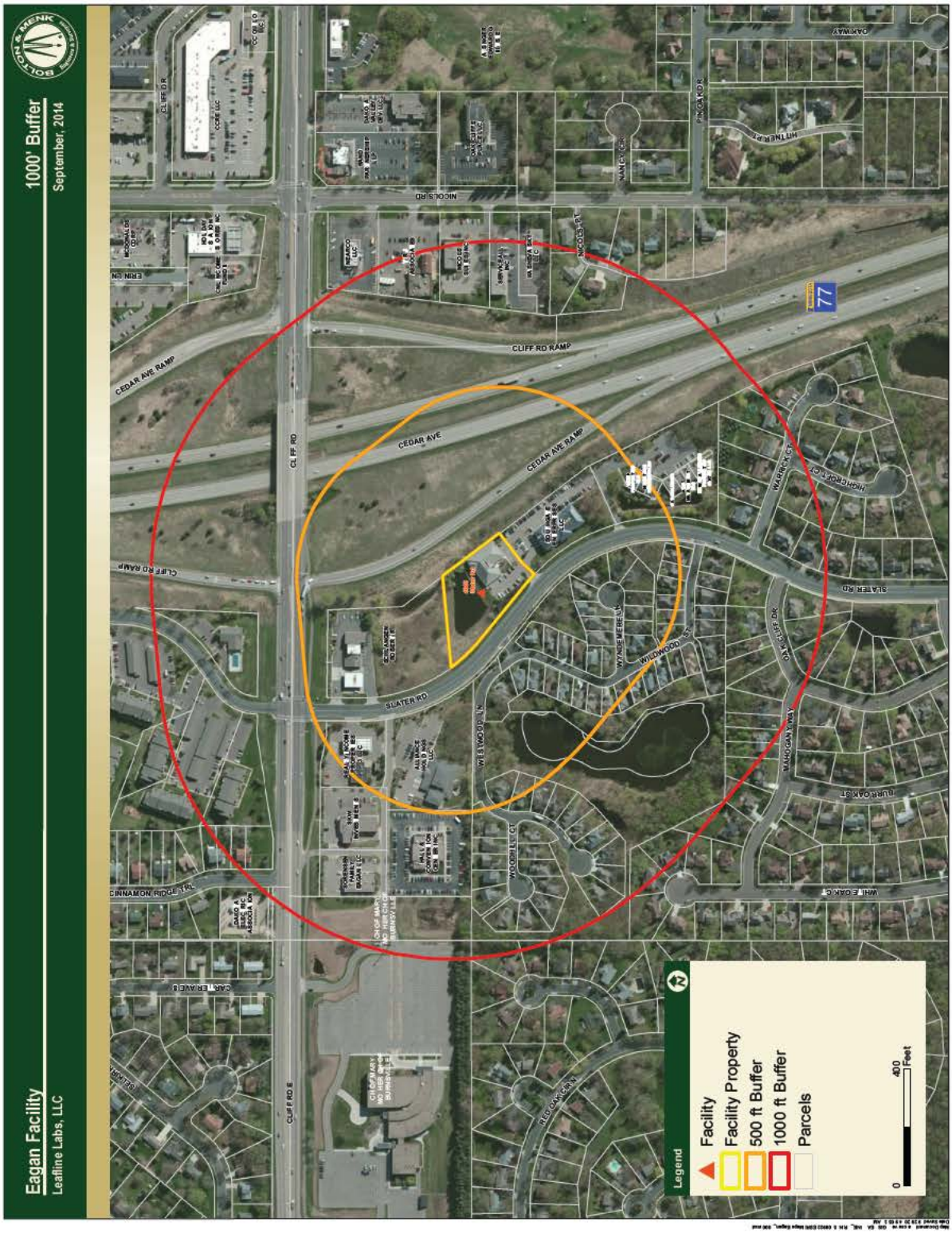


Exhibit B.3.h11 Map of Establishments within 500', Hibbing (Service Area B)

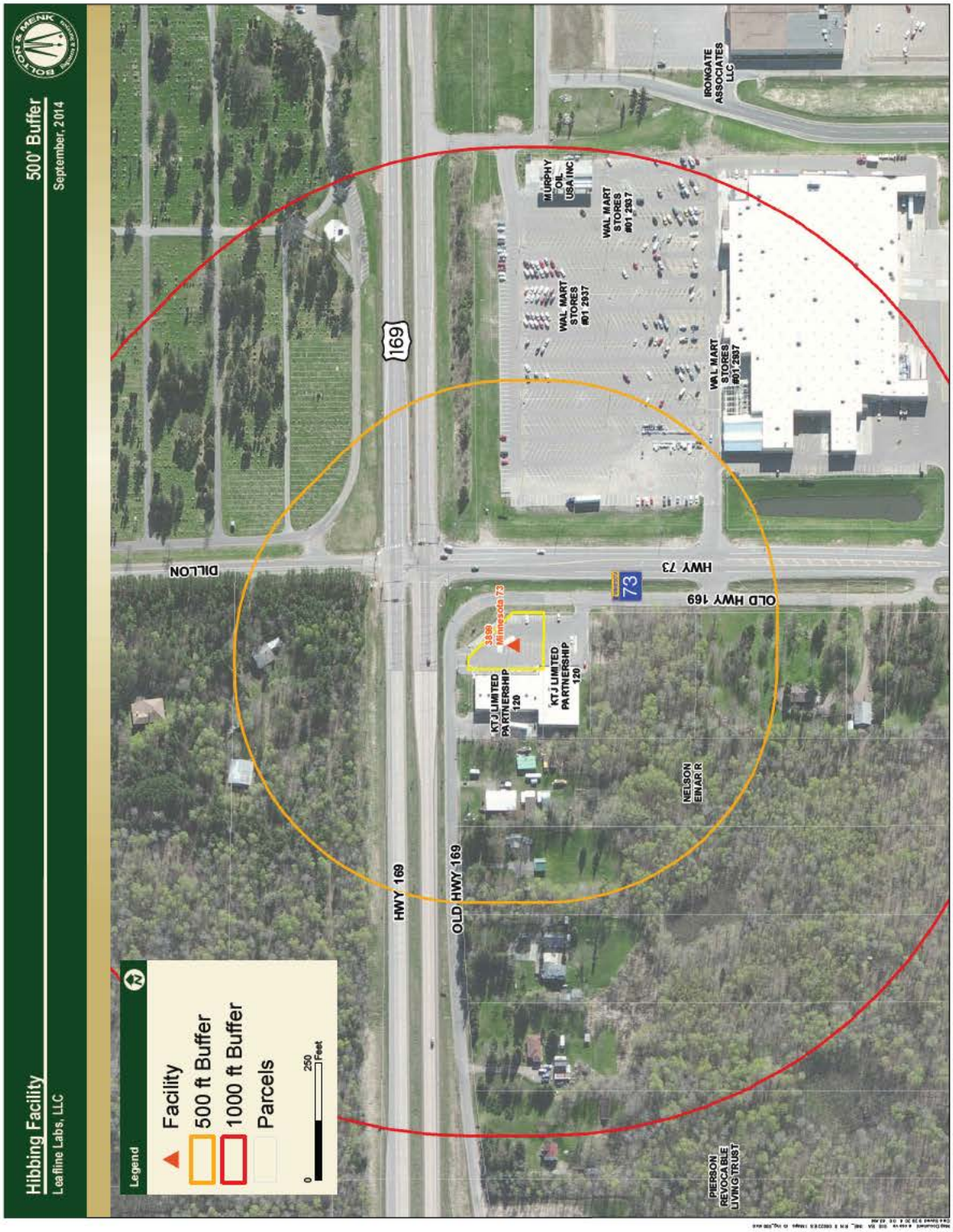


Exhibit B.3.h12 Map of Establishments within 1,000', Hibbing (Service Area B)

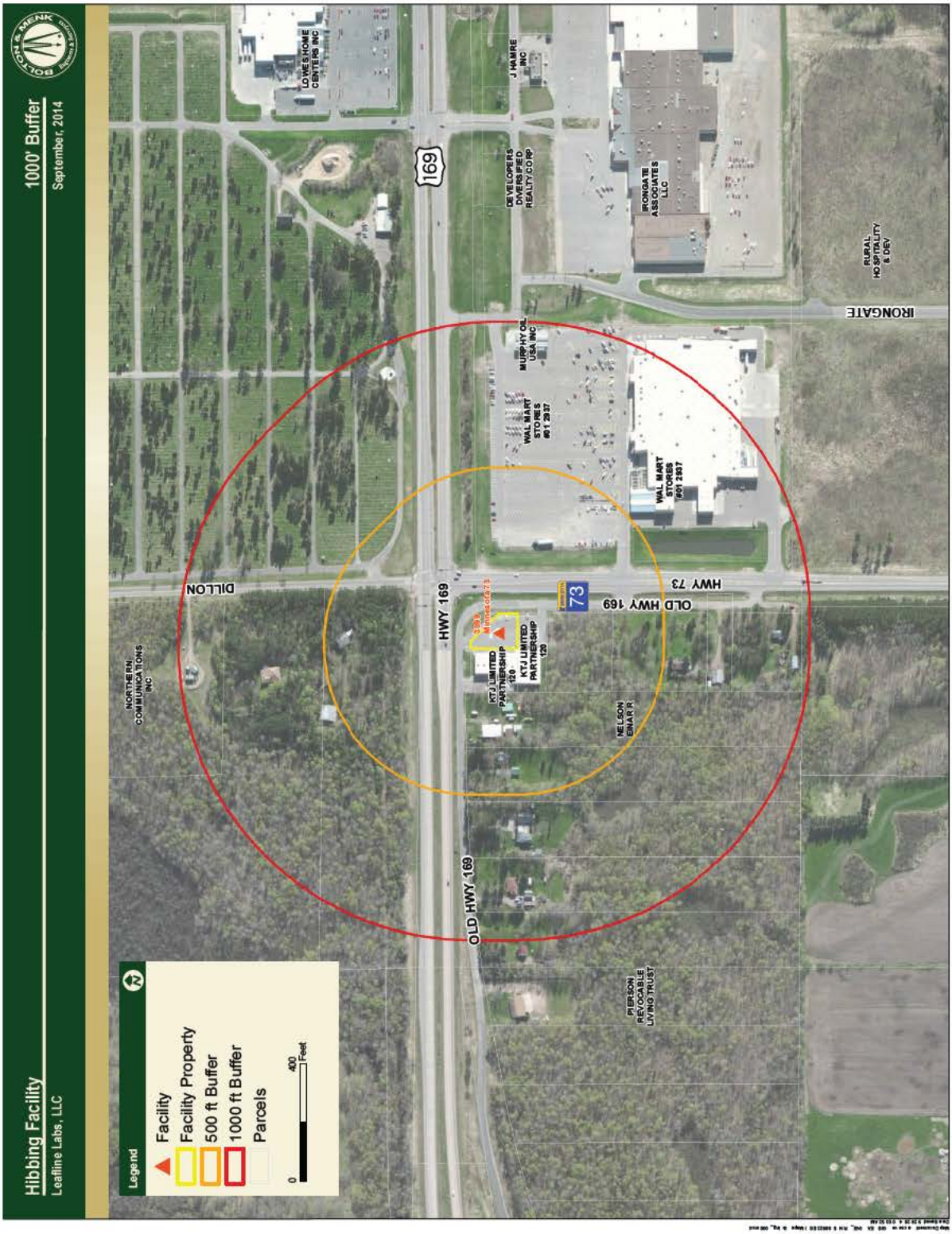


Exhibit B.3.h13 Map of Establishments within 500', St. Cloud (Service Area B)

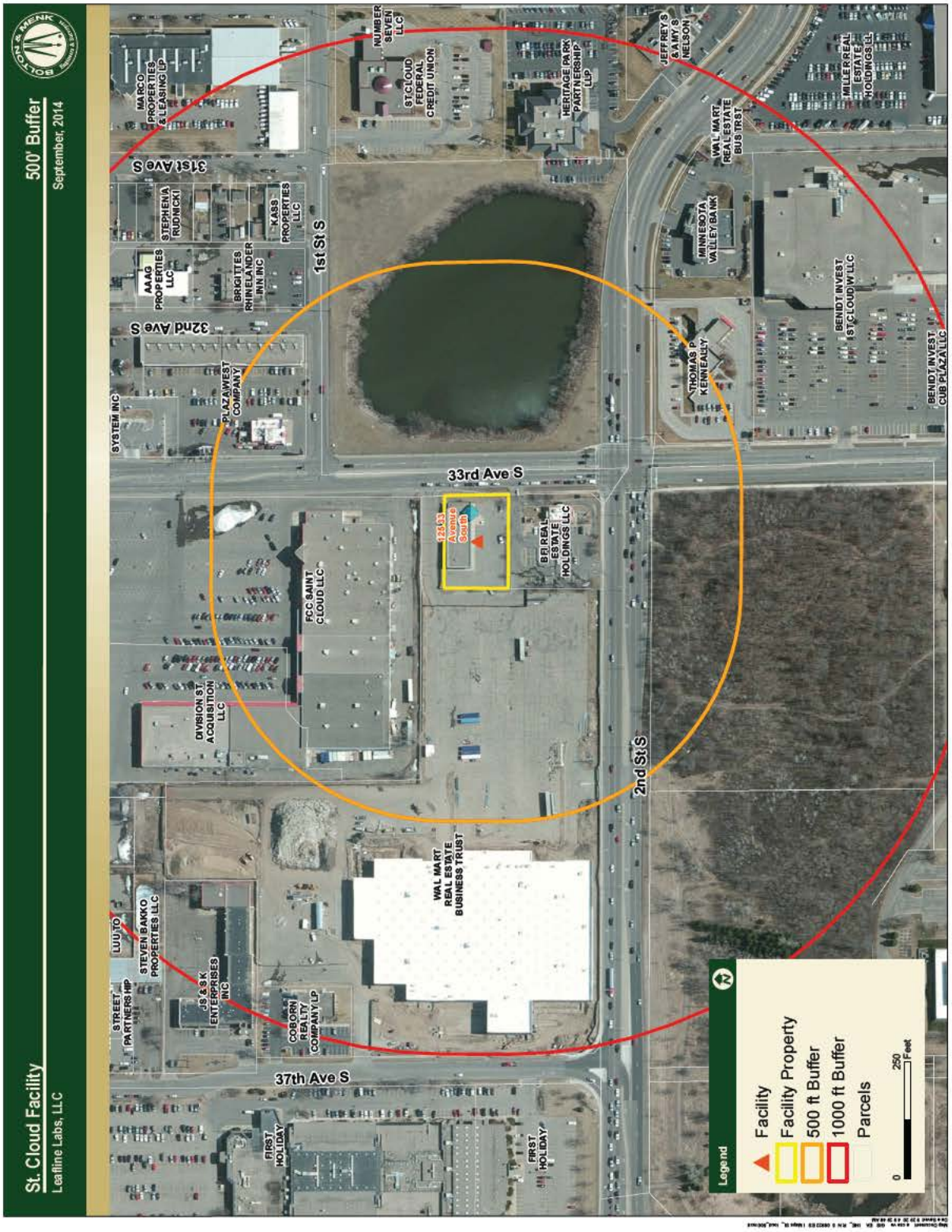


Exhibit B.3.h14 Map of Establishments within 1,000', St. Cloud (Service Area B)

Exhibit B.3.h15 Map of Establishments within 500', St. Paul (Service Area B)

Exhibit B.3.h16 Map of Establishments within 1,000', St. Paul (Service Area B)

B.3i Site Plan

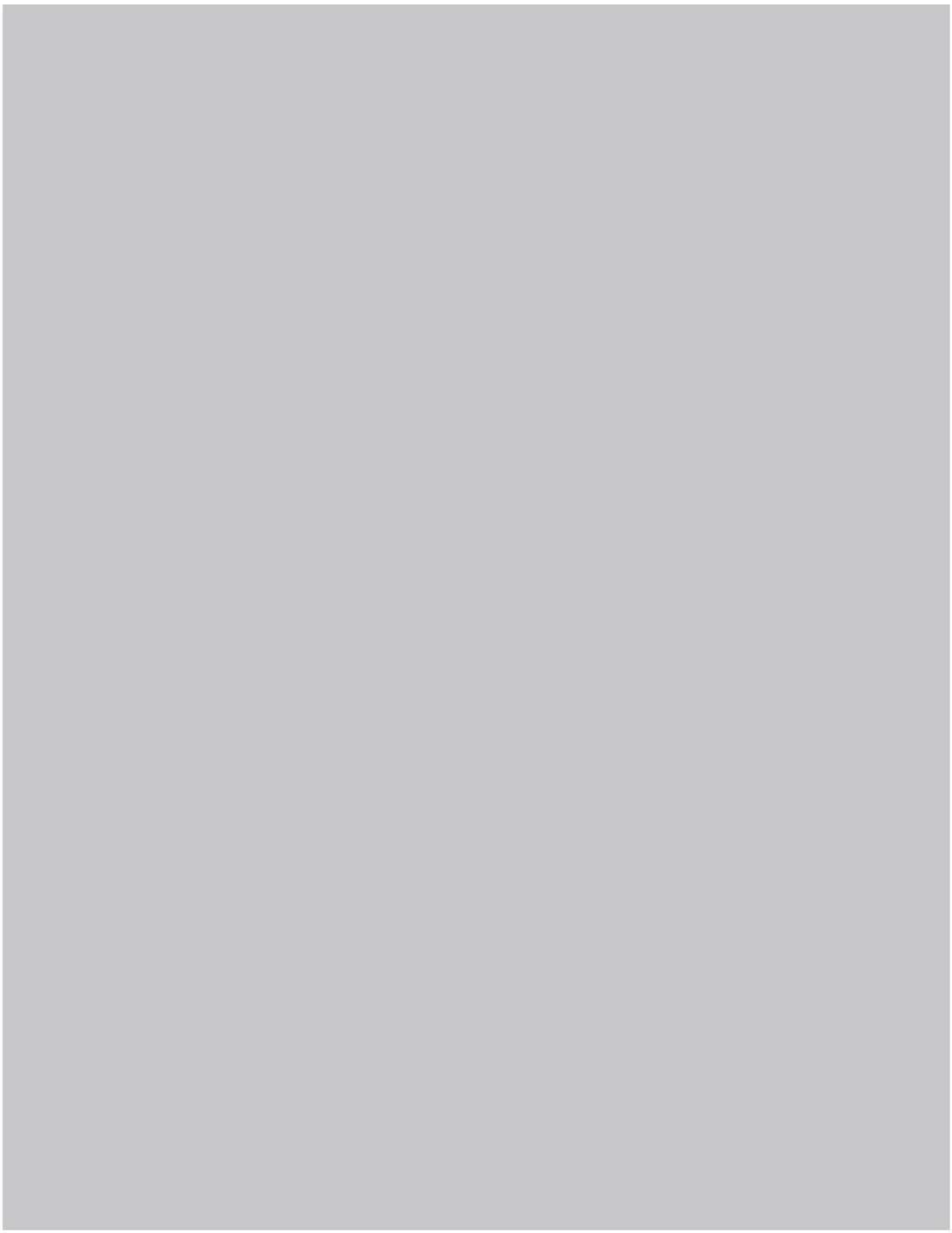
Please see the 500-foot buffer base maps in B.3h (above) to see site plans as they exist currently for each of the proposed distribution facilities.

Floor plans for the first two LeafLine Labs distribution facilities we anticipate opening follow in B.3j.

B.3j Floor Plans

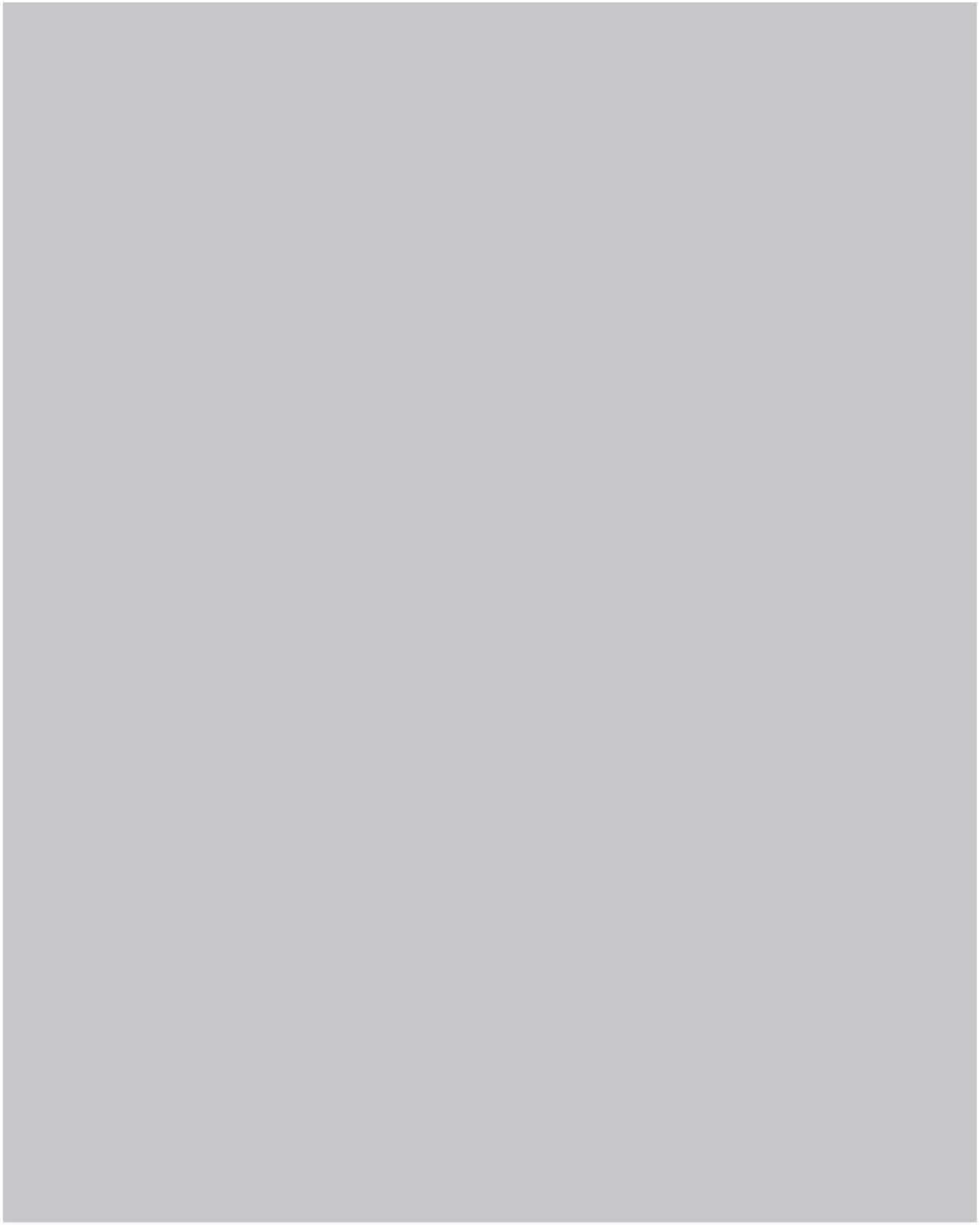
Blueprints for our first proposed distribution sites in Brooklyn Park (Zone A) and Eagan (Zone B) are shown in the pages that follow. Floor plans for the other three distribution sites in each zone are dependent on construction planning for those sites. It is anticipated that this planning and approval process will follow a similar timeline to the first distribution site and will commence approximately six to nine months before the projected opening date for each facility.

Exhibit B.3.j1 Floor Plan, LLL Brooklyn Park Distribution Center (1 of 2)



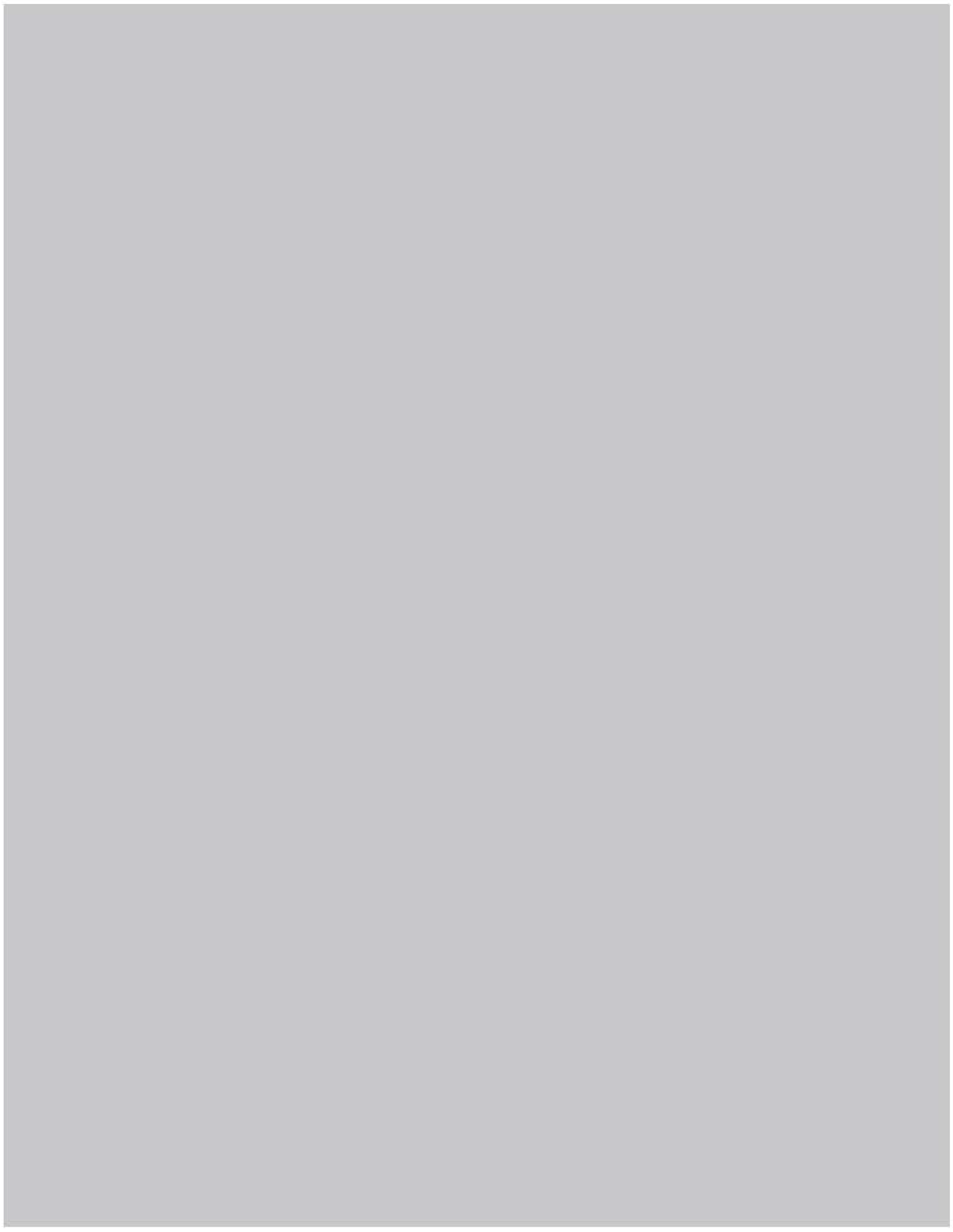
TRADE SECRET INFORMATION

Exhibit B.3.j1 Floor Plan, LLL Brooklyn Park Distribution Center (2 of 2)



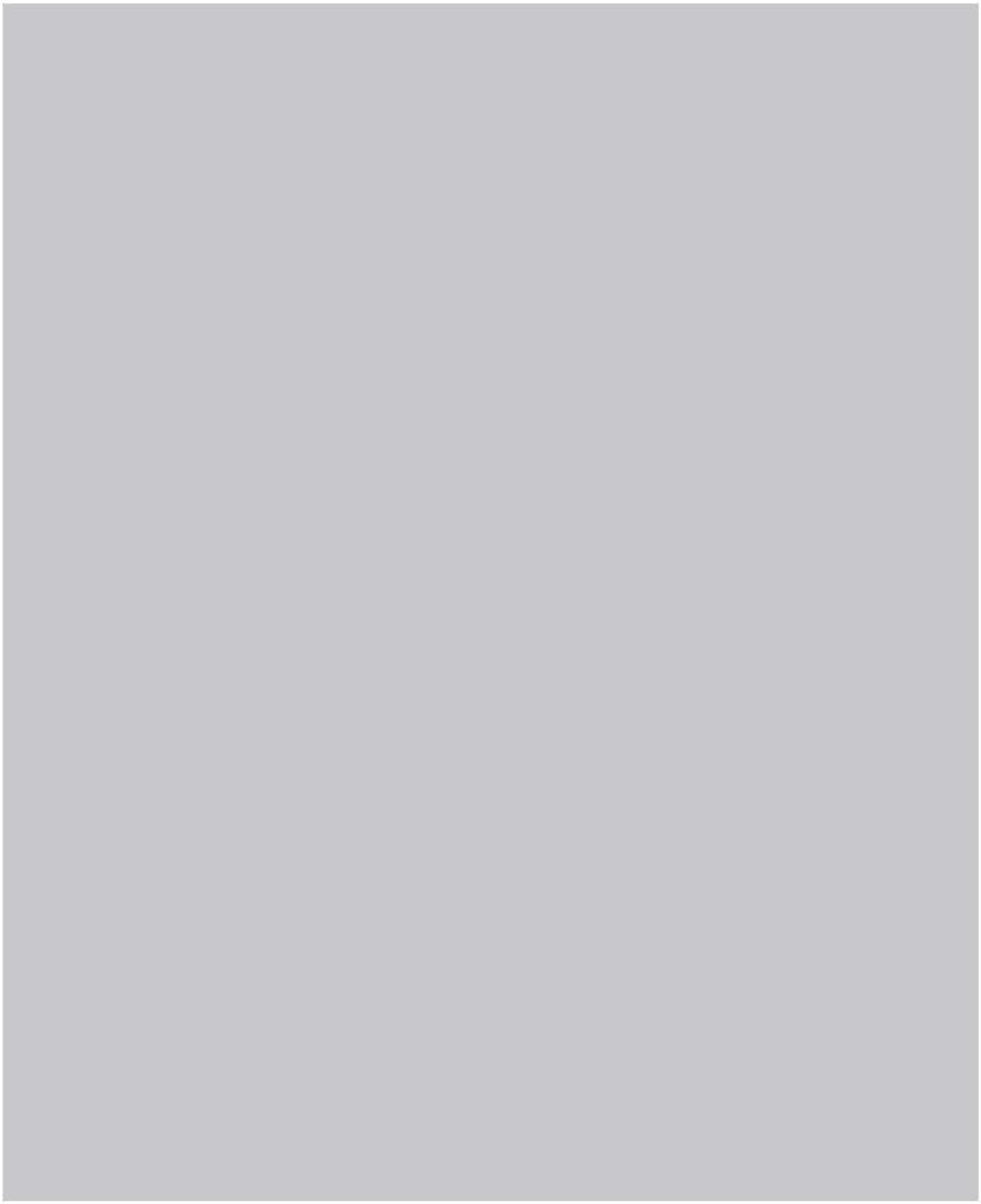
TRADE SECRET INFORMATION

Exhibit B.3.j2 Floor Plan, LLL Eagan Distribution Center (1 of 2)



TRADE SECRET INFORMATION

Exhibit B.3.j2 Floor Plan, LLL Eagan Distribution Center (2 of 2)

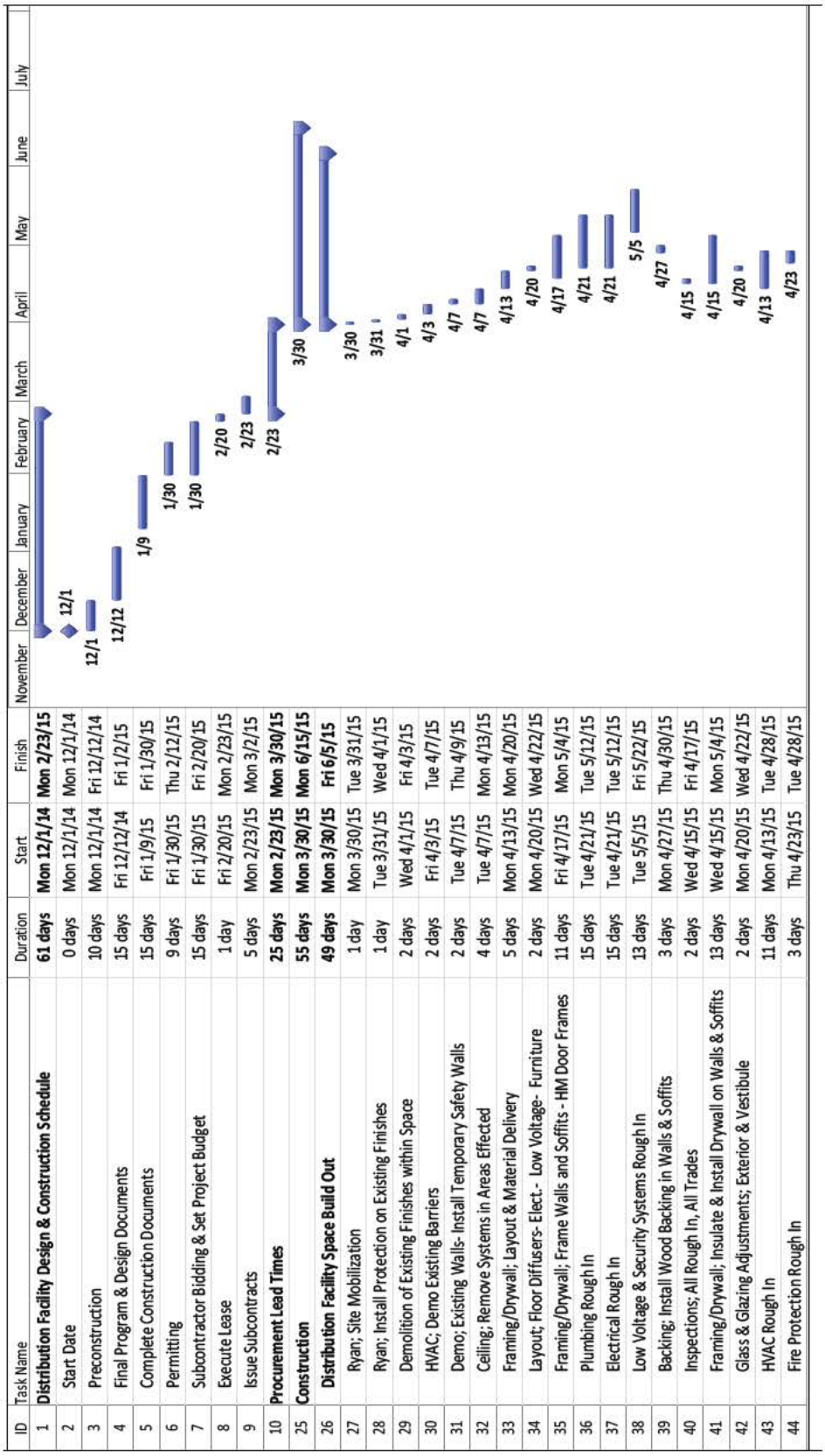


TRADE SECRET INFORMATION

B.3k Site Development and Construction Plan

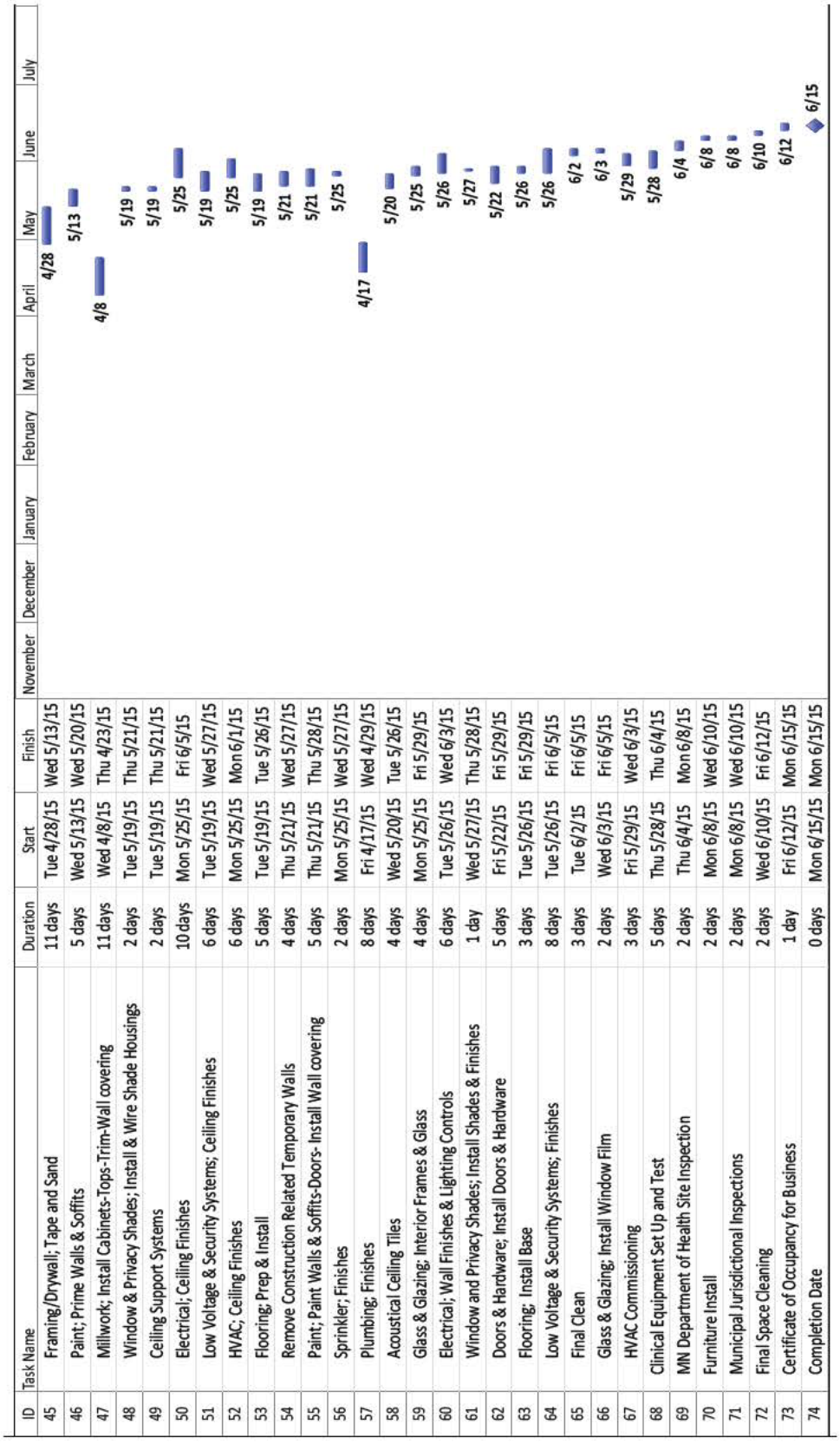
The design and construction sequence and scheduling for Leafline Labs' distribution outlets will all include a predesign and preconstruction duration of four4 months, and a construction schedule less than 10 weeks for space occupancy as showcased on the following page in *Exhibit B3k.1, LeafLine Labs Distribution Facility Construction Plan*. The limited spatial adjustments of the multiple distribution outlets within existing spaces can be incorporated into the currently proposed schedule with no negative durational impacts to serve the clients of Leafline Labs. Ryan manages and owns over 15,000,000 sq. ft. of commercial space; our expertise and scheduling management to design and construct interior business spaces is unmatched.

Exhibit B.3.k1 LeafLine Labs Distribution Facility Construction Plan (1 of 2)



ID	Task Name	Duration	Start	Finish
1	**Distribution Facility Design & Construction Schedule**	**61 days**	**Mon 12/1/14**	**Mon 2/23/15**
2	Start Date	0 days	Mon 12/1/14	Mon 12/1/14
3	Preconstruction	10 days	Mon 12/1/14	Fri 12/12/14
4	Final Program & Design Documents	15 days	Fri 12/12/14	Fri 1/2/15
5	Complete Construction Documents	15 days	Fri 1/9/15	Fri 1/30/15
6	Permitting	9 days	Fri 1/30/15	Thu 2/12/15
7	Subcontractor Bidding & Set Project Budget	15 days	Fri 1/30/15	Fri 2/20/15
8	Execute Lease	1 day	Fri 2/20/15	Mon 2/23/15
9	Issue Subcontracts	5 days	Mon 2/23/15	Mon 3/2/15
10	**Procurement Lead Times**	**25 days**	**Mon 2/23/15**	**Mon 3/30/15**
25	**Construction**	**55 days**	**Mon 3/30/15**	**Mon 6/15/15**
26	**Distribution Facility Space Build Out**	**49 days**	**Mon 3/30/15**	**Fri 6/5/15**
27	Ryan; Site Mobilization	1 day	Mon 3/30/15	Tue 3/31/15
28	Ryan; Install Protection on Existing Finishes	1 day	Tue 3/31/15	Wed 4/1/15
29	Demolition of Existing Finishes within Space	2 days	Wed 4/1/15	Fri 4/3/15
30	HVAC; Demo Existing Barriers	2 days	Fri 4/3/15	Tue 4/7/15
31	Demo; Existing Walls- Install Temporary Safety Walls	2 days	Tue 4/7/15	Thu 4/9/15
32	Ceiling; Remove Systems in Areas Effected	4 days	Tue 4/7/15	Mon 4/13/15
33	Framing/Drywall; Layout & Material Delivery	5 days	Mon 4/13/15	Mon 4/20/15
34	Layout; Floor Diffusers- Elect.- Low Voltage- Furniture	2 days	Mon 4/20/15	Wed 4/22/15
35	Framing/Drywall; Frame Walls and Soffits - HM Door Frames	11 days	Fri 4/17/15	Mon 5/4/15
36	Plumbing Rough In	15 days	Tue 4/21/15	Tue 5/12/15
37	Electrical Rough In	15 days	Tue 4/21/15	Tue 5/12/15
38	Low Voltage & Security Systems Rough In	13 days	Tue 5/5/15	Fri 5/22/15
39	Backing; Install Wood Backing in Walls & Soffits	3 days	Mon 4/27/15	Thu 4/30/15
40	Inspections; All Rough In, All Trades	2 days	Wed 4/15/15	Fri 4/17/15
41	Framing/Drywall; Insulate & Install Drywall on Walls & Soffits	13 days	Wed 4/15/15	Mon 5/4/15
42	Glass & Glazing Adjustments; Exterior & Vestibule	2 days	Mon 4/20/15	Wed 4/22/15
43	HVAC Rough In	11 days	Mon 4/13/15	Tue 4/28/15
44	Fire Protection Rough In	3 days	Thu 4/23/15	Tue 4/28/15

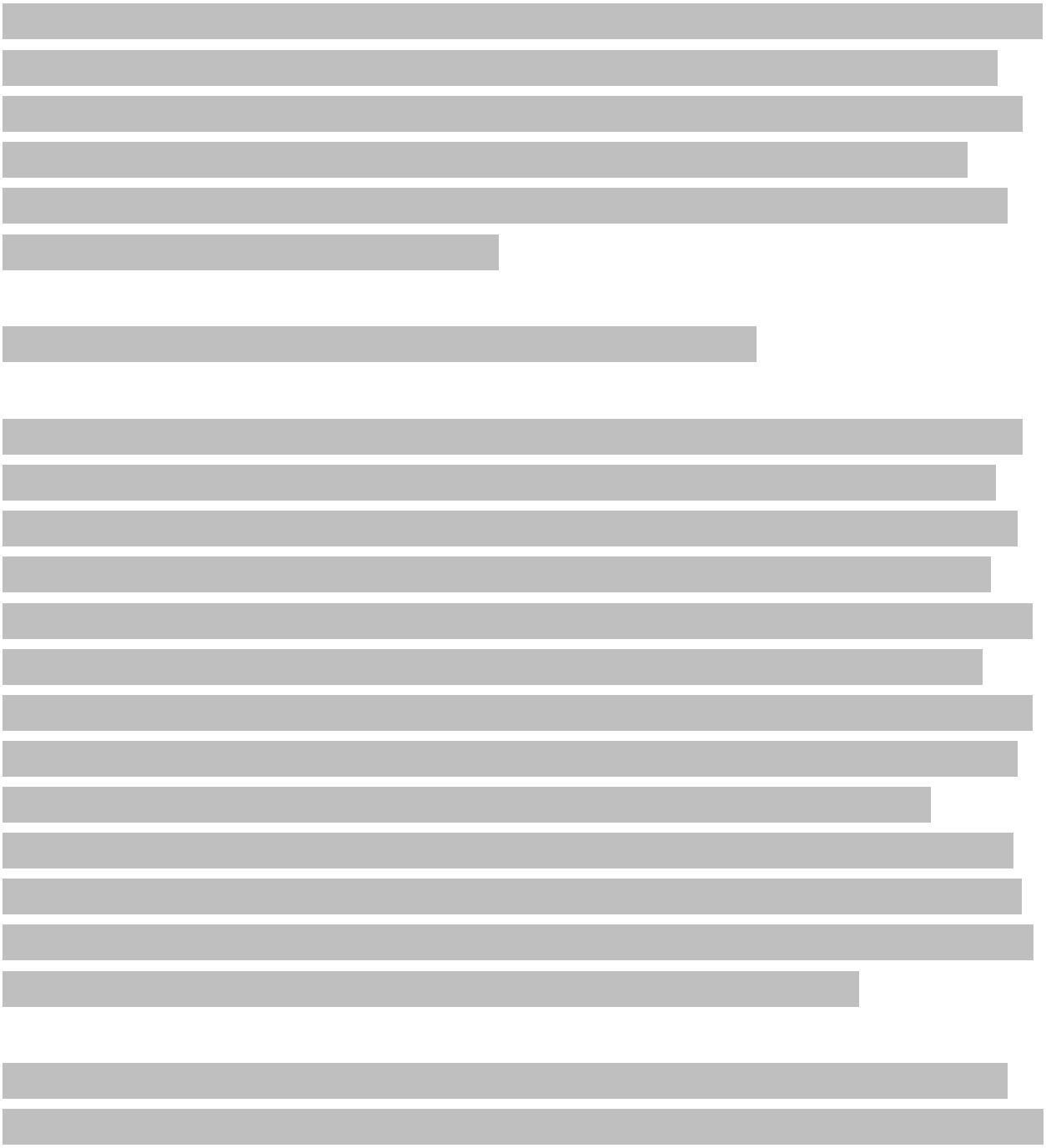
Exhibit B.3.k1 LeafLine Labs Distribution Facility Construction Plan (2 of 2)



ID	Task Name	Duration	Start	Finish
45	Framing/Drywall; Tape and Sand	11 days	Tue 4/28/15	Wed 5/13/15
46	Paint; Prime Walls & Soffits	5 days	Wed 5/13/15	Wed 5/20/15
47	Millwork; Install Cabinets-Tops-Trim-Wall covering	11 days	Wed 4/8/15	Thu 4/23/15
48	Window & Privacy Shades; Install & Wire Shade Housings	2 days	Tue 5/19/15	Thu 5/21/15
49	Ceiling Support Systems	2 days	Tue 5/19/15	Thu 5/21/15
50	Electrical; Ceiling Finishes	10 days	Mon 5/25/15	Fri 6/5/15
51	Low Voltage & Security Systems; Ceiling Finishes	6 days	Tue 5/19/15	Wed 5/27/15
52	HVAC; Ceiling Finishes	6 days	Mon 5/25/15	Mon 6/1/15
53	Flooring; Prep & Install	5 days	Tue 5/19/15	Tue 5/26/15
54	Remove Construction Related Temporary Walls	4 days	Thu 5/21/15	Wed 5/27/15
55	Paint; Paint Walls & Soffits-Doors- Install Wall covering	5 days	Thu 5/21/15	Thu 5/28/15
56	Sprinkler; Finishes	2 days	Mon 5/25/15	Wed 5/27/15
57	Plumbing; Finishes	8 days	Fri 4/17/15	Wed 4/29/15
58	Acoustical Ceiling Tiles	4 days	Wed 5/20/15	Tue 5/26/15
59	Glass & Glazing; Interior Frames & Glass	4 days	Mon 5/25/15	Fri 5/29/15
60	Electrical; Wall Finishes & Lighting Controls	6 days	Tue 5/26/15	Wed 6/3/15
61	Window and Privacy Shades; Install Shades & Finishes	1 day	Wed 5/27/15	Thu 5/28/15
62	Doors & Hardware; Install Doors & Hardware	5 days	Fri 5/22/15	Fri 5/29/15
63	Flooring; Install Base	3 days	Tue 5/26/15	Fri 5/29/15
64	Low Voltage & Security Systems; Finishes	8 days	Tue 5/26/15	Fri 6/5/15
65	Final Clean	3 days	Tue 6/2/15	Fri 6/5/15
66	Glass & Glazing; Install Window Film	2 days	Wed 6/3/15	Fri 6/5/15
67	HVAC Commissioning	3 days	Fri 5/29/15	Wed 6/3/15
68	Clinical Equipment Set Up and Test	5 days	Thu 5/28/15	Thu 6/4/15
69	MN Department of Health Site Inspection	2 days	Thu 6/4/15	Mon 6/8/15
70	Furniture Install	2 days	Mon 6/8/15	Wed 6/10/15
71	Municipal Jurisdictional Inspections	2 days	Mon 6/8/15	Wed 6/10/15
72	Final Space Cleaning	2 days	Wed 6/10/15	Fri 6/12/15
73	Certificate of Occupancy for Business	1 day	Fri 6/12/15	Mon 6/15/15
74	Completion Date	0 days	Mon 6/15/15	Mon 6/15/15

B.3l Secure Facility Plan

The LeafLine Labs team has instituted an elaborate security plan that entails physical security, electronics security and internal procedures at all levels of entrance, exit and especially contact with product at any stage. Our procedures ensure that access to all areas is very limited but most importantly that all movement of people and product is monitored fully



[redacted]

B.3m Limited Access Plan

[redacted]

B.3n Safe Employee Working Environment

Distribution facilities will be located in safe areas with entrances that are in public view and well lighted. Employees will be trained to respond appropriately to all emergencies including those weather related, attempted holdups, unruly persons, fires, bomb threats, and medical emergencies. Employees will have several tools at their disposal to assess and act should an emergency occur. These include, but are not limited to:

B.3o Previous Experience Developing New Product Distribution Facilities

Leafline Labs' OLT has accumulated extensive experience in developing new product distribution sites in the retail horticulture industry as well as the medical cannabis industry. Dan Emmans (Senior VP Production and Manufacturing) and Jon Lane (Master Grower), have combined experience developing four separate medical cannabis operations in Colorado which included distribution site operations. The Colorado medical cannabis industry was vertically integrated in a similar fashion to the industry that will be created by the Minnesota legislation.

In developing these medical cannabis distribution sites, Mr. Lane and Mr. Emmans developed experience creating and executing business plans for medical cannabis dispensaries integrated with production facilities. They have a proven record of assembling a team of highly skilled employees functioning in the production environment as well as distribution of medical cannabis. The OLT has significant human resource experience with regards to managing team cohesion, scheduling, delegation of tasks to be performed on routine basis, safety monitoring, training of specific skills and techniques, and conflict resolution. They have successfully hired and collaborated with leading security professionals to ensure secure facilities for patients,

employees, and product. While developing distribution sites, the OLT also mastered best practices related to packaging and storage of medical cannabis. This will be key in implementing safe distribution site storage protocols for prepackaged cannabis products.

The LeafLine Labs product distribution knowledgebase is augmented by co-founder Paul Bachman's executive experience as president of Bachman's Inc., one of the largest traditional floral and nursery operations in the world. During his 40-year career at Bachman's he has been directly involved with the build out and operation of over 20 retail locations both large and small. Store layout, customer experience and product flow are areas in which he brings extensive experience to the leadership team. In addition, the point of sale function and the training that it requires are all part of the robust skill set he has developed. With this combined experience, LeafLine Labs is set to deliver an exceptional patient experience, combined with state of the art security and efficient medical cannabis distribution.

LeafLine Labs

C. Operations

1. General
2. Cultivation
3. Refining
4. Distribution
5. Transportation
6. Inventory Management
7. Technology Usage
8. Security Plan
9. Disaster Recovery and Continuity Planning

SECTION TABLE OF CONTENTS

SECTION TABLE OF CONTENTS *(continued)*

SECTION TABLE OF CONTENTS *(continued)*

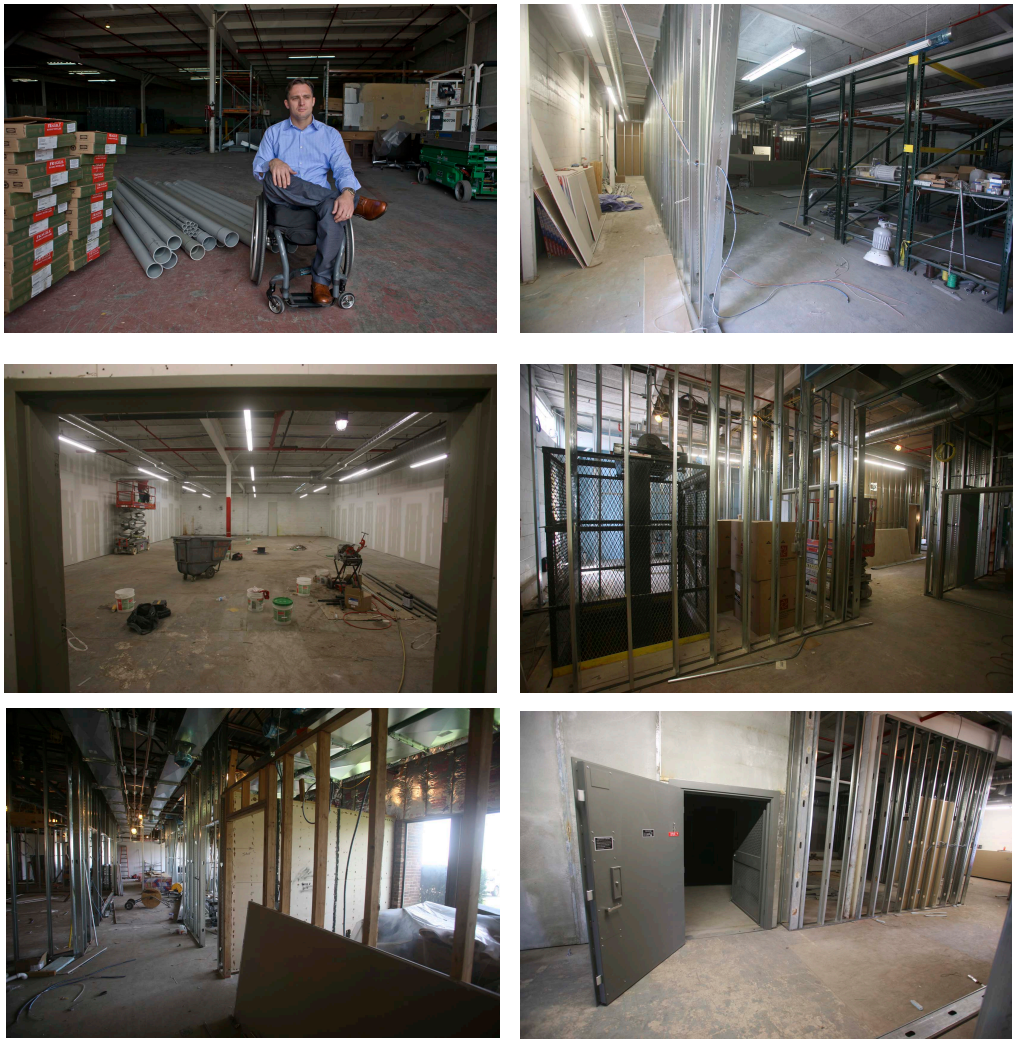
NOTE: Please find all End of Section C Exhibits in the supplemental binders accompanying this primary binder.

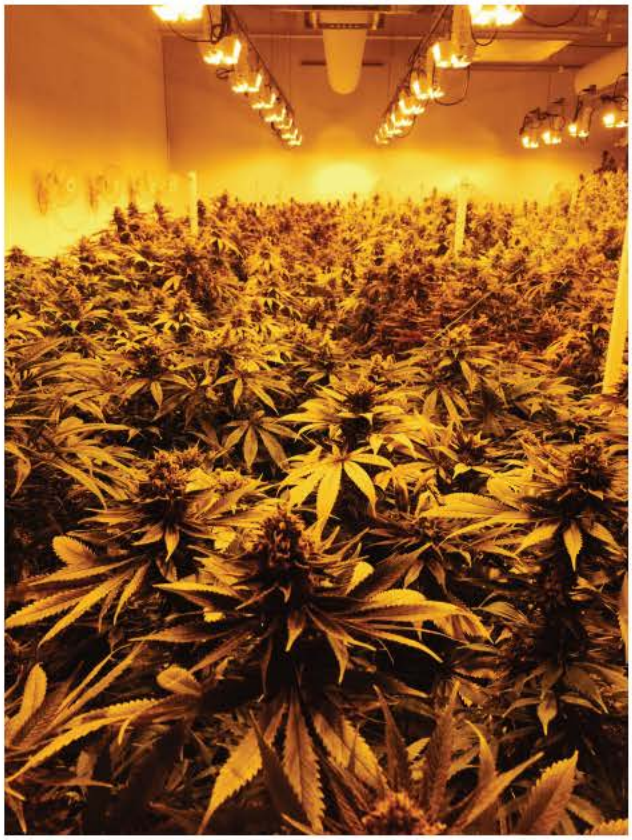
SECTION C EXHIBITS

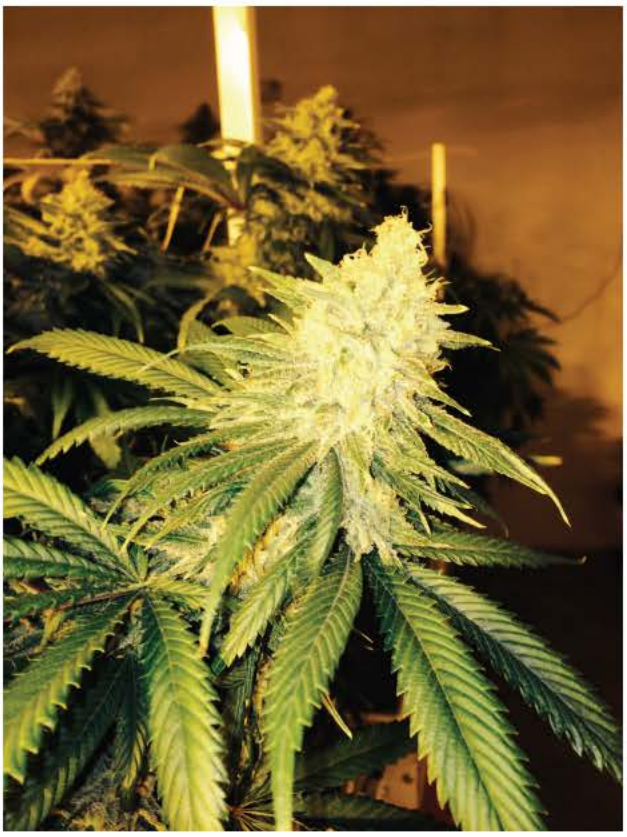
C.1 General

Reflected throughout our entire Section C RFA response, we hope to make clear that the LeafLine Labs team brings to Minnesota's Medical Cannabis Program an incredible breadth of experience. With an Executive and Operations Lead Team that possesses the potent combination of complex cultivation experience and practical business knowledge, we anticipate and have planned for a **thoughtful, comprehensive, and efficient facility construction and operational readiness process.** We depict a similar process in the following pages of photos from Connecticut's Theraplant's build-out, preparations for first harvest and first harvest results. From the time Theraplant received approval from Connecticut's Department of Consumer Protection, it took only four months (mid-June) to achieve full operational status and a first harvest followed three months after that (late September).

Exhibit C.1.1 Theraplant (CT) Build-out to First Harvest photos







Proposed Mobile Distribution Site Experience

Asp art of our commitment to innovation on behalf of patients first and always, LeafLine Labs offers the following option for consideration. We would propose the Minnesota Department of Health establish a mobile distribution site model that would travel to Minnesota locations where approval from local City officials had been obtained. In this model, LeafLine Labs envisions, at a minimum, that a pharmacist, a pharmacy technician, a reception/registration/appointment specialist and a security guard driver staff a specialized mobile dispensary unit. This unit would be able to travel to specific authorized locations in rural Minnesota following a predetermined schedule and would improve patient access for districts where patients are geographically spread out. In the event the legislature expanded the number of distribution sites in the future, this would also be an ideal model for increasing patient access rapidly.

When considering the logistical needs for such a mobile unit as well as the need to satisfy the security concerns related to mobile medical cannabis distribution, we would propose considering a mobile unit similar to the Department of Veterans Affairs (VA) Mobile Pharmacy Units (MPU) which have been used in real world environments for dispensing controlled medications.

C.1a Training

Consistent with our core mission of producing and dispensing the highest possible quality medicines for patients and operating with the highest degree of integrity, LeafLine Labs has a training philosophy driven by those same core values. In essence, we provide our employees with the training necessary to support the consistent execution of our mission and values across the enterprise, no matter their role. Beginning with the vetting and hiring process, we go to extraordinary lengths to make certain that we have the right employees in the right jobs and that those employees pass the age requirements and background check required by statute. As demonstration of the level to which we have created a discipline around training, we have attached our SOP-002 relating to Training as an Exhibit at the end of this section (C.X.2). We outline details of our training programs in C.2q, and have also attached our full Employee Manual at the end of section C as Exhibit C.X.30.

C.1b Age and Criminal Record Checks

Each employee applying for a position at any LeafLine Labs facility will be required to provide proof of age (valid State ID or Drivers License) and be subject to a background check.

C.1c Theft/Diversion Reporting Protocol

Our process for the employee reporting of suspected/confirmed diversion of product is well identified in both our SOP for training as well as our Security Protocol, referenced fully in Section C.8. Our employees will be well trained in the expectations around the process or protocol for the notification of management in the event of a potential incident. In the event that a shortage should be uncovered, each employee is expected to immediately report the suspected or known shortage to his/her supervisor, who will at that time notify the Chief of Security. Security will then initiate an investigation of the matter.

C2. Cultivation

C.2a Agricultural Experience

Our team bringing agricultural and medical cannabis production experience to this operation has been brought together to build on existing growing experience, adhere to stringent compliance standards and create an operational and procedural environment mirroring what one would find in the pharmaceutical industry. It is the combination of this extensive experience growing cannabis for medicinal purposes, coupled with oversight from pharmaceutical industry experts and our across-the-board passion for what we do on behalf of patients that sets our Cultivation Team apart from others.

Master Grower Jon Lane will lead our Cultivation Team. He has grown medical cannabis since 2009 and also consulted for other growers in implementing best growing practices. Teaming with strong operators such as Dan Emmans and Scott Turner enabled Mr. Lane to develop reliable and consistent growing techniques for medical grade cannabis. In addition, his deep study of root zones, symbiotic microorganisms and internal plant function has given Mr. Lane experience in both creating and growing new cannabis strains. He has also had success growing medical

cannabis in all major mediums including soil, hydroponically and aeroponically. Mr. Lane also specializes in all-organic nutrients and integrated pest-management methods that are low in toxicity.

As Master Grower, Mr. Lane will oversee all the implementation of all cultivation strategies, control of environmental conditions, testing of various nutrient lines, and the growth of a diverse group of cannabis varieties. His experience in enacting and overseeing all these tasks has given Mr. Lane an understanding (and streamlined education) in the requirements of a large-scale indoor cultivation operation. Foremost among that understanding is the learning that without basic conditions being managed properly, failure is assured.

Mr. Lane's prior experience with infestations has led him to the conclusion that the only way to control an indoor environment and protect against these sorts of contamination is to never acquire plants from an outside source. This is the foundation of a successful indoor cultivation operation, and will be the foundation of our operation here. Plants should only be started from seeds and clones sourced from within a sterile environment that is controlled with stringent atmospheric conditions that do not allow the entrance of non-filtered outside air. This experience and understanding of possible points of origin of contamination is very valuable to our creating safeguards that will ensure stable and consistent cannabis production output from month to month.

Mr. Lane will also oversee the growth of a diverse variety of medical cannabis varieties; among them, some hybrid strains that promise to be among the most technically advanced available today. He understands differences in phenotypes as they impact growth times, structures, yields, trichome content, and terpene profiles affecting taste and smell of the final product. He also understands and has logged significant hours in carefully overseeing growth techniques in order to manipulate, for the benefits of patients, the elemental compounds of cannabis including THC, THCV, CBD and CBN. Mr. Lane has produced varieties across the cannabis spectrum: Sativas, Sativa-dominant hybrids, Indica-dominant hybrids, 50/50 hybrids, and pure Indicas.

Mr. Lane attained expertise in the technical components of breeding operations and continues to share that expertise with his Cultivation Team. He promotes the strict control of pollen contamination, which can be detrimental to indoor cultivation. In order to avoid male plants or hermaphrodites, Mr. Lane and his team examine plants at early stages for unstable qualities. Plants started from seeds will demonstrate many characteristics, stability being of primary importance. Unstable plants easily become hermaphroditic under stressful conditions, or when exposed to light pollution and environmental stresses from temperature and humidity swings. Mr. Lane and his team represent almost a decade of mastering pollen control and establishing stable flower clusters.

That experience also extends to the environmental controls necessary to grow cannabis free from disease. Manipulating environments in sterile conditions is technical and comprehensive. Experience has taught Mr. Lane and our Cultivation Team that the relationship between temperatures and relative humidity are important when considering the plant's processes. Additionally, particular focus is placed on optimizing the photosynthesis process, which can be realized by ensuring consistent availability of carbon dioxide during the "daytime" hours with light providing optimal spectrum and PAR (Photosynthetically Active Radiation) values as well as proper nutrient regimens.

Controlling large room environments can be complex, requiring consideration of variables that can dramatically affect conditions, including seasons, outside weather conditions, and irrigation. Mr. Lane's GRH and Theraplant tenures have allowed him to experiment with methods of dehumidification, a major consideration that requires significant equipment to handle conditions of plant transpiration and off-gassing of plants in dark periods in relation to the relative humidity that is naturally present in the air. Controlling the air temperature/relative humidity relationship is crucial in halting condensation as well as conditions optimal for the creation of dangerous contamination from molds.

C.2b Cultivation Process and Contaminant Risk

Having learned through significant experience attained over years of working in medical cannabis manufacturing environments, Jon Lane and the LeafLine Labs OLT have developed, enhanced and operationalized a series of well-considered and explicit principles and processes for the harmonious growth of high-quality medical cannabis in tandem with the minimization of contaminant risk. In summary, they are:

1. **Cannabis Genetics**

   Breeding programs are an essential part of any serious medical cannabis production facility. To maximize the efficacy of one of the world's most complex plants in existence, experience and exposure to hundreds of varieties stemming from many genetic lines, paired with the knowledge of how to apply modern agricultural practices and tissue culture engineering, can unleash the massive potential for the creation of "super strains."

2. **Hydroponic Gardening**

   Allows for the controlled delivery of nutrition to cannabis plants. Hydroponically grown cannabis plants complete flower cycles quickly with large, high yielding flowers consistently. The inert growing medium Coco coir allows for the use of organic nutrients in hydroponic gardening, something typically difficult to achieve with most other methods of hydroponic cultivation.

3. **Nutrition**

   Synthetic hydroponic nutrient solutions allow for manipulation of growth in cannabis plants during all stages of growth through the end of the flowering cycle. Specialized supplements are used for many important aspects of growing including cell wall strengthening, flower size enhancement, and resin gland output. Incorporating organic nutrients into this mix creates extremely robust, superior plants with powerful and pungent terpene profiles as well as high THC content.

4. **Root Zone**

   As the foundation of the plant, large, healthy root zones rich with oxygen and microorganisms that assist with nutrient delivery from the medium to the roots are absolutely critical to a healthy and robust plant. Simply stated, the larger the root mass, the bigger the yield. Root health must be maintained consistently with enzymes and beneficial bacteria along with the proliferation of mycorrhizal activity in the root zone for optimal results.

5. **Environment**

   Air temperature + humidity + carbon dioxide: Consistent conditions in a controlled agricultural environment must be maintained for successful growth cycles. Supplemental carbon dioxide in a controlled space has a profound influence on growth rates and grow cycle duration for both vegetative plants and flowering plants. Yields are also substantially increased with enhanced CO2 levels in the grow room. Supplemental CO2 calls for higher temperatures and humidity levels in garden spaces. Other important environmental considerations include lighting, root zone temperature, consistent vapor pressure deficit levels, avoidance of condensation and humidity levels for clones and seedlings, temperature swings in the flowering rooms between light and dark periods, air movement through the plants and rooms, water temperature, oxygenation of nutrient solution, and clean, filtered water.

6. **Pruning and Other Grow Techniques**

   Pruning of plants starts with seedlings and clones, continues with mature plants, and is a critical aspect of manipulating plants to grow in a manner which will achieve the best yields possible in controlled agricultural environment (CAE). Plants are pruned in a variety of ways depending on the variety being pruned or the layout of the plants on the grow tables or floor space. Maintenance of vegetation in the "sub-canopy zone" is important for high efficiency as well. This refers to the removal

of vegetation below the canopy exposed to light. Grow technique also includes nutrient mixes, organic teas, frequency of feeding, medium mixtures and consistencies, water management and oxygenation techniques, and plant support methods including trellising.

7. **Integrated Pest Management**

   Referenced also in our C.2.e response, a preemptive protocol for dealing with potential pests and disease in a controlled environment. Pesticides and contaminants are detrimental to pharmaceutical grade cannabis. Contaminants must be kept out of entire grow facilities, not just the rooms themselves. Good IPM practices include: Controlled access to grow rooms, fresh change of clean clothes (uniforms) prior to entering rooms daily, gloved hands, routine maintenance of spaces and equipment, cleaning, clean footwear specific to work environment, good hygiene/showers prior to arriving to work, sticky mats at room entrances, precautionary sticky rollers available to work force for use through day as needed, HEPA filtration on room and facility air handlers, contaminant free work zones. (e.g. food, etc.) and thorough sterilization of spaces between harvests.

8. **Seasoned and Savvy Diagnostic Analysis and Response**

   Recognition of plant deficiencies, environmental anomalies, and pest infiltration is difficult to identify in large-scale operations but is critical in stopping a catastrophic problem before it happens. Routine inspections must be conducted daily to maintain proper functions of plants, pest or mold infiltration, irrigation equipment, environmental controls and software, and mechanical or electrical hazards.

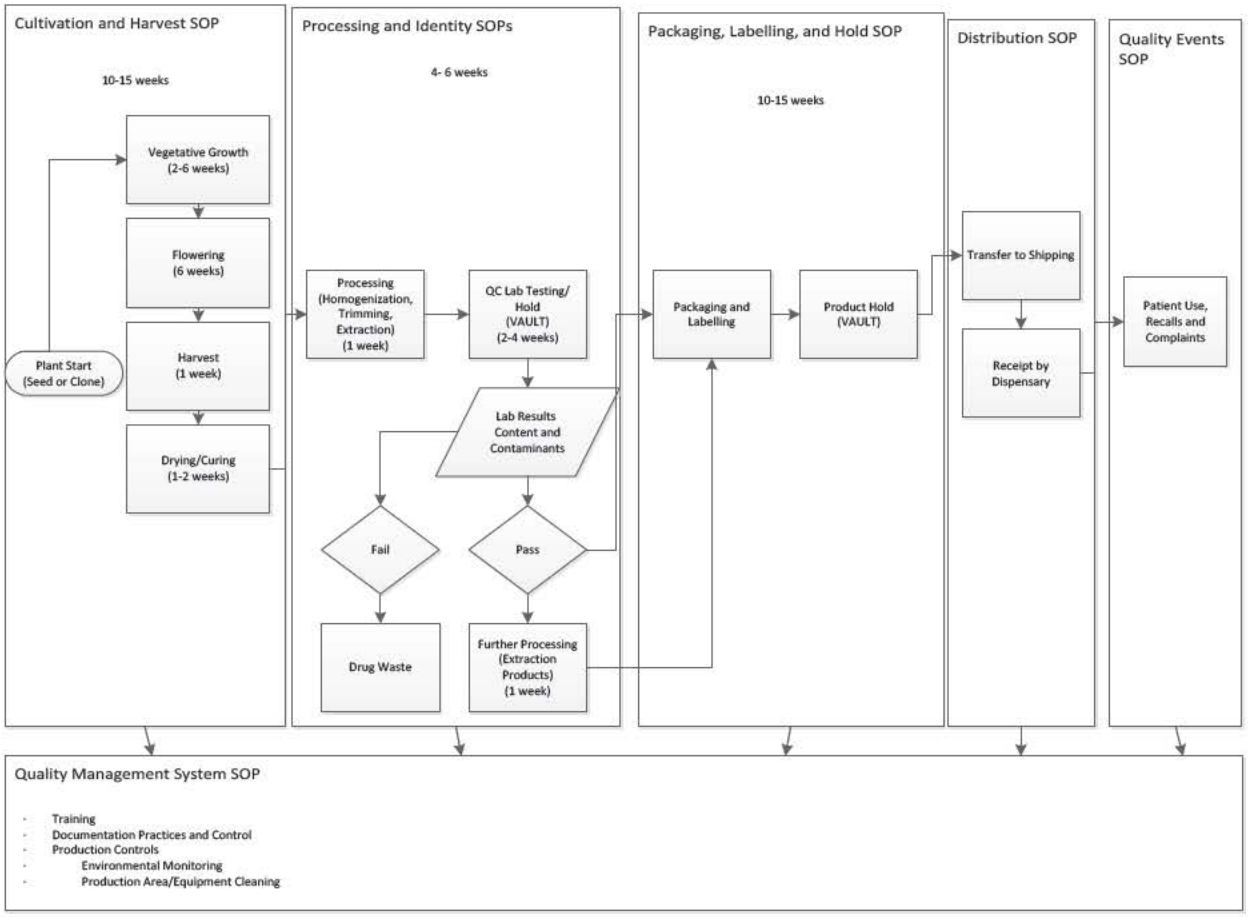
9. **Continuous Research and Development**

   Cannabis cultivation is complex, sophisticated, and expensive to achieve when grown indoors in a CAE. Research and development can only simplify and improve conditions in many aspects of large scale cannabis cultivation including but not limited to horticultural research, breeding, development of grow systems and

techniques specific to cannabis, environmental controls, irrigation, water use and efficiency, lighting, energy use, and cost reductions. It's important to be diverse and open to change in order to lead in this industry.

Our cultivation methodology takes into account product quality, quality assurance, product reconciliation, and quality records within and across each process step, as depicted in the Process Flow Diagram below.

Exhibit C.2b.1 Cultivation Life Cycle Process Flow Diagram



The above flow diagram illustrates the individual Standard Operating Procedures and Policies that govern each aspect of the production life cycle from plant start through patient use. All policies and procedures follow the principles established by the Quality Management System (QMS), which is the guidance document for all production-related work. Please see Exhibit

C.X.1, SOP-001 (Quality Management System Standard Operating Procedures) at the end of this section, along with all other existing SOP documents.

Our previous experience in the cultivation of medicinal cannabis has allowed for the continuous improvement to this program and by splitting the process over several SOPs allows for the details and specificity required to ensure product quality and the quality of all documentation. A discussion of each process step and the associated procedures follows:

1. **Start of Batch through Harvest Reference Procedure; SOP-020-A** *(Exhibit C.X.12)*: **Batch Record Issuance, Execution, and Completion – Cultivation and Harvest**
   The above procedure details the start of batch procedures, which includes updating the Batch Record Log *(FRM-010, Exhibit C.X.28)*. The Batch Record Log functions as a master file to issue new batch numbers and record the strain and quantity of starting materials (cuttings or seeds). This procedure also provides instructions throughout the cultivation processes as follows:

   - Seeding/Clone Start
   - Vegetative Growth
   - Flowering
   - Harvesting
   - Drying/Curing

   We will utilize a software program, MJ Freeway, to track medicinal cannabis products throughout the cultivation life cycle. The SOP provides separate instructions for the horticultural staff for their required physical cultivation of the cannabis materials and for the compliance staff that records all activity into the software.

Horticultural staff instructions include the following:

- Labeling of each growth medium unit (1" Rock Woll Cubes)
- Seed/clone preparation instructions
- Monitoring of cultivation progress
- Watering/Feeding
- Transfer into 4" Rock Woll Cubes for Flowering
- Disposition of product waste
- Recording Harvest weights
- Communication with Compliance staff

Compliance staff instructions include the following:

- Recording strain, initial quantity, and batch number on the batch record log
- Entering batch information into MJ Freeway
- Updating the batch electronically throughout vegetative growth, flowering, harvest, and drying/curing

Communication between the Horticultural and Compliance staff is essential to maintain accurate record keeping. For instance, not all seeds/clones will be viable, so these two departments communicate each time an individual product unit is removed from production. The procedures provide clear instruction as to how that is performed both physically in the production facility and in the electronic database. This methodology is used throughout the entire production life cycle to ensure accurate records are maintained for drug product reconciliation and to ensure product is tracked from start to finish.

2. **Batch Processing through 3rd Party QC Lab Analysis; Reference Procedure: SOP-020-B** *(Exhibit C.X.13)*: **Batch Record Issuance, Execution, and Completion – Batch Processing through QC Lab Analysis**

   The above procedure picks up the process following the end of the Drying/Curing process. This procedure provides instructions for the Horticultural and Compliance staff during the following processes:

- Batch Processing (Homogenization, Extraction, or Trimming)
- Quarantine in Vault Pending QC Lab Sampling
- QC Lab Sampling
- Receipt of QC Lab Results

The MJ Freeway software application will be utilized to track medicinal cannabis product through these unit operations. Dedicated compliance personnel will perform all functions on the software to ensure consistency and accuracy of the software reports.

The procedure details Horticultural staff instructions for these processes as follows:

- Receipt of dried/cured cannabis product for processing
- Ensuring processing equipment is clean and logbook current
- Operation and cleaning of processing equipment
- In-process packaging, labeling, and placement of processed cannabis product in quarantine pending 3rd party laboratory sampling
- Labeling of disposition of cannabis product after receipt of laboratory analysis report
- Disposition of product waste

The procedure details Compliance staff instructions for these processes as follows:

- Tracking of product location and weight during processing
- Updating product weight after 3rd party laboratory sampling
- Entering laboratory sampling results into software

3. **Packaging and Labeling Reference Procedure: SOP-020-C: Batch Record Issuance, Execution, and Completion – Packaging and Labeling**

.

4. **Finished Product Distribution Reference Procedure: SOP-020-D: Batch Record Issuance, Execution, and Completion – Finished Product Distribution**

From the Finished Product Area within the Vault, the product is shipped to the dispensary via contact armored transport. The above referenced procedure involves creating the shipping manifest on the MJ Freeway software system so that the production batch can be

tracked post-production. Forms will also be printed in triplicate to complete the distribution process. These instructions are solely for Compliance staff to complete.

Patient Use (Recalls and Complaint Handling) Reference Procedure: SOP-004: Quality Events *(Exhibit C.X.4):*

LeafLine Labs is committed to ensuring that safety and efficacy of our medical cannabis. Our procedures for the handling of adverse events are covered in more detail later in this section C response. In general terms, our policies and procedures, including the use of our software batch reporting system, allow for an immediate snapshot to be taken of the current location of all products impacted by the complaint. Our immediate action is to contact the Minnesota regulatory body of the complaint and then to initiate a product recall. A thorough investigation will take place to understand the root cause. We will maintain finished product retain samples to aid in the investigation.

<u>Ensuring Consistent Quality of our Product</u>

Our assurance of the quality and non-adulteration of the products we produce is not limited to our grow protocol. Our dedication to product quality, patient safety and accuracy in labeling consists of the following programs working in concert:

- Construction Management & Materials
- Quality Management System
- Batch Processing Record Keeping
- Environmental Monitoring

The ability to produce a non-adulterated product comes from having in-house expertise that understands the complete medical cannabis production process and the potential sources of contamination. These main potential sources, which are elaborated below, are as follows:

- Construction Contamination
- Environmental Contamination (air, water, grow medium and nutrients, outside debris, mold, pests)
- Personnel Contamination
- Strain-to-Strain Contamination (aka Product Cross-Contamination)

Construction Contamination

We have identified the highest-grade construction materials for our production facility in order to mitigate the potential creation of mold growth. The quality of construction and final construction adherence to design will be documented in facility commissioning protocols. All internal wall partition-framing members are specified as galvanized steel to prevent mold. Design specifications also include mold-resistant wall panels and mold-resistant paint throughout the facility. Our overall plan includes the phased construction and expansion of the production area, in order to best meet projected patient demand. Construction activities taking place in or adjacent to an operating production environment will be subject to risk assessment focused upon the potential of those activities to contaminate product. Should any contamination risk be found to exist, measures will be taken to eliminate or mitigate it. Such measures will include, but not be limited to, the implementation of construction barriers and supplemental air quality enhancements.

Environmental Contamination

Our production environment will be tested and monitored at set frequencies defined in SOP-003 Environmental Monitoring *(Exhibit C.X.3)*: Supply air in the high-risk production processes (propagation, vegetative growth mad flowering) is HEPA filtered and the HEPA filters will be subject to routine integrity testing. A positive differential pressure is maintained in these areas to prevent the ingress of "dirty" air. Key environmental parameters (temperature, relative humidity and carbon dioxide levels) will be monitored and the data will be retained to aid in achieving more scientific understanding of the impact to product quality and content. A pest control program *(Exhibit C.X.9)*: with trap location diagrams and routine qualitative and quantitative analysis of pests encountered in production areas, will also be part of the on-site standard practices. Standard operating procedures for room and surface cleaning will also be established prior to initiating production. The use of tacky mats at production room entrances and exits will remove foot-borne contamination and help prevent the introduction of pests. Grow medium and feed nutrients have been selected from trusted suppliers based upon years of experience in Colorado and more recently Connecticut.

General Building Description

All our grow rooms and areas have been designed from the ground up to grow healthy plants in a controlled and benign environment. Exhibits C.X.31-36 provide an illustrated cross-section view of each section of the facility. Our HVAC system is selected and designed primarily to do four things:

- Remove pollutants from the air when it enters the building. We do this by having HEPA filters at all air intakes.
- Control the temperature in our growing rooms.
- Eliminate moisture from the air, as this is the primary source of mold.
- Circulate the air continuously.

Exhibit C.2b.2 Theraplant – HVAC System
Lights blurred to protect trade secrets
(Photo taken September 3, 2014)

Personnel Contamination

Gowning and personal protective equipment to be worn in production areas are defined in SOP-008 Production Gowning and Personal Protective Equipment *(Exhibit C.X.8)*: These procedures act to prevent the introduction of dirt and pests into the production area. Routine hand sanitization and the use of gloves when handling product are also employed.

Strain-to-Strain Contamination

Another potential source of product contamination is strain-to-strain contamination. Certain unit operations, especially harvesting, lend themselves to a higher risk of having residues from one strain becoming intermingled with a different production strain. Our precise and rigorous batch record protocols mitigate this potential contamination by ensuring that the strain and lot number are documented at each step of production, both physically on the batch and on the corresponding written report. Production equipment, from machine-based fine trimming down to the utensils used for routine maintenance during propagation and flowering, are to undergo thorough cleaning between use with differing product strains. Gloves worn by production personnel must be changed out frequently. Room and surface cleaning procedures also mitigate product cross-contamination.

Monitoring and Testing of Plants

Plants shall be monitored daily and shall be inspected and/or tested regularly by qualified personnel for the following:

- Heavy metal levels in harvested plants in relation to the standards provided by the State to determine safety and consistency of nutrients utilized in daily feedings.
- Symptoms of pest and/or pathogen disease.
- Infiltration and treatments of potential pest populations.
- Symptoms of nutrient deficiencies specific to different varieties of cultivars.
- Presence of hazardous molds and fungi including but not limited to Downy and Powdery mildew, and micro toxins produced by Aspergillus varieties.

Exhibit C.2b.3
Theraplant – Tagged plant

Vapor Pressure Deficit (VPD) Calculation Maintenance and Monitoring

An important step toward disease management is to prevent conditions that promote disease. Condensation prevention is important, since grow room pathogens often require a water film on the plant to develop and infect. Vapor pressure deficit (VPD) is a valuable way to measure the disease threat, condensation potential, and irrigation needs of a grow room crop. Removing moisture in a grow room is done with dehumidification, a process that adjusts the balance of water in the air and on grow room surfaces. After production begins in our facility, and environmental monitoring data have accumulated enough to observe normal and trending conditions within the grow rooms, appropriate control measures will be put in place to optimize VPD.

Vapor pressure is a measurement of how much water vapor is in the air. When the air reaches maximum water vapor content, the vapor pressure is called the saturation vapor pressure, which is directly related to temperature. Thus, the difference between the saturation vapor pressure and the actual air vapor pressure is the mathematical definition of VPD. The size of the VPD gives an indication of how close to condensation, and subsequently to disease, the grow room environment is operating. This is critical to preventing the proliferation of airborne spores, pathogens, and disease. The effects of grow room climate measurements on plant health and growth have been studied intensively. VPD can be used to identify disease-causing climate conditions. For example, several studies that explore disease pathogen survival at different climate levels reveal two critical values of VPD. Fungal pathogens survive best below 0.062 psi VPD (<0.43kPa). Furthermore, disease infection is most damaging below 0.030 psi (0.20 kPa). Thus, the grow room climate should be kept above 0.030 psi (0.20 kPa), to prevent disease and damage to crops. Note that the climate control situation must be reevaluated when biological control agents are being used in the grow room, as these organisms require specific VPD conditions for growth and distribution.

Sanitized Environments

Daily maintenance and sanitation will be performed in propagation and production rooms using protocols specific to conditions.

Exhibit C.2b.4 Theraplant – Cloning Propagation ***(Photo taken September 3, 2014)***

C.2c Cultivation Methods

As far as the step-by-step cultivation methods that will be employed, Mr. Lane has collaborated with his partners and pharmaceutical quality control consultants 20/20 Consulting to develop the following stage-based cultivation protocols:

SECTION 1 – SEED PROPAGATION

1. Record the Room Number in which seed propagation will be performed.
2. Place Strain Identification and Lot Number label onto each tray used for seeding. Record the number of trays.
3. Determine the number of seeds selected for processing.
4. Prepare individual rock wool cubes for germination.
5. Plant seedlings into individual 1 ½" rock wool cubes.
6. Determine the number of seedlings.

7. Provide nutrient/water feeding per horticultural staff instruction. Record feeding materials and observations in Attachment 1.
8. Monitor seedling roots. When seedling roots are first visible at the edges of the rock wool cubes, proceed to Section 3. Complete the Performed By column on the date Section 3 is initiated.

SECTION 2 – CLONING PROPAGATION

9. Record the Room Number in which cloning propagation will be performed.
10. Record the Strain Name and Lot # from the Mother plants.
11. Place Strain Identification and Lot Number label onto each tray used for cloning. Record the number of trays.
12. Using a sterile razor blade or small scissors, cut a piece of stem and leaf from each mother plant.
13. Determine the number of cuttings from the mother plant.
14. Dip cut end 1" deep into rooting hormone solution/gel. If no mist clone starter is to be used, skip to step 16.

Exhibit C.2c.1 Theraplant – Cloning Propagation
(Photo taken September 3, 2014)

15. If using a mist clone starter, place cuttings into the mist clone starter. When clone starts have sprouted roots at least 1" long, proceed to step 16.
16. Plant clone starts into individual 1 ½ " rock wool cubes.
17. Record number of successful clone starts.
18. Provide nutrient/water feeding per horticultural staff instruction. Record feeding materials and observations in Attachment 1.
19. Monitor seedling roots. When seedling roots are first visible at the edges of the rock wool cubes, proceed to Section 3. Complete the Performed By column on the date Section 3 is initiated.

SECTION 3 – VEGETATIVE GROWTH

20. Record date and time when tray is moved into Vegetative Growth Room. Record the Room Number. Record the number of plants in the batch record and on the Room Inventory Log (both exiting and entry rooms).
21. Verify the number of plants is the same as recorded in step 17.
22. Place Strain Identification and Lot Number label onto each tray used for vegetative growth. Record number of trays.
23. Place rooted seedlings from 1 ½" rock wool cubes into 4x4" rock wool cubes.
24. Provide nutrient/water feeding per horticultural staff instruction. Record feeding materials and observations in Attachment 2. Plants in 4x4" rock wool cubes are held in vegetative step under 18-24 hour light conditions using High Pressure Sodium Light and/or High Output T-5 Fluorescent Lighting. Plant maintenance includes trimming. Plant waste during these steps is to be sent to Quarantine area prior to destruction.

Exhibit C.2c.2 Theraplant – Vegetative Growth
(Photo taken September 3, 2014)

SECTION 4 – FLOWERING

25. Record date and time when tray is moved into Flowering Room. Record the Room Number. Record the number of plants in the batch record and on the Room Inventory Log (both exiting and entry rooms).
26. Verify the number of plants is the same as recorded in step 21.
27. Place Strain Identification and Lot Number label onto each tray used for flowering. Record number of trays.
28. Provide nutrient/water feeding per horticultural staff instruction. Record feeding materials and observations in Attachment 3. Plants held in flowering step receive

12 hours on/12 hours off lighting with high-pressure sodium light. Plant maintenance includes trimming. Plant waste during this step is to be sent to Quarantine area prior to destruction. Label the waste container with a Drug Waste label. Gloves must be disposed of into appropriate waste container.

Exhibit C.2c.3 Theraplant – Flowering
(Photo taken September 3, 2014)

SECTION 5 – HARVESTING

29. Record date and time when tray is moved into Harvesting Room. Record the Room Number. Record the number of plants in the batch record and on the Room Inventory Log (both exiting and entry rooms).
30. Verify the number of plants is the same as recorded in step 26.
31. Place Strain Identification and Lot Number label onto each tray used for flowering. Record number of trays.
32. Cut each plant at the base of the stock and weigh the plants. Record total weight.
33. Remove the fan leaves and flowers from the stem of the each plant ("shucking").

Exhibit C.2c.4 Theraplant – Harvesting protocols
(Photos taken September 3, 2014)

Once each plant in the batch has been shucked, gather all of the flowers and weigh them. Seal the bag and prepare for transport to the Drying/Curing room.

34. Gather all of the waste (fan leaves, stems, and strings) and weigh them. Affix a waste label for the collection container that lists the Strain, Lot #, and Net Weight. Seal the bag and prepare for transport to the Drying/Curing Room.

SECTION 6 – DRYING

35. Record date and time when tray is moved into Drying Room. Record inventory transaction onto the Room Inventory Log (both exiting and entry rooms).
36. Place Strain Identification and Lot Number label onto each netting section used for drying and ensure physical segregation from any other strains/batches.

Exhibit C.2c.5 Theraplant – Hanging buds
(Photo taken September 3, 2014)

37. Hang flowers onto properly labeled and segregated netting for drying. Record drying start date.
38. Record the end date of drying.
39. Contact Supervisor to determine approximate allocation of harvest to be split between extraction product and raw cannabis product.
40. Weigh each container used to collect each product allocation.
41. Segregate the flowers as specified from Supervisor. Weight each allocation and record the weight.
42. Determine the net weight of each product allocation.
43. Label the Raw Cannabis product allocation container with the Strain identification, Stain Lot#, and Net Raw Cannabis product weight. Prepare for transport to the room designated for homogenization.

Exhibit C.2c.6 Theraplant – Drying nets
(Photo taken September 3, 2014)

44. Label the Extraction product allocation container with the Strain identification, Stain Lot#, and Net Extraction product weight.
45. Transfer the Extraction product allocation to container the "Extraction Raw Material" section within the vault. Record the date and time. Record inventory transaction onto the Room Inventory Log (both exiting and entry rooms).

Exhibit C.2c.7 Theraplant – Batch Recording
(Photo taken September 3, 2014)

46. When laboratory analyst takes the bulk and individual samples, record the date, time. Record the weight of the bulk sample in "Attachment 4". Record inventory transaction on Room Inventory Log.
47. Record laboratory company and personnel information.
48. Attach a copy of all laboratory analysis reports to this batch record after "Attachment 5."
49. If laboratory analysis testing failed any of microbiological, mycotoxins, heavy metals, and chemical residue analysis) the entire batch is to be disposed of as medical waste. Place a medical waste label on the intermediate bulk container and send to the medical waste area within the Quarantine area.
50. If laboratory analysis testing passed all tests, record the results for information (terpenes/cannabinoid profile) that will be contained on the product label in "Attachment 4."

Exhibit C.2c.8 Theraplant – Finished product just before commencement of extraction/refinement protocols.
(Photo taken September 3, 2014)

C.2d Plant/Batch Documentation and Traceability

Keeping accurate and current inventory records is a vital element of our product security protocol.

Our Batch Production methodology allows for real-time tracking of all cannabis material at the facility. Inventory records will be maintained using a secure and password-protected spreadsheet that is in addition to our Batch Production Record Protocol. Where our security protocol and training creates the necessary security environment to deter theft and diversion, our inventory program serves to provide documented evidence of its success.

Any deviation between the expected result and the physically verified quantity will trigger a Quality Event per SOP-004 *(Exhibit C.X.4)* and launch an investigation into the root cause as well as corrective and preventative actions (CAPA) taken to remediate the inventory discrepancy. Any individual tasked with performing inventory will receive training on SOP-024,

Weekly Inventory Procedure *(Exhibit C.X.17)* [redacted] If the inventory discrepancy is a result of improper following of SOP or unclear instruction in an SOP, a continuous improvement initiative will be undertaken to correct a procedure and retraining will be performed.

[redacted] The ownership from cultivation center through secure transport company to the destination is tracked on this form.

[redacted]

The MJ Freeway software also has the capability to track all shipping manifest information and perform an identical check and balance of the shipping transaction. This software functionality will be implemented at the Minnesota facility after a period of testing and verification of performance.

We are investigating several secure transportation methods that meet the following standards:

- Delivery team members will possess and produce to the Department, or law enforcement, department-issued identification cards to be carried at all times when transporting or delivering medical cannabis.
- Prior to shipment, we will complete a shipping manifest using a form prescribed by the commissioner.

C.2e Fungal/Pest Outbreak Protocol

Integrated Pest Management (IPM) is a preemptive protocol for dealing with potential pests and disease in a controlled environment. Pesticides and contaminants are detrimental to pharmaceutical grade cannabis. Contaminants must be kept out of entire grow facilities, not just the rooms themselves. Good IPM practices include: Controlled access to grow rooms, fresh change of clean clothes (uniforms) prior to entering rooms daily, gloved hands, routine maintenance of spaces and equipment, cleaning, clean footwear specific to work environment, good hygiene/showers prior to arriving to work, sticky mats at room entrances, precautionary sticky rollers available to work force for use through day as needed, HEPA filtration on room and facility air handlers, contaminant free work zones (e.g. food, etc.) and thorough sterilization of spaces between harvests.

In the unlikely event we were to identify a fungal or pest outbreak, we would notify the appropriate state agency and collaboratively agree on the use of an FDA approved product for managing the issue. In the event we were unable to find such a product, we would destroy the plants, disinfect the grow rooms, and restart the grow.

C.2f,g,h and i Chemicals Usage, Use Documentation and Recordkeeping, Control and Standards Plan and Application Certification and Review

Consistent with our OLT's manufacturing operation experience and approach at Theraplant in Connecticut, it is LeafLine Labs' intention to operate in a clean-room type environment that obviates the need for chemicals or pesticide use.

C.2j Organic Cultivation Standards Plan (if applicable)

It is not our intention to use organic growing methods.

C.2k Ensuring a Safe Environment for Employees

The safety and security of our employees working in any of our facilities is one of the paramount values of our business. The single most important element of the protection of our employees while in the workplace is the detailed security plan that we have outlined in full within Section C-8. The physical security of the buildings, as well as the control of any and all ingress and egress to and from the buildings, will be strictly controlled. The surveillance and monitoring of all activity in and around the facility and its connectivity to the Police and Fire Department are further supportive of the creation of a safe and secure environment for our employees.

C.2l Resource Usage

Based upon the experience gained by our OLT from the operation of Connecticut's Theraplant facility, we expect the consumption of water at LeafLine Labs to begin at around 200 gallons per day for the initial phase of our cultivation operation, and increase to around 8,000 gallons per day once the facility is operating at full capacity. In Connecticut, water used in the cultivation process is returned through the municipal sewer system. Prior to beginning that operation, the OLT met with Watertown city officials to advise them of the type and quantity of the nutrients used in our process that would be released into the sewers. If there had been a concern, we were prepared to install an additional filtration system on that water prior to its release. We would anticipate a similar process in Minnesota.

Our overall anticipated yearly energy and water consumption would benefit from the utilization of heat recover water chillers, which we are considering at this time. We anticipate the use of such a system would bring with it significant energy efficiencies and savings as shown below.

Exhibit C.2l.1 Resource Usage

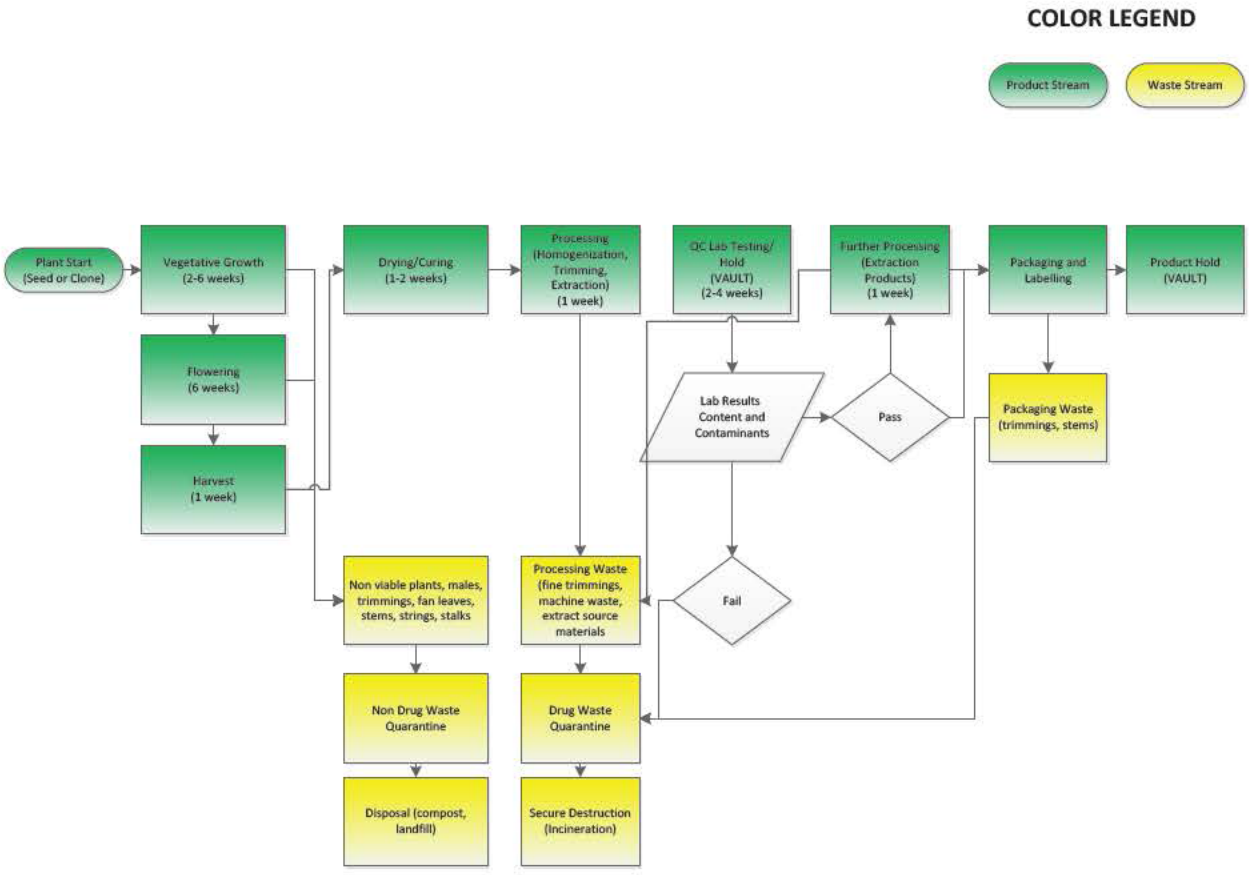
Yearly Anticipated Energy and Water Consumption			
System	**Power Consumption** (per 1,000W light)	**Water Reclamation** (per 1,000W light)	**Energy Savings**
Water-Cooled Chiller System	**2,200 kWH**	**712 gallons**	**47%**
Air-Cooled Chiller System	3,433 kWH	712 gallons	19%
DX Air Conditioner System	4,290 kWH	0 gallson	0%

C.2m Cultivation Waste Disposal

The cultivation of medical cannabis generates waste as a necessary byproduct of producing high quality medicine. Proper cultivation techniques require the continual monitoring and maintenance of the plants, and the harvesting operation generates a large volume of waste material. LeafLine Labs will contract with 3M to use its Cottage Grove incinerator for the disposal of any medicinal products. The 3M incinerator is the only facility in Minnesota approved to dispose of not only prescription drugs but all narcotics and is used by Minnesota law enforcement agencies for that purpose.

The sources of waste material, and our intended disposal flow, are depicted below.

Exhibit C.2m.1 Waste Material Process Flow Diagram



Our aim is to serve as stewards of the environment and reduce our landfill burden. We also have a responsibility to ensure that waste material that contains active pharmaceutical ingredient is safely and completely destroyed. To these ends we have two discrete main plant waste streams:

1. Non-Drug Waste (compost or landfill)
2. Drug Waste (incineration; with witnesses and secure destruction form completed)

Plant maintenance through the Harvesting step will create mainly non-drug waste that can be disposed of via composting. However; if the situation arises in which there is a possibility that drug material is present in waste material through this step, the Drug-Waste disposal method of a witnessed incineration will be employed.

Standard Operating Procedure SOP-021, Quarantine and Destruction *(Exhibit C.X.14)*, outlines our procedures for waste handling and the documentation of Drug-Waste disposal.

The Manufacturing process generates compostable wet organic waste. Once this waste is dried, it amounts to only 9% of total cultivation, with no medicinal qualities. In year one, we estimate 800 lbs. of dry waste. We would like to work with the Minnesota Department of Agriculture to develop proper procedures and protocols so that waste can be diverted from landfills.

C.2n Hours of Operation (Cultivation)

Our hours of operation will vary according to the manufacturing cycle. For example, we anticipate operating two shifts initially, and then potentially moving to a three shift, 24/7 operation.

C.2o Maximum/Minimum Number of Cultivation Staff

Our company brings considerable experience and organizational discipline to the development of the Staffing Plan. The Plan has been developed organically out of the detailed income and operating plans for the cultivation operation shown in Section A.2. Income statements were created based upon conservative assumptions for demand, and accurate expense projections utilizing the experience gleaned from the ongoing operation in Connecticut (Theraplant) from which our Operations Lead Team has built significant experience. As is clear from the table below, staffing is segmented by each function involved in the effective operation of the Cultivation Center. Staffing demands increase significantly from Year One to Two and then incrementally moving into Year Three. We are quite confident in the accuracy of these projections and in the estimates of labor costs associated with these staffing levels.

Exhibit C.2o.1 – LeafLine Labs Staffing Ramp-up from Years 1-3

LLL Horticultural Product Technicians, Y1-3			
	Year One	**Year Two**	**Year Three**
Harvest Leaders	2	4	6
Harvest Gardeners	2	4	6
Packaging Leaders	1	2	3
Packaging Gardeners	2	4	8
Flower Room Leaders	2	8	14
Flower Room Gardeners	12	48	84
Vegetation Room Leaders	1	4	7
Vegetation Room Gardeners	4	16	28
Extraction Engineers	3	6	9
TOTAL HPTs	**37**	**96**	**165**

As of September 2014, the comparable Connecticut-based Theraplant facility, after only three months of full operational status, has 21 Horticultural Production Technicians (HPTs) and eight executives on staff, plus contracted security staff (two present 24 hours a day). We anticipate a similar staff composition for our Cottage Grove facility within a similar timeframe, with a similar emphasis on hiring HPTs from the surrounding area.

In an effort to ensure that the benefit of job development accrues to Cottage Grove and the surrounding area, we will hold quarterly Job Fairs until the facility reaches a full complement of

staffing. These job fairs are aimed not only at recruiting and hiring the best possible candidates (HPTs and others) from the community at large, but also will be designed to support our initiatives in hiring military veterans and the disabled.

C.2p Cultivation Staff Experience

As this is a brand new industry, our hiring criteria are focused less on specific educational and experiential requirements and more on the profile of an optimal employee for our operation. In general, we are looking for bright, motivated individuals who are willing to be trained in the techniques and disciplines of cultivating and preparing these important new medicines. The competitive salary and benefits will allow our company to attract and maintain the best possible staff for this critical initiative.

C.2q Cultivation Staff Training

From our team's medical cannabis cultivation experience at facilities like Colorado's Grass Roots and Wellness and Connecticut's Theraplant (where a first harvest in that state was made available to qualified dispensaries beginning September 22, 2014), we promote and plan for the importance and assurance of our employees' full regulatory and operational compliance, fluency and understanding. Therefore we feature two distinct and complementary training programs: One offered remotely at a fully operational medical cannabis cultivation center already producing medical cannabis under the strictest operations, security and cultivation protocols; the other, a comprehensive, on-site operations training curriculum consisting of all policies and job-specific procedures.

Medical Cannabis Curriculum (MCC)

As part of a comprehensive Quality Management System and in addition to requiring that initial employees complete a full operations training curriculum consisting of all company policies and job-specific procedures (See Exhibit C.X.1, SOP-001 at the end of this section), initial employees will be required to complete an Introductory Employee Training/Medical Cannabis Curriculum (MCC) developed by Theraplant.

Upon operational approval, our existing model projects first seeds being planted at our Minnesota facilities within 45 days after approval. In that 45-day period, our initial employees will be sent to Theraplant, in Watertown, Connecticut, for hands-on modular training from experienced medical cannabis cultivation staff in the following areas:

1. **Regulatory Compliance**
    a. What are the rules?
    b. What is required of all employees?
    c. Standards of Care
    d. Systems and Auditing
2. **Security**
    a. External Security
        i. Identifying Threats
        ii. What to do + key contacts
    b. Internal Security
        i. Theft Diversion
        ii. Movement of people
3. **Safety/Pharmaceutical Compliance**
    a. Handling of materials/machines
    b. Inventory/records management
4. **Growing/Plant Care**
5. **Extraction**
6. **Technology/Innovation**
    a. Use of systems
    b. Use of machines
    c. Interaction with Researchers
7. **Conservation**
    a. Energy Use
    b. Water Use
8. **Management/Executive Training (Optional)**

Before any Minnesota company employee can enter the Theraplant facility in Connecticut, they will be registered with the Connecticut Department of Consumer Protection pursuant to requirements imposed on Connecticut cultivation operations. In addition to the classroom training, newly hired Minnesota cultivation center employees will be expected to spend a minimum number of days inside the Connecticut facility or via video technology practicing hands-on implementation of all methods and lessons learned within the aforementioned training module.

Because Theraplant is already operating under the strict rules imposed by Connecticut's limited licensure model, we can ensure that Minnesota cultivation center employees will have a first class education that allows them advancement opportunities as well as 100% operational and regulatory compliance inside the Minnesota facility. After several months of an up-and-running, fully compliant operational cultivation center in Minnesota, most training will be conducted locally.

A full list of the Standard Operating Procedures, Forms and Batch Reporting Protocols with which all employees will be expected to get trained and become intimately familiar is shown in the following chart, and all available SOPs and FRMs (those showing an *asterisk are currently in development) are additionally attached at the end this section.

Exhibit C.2q.1 – SOP Document Master List

Document Master List	
Standard Operating Procedures and Policies	
SOP-001	*Quality Systems Management*
SOP-002	*Training Policy*
SOP-003	*Environmental Monitoring*
SOP-004	*Quality Events*
SOP-005	*Document Control Program*
SOP-006	*Calibration Program*
SOP-007	*Preventive Maintenance Program*
SOP-008	*Production Gowning and Personal Protective Equipment*
SOP-009	*Pest Control Program*
*SOP-010**	*Good Documentation Practices*

Exhibit C.2q.1 – SOP Document Master List

Document Master List	
*SOP-011**	*Production Area Room Cleaning*
*SOP-012**	*Fine Trimming Machine Operation and Cleaning*
*SOP-013**	*Utensil Cleaning*
*SOP-014**	*Extraction Equipment Operation and Cleaning*
*SOP-015**	*Retrieval/Archival of Digital Chart Recorder Environmental Data*
*SOP-016**	*Filtered Water System Monitoring*
*SOP-017**	*Inspection of Incoming Materials*
SOP-018	*Hazard Assessment and Communication*
SOP-019	*Security*
SOP-020A, B, C, D**	*Batch Record Issuance and Completion*
SOP-021	*Quarantine and Destruction*
SOP-022	*Disposal of Non-Viable Seedlings*
SOP-023	*Disaster Plan*
SOP-024	*Weekly Inventory Procedure*
Batch Production Records	
BPR-001	*Batch Production Records: Raw Flowers*
Forms	
FRM-001	*Room Readiness Checklist*
FRM-002	*Room Logbook (Cleaning and Maintenance)*
FRM-003	*Room Logbook (Environmental Monitoring)*
FRM-004	*Room Logbook (Inventory Log)*
FRM-005	*Product Release Record*
FRM-006	*Security Event Form*
FRM-007	*Reportable Event Form*
FRM-008	*Deviation Form*
FRM-009	*CAPA Form*
FRM-010	*Batch Record Log*
FRM-011	*Non-Viable Seeds and Seedlings Disposal Verification*

** Documents listed as placeholders but have not yet been developed. These are procedures that are best generated after the details of facility and equipment use are finalized in the early phases of operation.*

C.2r List of Expected Cultivation Staff and Qualifications

As illustrated in Section C.2o, we have developed a Staffing Plan for the Cultivation Center Operation that ramps the anticipated number of employees over the course of the first three years of operation. This ramp up is driven by the expected increases in volume commensurate with the increase in patient registrations and new patients entering the system. Since the license has yet to be awarded, these hires have not yet been made, therefore we are not able to list staff by name.

We will hire consistent with our standards, which includes making sure that potential new hires are at least 21 years of age, are able to pass the appropriate background checks, possess the willingness to be trained in a new and innovative industry, and share our commitment to manufacturing highest quality medications.

C.3 Refining

C.3.a Experience Creating Statutorily Defined Forms of Medical Cannabis

Leafline Labs' manufacturing and refining of statutorily defined forms of medical cannabis will be run by a core Operations Leadership Team ("OLT") led by Dan Emmans (Senior VP Production and Manufacturing), Jon Lane (Master Grower), Scott Turner (Facility Engineer) and Dan Fung (Product Development and Extraction). These OLT experts have more than a combined decade of experience and 250 grow/harvest cycles perfecting medical cannabis manufacturing and extraction methods. Their backgrounds are described in our A.1 response, and their resumes are included as required in section D.3

Specifically, Messrs. Emmans, Lane, and Turner gained experience in manufacturing and extraction of non-smokable forms of medical cannabis while working in Colorado for Grass Roots Health and Wellness ("GRH"), a 130,000 sq. ft. Colorado facility, where they first opened a medical cannabis dispensary in Colorado in September of 2009 and began producing medical cannabis in January of 2010. As non-smokable formulations of medical cannabis were growing more popular in Colorado, the OLT gained significant hands-on experience with extraction methods. GRH at all times was in full compliance with all state rules and regulations guiding the manufacturing of medical grade cannabis.

C.3.b **Extraction Methodology**

Once the mature cannabis flowers have been dried, the extraction process will begin. We intend on purchasing an automated CO2 Supercritical Fluid Extraction System from Waters Corporation. At this time we are evaluating the SFE 2X5 System model. This system features accelerated, multi-vessel sample extraction, using environmentally friendly CO2 as the mobile phase, for a greener and more selective alternative to normal phase extractions. Waters describes the process *as "extraction of chemical compounds (like medicinal cannabis extract) using supercritical carbon dioxide instead of an organic solvent. The supercritical fluid state occurs when a fluid is above its critical temperature (Tc) and critical pressure (Pc), when it is between the typical gas and liquid state. Manipulating the temperature and pressure of the fluid can solubilize the material of interest and selectively extract it. The sample is placed in an extraction vessel and pressurized with CO_2 to dissolve the sample. Transferred to a fraction collector, the*

contents are depressurized and the CO_2 loses its solvating power causing the desired material to precipitate. The condensed CO_2 can be recycled." The extract is further refined to separate the inert waxes/oil/shatter. See exhibit C.X.37 for SFE 2X5 System Instrument Specifications.

A chemical-free process to collect the trichomes using ice water as the means to gently wash the cannabinoid rich trichomes from the flower material is under development by LeafLine Labs. This machine is intended to produce more than 20 times the production capacity of the existing manual process used as a standard in the industry. Mr. Fung anticipates this process will yield intact trichomes, some of which will be made into gel cap dosages in a manner that does not require the use of any chemical solvents.

C.3.c **Detailed Refinement Protocol and Systems Description**

For tracking purposes, as detailed throughout this section response, we will use MJ Freeway (http://www.mjfreeway.com/about), the most recognizable names in the industry for seed to sale tracking software, for all electronic inventory tracking, controls, and compliance.

C.3c.i Equipment: Protocol, Cleaning and Maintenance

The SFE 2X5 System requires careful cleaning and maintenance procedures. In the Leafline Labs manufacturing facility, ethyl alcohol (C_2H_5OH) will be used to clean the extraction devices per regularly scheduled maintenance protocols, recommended by the manufacturer Waters Corporation, in both pre and post extraction runs. Pharmaceutical grade container vessels will be used to store the cannabis extract prior to packaging. We anticipate using vessels purchased from local manufacturers like DCI, Inc. of St. Cloud, MN.

We are also planning on purchasing backup extraction machines so that we don't have to run the same machines 24/7, and can allow the extraction machines scheduled weekly down time for cleaning and maintenance.

C.3.c.ii Calculation of Yield Process

The yield of each run will be calculated through the weighing of medical cannabis material pre- and post-extraction as well as weighing of the total extract result of the oil/wax/shatter produced from the extraction run, then logged into a master spreadsheet along with extraction machine settings and environmental measurements (i.e. air temperature, relative humidity in the room, etc.) and that data will be historically referenced and analyzed to dial in the best extraction machine settings for each strain. Due to wide strain variations in medical cannabis cultivation, ideal settings for the extraction machine will be slightly different from strain to strain, and analysis of historical results will help find the best settings to use moving forward. MJ Freeway software will track historical yields, but it will be up to us to independently analyze the data ourselves to mine for takeaways/learnings that would help to increase our extraction yields moving forward.

C.3.c.iii Sample and Testing of In-Process Materials and Drug Products

All sampling and testing of in-process materials and drug products will be conducted by an independent, state-approved laboratory to allow for transparency and validity of the test results from an unbiased source.

C.3.c.iv Controls and Testing of Microbiological Contamination

The following are required of all authorized employees before entering Extraction Rooms or any rooms that produce medicine, in addition to tack mats in front of all doorways and signs: Hairnets, Tyvek bodysuits, facemasks, goggles, medical-grade quality powder-free nitrile gloves, and booties/approved facility-only footwear. Rigorous and regular use of air swabs will be used to verify that air quality is not the source of potential microbiological contamination. We also plan for consistent use of UV-C lighting during stages of drying/curing and packaging (including all outgoing packing containers that come in contact with medical cannabis product).

C.3.c.v Sampling and Testing of Final Products

All sampling and testing of final drug products will be conducted by an independent, state-approved laboratory to allow for transparency and validity of the test results from an unbiased source.

C.3.c.vi Packaging and Labeling Process

As detailed further in our section A.2 response, we will be using containers that have been certified by a US authority as being compliant with federal childproof packaging standards. We will also use MJ Freeway software's labeling function to assist with the printing of our 100% statutorily compliant labels (see also A.2 for full label mock-up and component walkthrough). Standard silicone cup containers will be used to hold our medical cannabis extraction, and those containers will then be placed into one of the above-mentioned containers to ensure all medication is child resistant.

C.3.c.vii Stability Testing and Expiration Date Determination

All stability testing will be done by an independent, state-approved lab to allow for transparency and validity of the test results from an unbiased source. For determining expiration dates, medical cannabis extracts have a much longer expiration date than dry flower as the biological material is mostly stripped away and just the essential cannabinoids are left. We are in the early stages of designing a comprehensive aging study to determine extract expiration dates, by which we would start off with 20 grams of extract each of various LeafLine Labs strains, then send test samples to the independent lab every three weeks and track the lab results over time to see how the product degrades over a six-months timeframe.

C.3.c.viii Timeline of Production Processes

A single extraction machine is able to process two pounds of dry medical cannabis flower in a two-hour timeframe. We allow 45 minutes between process runs to clean and re-set the machine for subsequent extraction runs. We also intend to purchase additional product container vessels to hold the dry flowers being extracted, so that we're able to always have a clean vessel pre-filled with flowers and ready to go. We have assumed (including backup) two CO2 extraction machines in Year One and four machines (+2) in Year Two, ultimately growing to seven machines in Year 3.

C.3.c.ix Record-keeping process

MJ Freeway's seed to sale tracking software maintains inventory records, as well as the weights and measures for compliance reporting. We will be utilizing its web-based solution with redundancy backups for data security.

C.3d **Storage, De-vitalization and Disposal of Leftover Plant Materials**

The types of waste materials generated through the extraction process will be securely stored in quarantine until such time where we accumulate enough material to run through a wood grinder along with sawdust/wood chips. In this way the propagating parts and other waste material will be rendered useless by the fine chopping and co-mingling with non-cannabis wood materials.

C.3e **Laboratory Testing Process and Interactions**

Product testing at the Cottage Grove facility will fully conform to both the spirit and the letter of the regulations as outlined for the Minnesota Medical Cannabis Program. Each lot of raw cannabis produced will be sampled, tested internally at first and by an external lab once these are identified by MDH as an approved testing lab.

The quantity of sampled product is recorded as part of our batch reconciliation within our production record keeping practices. After cultivation of medical cannabis, in-process product is placed within intermediate packaging and sent to the vault for secure storage until the 3rd party laboratory conducts sampling. From there, a combination of batch production record instruction, inventory management, and product shipping manifests ensure that an accurate traceable record of produced cannabis is maintained. Please refer to SOP-020B (Exhibit C.X.13), Processing through QC Laboratory Analysis and FRM-005 Product Release Record (Exhibit C.X.23), for the detailed procedures that maintain our control of both product and inventory records.
The overall time frame from samples being taken to the return of analytical reports is expected to be approximately one week, in line with historical data.

Medical cannabis products are sampled at the conclusion of the drying process to ensure that data is obtained prior to further processing, extraction, packaging, and labeling of medical

cannabis. Testing is performed to provide analysis for the following medical cannabis content and purity attributes:

- Impurities
    - Mycotoxin
    - Microbiology
    - Heavy Metals
    - Chemical Residue
    - Pesticide Content

Pass/Fail criteria will comply with the State of Minnesota Medical Cannabis Program regulations and associated industry standards.

- Content
    - THC%
    - THCA%
    - CBD%
    - CBDA%
    - Other (will be identified on label if greater than 0.1%)

Our batch record and MJ Freeway software application mandate the inclusion of the 3rd party laboratory results into our batch record keeping data and ultimately the product label. Only dried medical cannabis products that have passed the impurity attribute testing may be further processed into products for sale. The content profile will be included on final package labeling. For medical cannabis products that receive further processing into extraction or other derivative products will be initially tested to obtain an initial baseline of their content and purity. An informed decision will be made regarding this baseline data to determine if further processing can remove any impurities or whether the batch will be destroyed following safe and secure disposal procedures.

After further processing, e.g., extraction, the extracted medical cannabis product will again be sampled by the 3rd party laboratory and undergo an identical regimen of analysis as the dried raw medical cannabis flowers. The results from this analysis will be used to populate the final

product label for these processed products. A failing result of impurity content at this stage will lead to destruction of the product following safe and secure disposal procedures.
At the completion of a batch, regardless of the final pass/fail outcome, a thorough and cross-departmental review of the batch purity and content data will be used to assess current procedures and aid in the continuous improvement philosophy that is fundamental to the Cottage Grove facility operation.

C.3f **Limitation of Employee Exposure to Potentially Unsafe Chemicals**

We have standard operating procedures for all employees to adequately wear protective garb at all times when near any unsafe chemicals. In any area where supplemented CO2 could displace oxygen and create a suffocating situation, CO2 alarms will be employed to alert all employees to evacuate the affected area. Supplemental ducting/venting will be added in rooms where exposure to gases in confined spaces would be a concern (i.e. when vacuum purging ovens would be used).

C.3g **Plant/Plant Extract Documentation and Traceability**

Every batch and individual container of extracted product will have a unique lot number that can be used in case of a product recall. MJ Freeway will document how the plant travels thru the manufacturing process, from cloning, propagation, flowering and drying/curing through the extraction process.

C.3h **Adverse Event Determination, Analysis and Action**

In the instance of an adverse event, an emergency group meeting of the OLT with all managers takes place to break down the adverse event, isolate the occurrence, and define with department heads the resources required to address and rectify the situation. Different departments will team up in a coordinated effort to address the adverse event as efficiently and quickly as possible.

C.3i **Medication and Containers Component Controls**

We vacuum seal and count any product that has been put into product containers and store them in our vault. The labeled product containers do not leave our vault until positive lab test results are received, thereby clearing the temporarily quarantined goods for transportation to the distribution centers.

C.3j **Hours of Operation (Refinement)**

Our hours of operation will vary according to manufacturing cycles. For example, we anticipate operating two shifts initially, and then potentially moving to a three shift, 24/7 operation.

C.3k **Maximum/Minimum Number of Refinement Staff**

As detailed in our Business Plan assumptions (Section A.2), there will be a minimum of two extraction engineers assigned to each extraction machine scheduled for production on each day, with a maximum of three extraction engineers if additional help is required to speed up the cleanup/setup for the next scheduled extraction run.

C.3l **Refinement Staff Experience Expectations**

We expect the extraction engineers to be full time employees. Prior relevant lab experience is considered a plus, but we are willing to train inexperienced employees who demonstrate the qualities we are seeking on site.

C.3m **Refinement Staff Training**

LeafLine Labs will likely offer its employees (Extraction Engineers and others) the opportunity to train on site in other currently operating manufacturing facilities under the guidance of our Operations Lead Team, most notably at Watertown, Connecticut's medical cannabis manufacturing facility.

C.3n **List of Expected Cultivation Staff and Qualifications**

Please refer to C.2o earlier in this section for a table of expected Refinement/Extraction employees ("Extraction Engineers") anticipated for Years 1-3. We expect that any Extraction Engineer hired by LeafLine Labs would meet the following criteria:

- Minimum 21 years of age
- Willingness to be trained in new areas of manufacturing.
- Strong work ethic.
- Able to pass background check and work history reference.

C.4 Distribution

C.4a Patient Care/Services Experience

The exceptional team of leaders and advisors listed below has spent thousands of hours caring directly for Minnesota patients. This extensive training and practical know-how spans the medical and pharmaceutical branches of the health care industry. In addition, Paul Bachman will apply decades of retail expertise to ensure that the registered patients we serve leave the dispensaries completely satisfied. This team consists of:

Dr. Gary Starr, MD
Dr. Andrew Bachman, MD
Brad Carlson, PharmD, Chief Pharmacist
Paul Bachman, Advisor

The group has outlined the following patient experience model. It reflects our snapshot of what patients would experience when they use LeafLine Labs as their source for medical cannabis.

Optimizing the Patient Experience

LeafLine Labs' core mission is to provide the best patient experience possible in delivering medical cannabis products. To that end, we need to plan with foresight regarding the many logistical problems we may face as distribution sites are launched.

Assumptions:

· 600 to 1000 patients enrolled in the program by July 1, 2015. This assumes the Minnesota Department of Health's medical cannabis registry program is lunched prior to the opening of the first distribution sites as has been the case in other states where medical cannabis has recently been legalized.

· LeafLine Labs will serve approximately half of this market, or 300 to 500 patients at the beginning of the program.

· Initial visits with the pharmacist will take approximately 20-30 minutes. A dispensary staffed with three pharmacists should handle 300 first time patients per week given the hours and staffing proposed in C.3h,i.

· After the first 30 days, registered patients presenting for uncomplicated medical cannabis product refills will require substantially less pharmacist time. We anticipate approximately 10 minutes of pharmacist time on average for these patients. At maximum capacity, we could process approximately 100 refills per day in addition to much smaller flow of patients who are being seen by the pharmacist for the first time.

Methodology:

Managing expectations is critical to achieving a good patient experience.

Scheduling of Patients:

· Initial new visits with the pharmacist will be by appointment.

· The patient will have an initial contact with the pharmacy technician and our receptionist staff to begin there experience with LeafLine Labs. This may occur in person after the appointment is scheduled, but we envision some patients will utilize online LeafLine Labs website resources to pre-enter some demographic and healthcare data.

· LeafLine Labs will develop and provide a central call-in line for appointment scheduling.

· LeafLine Labs will also develop a web-based application for scheduling appointments, self-entry of some patient data and providing general information for patients related to the distribution site locations. Also the website will provide-up-to date information for our patients on the medical cannabis program as approved by the Department of Health.

· A certain amount of unscheduled or "walk-in" patients will be accommodated once the initial surge period has passed and the limitations to this will be better defined as we are able to re-assess observed patient volumes and needs.

· As part of the scheduling process or at the beginning of an unscheduled visit, Reception, Registration, and Appointment Specialists, will verify the patient's registration. The registry verification shall include:

(1) the patient's name and date of birth;

(2) the patient registry number assigned to the patient;

(3) the patient's qualifying medical condition as provided by the patient's health care practitioner in the certification; and
(4) the name and date of birth of the patient's registered designated caregiver, if any, or the name of the patient's parent or legal guardian if the parent or legal guardian will be acting as a caregiver-qualifying medical condition, registration number with by the Minnesota Department of Health. The will patient will also need to provide a list of their current medications and dosages and/or authorize LeafLine Labs to receive this information from the patient's medical clinic or healthcare practitioner.

First Time Visit:

· When the patient arrives for their appointment they will check in at a registration desk. Reception, Registration, and Appointment Specialists will positively identify the patient with a valid photo identification and their proof of registration in accordance with the law and any rulings by the Minnesota Department of Health. Any verification information listed above that is missing in LeafLine Labs' patient records will be updated. Verification of the patient's status in the state registry will be verified by accessing the registry database according to directions provided by the Department of Health. If not already completed, the patient will be asked to fill out a medical history form that will include a list of their current medications and dosages, allergies and other medical conditions. Because of the length of time this process may take, we have designed our facilities to accommodate patients and caregivers in a pleasant and comfortable waiting environment prior to being allowed access to the secured dispensary portion of the distribution site. Patients will be instructed to arrive before their appointment time to accommodate this process. The option to pre-register or enter much of this information online will be encouraged and facilitated.

· At the time of the patient's appointment, distribution site staff will escort the patient (and caregiver if applicable) though the secure mantrap into the dispensary and to one of the private conference rooms for their pharmacist consultation. The pharmacist will go over their health history information and collaborate with the patient, approved sources of information on medical cannabis (C.4b,c) and the current Minnesota Department of Health guidance to determine the best medical cannabis product and dosage for treating their qualifying medical condition. Risks of drug interactions or possible side effects would be explained as well as any cautions or special

instructions pertaining to the medical cannabis product. Educational material will be provided to the patient at the time of appointment completion to again explain any potential adverse reaction, expected results and follow-up recommendations.

· The pharmacist, with the assistance of the pharmacy technician staff, would fill the order for the recommended medical cannabis product and the patient would pick up and pay for their medication there in the secure dispensary portion of the distribution site prior to being let back out through the secure mantrap.

Follow Up Visits:

After the patient's initial visit, we envision multiple options for follow-up.

Option 1 assumes the patient is experiencing the desired effects from their dose of medical cannabis without problems and desires to refill their prescription. In this case, they could confirm this information with the pharmacist in multiple ways, including by phone, online, or in person. The pharmacist will ask questions to gather data and then will submit the prescription for refill. The patient can return to the dispensary and pick up their medicine after presenting their medical cannabis card and showing identification.

Option 2 assumes the patient wants to consult again in person with the pharmacist. In this case they make an appointment and go through a process similar to their initial visit. Will have a screening again with the Pharmacy Technician prior to the screening by the Pharmacist.

Distribution Center Hours:

Hours will be adjusted to be patient friendly and these are outlined in subsection (g).

C.4b Systems & Tools for Patient/Caregiver Guidance

LeafLine Labs' pharmacists and staff will primarily be guided by the Minnesota legislation **CHAPTER 311--S.F.No. 2470** Sec. 5. Subd. 2. which states that *the commissioner shall review and publicly report the existing medical and scientific literature regarding the range of recommended dosages for each qualifying condition and the range of chemical compositions of any plant of the genus cannabis that will likely be medically beneficial for each of the qualifying medical conditions.* Also, *the commissioner may consult with the independent laboratory under contract with the manufacturer or other experts in reporting the range of recommended dosages for each qualifying medical condition, the range of chemical compositions that will likely be medically beneficial, and any risks of non-cannabis drug interactions.* Finally*, the commissioner shall consult with each manufacturer on an annual basis on medical cannabis offered by the manufacturer. The list of medical cannabis offered by a manufacturer shall be published on the Department of Health Web site.* To this end, the information compiled by the Department of Health will be the primary driver of guidance on cannabis products and dosages for varying qualifying medical conditions in Minnesota.

LeafLine Labs will collaborate with the Department of Health on attaining and producing this data and distributing it. LeafLine Labs is exploring development of a robust software decision support tool for pharmacists to utilize as they consult with patients and our web presence will mirror this information or reproduce it for easy patient access. To the extent that hard copy literature is produced by the Department of Health, our pharmacists and staff will provide it to patients during their appointment but in the case that this does not exist, LeafLine Labs would create and update hard copy literature for educating patients on the current products, dosages and conditions recommended by the Department of Health's review. Within the dispensary portion of our distribution site, posters depicting this current information will also be created and displayed as a visual reminder to patients. In consultation with the Department of Health's Office of Medical Cannabis, we would plan to provide patients with access to published literature within the medical cannabis industry that LeafLine Labs and The Department of Health agree could be potentially beneficial for educating patients on medical cannabis products and dosages currently being utilized or researched in Minnesota and elsewhere.

C.4c Systems & Tools for Patient/Caregiver Interaction/Side Effects Info

Pharmacists staffing our distribution locations will be provided with adequate medication information resources, including but not limited to: Online drug databases (UpToDate, LexiComp, Micromedex, PubMed, etc.), print resources, and other decision support tools (also referenced in (b.) above) to effectively ascertain potential drug interactions and side effects of medical cannabis products. Current printed and online publications and studies about medical cannabis drug interactions and side effects exist and to the extent that the Department of Health approves of their use, Leafline Labs will make these available to our pharmacist staff in print and/or electronic formats. LeafLine Labs plans to, as permitted Minnesota law, participate in collaborative online patient database development to document successes and failures of varying medical cannabis products at treating various qualifying medical conditions. As collaborative data becomes more available, this can be used to provide to patients and caregivers.

C.4d Processes and Training for Suspicion of Diversion

LeafLine Labs' processes and training provided to distribution site staff and pharmacists regarding suspicion that a patient or caregiver is diverting cannabis follows recommendations of the Minnesota Controlled Substance Diversion Prevention Coalition and its Prevention Roadmap, "SAFE" Infrastructure, and the Minnesota Reporting Requirements and Guidelines.

S: Safety teams/ Organizational Structure

An organizational structure is in place that supports an effective product diversion prevention program; LeafLine Labs proactively collaborates with local law enforcement.

A: Access to Information

LeafLine Labs reviews and audits relevant data that could indicate potential product diversion

F: Facility Expectations

LeafLine Labs communicates expectation that staff "speak up" when they becomes aware of an issue related to diversion prevention

E. Educate Staff and Patients

LeafLine has in place an effective and comprehensive training and education program Pharmacists and staff will be trained in defined security protocols if they suspect a patient or someone else on the staff is directing medical cannabis.

Training modules will be created detailing appropriate procedures for distribution site staff to detail and report all incidents of suspected of diversion of medical cannabis. These modules will review methods to follow, pertinent information to gather, and instructions for triaging this information to the appropriate supervisor. Medical cannabis management systems (current experience with MJ Freeway and BioTrack THC) will be utilized to obtain supporting data where applicable. Trained security officers and management staff will be involved in auditing and investigating suspected internal diversion.

Suspected external diversion involving a patient or caregiver will similarly follow our protocols for documentation and reporting. Cooperation with the Minnesota Department of Health and other appropriate governmental authorities will occur in all cases of suspected diversion, both internal and external to the distribution site. Completion of training modules by all staff will be required at least annually, but also in the event of critical updates. As demonstration of the level to which we have created a discipline around training, we have attached our SOP-002 relating to Training as an Exhibit at the end of the Bonus Section, "Other" (E.10x). We also outline details of our training programs in C.2q, and have attached our full Employee Manual at the end of section C as Exhibit C.X.30.

C.4e *Systems & Tools for MDH Notification of Adverse Events*

Distribution site staff will be trained in a similar fashion to the other training details in this section on distribution site operations. The Food and Drug Administration defines adverse events as *any undesirable experience associated with the use of a medical product in a patient*. Training will cover both documentation and reporting procedures as well as recognition of potential adverse events. Leafline Labs' distribution site team will utilize medical cannabis management software (ex. MJ Freeway, BioTrack THC), in addition to appropriately designed and approved adverse event reporting systems, to prepare and store documentation relating to any events suspected secondary to the use of medical cannabis.

Distribution site teams will collaborate with other established pharmacist-operated distribution sites and utilize current industry-accepted information, in collaboration with the Minnesota Department of Health, to accumulate knowledge on confirmed adverse reactions potentially

attributable to medical cannabis products. Information gathered will be prepared and delivered to appropriate agents of the Minnesota Department of Health and will abide by their standards of documentation. Training on the utilization of these reporting systems will be mandatory for all distribution site team members. Additional training for distribution site staff will occur with any changes or updates to MDH reporting standards.

C.4f Site Handling Processes (Minimization of Theft/Diversion

LeafLine Labs' site handling processes within the distribution site to minimize the opportunity for theft or diversion follows the recommendations of the Minnesota Controlled Substance Diversion Prevention Coalition and its Prevention Roadmap, and the Minnesota Reporting Requirements and Guidelines. Best Practices guidelines are the basis for LeafLine Labs' site handling processes. For a detailed description of the Minnesota Controlled Substance Diversion Prevention Coalition process, refer to attachment *(Exhibit C.X.42)*.

STORAGE AND SECURITY: LeafLine Labs stores medical cannabis product and other high-risk items securely, in all settings and circumstances. LeafLine uses camera surveillance in high risk areas as appropriate.

PROCUREMENT: LeafLine Labs effectively and safely handles procurement in the distribution site.

PREPARATION & DISPENSING

LeafLine Labs' ordering, preparation and dispensing practices minimize the risk of product diversion. All medical cannabis products are prepackaged prior to arriving at the distribution facility as required by law. LeafLine Labs administration practices minimize the risk of product diversion.

HANDLING WASTE (*Also see C.2m)*

LeafLine Labs' waste handling practices maintain chain of custody to minimize the risk for product diversion. Standard Operating Procedure SOP-021, Quarantine and Destruction *(Exhibit C.X.14)*, also outlines our procedures for waste handling and the

documentation of Drug-Waste disposal. LeafLine Labs' practices for handling unused product, empty containers or medication returned to pharmacy will minimize the risk of diversion. The distribution site will maintain a separate secure storage area within the vault for medical cannabis that is returned, outdated, damaged, deteriorated, mislabeled, or contaminated, or whose containers or packaging have been opened or breached, until such products are destroyed.

In the event of theft or diversion from a distribution facility, the facility manager will immediately stop all outgoing or incoming access to the facility until the situation is resolved. In the event of an actual diversion, the manager will contact local law enforcement and the manufacturing Facility Manager. Written incident reports from all individuals involved will be completed and collected by the Facility Manager who will collect all evidence, preserve related video, and contact the Security Consultant who will commence an internal investigation in cooperation with law enforcement. The Facility Manager will contact Minnesota Department of Health as appropriate and or required.

C.4g Process for Accepting New Product Into Site Inventory

Leafline Labs' distribution sites will follow the same stringent and detailed process for the movement of any medicinal cannabis products from manufacturer into the distribution site's inventory as current Minnesota law requires for Schedule II pharmaceuticals movement from supplier to retail pharmacy.

[redacted]

The protocol for accepting new product into each distribution site is as follows:

[redacted]

C.4h Days and Hours of Operation (each site)

Hours of operation for the first distribution site will take into account the surge in patient volume that is anticipated in July 2015. Hours of operation for subsequent distribution sites are anticipated to be similar but we plan to use patient volume data trends on a rolling basis to re-adjust hours to better meet observed demand in the future. Following are the anticipated hours for the first distribution site.

8:30 AM – 6:30 PM	Monday, Tuesday, Thursday, Friday
12:30 PM – 8:00 PM	Wednesday
10:00 AM – 4:00 PM	Saturday
CLOSED	Sunday

C.4i Maximum/Minimum Number of Distribution Staff

Staffing for the first distribution site will be ambitious to meet the demands encountered during the initial influx of new patients. Following are the positions and functions for the distribution site staff.

3 Full time pharmacists: Scheduled 40-50 hours per week depending on patient activity.

4-6 Reception, Registration, and Appointment Specialists: A combination of full and part time positions is anticipated.

6-7 Registered Pharmacy Technicians: A combination of full and part time positions is anticipated.

2 Full time distribution site managers: Scheduled 40-50 hours per week depending on patient activity.

At each distribution site at any one time we would anticipate:

Minimum staffing would include: **1 (one)** pharmacist, **1 (one)** receptionist, **1 (one)** technician. Maximum staffing would include: **3 (three)** pharmacists, **3 (three)** receptionists, **3 (three)** technicians and **1 (one)** distribution site manager.

C.4j Distribution Staff Experience Expectations

Employees of distribution sites filling the role of "pharmacist" shall be licensed by the Minnesota Board of Pharmacy and shall have no less than three years experience as a licensed pharmacist. They shall be in good standing with the Minnesota Board of Pharmacy, and not be under disciplinary action for drug diversion. Employees filling the role of "technician" shall be registered and licensed by the state of Minnesota Board of Pharmacy and licensed through an accredited pharmacy technician certification program, and have no less than 2 years experience as a certified pharmacy technician. They shall also be in good standing with the Board of Pharmacy, and not be under disciplinary action for drug diversion. Employees listed as "distribution site manager" shall meet criteria defined for "technician" but will have at least 3 years experience as a certified pharmacy technician and also have relevant managerial experience ideally in the health care industry. Employees filling the role of "reception / reservation / appointment specialist will have no less than 2 years of similar experience in the health care industry.

Part-time pharmacists and technicians will be allowed to staff at dispensary locations, provided they meet the above criteria, have been trained to the same standards as full-time employees, and are eligible for employment at a dispensary location following all of the same criteria as full time employees.

C.4k Distribution Staff Training

Consistent with our core mission of producing and dispensing the highest possible quality medicines for patients and operating with the highest degree of integrity, LeafLine Labs has a training philosophy driven by those same core values. We are committed to treating patients and each other with courtesy, dignity, respect and professionalism. LeafLine Labs aims to provide the best patient experience with every patient, every time. We provide our employees with the training necessary to support the consistent execution of our mission and values across the enterprise, no matter their role. As demonstration of the level to which we have created a discipline around training, we have attached our SOP-002 relating to Training at the end of the section *(Exhibit C.X.2)*. We also outline for details of our training programs in C.2q, and have attached our full Employee Manual at the end of section C as *Exhibit C.X.30*. Training types

include Read-Understand, Instructor-Led Course and other continuing education, documented in training records. The Compliance Program helps make compliant, ethical behavior part of the standard operations of all parts of LeafLine Labs.

1. **Regulatory Compliance**
    a. What are the rules?
    b. What is required of all employees?
    c. Standards of Care
    d. Systems and Auditing
    e. Workplace Conduct
2. **Security**
    a. External Security
    b. Internal Security
3. **Safety/Pharmaceutical Compliance**
    a. Handling of materials/machines
    b. Inventory/records management
4. **Product Management & Patient Record Software**
5. **Dispensary Operation Workflow**
6. **Diversion Recognition and Reporting**
7. **Patient Service, Confidentiality & Patient Satisfaction Survey**
8. **Point of Sale Training**
9. **Patient Confidentiality**
10. **Management/Executive Training (Optional)**

C.4l List of Expected Distribution Staff and Qualifications

Chief Pharmacist Brad Carlson will be responsible for hiring the balance of the distribution site staff. Job titles and qualifications are referenced above in section C.2j.

C.5 Transportation

C.5a Experience Transporting Products of High Value/Risk of Diversion

We are in discussions with GardaWorld, the largest privately owned security company in the world, to deliver medical cannabis and medical cannabis products for us in armored trucks, with two guards present at all times. We are also investigating alternate, fully-licensed Minnesota armored car services for secure transportation of medical cannabis products that meet the same standards, as follow in the following sub-sections.

Our LeafLine Labs Operations Leadership Team ("OLT") has significant experience with the secure and compliant transportation of medical cannabis from its former operations in Colorado and most recently in Connecticut (where Watertown's Theraplant cultivation center began successful transportation of medical cannabis products to licensed dispensaries statewide in late September.)

C.5b Detailed Transportation Method

We will be transporting medical cannabis from the manufacturing facility to our distribution facilities, to approved laboratories for testing, as well as transportation of any expired products or waste products to either MDH approved incineration facility.

[redacted]

C.5c Detailed Theft/Diversion Risk Method

Please see Section C.8 for detailed, comprehensive theft/diversion protocols across all manufacturing and operational procedures, including all transportation of medical cannabis products.

C.5d List of Expected Transportation Staff and Qualifications

At the present time, we have not hired transportation staff.

C.6 Inventory Management

LeafLine Labs has internal protocols for the identification and location of all portions of the finished product ready for distribution – criteria to assure that in all areas the product is under dual control and secure. In addition to the physical and electronic security measures noted above please see the LeafLine Labs internal procedures for product identification and inventory through all aspects of the distribution.

All tracking, monitoring, disposal and inventory quality control will be covered by the LeafLine Labs internal procedures. The LeafLine Labs security plan exceeds common industry standards.

All product is tracked from seed to sale by the MJ Freeway software that we will employ for full inventory management and tracking.

C.7 Technology Usage

LeafLine Labs will utilize a full complement of state-of-the-art technology solutions in its operations across the Enterprise. We are currently evaluating the two industry leading software platforms, MJ Freeway and BioTrackTHC, which provide comprehensive end-to-end solutions for monitoring the entire cultivation and dispensing process from seed to sale. Because of the

paramount importance of security in this business, we have selected the highest quality security monitoring capabilities and support our comprehensive security plan with as much technology as possible in order to ensure the highest level of safety, security, efficiency, and business discipline.

Once we have received the fully realized requirements for verifying the registered patients in the program, it is our intention to employ a technology-based solution for verification and tracking of patient visits and patient utilization of product. LeafLine Labs has an informational website (www.LeafLineLabs.com). As the program matures, we intend to develop an app which will provide patients with the ability to schedule appointments online or via their hand-held or mobile devices.

Because of the dynamic nature of this emerging industry, as well as the phenomenal pace of technology innovation, the use of technology solutions to support virtually every aspect of the manufacturing, distribution, and dispensing process, as well as patient care elements of the delivery system, there will very likely be changes and improvements.

C.8 Facility Security

The following response covers all requirements as delineated in C.8a-C.8g of the RFA.

We have planned for the highest security standards and protocols in the industry, overseen by Dag Sohlberg. After a 26-year career with the FBI, that included a position as the Drug Demand Reduction coordinator with the Minneapolis Division of the FBI, Mr. Sohlberg has training in almost every facet of security and drug control. Mr. Sohlberg was also a SWAT team leader and U.S. Navy Division Officer. Dag's detailed facility security plan was drafted with input from local law enforcement. His extensive plan will be implemented by LeafLine Labs employees and by one of the large, Minnesota-based security services providers with whom we have consulted,

such as Allied Barton, the largest American-owned security officer services company, established in 1957.

Mr. Sohlberg and his team have vast insight into what is needed to properly protect a manufacturing facility and distribution centers. They have learned and practiced safe and effective techniques to avoid diversion of cannabis while also providing a safe environment for employees. They have also provided security to dozens of businesses and high profile individuals that has given them experience in every security situation and the capability of providing security in every threat scenario.

Our comprehensive Security Plan contains the following elements:

Processes And Controls Concerning Access To Facility

Processes And Controls Concerning Production Within Facility

- [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]

Processes And Controls Concerning Transport To And From Facility

- [redacted]
- [redacted]

Processes And Controls Concerning Access To Facility

[redacted]

Security Personnel Requirements

- [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]

Perimeter Access and Security

- [redacted]

- [redacted]

Building Access and Security

- [redacted]

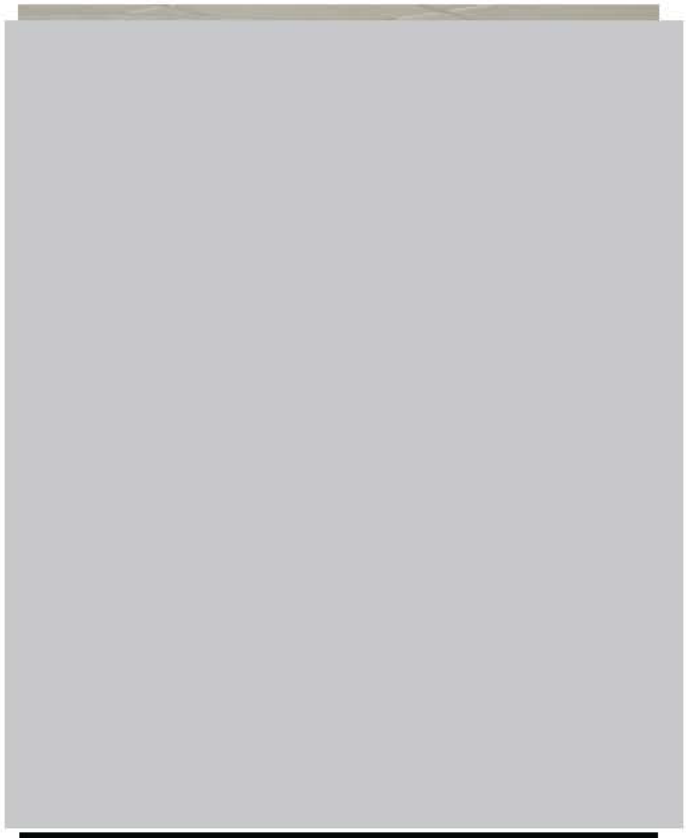


Exhibit C.8.1 Theraplant – Security Entrance Station
(Photo taken September 3, 2014)

Security Regulations for Employees

Employee Color-Coded Pocket-less Attire

Exhibit C.8.3 – Employee Color-Coded, Pocket-less Attire

Color-Coded Employee ID Card

Security Regulations for Contractors

Security Regulations for Visitors

[redacted]

Exhibit C.8.5 – Visitor ID

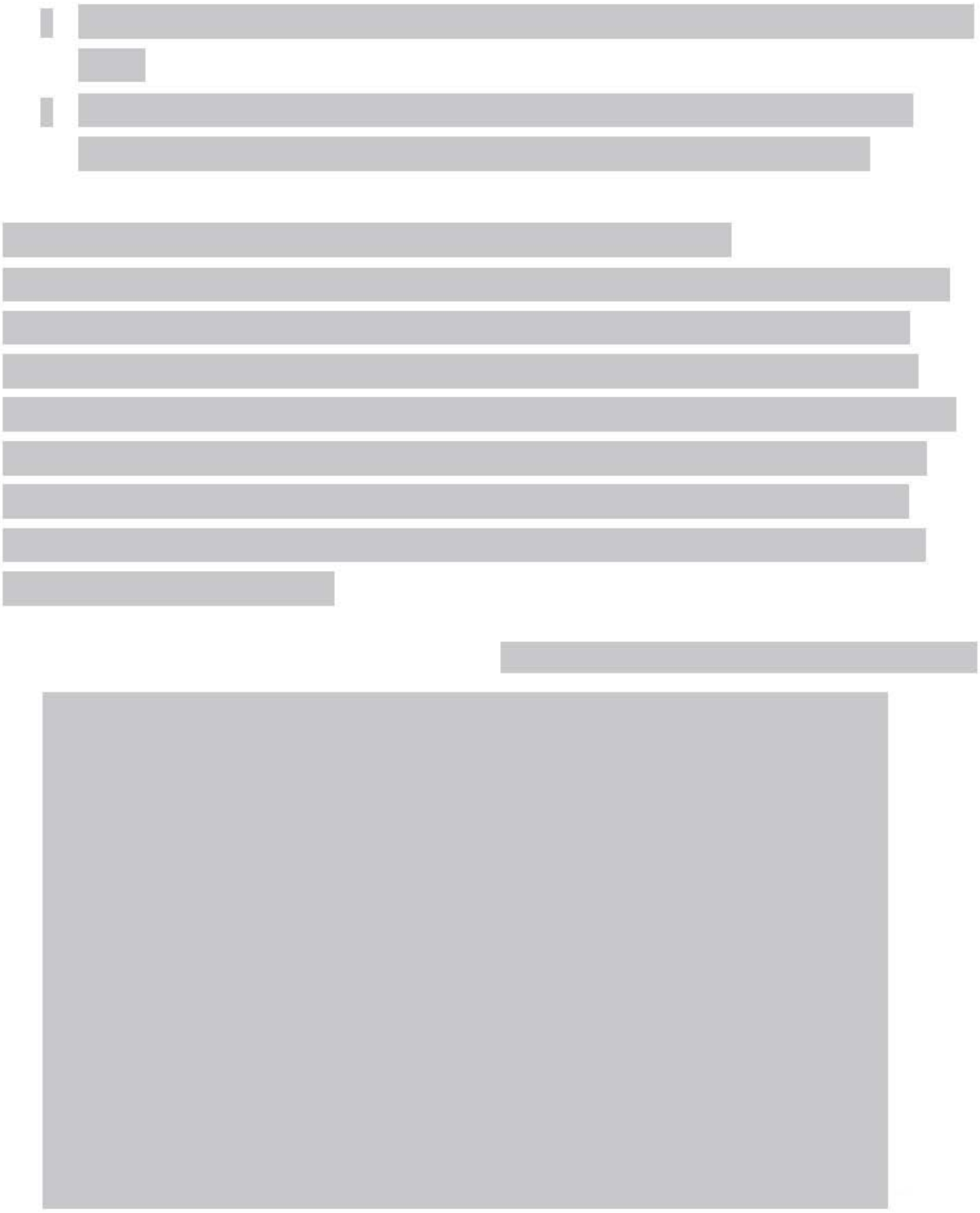
[redacted]

Visitor ID Cards

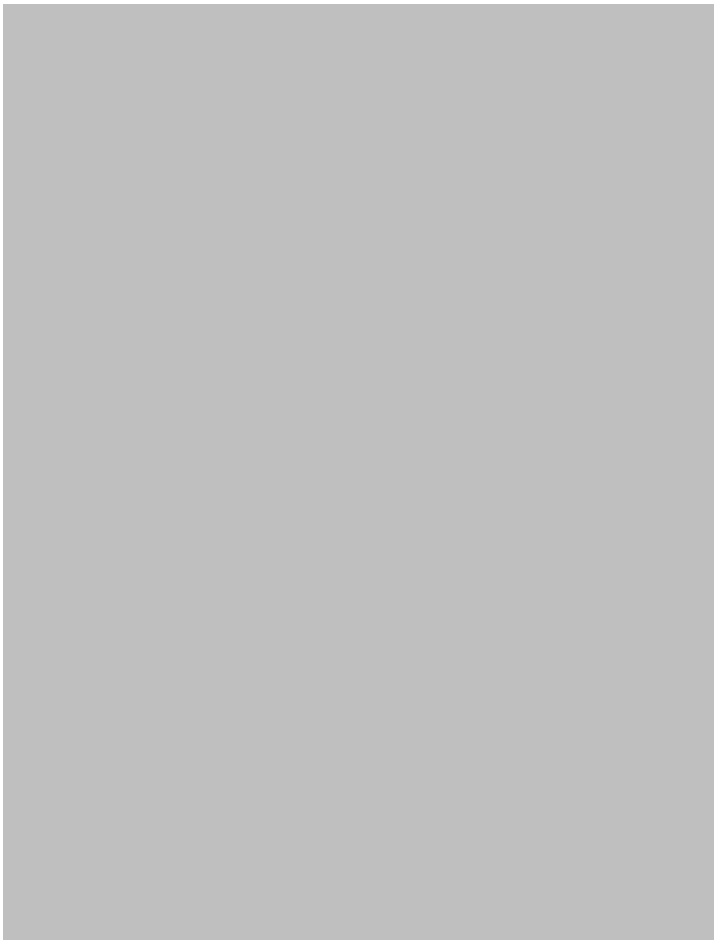
[redacted]

Entry into manufacturing, research and packing areas

[redacted]



Posting of Entrance and Limited Access Area Signs



Security Breach Response Protocol

C.9 Disaster Recovery and Continuity Planning

LeafLine Labs appreciates fully the obstacles posed to the medical cannabis industry, similar to the traditional pharmaceutical industry, should a disaster occur and the critical importance of planning to minimize interruptions in business operations and ensure that patients are not adversely impacted. Leafline Labs' Business Continuity/Disaster Recovery Plan will support its core operations in the event of a system failure or disaster, and ensure mechanisms are in place to support patient continuity of care during such an event.

LeafLine Labs' Business Continuity Plan will detail how we will offer critical services in the event of disruption, while our Disaster Recovery Plan references transition to Alternate Process Mode. Similar to other medical emergency preparedness activities, LeafLine Labs intends to conduct annual exercises utilizing complex scenarios to test the response and resilience of the entire supply chain.

In the pharmacy industry, it is generally recommended that single site pharmacies consider partnering with a geographically separate pharmacy for purposes of support and redundancy during a disaster. LeafLine Labs is in the process of finalizing its detailed Business Continuity and Disaster Recovery Plan, and it is our hope to coordinate a best practices plan with the other manufacturer. Accordingly, further attention to plan development will occur post-registration with the assistance of MDH.

Meanwhile, it should be noted that our cultivation procedures, product storage procedures and secure vaults, redundant power management systems, records management backup systems, security systems and other standard operating procedures are all intended to be best practices and avoid disasters from happening in the first place. Our newly constructed building makes weather related disasters less likely than in an older facility.

If a disaster does occur significantly disrupting any aspect of operations, regardless of cause, we believe that continuity of patient care should be the first priority. Assuming a disaster affected the capability to supply medicine to patients, we believe a desirable cornerstone of good disaster recovery planning is negotiating a mutually-agreeable disaster recovery cooperative plan with the state's other registered medical cannabis manufacturer to, insofar as possible, keep adequate

supplies of medicine in all dispensaries.

Our Disaster Recovery Plan will:

- Define Key Assets, Threats and Scenarios, including all business systems like computer system failure, records loss; manufacturing facility and distribution facility physical scenarios, human resources, and including both natural and man-made threats
- Systems – MJ Freeway, Accounting, e-mail, and Web Portal are just some of the key systems the dispensary will need to have operational during a disaster.
- Data – Backups to be performed and stored offsite.
- Define recovery window
- Define recovery solutions
- Prepare recovery plan
- Establish plan of communications - Phone, Internet, and Fax capabilities as critical to supporting patients and staff as well as procuring inventory.
- Define recovery site used to implement plan
- Test the plan

C.X Exhibits

Exhibit C.X.1 Quality Systems Management (QSM) Standard Operating Procedures (SOP-001)

Table of Contents

Quality Management System (QSM) Standard Operating Procedures (SOP-001)

Table of Contents (continued)

Quality Systems Management (QSM) Standard Operating Procedures (SOP-001)

Table of Contents (continued)

1.0 Introduction

This Operating Company Quality Systems Management Policy document describes the Quality Management Systems (QMS), policies and business practices implemented throughout the company to ensure product quality and regulatory compliance. It is Operating Company's intent to continually acquire product and process understanding in order to maintain high standards of product quality, maintain a philosophy of risk management, and implement improvements.

This document includes requirements for the implementation of a Quality Risk Management philosophy that includes risk identification, evaluation, communication, mitigation and review processes. It is the responsibility of each department to participate in the design of and to implement risk management activities that are based upon good scientific reasoning and enable good decision making at every stage of product and process lifecycle.

2.0 Scope

The scope of this policy document is as follows:

This is a high-level document describing overall policies and requirements for assuring and maintaining product quality - identity, purity, potency, and safety -and security for all our products. Specific procedures for quality systems are not within the scope of this document; instead, this document provides the overall quality intentions, philosophy and responsibilities for all areas of our operations. In support of this overall QSM Policy, SOPs, Forms, and Work Instructions are to be created and maintained for individual departments, operations, and processes.

This document describes the QSM that will be implemented and followed for any operations in cultivating, processing, packaging, labeling, holding, and shipping of medicinal cannabis and derivative products.

This document provides guidelines for the responsibilities of company departments and divisions for implementation of quality policies. It also provides overviews of requirements for resources,

documentation, production and laboratory operations, qualification/validation, risk management and quality-driven improvement activities.

This document also provides guidelines for compliance by vendors, suppliers and external contractors to the QSM to maintain the expected standards of quality for our products. In addition, all operations must also comply with the intent and objective of all regulatory and registration requirements for the State of Illinois, in which the product(s) will be distributed.

3.0 Responsibilities

Quality is everyone's responsibility; we are all committed to quality in our work environment.

Executive-level responsibility of this document is as follows: The Head of Compliance is responsible for:

- Resource Management ensuring that an overall Quality Plan is created and maintained, including regulatory requirements.
- Ensuring that key Quality Processes are understood, established and maintained and appropriate process owners are identified and empowered to undertake these processes
- Ensuring that Quality Systems are reviewed for performance on a periodic basis and improved when and where necessary.
- Ensuring the understanding and awareness of company, regulatory and customer requirements throughout the organization.

Quality Assurance and Control (Quality Unit) responsibility of this document is as follows:

- At present, the Quality Unit is defined as the Director of Compliance and the SVP Production. During the initial phases of operation of the company, the Director of Compliance has responsibility for the Quality operations of the Minnesota Company: for setting and enforcing quality policy, and for understanding the regulatory aspects of the Minnesota Company operations. By contrast, Manufacturing Operations, from the Master Grower down, have approval responsibility for Quality policies, as they are the department most responsible for operating within the quality systems.

- Quality Assurance is responsible for potential product quality at all times; this includes participation in and approval of facility, utility and equipment design and change management, and process change management.
- Quality Assurance is responsible for production quality at all times; this includes oversight of in-process quality checking, authorizations to proceed, material and product disposition and response to any and all quality concerns during production or pertinent to production activities.
- The Quality Unit has approval responsibilities for specifications and procedures used in generating official data and executing all regulated activities.
- The Quality Unit is responsible for the performance, coordination, and management of internal audits.
- The Quality Unit is responsible for the management of external inspections and audits. This includes preparations and post-inspection (response) activities.

4.0 Quality Risk Management

This document describes the principles of and requirements for implementation of a Quality Risk Management program for the entire lifecycle of Operating Company products and services. The use of Quality Risk Management can reduce the occurrence of quality problems, and enhance decision making when a quality problem is encountered.

Risk Management facilitates understanding of potential threats to product quality at every stage in a product's lifecycle, and pro-active efforts to minimize and/or mitigate these threats reduces the risk of manufacturing and releasing products of unsatisfactory quality. The following are the guiding principles of Quality Risk Management:

<u>The following are the guiding principles of Quality Risk Management:</u>

- The Quality Risk Management approach is designed around the assurance of the integrity of our relationship to the patient as the highest goal and most critical factor in the risk management process.
- The Quality Risk Management process shall include, at minimum, a risk evaluation process which ensures the use of applicable risk management tools, and a risk

management scheme to mitigate and minimize risks identified by the evaluation process.

- The Quality Risk Management process shall include both a corrective action plan for issues requiring immediate action (see Section 11.2), and a continuous improvement plan for activities intended to improve equipment and/or process efficiency, reduce costs, and simplify operations (See Section 10.0).
- Product owners shall be identified and shall be accountable for maintaining an overall record which contains all risk assessments performed for a product through its lifecycle.

5.0 Resource Management

Appropriate management of resources – human, material and facility – contributes to the maintenance of Quality Systems.

5.01 Personnel

All personnel, no matter what their job title or function, must be adequately trained for their job responsibilities with training documented. All managers and supervisors must be adequately educated, qualified and trained to oversee the jobs of their subordinates, as well as their additional responsibilities as managers or supervisors.

All personnel must be adequately educated and qualified for the job they are hired to perform. Qualified personnel must provide appropriate site-specific and/or job specific training within 30 days of hiring. Personnel files include training records, job description, and current resumes summarizing work experience.

A training program shall be developed and implemented; including standardized training curricula for all job descriptions, risk-based training based upon complexity and/or risk levels associated with a particular operation, periodic refresher training, and electronic maintenance of training records.

5.02 Service Vendors and Outside Contractors

Service vendors and outside contractors may be used to provide services to the production facility on a one-time or recurring basis. Examples of this are for facility construction, pest control, waste management, and security services. Policies and procedures must be in place for verifying the training of these vendor/contractor personnel both to perform the jobs for which they are contracted and to ensure vendor/contractor personnel familiarity with specific applicable site procedures.

5.03 Supply-Chain Management

In order to ensure quality of incoming materials, supplies and components, vendors of these items must be confirmed to meet appropriate standards as appropriate to the materials, supplies and/or components. Methods of confirming vendor or supplier quality include vendor audits, requirements or supplying materials Certificates of Quality, and incoming supply laboratory testing/verification. Procedures shall be developed and implemented detailing inspection and/or testing to be performed upon receipt of materials, supplies and/or components.

Master Service Agreements or Supplier Agreements may be created between the company and preferred vendors/suppliers, which maintain on file agreements to levels of quality of supplies and records of inspections performed by the company, in order to decrease repetitive work with a frequent supplier. An SOP shall be created for creation and use of such Agreements, including levels and frequency of material inspection and periodic reviewing and/or auditing of the Agreement and vendor/supplier. Materials shall be purchased only from suppliers that have been evaluated for ability to meet specified requirements. A list of acceptable suppliers shall be maintained and reviewed on a periodic basis.

5.04 Facilities and Utilities

In order to ensure that Facilities and Utilities adequately support the process or processes for which they are intended, it must first be determined what characteristics the Facility or Utility is required to supply to support the process. Risk is inherent to all processes, and Facilities and Utilities must be designed to minimize and mitigate risk wherever possible; continued environmental and process parameter monitoring is the primary way of documenting and communicating conditions maintained to minimize risk. Appropriate design and maintenance of the facility and the environment it provides is critical to mitigating risk of variability in a commercial cultivation process, and is critical to maintaining the security of product from adulteration or diversion. See section 7.4 for further details on Facility Controls.

6.0 Change Control

Change control is the status of a document, process or equipment which means that it is a permanent record. Change control for a product overall means that any changes to equipment, materials, processes, systems, facilities, and methods must be assessed, recorded, reviewed, verified, approved and fully documented. This includes changes from suppliers, contractors and licensees.

A formal change control system must be instituted to evaluate any physical, functional, or operational change to equipment or processes under change control. Changes must be assessed for impact to product manufacturing, control, and product quality, safety and/or efficacy, with the level of review, assessment and documentation determined according to the level of risk associated with the change. If impact or potential impact is detected based upon changes to commercial production or cleaning processes, verification activities must be performed in support of the changes.

Change control for a document begins when it is approved or becomes effective and in-use in commercial production activities (in the case of Work Instructions, SOPs, etc). Any change to a document under change control must be approved by representatives of the same functional groups that approved the document initially – the User Group and Quality Unit at minimum.

Change control for a process or equipment begins when production begins. Change control is intended to prevent uncontrolled modification to documents, processes or equipment used during/for commercial production activities of any kind. Any change to equipment or processes under change control must be reviewed and approved by, at minimum, representatives of the Quality Unit, the User Group of the equipment or process (e.g. Operations), and Equipment or Process Engineering as applicable. Please see Section 10.1.1 for a description of the Equipment Periodic Review process, through which all changes made to equipment within a specified period of time are assessed at once to determine and confirm the continuing qualified state of equipment under Change Control.

7.0 Document Controls

7.01 Document Control System

A document control system shall be put in place that maintains the repository of site documents, including Controlled Documents, Controlled and Quality Records and Non-controlled (Reference) Documents. The document control system shall be protected against unauthorized access, changes, and deletion of documents. This policy provides an overview of the requirements for the documentation system and specifications, and for the review and control of records as required to provide evidence of conformity to regulatory provisions and guidances as well as those documents required o ensure standardized and effective operation, control, monitoring and improvement of equipment and processes.

Electronic documents and electronic signatures, if used, must be controlled in the same manner as hard-copy counterparts. An electronic signature is legally binding.

7.02 Controlled Documents

Controlled documents are defined as those documents under Change Control that are regularly used in support of commercial production activities. Examples of this type of document are Standard Operating Procedures, Specifications, Work Instructions, Batch Records and Forms used for recording production and environmental monitoring data. All Controlled Documents must be periodically reviewed for effectiveness, suitability and applicability to their topics, and revised if necessary.

In particular, written Specifications must be developed and maintained for all raw materials, intermediates and finished goods as required by regulations of the State of Minnesota.

Written procedures for manufacturing operations shall be generated, maintained and followed for all production activities and all activities and operations performed in support of production.

7.02.1 Use of Controlled Documents

A policy shall be created which defines the procedures for preparation, approval, distribution, revision, use, and periodic review of Controlled Documents.

Master Batch Records, once printed and in-use, become Production Batch Records. The Batch Record provides traceability of materials and manufacturing, and identifies the amount manufactured and approved as well as the equipment used for production and support. A Production Batch Record shall be prepared from the current version of the Master Batch Record, and shall have a unique batch identification number that refers to an individual manufacturing batch. Once completed, the Executed Production Batch Record becomes a Controlled Record (see Section 7.3).

Production Batch Records and Laboratory Records must be reviewed to verify compliance with Procedures, Specifications and any Regulatory requirements prior to release of a batch to clinic or market. Any deviations or Out Of Specification reports

are part of a Batch Record and must also be approved prior to release of a batch to clinic or market.

7.02.2 Revision of Controlled Documents

Controlled Documents must be protected against unauthorized revision, and in addition, controlled documents must contain a change history with justification for changes as part of the document.

Upon creation of a new Controlled Document, signature approval is required by functional groups affected by the document, and by the appropriate Quality Assurance division. Upon revision of a Controlled document, approval is required by representatives of the same functional groups that approved the initial document.

When a Controlled Document is created or revised, training is usually required to ensure all personnel using the document have been informed and understand the changes prior to use of the new revision.

7.02.3 Retention of Controlled Documents

Retention periods of Controlled Documents are in some cases mandated by law and/or regulatory agency guidance. In all cases, retention periods for different types of documents shall be specified in document controls procedures.

7.02.4 Retiring Controlled Documents

A procedure shall be created and maintained for retiring, superseding, and/or obsoleting Controlled Documents. The intent of this procedure shall be to ensure that voids in procedure are not created when a Controlled Document is no longer available.

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7.03 Controlled Records and Quality Records

Controlled records are defined as those documents under Change Control that preserve records and history of events under commercial production conditions. Examples of this type of document are Executed Batch and Laboratory Records (once production and release are complete), Environmental Monitoring Records, Equipment and Use Logs, Materials Traceability Records, and Calibration Reports.

Quality Records are defined as those documents under Change Control that preserve records of qualification and validation. Examples of this type of document are Validation and Qualification Protocols, Validation Reports, and other Validation Lifecycle Documents.

7.03.1 Use of Controlled and Quality Records

A policy shall be created which defines the procedures for preparation, approval, revision, review, and use of Controlled Records and Quality Records. Controlled Records are used in support of continuing commercial production activities, and are frequently called upon during audits. The date of approval of Controlled Records shall be maintained and shall be a visible part of the document at all times (e.g.: as part of the document header or footer).

Quality Records provide a major portion of documentation in support of the GMP characteristics of a facility, equipment or process and are frequently called upon during audits. Quality records

Controlled and Quality Records shall remain readily retrievable, identifiable, and legible.

7.03.2 Revision of Controlled and Quality Records

Controlled Records may only be amended, not revised. No part of a Controlled Record may be deleted. Amendment of a Controlled Record may consist of a memo and additional information or analysis added onto the original.

7.03.3 Retention of Controlled and Quality Records

Retention periods of Controlled and Quality Records are in some cases mandated by law and/or regulatory agency guidance. In all cases, retention periods for different types of documents shall be specified in document controls procedures.

7.03.4 Retiring Controlled and Quality Records

Controlled Records in some cases must be maintained indefinitely, and in some cases may be destroyed after the retention period has been fulfilled. Quality Records may be destroyed after the retention period has been fulfilled, but for practical reasons it is often advisable to retain them for the service life of the process or equipment.

7.04 Non-controlled (Reference) Documents

Reference documents are those documents desired to be stored within the Document Controls System or Repository, but which are not approved by an approval group, and are not held under change control (non-controlled). Examples of reference documents are white papers (summaries of available research information on a topic), information from industry on a particular topic, equipment information (turn-over-packages) received from vendors or construction contractors, and internal memos that are desired for reference in controlled documents but are not inherently approvable or controllable documents.

7.05 Brand/Product Identification & Anti-Counterfeiting Measures

Brand and product identification documents, master sheets for product logos, identifying marks, package designs, print mats and other records pertaining to product identification and anti-counterfeiting measures are particularly sensitive types of information. Product

identity control is critical; procedures shall be established to enact particular limitations on who may access these materials and documents, and other related information.

8.0 Operational Controls

8.01 Material Controls

8.01.1 Material Traceability

Material traceability for any and all materials used in commercial production (including but not limited to raw materials, packaging components, and utility supplies) shall be maintained at all times from receipt into the facility, through production, to release or final disposition. A procedure shall be developed and implemented in order to maintain material identity information as part of batch production records.

8.01.2 Material Storage and Handling

Material handling policies – storage and staging, segregation, and workflows – must be developed, implemented and maintained with the main intents being traceability and identifiability of material, prevention of confusion, potential cross-contamination and the maintenance of material quality at all times.

For all materials – raw materials, in-process, finished goods and retained samples – material storage requirements must be documented, and appropriate storage must be provided. Examples of material storage requirements may be Controlled Room Temperature, refrigerated storage, light-excluding packaging, low humidity, low oxygen and so forth. Materials storage conditions must be verifiable and documented, and linked to material identity for traceability.

Material hold-times for all steps in-process shall be established and conformed to, with deviations documented and evaluated for risks to product quality. Intermediates

and in process materials shall be stored under conditions appropriate to ensure their suitability for use.

Written procedures shall be developed and implemented to identify requirements for storage facilities and/or equipment. Written procedures shall also be developed and implemented for all aspects of material management, including receipt, identification, storage, handling, sampling and testing, use and disposition of all materials, including raw materials, in-process, finished goods, retained samples and returned product. In addition, written procedures shall be developed and implemented to prevent diversion of product from its intended distribution.

Medicinal cannabis and derivative products shall be stored, handled, secured and reconciled in accordance with applicable regulations. Containers of finished medical cannabis and derivative products are subject to particularly strict controls for handling and transport under Illinois law, and procedures shall be developed and implemented for tracking such products through chain of custody at all points, including weekly inventory of finished goods.

Rejected materials and product, and any other materials that are designated for destruction shall be properly identified, controlled, and segregated from other materials and product. Destruction of these materials and products shall be undertaken in a timely manner and proof of destruction shall be obtained and maintained.

8.02 Production and In-Process Controls

8.02.1 Production Operations

Adequate written procedures shall be developed, maintained and disseminated for all functions within Production to assure identity, quality, strength and purity of all products. Any deviation from written procedures shall be reported, recorded, justified and investigated as to potential impact on product quality.

Materials used in manufacturing shall be weighed, measured, subdivided and charged under conditions that do not affect their suitability for use. Production personnel shall verify that the materials are those specified, and second checks or equivalent controls shall be performed for critical steps.

Reconciliation must be performed. The actual yield of a process must be calculated and documented, with verification by a second person, and all weights of product, byproduct and waste product must be reconciled.

The processing and cleaning status of production equipment and facilities shall be indicated visually on the equipment or entry to the room or manufacturing area. Time limits for process steps, production operations, and cleaning operations (including clean and dirty hold times) shall be determined and any time limit exceeded shall be investigated and justified.

There shall be procedures for security of all medicinal cannabis products during all phases of production operations. These include physical safety measures (e.g. secured zones and monitoring oversight) and procedural safety measures (e.g. reconciliation activities). This security is mandated by the State of Minnesota and is critical to obtaining and maintaining the permit to operate.

8.02.2 Equipment Design and Construction

Equipment design and construction shall always be undertaken with end-product quality as the primary concern. Prevention of uncontrolled outcomes is the intent of design and testing. Equipment construction materials shall be selected to promote and facilitate cleanability and prevent contamination of product due to physical equipment degradation or chemical leaching/breakdown. Equipment design solutions shall be considered to promote and facilitate repeatability in equipment setup and operation, and to enable timely knowledge and intervention to prevent undesirable outcomes.

8.02.3 Equipment Calibration and Maintenance

Equipment calibration is the means of ensuring that the information collected by equipment and acted upon by the equipment's control system and/or operators is accurate. Equipment and components used to control, weigh, measure, monitor or test and assure the quality and safety of product shall be calibrated, using standards which are traceable to certified standards, if existing. The current calibration status of critical equipment shall be known and verifiable.

Equipment preventive maintenance (PM) is a regularly scheduled series of inspections, replacement of worn parts, overhaul of equipment components, and/or other maintenance activities which is performed to ensure consistent, high-quality equipment operation and to prevent equipment failure and/or lost production time due to unplanned (emergency) maintenance.

Calibration and maintenance programs shall be developed, implemented and maintained whereby all equipment is assessed for calibration and periodic maintenance needs, frequency of these activities shall be determined and enforced, and reports are generated, reviewed, approved, and maintained as part of equipment files. Calibration frequency shall be technically justified based upon the specific performance requirements for the instrument or system.

8.02.4 Equipment Cleaning and Use Records

Records of equipment use, cleaning and maintenance shall be maintained for traceability and shall include the date and time of activity, product and batch number, protocol number or work order number as applicable, and the person(s) who performed the activity. This information may be in the form of a Logbook, or electronically, but in either case shall be maintained in immediate proximity to the equipment to facilitate availability of this information and compliance with procedures.

8.03 Electronic and Computerized Systems

8.03.1 Electronic and Computerized System Design

Electronic and computerized systems shall be designed to protect data from unauthorized access or changes, and shall include controls to prevent omissions in data (e.g. in the event of system shutdown), as well as audit trails to retain information about when changes are made, who made the change, the previous entry and new entry. If system breakdowns or failures could result in data loss, a back-up system shall be provided.

8.03.2 Electronic and Computerized System Operation and Procedures

Written procedures shall be created and maintained for the operation and maintenance of electronic and computerized systems. Where critical data are being entered manually into electronic and computerized systems, operating procedures shall dictate a second check on the accuracy of the entries. Appropriate installation and operational qualification, or equivalent, shall demonstrate the suitability of computer hardware and software to the intended use. Please see section 9.6 for further details on Computer system qualification and/or validation.

Computerized systems shall be under change control (see Section 6.0) and changes to a computerized system shall be made according to change control procedures, which include formal authorization, review and assessment of impact to qualified state. Records shall be maintained for all changes to the system. Incidents related to computerized systems which could affect product quality or accuracy of recorded data must be reported, recorded and investigated.

8.04 Facility Controls

8.04.1 Facility Design and Construction

Buildings and facilities used in the cultivation, manufacturing, processing, packaging and holding of medicinal cannabis and derivative products shall be located, designed and constructed to facilitate security, cleaning, maintenance and operation as appropriate to the type and stage of manufacture. Facilities shall be designed, used and controlled to minimize potential contamination from particulates, microbes, hazardous chemicals and other products.

The flow of personnel, materials and products through the facility shall be designed and zoned to prevent confusion or contamination. Work and process flow drawings shall be prepared and held in document controls alongside plan drawings for architecture, electrical, plumbing, lighting, and utilities. Requirements and specifications for facility design shall consider security, personnel flow, material flow, dirty and clean equipment segregation, HVAC supply and control, dedicated or segregated spaces and other considerations of facility construction necessary to decrease risk and promote quality.

If product is exposed to a room environment, all room surfaces, including walls, floors, ceilings and doors shall be smooth and free from cracks or open joints, and must be maintained in a good state of repair and cleanliness. Materials of construction shall not shed particulates or promote mold growth and must permit easy and effective cleaning and disinfection as needed.

Laboratory areas and operations shall be separated from production areas, to prevent production activities from adversely affecting the accuracy of laboratory measurements and to prevent laboratory operations and materials from adversely affecting production process or product. Certain in-process testing may be located in production areas, with appropriate controls on work and materials flows.

Facilities shall be designed and/or controlled with defined areas for the following activities, as applicable:

- Receipt, identification, sampling and quarantine of incoming materials pending release or rejection.
- Quarantine areas prior to release or rejection of in-process and finished product.
- Sampling of raw materials, intermediates, in-process and finished product, packaging and labeling components.
- Holding rejected materials.
- Storage of released materials.
- Vaults and security controls.
- Production operations.
- Packaging and labeling operations.
- Laboratory operations.
- Hazardous materials bulk storage.
- Mechanical and utility spaces.
- Adequate, clean washing and toilet facilities shall be provided for personnel, equipped with hot and cold water, soap or detergent, and air driers or single service towels.
- Offices and work areas for personnel not immediately engaged in production activities.
- Cafeteria(s) and break rooms well segregated from production and laboratory areas.

8.04.2 Environmental Control and Monitoring

Facility environmental controls (i.e. HVAC) must be designed with the intent of preserving and promoting product quality and preventing contamination, as well as environmental health and safety for processes that present environmental or personnel safety risks, such as solvent-based processing or dust-generating activities. Adequate ventilation, air filtration and exhaust systems shall be provided where appropriate. Written procedures must also be established and maintained for Facility Qualification (see Section 9.2) and facilities shall be considered under change control (see Section 6.0) when used in commercial production.

Procedures shall be developed and implemented for routine monitoring of the production environment to provide assurance that the facility is maintained at the appropriate levels of cleanliness and the facility environment does not present undue risk to the process. Appropriate standards and limits shall be developed and action shall be taken when limits are exceeded. Particular attention shall be directed to areas where materials or product are exposed to the environment.

Facility characteristics that may require monitoring include (as appropriate to the process) room temperature and humidity, viable and non-viable particulate monitoring of room air, microbial monitoring of room surfaces, air changes within enclosed spaces, and room differential pressures. Other facility environmental concerns may be monitored as appropriate to the processes undertaken within the facility.

8.04.3 Facility Maintenance and Cleaning

Facilities used in the cultivation, manufacturing, testing, processing, packaging and/or holding of medicinal cannabis or derivative product shall be kept in a clean condition and properly maintained and repaired in order to minimize risks of product contamination. Written procedures shall be established and maintained assigning responsibility for facility cleaning and maintenance, and describing procedures, methods, equipment, materials and schedules in production areas.

Written procedures shall also be established for facility cleanliness monitoring acceptance criteria, alert and action levels and appropriate response when such levels are exceeded. Cleanliness monitoring may include such activities as surface swabbing/sampling for microbial and/or fungal burdens.

Written procedures shall also be established and maintained for the use of suitable pest and fungal controls agents, and cleaning and sanitizing agents to prevent the contamination of product, equipment, and packaging/labeling components.

8.04.4 Facility Access Controls

8.05 Utility Controls

This policy states the requirements for utility controls, which must be established to ensure that utility systems, procedures, maintenance and monitoring are designed and selected to enhance and facilitate the identity, purity, strength, and quality of materials, and to minimize and mitigate risks of contamination or variation.

8.05.1 Utility Design and Construction

Utilities used in the cultivation, manufacturing, processing, packaging and holding of medicinal cannabis and derivative products shall be designed, constructed and supplied to facilitate cleaning and monitoring, and to minimize potential contamination from particulates, microbes, hazardous chemicals and other products. Examples of utilities requiring such control include, but are not limited to Process Water, and process gases such as Carbon Dioxide. All utilities that have contact with the cultivation or manufacturing process, packaging and holding of materials and product shall meet applicable requirements and be suitable for intended use.

Written procedures must be established and maintained determining the impact of utility quality on production, handling and/or storage of products, and for evaluating and mitigating risks of utility source and supply to products. Utility quality specifications and tolerances must be generated based upon the highest level of purity and quantity required for all processes that make use of the utility supplied. Written procedures must also be established and maintained for Utility Qualification (see Section 9.2) and utilities shall be considered under change control (see Section 6.0) when used in commercial production.

8.05.2 Utility Monitoring

Written procedures shall be developed and implemented for routine quality monitoring of production utilities to provide assurance that the utilities are maintained at the appropriate levels of quality and purity to support product quality in all stages of production. Appropriate monitoring schedules shall be determined based upon levels of risk to product. Appropriate specifications and alert/action limits must be developed as well as procedures of investigation and response for when limits are exceeded.

8.05.3 Specific Requirements for Water

Unless otherwise justified, process water shall meet, at minimum, World Health Organization (WHO) standards for potable (drinking) water quality. If potable water is insufficient to assure product quality, tighter chemical and/or microbiological standards may be necessary. In such cases, appropriate specifications and tolerances may be generated for physical and chemical attributes of water used in production processes.

8.06 Laboratory Controls

Laboratory services for evaluating medicinal cannabis are provided by State of Minnesota approved outside testing laboratory services. This policy states that procedures must be in place to prepare samples for the outside laboratory, and to ensure the security of the product during transport to the outside laboratory. In addition, the policy states expectations for response to laboratory results, and establishes a planned stability monitoring research program.

8.06.1 Laboratory Sample Preparation and Handling

Laboratory samples must be packaged in such manner as to protect the sampled product from contamination and environmental conditions outside of expected normal holding conditions. Laboratory samples must be protected from environmental impact and contamination once they are obtained.

8.06.2 Laboratory Sample Security

Laboratory samples are subject to the same security restrictions for leaving the facility as any other commercial product or active waste product. Samples must be protected from theft and/or diversion. Once the samples leave the facility, it is the responsibility of the transport contractor and/or outside laboratory to protect the security of sample materials, and it is the responsibility of the outside laboratory to properly dispose of any material no longer needed.

8.06.3 Out of Specification (OOS) Results

Written procedures shall be developed and implemented for OOS results and responses to OOS results. Any OOS results must be investigated and documented, and the documentation and response approved by the Quality Unit. Specific procedures shall be developed and implemented for significant laboratory investigations having potential impact on commercial product, including reporting such investigations to Senior Management of the manufacturing site and Quality Unit.

8.06.4 Sample Management

Written procedures shall be developed and implemented for sampling, sample identification, testing, acceptance or rejection, reports and storage of laboratory data. Sampling shall be performed, as mandated, by the representative of the outside laboratory. Laboratory testing data must be uniquely identifiable and traceable throughout the lifecycle of a material or product. Sample materials no longer needed shall be properly disposed of and documented.

8.06.5 Retain Samples

Reserve samples consisting of at least twice the amount needed to complete release testing, which are representative of each lot of medicinal cannabis, derivative product and primary packaging component shall be retained. Product shall be stored under the same storage conditions represented on the product labeling.

9.0 Quality Events

9.01 Events and Deviations

The Quality Unit shall ensure that all deviations (non-conformances) are investigated, documented and resolved. Written procedures shall be developed and implemented for assessing the impact or potential impact of deviations on product quality, identity, purity, safety and efficacy, and shall also include requirements for response based upon the impact assessment, methods of documentation, reporting and retention of records, and requirements for CAPA and/or other follow-up action, as appropriate. When there are indications that product released to market does not conform to the quality attributes, label claims and/or specifications, the Quality Unit shall take appropriate action.

9.02 Corrective and Preventive Actions (CAPA) Program

A CAPA program shall be established, designed and implemented in accordance with the risk management philosophy. The CAPA program shall include methods and means for reporting progress towards implementation and completion of the CAPA, and for reporting effectiveness of the action. CAPAs identified in response to failures, inspections, audits, investigations, and deviations shall be documented and implemented within suitable timelines appropriate to the level of urgency and criticality of the identified deficiency or deficiencies. The owner(s) of the system(s) for which a CAPA is identified shall have responsibility to ensure the effective and timely implementation, completion and closure of the CAPA.

CAPAs will be evaluated as pertains to the impact or potential impact of the non-conformity or potential non-conformity and suitably prioritized in order to ensure

consistent implementation and closure of critical CAPAs. The CAPA program shall also ensure that significant CAPAs are identified and evaluated for applicability to other operations.

9.03 Complaints and Recalls

9.03.1 Complaints

Written procedures shall be developed and implemented for a formal complaint program for the handling of all product complaints. Written records of all complaints must be maintained. The complaint program must delineate requirements for tracking and trending of complaints; further analysis may be indicated should trends begin to develop.

The complaint program shall include requirements and responsibilities for the following: the process for managing a complaint including documentation, investigation, response(s), and timing for closure of a complaint investigation; identification and tracking of follow-up activities; classification of the reported defect, if applicable, based on potential to affect patient/customer health and safety, and assessment of potential adverse event and/or reporting requirement; management notification, periodic reports, tracking and trending.

All complaints that allege failure to meet specifications shall be evaluated and investigated as required by regulatory requirements. The Quality Unit shall ensure that any complaints involving a possible failure of a product to meet specifications are investigated and resolved. Serious complaints or trends indicating potentially serious issues shall be promptly communicated to executive management for consideration of further action.

9.03.2 Recalls

A recall management program shall be developed which establishes procedures for receiving and evaluating information on complaints and events which may trigger a

recall action, implementation of a recall and notification of regulatory authorities, senior management, stakeholders and external customers with regards to removal of product and/or field actions, recall effectiveness process and tracking of released product, and inventory control and records of destruction and disposition of recalled product.

10.0 Systems Analysis

10.01 Equipment Periodic Reviews

Written procedures and intervals for Equipment Periodic Reviews shall be developed and implemented, with the intent of reviewing all changes made during the interval from the initial equipment use or most recent previous Periodic Review, to ensure that the equipment remains in a qualified state overall. Because minor changes to equipment under change control may only require verification of the changed function or component, it is imperative to ensure that a series of minor changes undertaken (and qualified) does not impact the function of the equipment as a whole and its suitability for its intended use.

10.02 Annual Product Reviews

The Quality Unit shall develop and execute procedures for conducting Annual Product Reviews (APR) to evaluate the state of control of commercial product and production processes. The Annual Product Review document is the output of the APR process, and shall contain a review of the production history, laboratory data, change controls, investigations, complaints, returns, and trend analysis of the preceding items, as well as report of any field actions or recalls.

As a result of the APR, the need for continuous improvement, or changes in product specifications or manufacturing/control procedures may be identified. Review of product quality continuous improvement efforts shall provide evidence that the continuous improvement process is functioning correctly by assessing whether improvement has been achieved and identifying the need for further action where necessary.

10.03 Quality Systems Reviews

The Quality Unit shall establish a system of Quality System Management Reviews (QSMR), to verify and document the continuing suitability, effectiveness and adequacy of the Quality Management System. These Reviews shall occur at periodic intervals, and participation by Senior Management is mandatory. The Reviews shall include assessments of opportunities for improvement and/or necessity for revisions to the Quality Management System. Records of the QSMR shall be retained, and subsequent Reviews shall include assessment of improvements and follow-up actions from previous reviews. Senior Management shall establish and routinely monitor performance metrics for key quality processes. Data systems shall be in place to collect appropriate data before, during and after an improvement initiative.

10.04 Internal Audits

Internal audits are conducted in order to verify compliance with regulatory requirements. Internal audits also serve as preparatory activities and exercises for external audits from regulatory agencies and business partners.

Personnel performing internal audits shall have adequate knowledge of all appropriate regulations, sufficient knowledge and experience of the procedures and systems under audit, and shall be independent of the area being audited. Independent internal audits shall be performed according to a formal written procedure and an approved schedule, as well as when the performance of a given department or activity is deviating from the expected levels of performance for that department or activity. Audit findings and corrective actions shall be documented and reported to responsible management, and corrective actions shall be completed in a timely manner. Internal audit findings may lead to Continuous improvement activities. Even where no deficiency or issue is found, there may be opportunity to improve.

10.05 Continuous Improvement

A Continuous Improvement program shall be developed and implemented to facilitate and sustain operational excellence, to improve the overall effectiveness of the quality management system, and to achieve plans, targets and business objectives. Continuous improvement activities shall have the appropriate levels of support, organization, leadership and personnel involvement.

Decisions and implementation for continuous improvement activities shall be the responsibility of senior site executives. Ideas for continuous improvement shall be encouraged from all personnel. Periodic reviews of equipment, product quality, and quality management systems may also be resources for continuous improvement ideas.

Exhibit C.X.2 SOP-002 Training Policy

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Document No: SOP-002	Revision: 1

Function	Approval		Date
	Print	Signature	
Operations			
Compliance			

REVISION CONTROL TABLE

Rev. #	Description of Changes	Author	Date
0	Application Draft	M. Feighery-Ross	

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Document No: SOP-002	Revision: 1	

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Training Policy	Page 3 of 6
Document No: SOP-002	Revision: 1

1.0 PURPOSE

This document describes the Training Policy and program for the Minnesota Company. Adequate and appropriate training ensures consistency, safety and security for personnel and product and reduces risk across all operations.

2.0 SCOPE

This policy applies to all personnel, and some external vendors/contractors. All personnel, no matter what their job title or function, must be adequately trained for their job responsibilities with training documented.

3.0 REFERENCES

3.1 N/A

4.0 RESPONSIBILITY

4.1 **Executive**

The executive-level responsibility of this document is to ensure oversight of the Training program: to ensure that training requirements remain up-to-date and consistent with employee job functions and site procedures, to ensure that individuals providing training are adequately qualified to do so, to ensure employee compliance with the training program and to ensure training records are kept current and accurate.

4.2 **Manager / Supervisor**

All managers and supervisors must be adequately qualified and trained to oversee the jobs of their subordinates, as well as their additional responsibilities as managers or supervisors. It is the responsibility of individual managers and/or supervisors to ensure their direct reports' training is current and adequately qualifies each employee to perform their job function(s).

4.3 **Employee**

Individual employees are responsible for fulfilling their training requirements by completing all assigned training within the schedule provided.

4.4 **External Vendors / Contractors**

As applicable depending upon the function or service provided by an external vendor or contractor, training must be provided to ensure compliance with site policies. For example, an outside vendor servicing scales within the production area must understand the gowning policy and conform to it while within the production area. Record of this training must be kept in a manner that is appropriate for the vendor or contractor's frequency of returning on site.

4.5 **Trainer**

Any person delivering training, as an Instructor-Led Course or On-the-Job Training activity, is responsible for accurately delivering the content or intent of the training, and for certifying that individuals have received training. While it is

understood that it is not possible to truly verify another's integration of knowledge internally, it is a trainer's responsibility to provide information to trainees in such manner that it is understandable, and to determine how best to test or verify trainees' understanding of the subject matter.

5.0 TRAINING RECORDS

Training records shall be maintained, linking an individual employee to their training history within the company. Until electronic training records are implemented, training records will be held within the employee personnel file as a paper record. The Training Record Form is the primary means of keeping an employee's training history, and shall be stored within the employee's personnel file.

The Training Record Form, attached to this policy document, shall be completed with the employee's name and ID number, and for each training activity completed the training entry line shall be filled out, signed and dated by the employee and also signed by the employee's manager, in the case of Read-Understand for an SOP or other document, or by the person providing the training, in the case of On-the-Job Training (OJT) or an Instructor-Led course. In the event that training is obtained outside of the company, as in a seminar or workshop, training may be documented in some other fashion (e.g., a certificate kept with the Training Record) or by the employee's manager.

6.0 TRAINING TYPES

6.1 Read-Understand

Read-Understand trainings are performed for policy documents, SOPs, and other communications requiring documentation of delivery. In addition, Read-Understand training is performed for revisions of policy documents, SOPs and Work Instructions when the revision substantively affects the content of the document. An employee's signature for a Read-Understand training is legally binding proof that the content of the document in question has been communicated to the employee.

6.2 Instructor-Led Course / On-the-Job Training

Instructor-Led Courses or On-the-Job Training (OJT) activities are performed when a topic must be shown as well as told to facilitate complete understanding. Instructor-Led courses are usually more in-depth, and may also include hands-on activities, discussion and/or quizzes/tests. OJT activities are frequently used to train employees on job function activities, such as training on equipment use or cleaning. At the conclusion of and Instructor-Led Course or OJT activity, the trainer has some method of determining that the trainee understands the content or intent of the training activity.

6.3 Other Training

Some training may be performed by outside contractors brought in to provide training to employees within the company. An example of such training is a First Aid course. Records of this training may be kept in the form of a certificate (or copy) provided by the training provider, or as an entry on the employee's Training Record Form, as applicable.

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Employees are encouraged to seek training outside of the company that will improve their ability to perform their job function. Applicability of external training to job function will be determined on a case-by-case basis by the employee's manager/supervisor, and/or by Human Resources representative. At the discretion of Human Resources, or company executive, recompense may be provided for course/workshop tuition/fees and/or for employee time/expense during training activities.

Exhibit C.X.3 SOP-003 Environmental Monitoring

Environmental Monitoring Program		Page 1 of 11
Document No: SOP-003	Revision: 1	

Function	Approval		Date
	Print	Signature	
Operations			
Compliance			

REVISION CONTROL TABLE

Rev. #	Description of Changes	Author	Date
1	Initial Release	P Rafa	

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1.0 PURPOSE

This procedure outlines the Labs Environmental Monitoring (EM) program requirements. The Environmental Monitoring Program will take effect starting with production activities and will provide documented testing and data to verify that production environment at Labs meets the requirements defined in this document.

2.0 SCOPE

This procedure applies to all production and product storage areas as well as critical support utilities for production within the Labs facility. This document will define the operating requirements for all critical to quality environmental parameters as well as the frequency and method of obtaining, recording, and archiving environmental data.

3.0 RESPONSIBILITY

3.1 Compliance

3.1.1 Reviewing and approving the Environmental Monitoring program document

3.1.2 Initiating and coordinating the investigation of Quality Event Reports with Operations management per SOP-004

3.1.3 Periodic review of environmental monitoring data and initiating an investigation for any adverse trends

3.1.4 Periodic review of all site environmental programs

3.1.5 Vendors are qualified to perform requested tasks

3.2 Operations

3.2.1 Training of personnel in environmental monitoring procedures

3.2.2 The execution and maintenance of the environmental monitoring procedures and ensuring all staff using that procedure are properly trained prior to use and execution

3.2.3 Monitoring equipment is maintained in a calibrated state per SOP-006 "Calibration Program" and applicable manufacturer's manual.

3.2.4 Ensuring that Preventive Maintenance of air handling units and critical support utility systems is performed per SOP-007 "Preventive Maintenance Program", all applicable manufacturer's manuals, and Agricare Labs PM Instruction forms

3.2.5 Coordinating outside vendor activity to assist in environmental monitoring program testing

4.0 DEFINITIONS AND ACRONYMS

4.1 **Test Limits** – Parameter limits specified in this policy which when exceeded and confirmed should trigger an investigation and Deviation and Corrective Action Reports based on the investigation.

4.2 **CO_2** – Carbon Dioxide

4.3 **Production Area** – An area in which environmental conditions are maintained to ensure product quality

4.4 **NMT** – No more than

4.5 **ppm** – Parts per million

4.6 **%RH** – Percent Relative Humidity

5.0 REFERENCES AND APPLICABLE DOCUMENTS

5.1 SOP-004 – Quality Events

5.2 SOP-005 – Document Control Program

5.3 SOP-006 – Calibration Program

5.4 SOP-007 – Preventive Maintenance Program

5.5 SOP-008 – Production Gowning and Protective Equipment

5.6 SOP-009 – Pest Control Program

5.7 SOP-011 – Production Area Room Cleaning

5.8 SOP-013 – Utensil Cleaning

5.9 SOP-015 – Retrieval and Archival of Environmental Monitoring Data

5.10 SOP-016 – Filtered Water Systems Monitoring

6.0 MATERIALS AND EQUIPMENT

6.1 N/A

7.0 HEALTH AND SAFETY CONSIDERATIONS

7.1 N/A

8.0 PROGRAM RATIONALE AND REQUIRMENTS

8.1 Production Area Environmental Monitoring Program Rationale

8.1.1 Production Area List

The production and support activity performed at Agricare Labs consists of the operations listed below. Production will be performed as batch processes. The batch will be kept whole and together throughout the entire production process.

Operation	Room #/Description
Seeding Propagation, Cloning Propagation, Vegetative Growth	
Seeding Propagation	
Cloning Propagation	
Vegetative Growth	
Flowering	
Harvesting	
Drying/Curing	
Packaging/Labeling	
Vaulted Storage	
Extraction	
R&D Room	

8.1.2 Product Impact of Environmental Conditions

Maintaining a consistent environment (temperature, relative humidity, carbon dioxide levels, lighting) for a particular batch of product promotes consistency in the appearance, content uniformity, and overall product quality. The production process, by keeping each batch together as it proceeds through the sequence of operations, provides a consistent environment for each batch and lends itself to consistent product within each batch. However, the potential effects of variation in environmental conditions are limited to the yield of a batch. Environmental conditions will be monitored and analyzed to improve batch yields of individual strains and this data will not be used as Pass/Fail acceptance criteria.

Maintaining consistency of environmental conditions is of most importance during the Propagation, Vegetative Growth, and Flowering operations. It is during these stages that the plant is utilizing environmental conditions in combination with nutrients to create the eventual drug product. The yield of each strain is temperature dependent in the Flowering stage, and Agricare Labs intends to group strains into particular Flowering rooms based upon this dependency.

Lighting during vegetative growth and flowering also play a key role in product development. High pressure sodium lights and high output T-5 fluorescent lighting is on 18 to 24 hours per day in the propagation rooms. High pressure sodium lighting is on a 12 hour on/12 hour off schedule in the flowering rooms. Lighting in the flowering rooms is staggered to evenly distribute energy consumption.

Environmental conditions during downstream processes have less impact on product consistency because the product is formed by the end of flowering. Conditions in the harvesting and packaging rooms are designed more for employee comfort than for any product impact. The drying room will have a requirement for lower relative humidity in order to drive off excess residual moisture and will utilize a portable dehumidifier. The product will be packaged into air-tight containers, so the environmental conditions for the finished product storage vault are designed to allow for seasonal fluctuation in relative humidity.

The monitoring requirements for environmental parameters are listed in Table 3.

TRAINING RECORDS FORM

Employee Name: ID Number:

Training Type: Read-Understand	**Document/Topic:** Gowning SOP
Employee: *John Sample* 10/31/13	**Supervisor:** *Jane Manager* 10/31/13

Training Type:	**Document/Topic:**
Employee:	**Supervisor:**

Training Type:	**Document/Topic:**
Employee:	**Supervisor:**

Training Type:	**Document/Topic:**
Employee:	**Supervisor:**

Training Type:	**Document/Topic:**
Employee:	**Supervisor:**

Training Type:	**Document/Topic:**
Employee:	**Supervisor:**

Training Type:	**Document/Topic:**
Employee:	**Supervisor:**

Exhibit C.X.4 SOP-004 Quality Events

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Document No: SOP-004	Revision: 1	

Function	Approval		Date
	Print	Signature	
Operations			
Compliance			

REVISION CONTROL TABLE

Rev. #	Description of Changes	Author	Date
1	Initial Release	M. Feighery-Ross	

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Document No: SOP-004	Revision: 1	

1.0 PURPOSE

This SOP defines the requirements for deviations or events that require investigation and/or follow-up actions that may include reporting to the State Authority and/or law enforcement.

2.0 SCOPE

This procedure applies to all production, manufacturing, packaging, processing, and holding of medical cannabis and/or derivative product intended for commercial release, and all within-date product released to dispensaries and/or end-users that originated from the Labs facility.

The following are out of scope of this policy:

- Research and development work for new products, and assessments/evaluations pertaining to research and development.

3.0 BACKGROUND

Manufacturing, packaging, processing, storage and distribution of medicinal cannabis and derivative products is required by the State of Illinois to be subject to strict procedures intended to ensure that certain types of events are reported to the State Authority and/or Law Enforcement agencies.

In addition, it is important that quality events which occur during production, manufacturing, packaging, processing and holding of medical cannabis and/or derivative product are appropriately internally investigated and reported, and escalated to external reporting and/or recalls when necessary.

4.0 REFERENCES

Minnesota Medical Cannabis Program Chapter 311 of the 2014 Minnesota Session Laws

5.0 RESPONSIBILITY

5.1 Originator: any person discovering or encountering an issue is responsible for complying with this Policy. The person encountering the issue is responsible for ensuring that it is documented, although another (such as an operator's supervisor) may take on the responsibility for the documentation.

5.2 Assigned To: this person is responsible for evaluating the issue, determining the investigation plan, coordinating the investigation and input from other appropriate departments as needed, and for documenting facts related to the investigation.

5.3 Quality Assurance: the quality unit is responsible for evaluating and approving documentation of deviations, corrective actions, and reportable events, and for participating in the decision for product disposition if applicable based upon the assessment. The quality unit is responsible for making external notifications and reports if necessary.

The quality unit is also responsible for tracking and trending of these events and presenting periodic summary reports to site Management.

5.4 Site Management: site management has the ultimate responsibility for the contents of this SOP and is responsible for review of all site events for trends and risks, and initiating action and improvement where indicated. Site management is responsible for prioritizing investigations if necessary and assisting in resolution of schedule or resource conflicts.

6.0 DEFINITIONS

6.1 Complaint – a complaint is a formal report from a dispensary or end-user of a perceived or apparent failure of product to conform to established specifications and/or label claims.

6.2 Corrective and Preventive Action (CAPA) – a CAPA is the formal investigation conducted for a deviation that presents a need for external reporting and/or presents an opportunity for overall improvement of site policies and procedures. A CAPA may be triggered by internal audits, periodic reviews, and adverse trends. CAPAs may also be triggered by external sources such as inspection observations, changes in regulations requiring modifications in site procedures/practices, or product complaints.

6.3 Deviation – a deviation is an unplanned or planned departure from specifications, batch records, SOPs or other official documentation, instructions, process, specification, or requirement. A deviation impacts or potentially impacts the product quality (identity, safety, potency, purity) and/or product security. Any minor error that does not impact or potentially impact product quality or security may be corrected in place without initiating a deviation.

6.4 Planned Deviation – a planned deviation is the means of documenting and approving when it is necessary to include additional or varying instructions, documentations or actions from existing approved SOPs, batch records or processes.

6.5 Recall – a recall is an external notification to dispensaries and/or end users that the product should be removed from sales or use immediately.

6.6 Reportable event – a reportable event is an occurrence that must be reported to appropriate law enforcement authorities and the State Authority.

7.0 DEVIATIONS

7.1 Sources of deviations

Deviations come from internal observations of failure(s) against site policies/procedures or regulatory guidance. Examples of deviation sources could be failure to follow procedures, environmental issues during production, observations of issues such as improper cleaning.

A planned deviation requires slightly different reporting because it describes a deviation that has not yet happened. The planned deviation is a documented method of testing a change to a procedure, or of deviating from a procedure for a specific reason without losing revision control of the procedure.

7.2 Observation, Reporting and Initial Assessment

All deviations, when observed, must be reported and investigation made to determine whether the observed deviation impacts or potentially impacts product quality (identity, safety, potency, purity), or indicates a lapse in the quality systems that assure product quality. This report and initial investigation must be made within 24 hours of the observation.

7.3 Documentation of Deviations

The deviation report form is FRM-008. Each deviation report shall have a unique identifier. The report includes a description of the problem, along with product(s) impacted and the scope of the problem. Observations and analysis shall be performed and documented with supporting data attached as needed. Immediate actions shall be determined, pre-approved and performed, with results summarized on the deviation report. If the deviation has led to a CAPA, or if further action is required, the deviation report shall include reference to the appropriate documentation.

Deviation reports shall be retained as per the Document Controls SOP-005.

7.4 Review and Analysis of Deviations

A product impact assessment is part of a deviation investigation, and review of this impact assessment will determine if affected product lots may continue through the production process. Based upon the assessment, lots may be fully cleared to continue, or may be conditionally cleared with additional follow up required prior to release/distribution, or may be immediately discarded.

As part of the analysis, a review should be performed for similar occurrences in the last 12 months. The review should be discussed in the investigation, with source materials documented.

If the review indicates a trend of occurrences, a CAPA may be opened to more fully investigate and determine follow-up actions necessary to remediate the trend.

7.5 Follow-up Actions for Deviations

When the root cause of the deviation has been determined and the action required to correct it is identified, a CAPA may become necessary if the action is not an immediate fix. Immediate fixes may be pursued within the framework of the deviation with other supporting documents as necessary.

In general, if the action required is minor in scope, it may be completed within the framework of the deviation. If the action is broader in scope, affects more than one system, and/or requires post-action effectiveness checking (e.g. a series of increased-frequency monitoring tests), it requires a CAPA to ensure that all aspects of the action are correctly undertaken, completed and documented.

8.0 CORRECTIVE AND PREVENTIVE ACTIONS (CAPA)

8.1 Sources of CAPAs

A corrective action may be triggered by internal audits, periodic reviews, and adverse deviation trends, as well as deviations requiring extensive follow-up actions affecting more than one system or which necessitate post-action effectiveness checking. Corrective actions may also be triggered by external sources such as inspection observations, changes in regulations requiring modifications in site procedures/practices, or product complaints.

8.2 CAPA Timelines

All CAPAs must have a due date for completion and closure. CAPAs identified in response to inspections, investigations and deviations shall be documented and implemented within suitable timelines appropriate to the level of urgency and criticality of the identified deficiency.

8.3 Documentation of CAPAs

The CAPA record form is FRM-009. Each CAPA record shall have a unique identifier. The record includes a description of the problem, along with product(s) impacted and the scope and summary analysis of the problem. Observations, root cause investigation, and analysis shall be performed and documented with supporting data attached as needed.

The CAPA plan shall be developed and documented, including individual deliverables, implementation due date and effectiveness check plan and due date (or justification if not required). The CAPA record action plan must be approved by the Quality Unit prior to execution of the plan, and again subsequent to the implementation of the plan in order to be closed.

CAPA records shall be retained as per the Document Controls SOP-005.

8.4 Review and Analysis of CAPA

Site CAPA history shall be reviewed and reported annually for trends that may indicate a need for broader action within the organization.

8.5 Disposition of Affected Product

CAPA records include documentation and end result of affected product lot(s). Depending upon the results of the CAPA investigation, product may be released, conditionally released, or destroyed. If product is required to be destroyed due to the issue, record of destruction must be attached into the CAPA record. If the issue described by the CAPA affects product that has already been released to dispensaries and is required to be recalled, record of notifications sent to affected dispensaries must be included in the CAPA record.

8.6 Effectiveness Checks for CAPAs

Effectiveness checks are required for all CAPAs unless adequate justification is provided when an effectiveness check is not applicable. The intent of an effectiveness check is to determine if the CAPA has addressed the quality/compliance risk(s) identified and/or effectively remediated the original condition.

The effectiveness check plan clearly defines the specific review period (e.g. number of lots, months of monitoring, etc.) and the specific measurement tool or acceptance criteria.

9.0 REPORTABLE EVENTS

9.1 Sources of Reportable Events

A reportable event is an occurrence that must be reported to appropriate law enforcement authorities and the State Authority. This specifically includes:

- Discrepancies in inventory of cannabis or derivative product
- Diversion, theft or loss or cannabis or derivative product
- Unauthorized destruction of any cannabis or derivative product
- Loss or unauthorized alteration of records related to cannabis or derivative product.

9.2 Observation, Reporting and Initial Assessment

All reportable events, when observed, must be investigated and reported immediately to appropriate law enforcement authorities and the State Authority. This report and initial investigation must be made within 24 hours of the observation.

9.3 Documentation of Reportable Events

The documentation of reportable events includes notification of the event to the State Authority by way of a signed statement detailing the circumstances of the event including:

- Accurate inventory of the quantity and brand name(s) of the affected product
- Confirmation that local law enforcement authorities were notified

In addition to the required notification, a reportable event triggers an internal CAPA investigation and follow up to understand the event and mitigate the risk in the future. Please refer to section 8.0 regarding CAPA.

9.4 Review and Analysis of Reportable Events

Site reportable event history shall be reviewed and reported annually for trends that may indicate a need for broader action within the organization.

10.0 COMPLAINTS

10.1 Complaint Sources

A complaint is a formal report from a dispensary or end-user of a perceived or apparent failure of product to conform to established specifications and/or label claims.

10.2 Complaint Reporting and Assessment

All complaint reports, when received, must be investigated and reported. Report of a complaint must include:

- Unique identifying number of the report
- Record of the originator of the complaint
- Description of the complaint
- Receipt, quantity, analysis, and location/status of returned product, if applicable
- List of potential causes and/or responsible parties for the observed issue

10.3 Review and Analysis of Complaints

Complaint reports must be reviewed and analyzed to verify the presence of an issue, determine the scope of the issue, and the ultimate responsibility for the issue's development.

Complaint analysis must include a determination of whether the originating lot of the subject product must be investigated as well. If so, retained product samples may be analyzed for evidence of the same issue. This analysis must be documented in the complaint report.

If analysis of further lot samples indicates that the issue affects the entire lot, a CAPA is initiated, and a recall may be triggered. Link the report documentation to CAPA record number and any other applicable follow-up action information.

11.0 RECALLS

11.1 Recall Definition and Sources

A recall is an external notification to dispensaries and/or end users that the product should be removed from sales or use immediately. The dispensary is responsible for retaining records of which product from which lot was distributed to which end-user.

A recall may be triggered by a verified product complaint that has been determined to affect its originating lot, by request of the commissioner, or by an internal event that has been determined to have affected or potentially affected an already-distributed lot or lots of medical cannabis or derivative product. Events that trigger a recall include but are not limited to:

- Product found to have been adulterated or chemically contaminated
- Product found to contain microbial contaminants, mycotoxins, molds or mildews in excess of USP specifications
- Product found to not conform to label claim tolerances

11.2 Reporting Recalls

In the event of a recall, notification must be made in writing to affected dispensaries and the State Authority. The notification must include a list of affected lot numbers and expiration dates, and direction to either verifiably destroy or return affected product for verifiable destruction.

It is the responsibility of the dispensary to notify patients of a recall based upon dispensary records, and to instruct patients of what action(s) they should take as pertains recalled product.

11.3 Recall Investigation

Labs will establish product inspection, safety and recall procedures consistent with the principles of Hazardous Analysis and Critical Control Points (HACCC). Product recalls would be identified according to the following classifications used by the USDA Food Safety and Inspection Service (FSIS).

- Category I – Health hazard where there is a reasonable probability that use of the product will cause serious adverse health consequences or death.
- Category II – Health hazard where there is a remote probability of adverse health consequences from use of the product, including presence of allergens associated with milder human reactions.
- Category III – Situation where use of the product will not cause adverse health consequences, for instance when a product contains excess or undisclosed ingredients generally recognized as safe.

Labs will designate a Recall Coordinator and a Recall Team to manage any potential recall situations. The Recall Team will be composed of staff from production, purchasing, marketing, quality assurance, legal, sales, distribution, quality assurance, legal, sales, distribution, consumer affairs and public relations.

For each Product Recall, Labs will develop a written recall plan including the following elements:

- Contact list – key internal staff, state regulatory officials, affected dispensaries, key media
- Complaint File – system for tracking and verification of product complaints
- Product tracing (coding and records)
- Production amounts (lot size)
- Distribution Records
- Recall Procedures
- Recall Plan testing (Mock Recall: Test the plan forward from the raw ingredient for a potential problem from raw ingredients; Test the plan backwards from the finished product for potential problems with products in the marketplace)

Recall Team responsibilities:

- Decision making
- Quality assurance/ technical advisory
- Media and communications
- Complaint investigation
- Contacting accounts (dispensaries)
- Contacting regulatory agencies
- Working with legal counsel

11.4 Recall Procedures

11.4.1 Assemble Recall team.

11.4.2 Notify Regulatory Agency.

11.4.3 Identify all products within the scope of the recall.

11.4.4 Segregate all recalled products within company control.

11.4.5 Prepare a Press Release in coordination and with guidance from the State Authority. The Press Release will identify the following:

11.4.5.1 Reason for Recall

11.4.5.2 Brand Names/Product Names

11.4.5.3 Packaging (Size/Type)

11.4.5.4 Package Codes/Lot Numbers

11.4.5.5 Packaging Dates

11.4.5.6 Product photos for identification

11.4.5.7 Case Codes

11.4.5.8 Count/case

11.4.5.9 Production Dates

11.4.5.10 Distribution Areas

11.4.6 Prepare the Distribution List.

11.4.7 Prepare and Distribute the Notice of Recall.

11.4.8 Verify the effectiveness of the recall.

11.4.9 Control the recalled Product by placing in the Quarantine – Recalled Product area of the Vault.

11.4.10 Investigate the Recall and determine root cause and Recall Classification

11.4.11 Store and dispose of the recalled product per SOP-021, "Quarantine and Destruction".

11.4.12 Initiate CAPA as appropriate.

11.4.13 Prepare a final Recall Report to summarize the findings, corrective actions, and final disposition of all affected product. This report will be stored in a dedicated and secure location per the Retention Policy outlined in SOP-005, "Document Control".

Note: Labs will establish an emergency alert system for dispensaries including email, text and/or phone contact.

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Exhibit C.X.5 SOP-005 Document Control Program

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Document No: SOP-005	Revision: 1

Function	Approval		Date
	Print	Signature	
Operations			
Compliance			

REVISION CONTROL TABLE

Rev. #	Description of Changes	Author	Date
0	Application Draft	P.Rafa	

Standard Operating Procedure Document Control Program		Page 2 of 6
Document No: SOP-005	Revision: 1	

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Document No: SOP-005	Revision: 1	

1.0 PURPOSE

This SOP defines the requirements for Document Control Program at the Illinois production facility.

2.0 SCOPE

This SOP is applicable to the distribution, archival, retention and obsolescence of all records and approved documents that are directly associated with cannabis production and its supporting programs. Such documents and records include, but are not limited to:

- Approved originals and revisions of SOPs
- Investigations, Deviations and Corrective Action Records
- Batch Records

3.0 REFERENCES

3.1 None

4.0 RESPONSIBILITY

4.1 Compliance

4.1.1 Primary access and distribution of documents and records

4.1.2 Maintains an index of current approved versions of documents

4.1.3 Maintains the history of approved documents

4.1.4 Provides and maintains department approved documents reference binders

4.1.5 Maintains archives of production records

4.2 Operations

4.2.1 Maintains Equipment, Utilities and Facilities files

4.2.2 Ensure Equipment, Utilities and Facilities file documents are available and current

4.3 All employees are responsible for following the procedure outlined in this SOP.

5.0 BACKGROUND

Through good documentation practices, production records will provide the answers to the following:

5.1 Who performed the operation

5.2 What was used to execute the operation

5.3 When was the operation performed

5.4 When did the documentation of the operation take place

5.5 How was the operation accomplished

6.0 DEFINITIONS

6.1 **Archival** – refers to the physical and electronic repository of records and documents

6.2 **Retention** – refers to the specified amount of time for keeping records and approved documents in the archives

6.3 **Obsolescence** – refers to removing an outdated approved document or record from use

7.0 DOCUMENTATION PROCEDURE

7.1 Document Control will maintain the on-site paper archives as follows:

7.1.1 All Documents and records will be filed in lockable cabinets rated as water-proof and fire-resistant. Access to these cabinets will be key-controlled by Document Control.

7.1.2 Equipment, Utilities and Facilities files, physical access is granted to Operations personnel or designee and will retain the key control.

7.1.3 All Original Document files will be compiled and filed accordingly.

7.1.3.1 Quality Records (SOPs, Forms, Batch Records, Policy Documents)

7.1.3.1.1 Original signed version of the document will be filed in file cabinet.

7.1.3.1.2 Copies of current documents will be issued by Compliance department.

7.1.3.1.3 Word version of document will be controlled by Compliance department to ensure revision control is maintained.

7.1.3.2 Completed Batch Records, Product Release Forms, Room Log (Environmental Monitoring/Inventory), and Reportable Events

7.1.3.2.1 Completed records will be filed by the Compliance department.

7.1.3.3 Equipment, Facilities and Utilities files will be maintained by Operations and will include but not limited to the following:

7.1.3.3.1 Turn Over Packages

7.1.3.3.2 Facility As-Built Drawings

7.1.3.3.3 Room Readiness Checklists

7.1.3.3.4 Operations Manuals

7.1.3.3.5 Calibration Records

7.1.3.3.6 Preventive Maintenance Records

7.1.3.3.7 Room Cleaning Logs

7.1.3.4 Employee Training Files will be maintained by the Compliance department.

7.1.3.5 Audit Files will be maintained by the Compliance department and include but not limited to the following:

7.1.3.5.1 Correspondence records such as notification of the audit, resolution of audit items

7.1.3.5.2 Audit Plan

7.1.3.5.3 Audit Notes

7.1.3.5.4 Correction/Resolution Plan

7.1.3.5.5 Final Report/Audit Close-out

7.2 Distribution of Approved and Effective documents

7.2.1 The current revisions of documents will be available at Document Control for reference of available documents and forms.

7.2.2 Official copies of quality records and other documents can be requested by the user.

7.2.3 Batch records will be issued in accordance with SOP-020, Batch Record Issuance, Execution, and Completion.

7.2.4 PDF versions of current effective versions of documents will be available via site Intranet as “Read Only”.

7.2.5 Copies of Forms can be printed from the Intranet site and will be considered official copies.

7.3 Archival/Retention of documents

7.3.1 Original Document and obsolete revisions will be retained indefinitely.

7.3.2 All production and distribution records (completed batch records, product release records, Room Logs (Inventory) will be retained for a minimum of 4 years from batch completion.

7.3.3 Facility environmental monitoring data, cleaning logs, maintenance records, and calibration records will be maintained for a minimum of 4 years after the data of event completion.

7.3.4 Equipment, Facilities and Utilities Files will be retained indefinitely.

7.3.5 Complaint Files will be retained indefinitely.

7.3.6 Recall documentation will be retained indefinitely.

7.3.7 Deviation and Corrective Action Report will be retained indefinitely.

7.3.8 Returned goods records will be retained indefinitely.

7.3.9 Drug disposal log(s) will be retained for a minimum of 4 year from date of disposal.

7.3.10 Audit files will be retained for a minimum of 5 years from close-out date.

7.4 Electronic archives

7.4.1 Documents and records will be scanned into PDF format and archived in the site server under the Document Control – Electronic Archives folder.

7.5 Obsolete Documents

7.5.1 Document Control will Mark the document to be obsolete with a line across the first page and write “Obsolete” on it.

7.5.2 Rename the document electronic file as “Obsolete – Doc no – Doc Title”.

7.5.3 Update department document binders to reflect the obsolete document.

7.5.4 Update the electronic files and move the pdf and electronic files of the obsolete version to the appropriate “Obsolete” subfolders.

7.6 Disposal/destruction or movement of documents and records to off-site storage location will require Compliance approval.

Exhibit C.X.6 SOP-006 Calibration

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Document No: SOP-006	Revision: 1	

Function	Approval		Date
	Print	Signature	
Operations			
Compliance			

REVISION CONTROL TABLE

Rev. #	Description of Changes	Author	Date
0	Application Draft	M.Feighery-Ross	

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Document No: SOP-006	Revision: 1	

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Document No: SOP-006	Revision: 1	

1.0 PURPOSE

This SOP defines the requirements for calibration of instruments within the Illinois Production facility.

2.0 SCOPE

This procedure applies to the measurement instruments listed in section 7.1 which are used in support of production activities within the Illinois Production facility: cultivation of medicinal cannabis and production of derivative products including but not limited to concentrates and extracts.

3.0 REFERENCES

3.1 None Applicable

4.0 RESPONSIBILITY

4.1 Management is responsible for ensuring instrument calibration programs are up-to-date and that requirements for instrument calibration are determined based upon the criticality of the instrument's measurements to the production process. Management may designate a specific department or individual to perform this task, but is ultimately responsible for ensuring its performance.

4.2 The Quality Unit is responsible for reviewing/approving completed Calibration Reports, and signing on the calibration review cover sheet (see Attachment 1). The Quality Unit is also responsible for determining/approving the course of action should an instrument not meet calibration specifications.

4.3 All employees (regular and temporary) and contractors working directly with production instruments are responsible for verifying the current calibrated state of the instruments in use.

4.4 Calibration vendors, when used, are responsible for understanding and following this procedure when calibrating instruments used within the Illinois Production facility.

5.0 BACKGROUND

Manufacturing of medicinal cannabis and derivative products requires a degree of control achieved by, in part, collection and understanding of data about the production process. In addition, the State of Illinois requires assurance of product security which is demonstrated by collection and recording of measurement data about the product. Instrument calibration supports the accurate collection of data, and ultimately supports both product quality and security thereby.

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6.0 DEFINITIONS

6.1 Calibration – a process by which the accuracy of an instrument may be determined with a high degree of assurance of its continuing accuracy and repeatability. It has pre-determined range (span of measurements) and tolerance (required accuracy compared to a known standard).

6.2 Standard – a calibration standard is an instrument used to perform calibrations.

6.3 NIST – National Institute of Science and Technology

6.4 UUT – Unit Under Test

7.0 CALIBRATION POLICIES

7.1 The following is a list of instrument types within the Illinois Production Facility that must be calibrated:

- Scales and Balances
- Chart Recorders
- Any instrument used for monitoring production room environmental conditions, in rooms which have specifications for environmental conditions.
- Any instrument used to determine water quality, temperature or nutrient content within water intended for delivery to growing cannabis plants.

7.2 Individual calibration forms contain the details of calibration range, tolerance and frequency, and provide space for recording UUT identification information, and As-Found and As-Left data. As-Left data entries are only used if the instrument is found out of tolerance and adjusted to within specification.

7.3 Instrument calibrations must be performed using NIST-traceable standards, and calibration standards must be accurate enough, and have the range required, to support the calibration of the UUT.

7.4 Calibration ranges and tolerances shall be determined based upon the degree of accuracy required to provide assurance that the reading provided by an instrument adequately supports the tolerance of the process it is sensing/measuring.

7.5 Instrument calibrations are always performed for a new instrument; a vendor calibration certificate may be acceptable, but it must be determined to have tested the correct ranges and tolerance for the process that it supports.

7.6 Instrument calibration is also performed at specified time intervals during the service life of the instrument, which are determined based upon criticality of the instrument to the process that it supports, and the robustness of the instrument.

7.7 Instrument calibration may also be performed outside of usual calibration interval, if the instrument has been exposed to a potentially adverse condition, or if the instrument reading appears questionable based upon comparison to other observations.

7.8 Instrument calibration includes, when necessary, correcting the reading or output of the instrument, where possible, to enhance accuracy. If an instrument requires calibration adjustment, final calibration data is recorded in the As-Left (or equivalent) field of the calibration record.

7.9 Successive calibrations where an instrument is found Out of Tolerance shall result in an investigation and determination of the instrument's suitability to remain in service. It may also be necessary to increase frequency of calibration to provide assurance of measurement accuracy.

8.0 CALIBRATION RECORDS AND REPORTING

8.1 Calibration Records must be kept for all instruments requiring calibration. The Calibration Form, when filled out with the details of a calibration, becomes the record of the instrument's calibration.

8.2 All Calibration Records must be reviewed/signed off by a representative of the Quality Unit. See Attachment 1 for the calibration review cover sheet.

8.3 Instrument calibration records must be kept securely, and the retention period is the greater of the following: five years or the service life of the UUT.

Attachment 1. Calibration Record Cover Sheet

Note – this form may be pre-populated with instrument-specific information. Each calibration event will require a separate Calibration Record Cover Sheet.

Table 1 – Instrument Information and Calibration Requirements

Information	Data
Instrument ID #	
Description	
Manufacturer	
Model #	
Serial #	
Range of Use	
Required Accuracy	
Calibration Interval	

Table 2 – Calibration Record Review Procedure

Instructions	Results	
1. Review the calibration record and verify it meets the required calibration range and accuracy, and meets the requirements of SOP-010, Good Documentation Practices. Record Pass/Fail in the Results column.		
2. If #1 result is Pass, record calibration performed date and next calibration due date in Table 3 and N/A step 3 and Corrective Action space.	**Cal Date**	**Cal Due**
3. If #1 result is Fail, record corrective action taken in the Comments section below.	N/A	
Corrective Action:		
4. Attach the calibration data to this cover page.	N/A	
5. Sign and date the Calibration Reviewed by space below.	N/A	
6. Verify placement of calibration sticker on the instrument and that it states, at a minimum, the next calibration due date.	N/A	
7. Store the completed form and calibration data sheet in the Calibration Folder.	N/A	

Calibration Reviewed By (sign): _____ Date: _____

Exhibit C.X.7 SOP-007 Preventive Maintenance

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Document No: SOP-007	Revision: 1	

Function	Approval		Date
	Print	Signature	
Operations			
Compliance			

REVISION CONTROL TABLE

Rev. #	Description of Changes	Author	Date
0	Application Draft	P. Rafa	

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Document No: SOP-007	Revision: 1	

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Document No: SOP-007	Revision: 1	

1.0 PURPOSE

This SOP defines the requirements for preventive maintenance of equipment and systems that support the Illinois production facility.

2.0 SCOPE

This procedure applies to the documenting and record keeping of preventive maintenance activities of equipment and systems that support the Illinois production facility.

3.0 REFERENCES

3.1 21 CFR 211.67 "Equipment Cleaning and Maintenance"

3.2 Refer to individual system maintenance forms for specific preventive maintenance tasks and schedules.

4.0 RESPONSIBILITY

4.1 Management is responsible for:

4.1.1 Ensuring preventive maintenance activities are performed on schedule and are suitable for the equipment/system

4.1.2 Contracting and training outside maintenance contractors on required procedures

4.2 The Quality Unit is responsible for:

4.2.1 Conducting periodic audits of the Pest Control Program to occur at a minimum, annually

4.3 Maintenance personnel and contractors, when used, are responsible for understanding and following this procedure when performing activities within the Illinois production facility.

5.0 BACKGROUND

Manufacturing of medicinal cannabis and derivative products requires a degree of control achieved by, in part, collection and understanding of data about the production process. Part of this control is routine maintenance of production equipment and supporting utilities. Maintenance of process equipment and supporting utilities is an essential component of ensuring sustained performance of the Illinois production facility. Maintenance activity is comprised of a combination of manufacturer recommendations, industry best practices, and experience of working with the systems that comprise the Illinois production facility. Maintenance activities will be documented in maintenance forms and archived for a minimum of three years in the associated equipment/system history file.

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6.0 DEFINITIONS

N/A

7.0 MAINTENANCE PROCEDURES

7.1 Maintenance schedules for systems and equipment are developed from a combination of manufacturer recommendations, industry best practices, and in-house experience.

7.2 Maintenance for systems and equipment will be performed per a set interval (weekly, monthly, quarterly, etc.).

7.3 Record all maintenance activity in the system logbook.

7.4 If maintenance activity requires that the system be taken out of service, provide ample notification of the system's impending out of service status and provide adequate signage to alert system users of the out of service status.

7.5 Complete all PM forms utilizing Good Documentation Practices.

7.6 All PM forms are to be submitted to Management for review.

7.7 All unexpected findings are to be reported to Management.

7.8 It is Management's responsibility to review and file PM forms in the appropriate equipment/system history file.

Exhibit C.X.8 SOP-008 Gowning and Protective Equipment Worn for Production

Standard Operating Procedure Gowning and Protective Equipment Worn for Production	Page 1 of 5
Document No: SOP-008	Revision: 1

Function	Approval		Date
	Print	Signature	
Operations			
Compliance			

REVISION CONTROL TABLE

Rev. #	Description of Changes	Author	Date
1	Initial Release	M. Feighery-Ross	

Standard Operating Procedure Gowning and Protective Equipment Worn for Production	Page 2 of 5
Document No: SOP-008	Revision: 1

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Standard Operating Procedure Gowning and Protective Equipment Worn for Production	Page 3 of 5
Document No: SOP-008	Revision: 1

1.0 PURPOSE

This SOP defines the requirements for personnel gowning within the Labs Production facility.

2.0 SCOPE

This procedure applies to anyone entering the production area within the Labs production facility.

3.0 REFERENCES

3.1 SOP-018, Hazard Assessment and Communication

4.0 RESPONSIBILITY

4.1 Management is responsible for ensuring that gowning activities are properly performed, and that gowning requirements are clearly communicated.

4.2 All employees (regular and temporary), contractors and visitors are responsible for following the gowning requirements defined in this procedure.

4.3 Visitors perform gowning activities under the guidance of an employee who has been trained on gowning.

5.0 BACKGROUND

Manufacturing of medicinal cannabis and derivative products requires a degree of control and cleanliness that assures the products are secure and free from contamination. Gowning minimizes potential product contamination from clothing fibers and plant pathogens from outside, decreases opportunity for diversion of product, and protects employees from redistributing plant/product residue outside the production facility.

6.0 DEFINITIONS

6.1 "Overgarment" and "gown" are used interchangeably and refer to the scrubs-type coverall garments worn in the production area. The garments are differently colored to visually identify the department or responsibility of the individual wearing them.

7.0 STANDARD GOWNING PROCEDURE

7.1 Store personal clothes separate from uniforms and gowning attire.

7.2 Disposable materials (single-use gowns, hair nets and shoe covers, etc) may only be worn once.

7.3 Gowning attire is provided in the locker rooms.

7.4 Overgarment ("gown") must be worn at all times within the controlled area.

7.5 Long-sleeved undershirts may not be worn.

7.6 If overgarment becomes excessively dirty or wet, exit to the gowning area and put on a new overgarment. Place soiled overgarment in appropriate receptacle.

7.7 If any item of gowning attire is torn or defective, it should be changed immediately.

7.8 Visitors and contractors follow the same basic gowning requirements as employees, and have a special overgarment identifying them.

7.9 No food, drink, chewing gum, or personal medications are allowed within production areas.

8.0 STANDARD PROTECTIVE EQUIPMENT

8.1 Employees whose primary job responsibilities are performed within the production area shall have task appropriate plant dedicated shoes that do not leave the facility. Plant-dedicated shoes are the only shoes permitted uncovered within the production area. Any individual wearing shoes that are not plant-dedicated must use disposable shoe covers within the production area.

8.2 Dedicated plant shoes must be covered with disposable shoe covers upon leaving the production area for any breaks (eg restroom break), and upon leaving work for the day must be stored, covered with disposable shoe covers, in employee lockers.

8.3 Protective equipment is required for some operations within the production area. Rooms in which PPE is required for operating conditions will be identified.

8.4 Follow batch record instructions for disposal of gloves during the harvesting/machine cleaning steps for reconciliation purposes.

8.5 Refer to SOP-018, Hazard Assessment and Communication, for further discussion on use of PPE and descriptions of task-specific PPE.

9.0 EMERGENCY SITUATIONS

9.1 In the event of an emergency, such as a fire alarm, do not degown. Leave the building in an orderly manner by proceeding to the nearest exit and continuing to the designated meeting area.

9.2 Do not de-gown outside the building unless directed to do so by a manager or supervisor.

9.3 When given the all-clear to re-enter the building, go directly to locker rooms.

9.3.1 If hairnets or other disposable gowning items were worn outside, dispose of properly.

9.3.2 If overgarments were worn outside, remove them and place in appropriate receptacle for soiled overgarments.

9.4 Following an emergency situation, re-gown as required to return to normal operations.

Exhibit C.X.9 SOP-009 Pest Control

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Function	Approval		Date
	Print	Signature	
Operations			
Compliance			

REVISION CONTROL TABLE

Rev. #	Description of Changes	Author	Date
1	Initial Release	P. Rafa	

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Document No: SOP-009	Revision: 1

1.0 PURPOSE

This SOP describes the process and procedural requirements of the Pest Control Program for the Labs medicinal cannabis production facility.

2.0 SCOPE

This procedure applies to the pest control activities for the Labs facility.

3.0 REFERENCES

3.1 F-SOP-009-1 – Pest Control Record

3.2 F-SOP-009-2 – Pest Activity Record

4.0 RESPONSIBILITY

4.1 Management is responsible for:

4.1.1 Monitoring the Pest Control Program and ensuring records are maintained.

4.1.2 Contracting with and training the designated pest control vendor on required site procedures

4.1.3 Assisting in investigation in incidences of pest intrusion inside the production facility

4.2 The Quality Unit is responsible for

4.2.1 Conducting periodic audits of the Pest Control Program to occur at a minimum, annually

4.2.2 Assisting in investigation in incidences of pest intrusion inside the production facility

4.3 All employees are responsible for following the procedures of the Pest Control Program.

4.4 The designated pest control vendor is responsible for:

4.4.1 Keeping a log of all inspections and submitting this log to Agricare Labs Management. The logbook should have a dated facility layout mapping the location of all traps, insect lights, and glue boards

4.4.2 Perform emergency visits in the case of pest sitting and infestation

4.4.3 Empty, clean, and reset insect and rodent traps on a regular basis

4.4.4 Providing MSDS to Labs for any pesticides, rodenticides, insecticides, and/or fungicides in advance of use

4.4.5 Understanding and following this procedure when performing activities within the Labs production facility

Standard Operating Procedure Pest Control Program		Page 4 of 7
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5.0 BACKGROUND

Manufacturing of medicinal cannabis and derivative products requires control of the production environment. Part of that control is the implementation and adherence to a Pest Control Program.

6.0 DEFINITIONS

6.1 MSDS – Material Safety Data Sheet

7.0 PEST CONTROL PROCEDURES

7.1 Background

7.1.1 Pest Control services for the Labs facility are performed by a licensed third-party pest control vendor and/or designated Labs employees.

7.1.2 All pest trap locations must be identified in Appendix 1 – Pest Control Location Diagram. They must be placed in floor locations that permit easy inspection.

7.1.3 Bait stations for rodents shall not be used inside the production facility. Bait stations may be placed outside the building if other rodent control methods are not adequate.

7.1.4 All personnel must report any observed pest activities to Management immediately using Form F-SOP-009-2, Pest Activity Record.

7.2 Formal Inspections

7.2.1 The facility will be inspected twice monthly in areas identified in Appendix 1, Figure 1.

7.2.2 Inspection will follow procedures issued by the pest control vendor.

7.2.3 The pest control vendor must complete Pest Control Record (Form F-SOP-009-1) issued by Labs and return it to Labs Management.

7.2.4 Labs Management to review Pest Control Record with the Quality Unit.

7.2.5 If pest activity is found in the Labs production facility, Management and the Quality Unit must decide on a corrective action plan. An investigation must be opened per SOP-004, "Quality Events".

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Appendix 1 – Figure 1 – Pest Control Location Diagram

NOTE – Diagram in Process

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FORM F-SOP-009-1 – Pest Control Record **Page ____ of _____**

Pest/Rodent Company Used* or Self	Date of Service or Action Taken	Type of Pest	Type of Control**	Location of Traps	Traps Checked (date)	Checked by (name)	Disposal Means

*If using a company for service, attach report or receipt of service for each of their visits.

**List type of control methods used such as exclusion, traps, poison, repellants, etc.

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FORM F-SOP-009-2 – Pest Activity Record **Page ____ of _____**

Location	Date	Time	Observed Pest Activity	Observed By (Print Name)

Exhibit C.X.10 SOP-018 Hazard Assessment and Communication

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Document No: SOP-018	Revision: 1	

Function	Approval		Date
	Print	Signature	
Operations			
Compliance			

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Rev. #	Description of Changes	Author	Date
0	Application Draft	M.Feighery-Ross	

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Document No: SOP-018	Revision: 1	

1.0 PURPOSE

This SOP defines the requirements for hazard assessment and communication within the Illinois Production facility.

2.0 SCOPE

This procedure applies to the assessment and communication of personal safety hazards and occupational hazards within the Illinois Company workplace.

3.0 REFERENCES

3.1 29 CFR 1910.132

3.2 OSHA 3151-12R – Personal Protective Equipment

4.0 RESPONSIBILITY

4.1 Management is responsible for performing and documenting the hazard assessment of the work site and processes, for effectively communicating hazards to employees and for ensuring availability of appropriate PPE to employees and training for the use of PPE. Management (or designee) is responsible for maintaining a library of Safety Data Sheets for all chemical products used on site.

4.2 All employees (regular and temporary), contractors and visitors are responsible for observing all safety precautions and following the PPE requirements defined in this procedure, posted in locations where hazard conditions may be present, and/or communicated during training activities. Employees are responsible for reviewing the Safety Data Sheet(s) of any chemical product with which they are working.

4.3 Personal safety is everyone's responsibility. It is expected that anyone observing a hazard or potential hazard notify supervisors and/or the Health and Safety representative.

4.4 The Illinois Company is responsible for providing or compensating employee purchase of some types of PPE as required by Federal Law (21 CFR 1910.132(h))

5.0 BACKGROUND

The Illinois Company strives to provide a safe work environment for all employees. There are some safety risks inherent to commercial medical cannabis (and derivatives) production processes, and this SOP delineates steps to be taken to assess these risks, and to communicate them effectively with employees to facilitate a safer working environment.

Standard Operating Procedure Hazard Assessment and Communication		Page 4 of 5
Document No: SOP-018	Revision: 1	

6.0 DEFINITIONS

6.1 Personal protective equipment (PPE) is specialized equipment worn to minimize exposure to a variety of hazards.

6.2 Safety Data Sheets (SDS) provides workers with procedures for handling a particular substance in a safe manner, and includes chemical and physical information, storage and disposal, protective equipment and spill handling procedures.

7.0 WORKPLACE HAZARD ASSESSMENT

7.1 All facilities, processes and equipment of the Illinois Company's production must be formally assessed as to the inherent safety hazard(s).

7.2 Safety hazard assessment may be performed by process, with each room and item of process equipment included; or may be performed by room, with each process step and item of equipment within included.

7.3 Safety hazard assessment includes assessment of physical hazards such as crushing, pinching or slipping, chemical hazards for exposure by contact or inhalation, electrical hazards, and specific hazards to hearing and eyes.

7.4 Safety hazard assessments must be documented in writing and records retained until superceded.

7.5 Response to the safety hazard assessment is to select and to have each affected employee use the types of PPE that will protect, as possible, the affected employee from the hazards.

8.0 HAZARD COMMUNICATION

8.1 Rooms that house operations for which PPE is required have notices at the entrances, and dispensers for disposable PPE (e.g.: gloves, hearing protection) where necessary.

8.2 When special PPE is required for a production step or for a specific piece of production equipment, it will be listed within the Work Instruction, Batch Record, or Operating SOP for the equipment.

8.3 Training will be provided to employees on when and/or where to use PPE, what PPE is necessary, proper wear, fit, adjustment, and cleaning of PPE, and the limitations of PPE.

8.4 Safety Data Sheets (SDS) shall be physically available on-site for all chemicals present and in-use on-site. Employees shall be specifically notified the storage location of SDS and encouraged to become familiar with safety information for any chemical they may become exposed to.

8.5 Special equipment hazards, e.g. pinch points or hot surfaces, will have warning labels.

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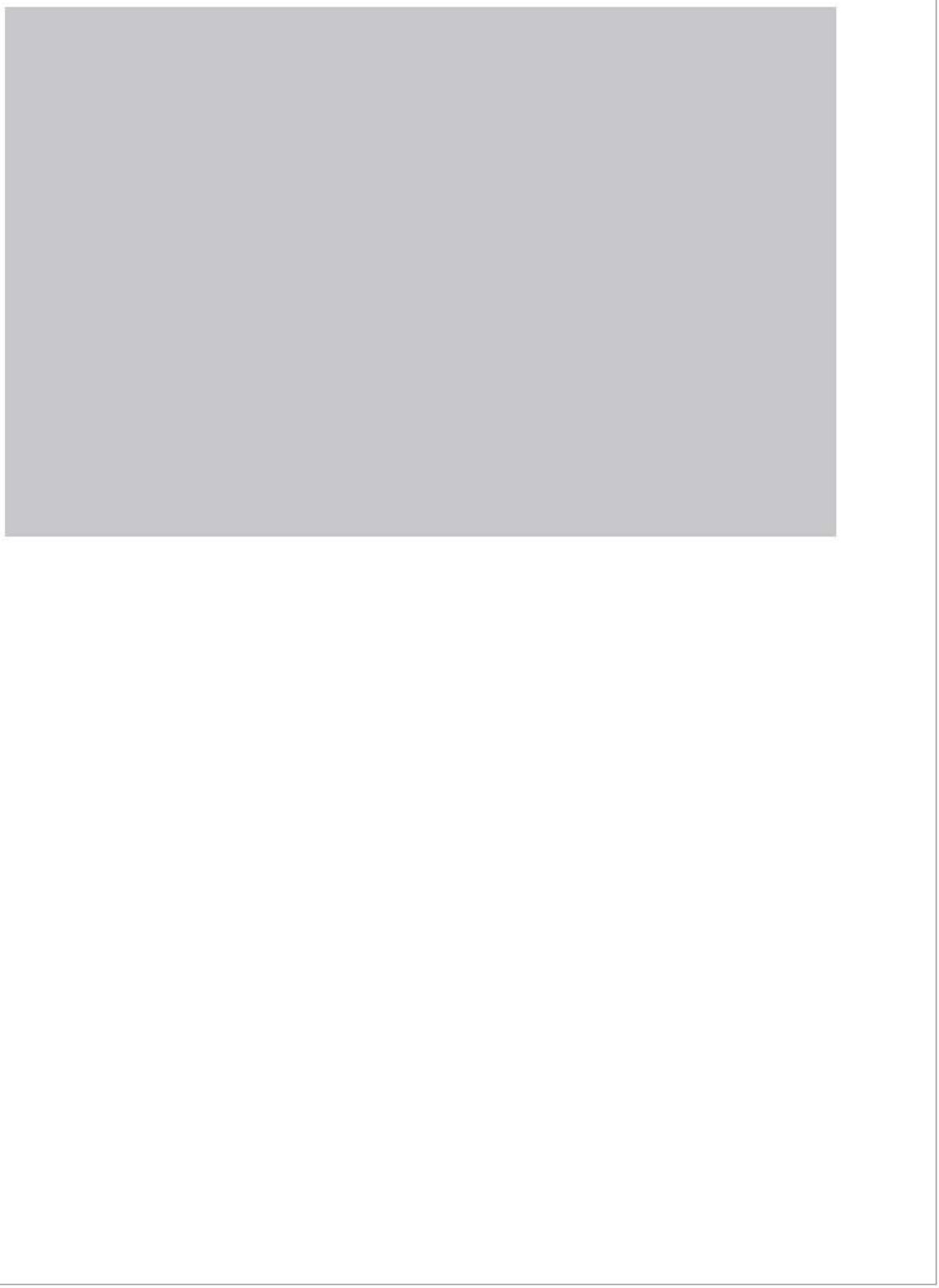
Exhibit C.X.11 SOP-019 Security



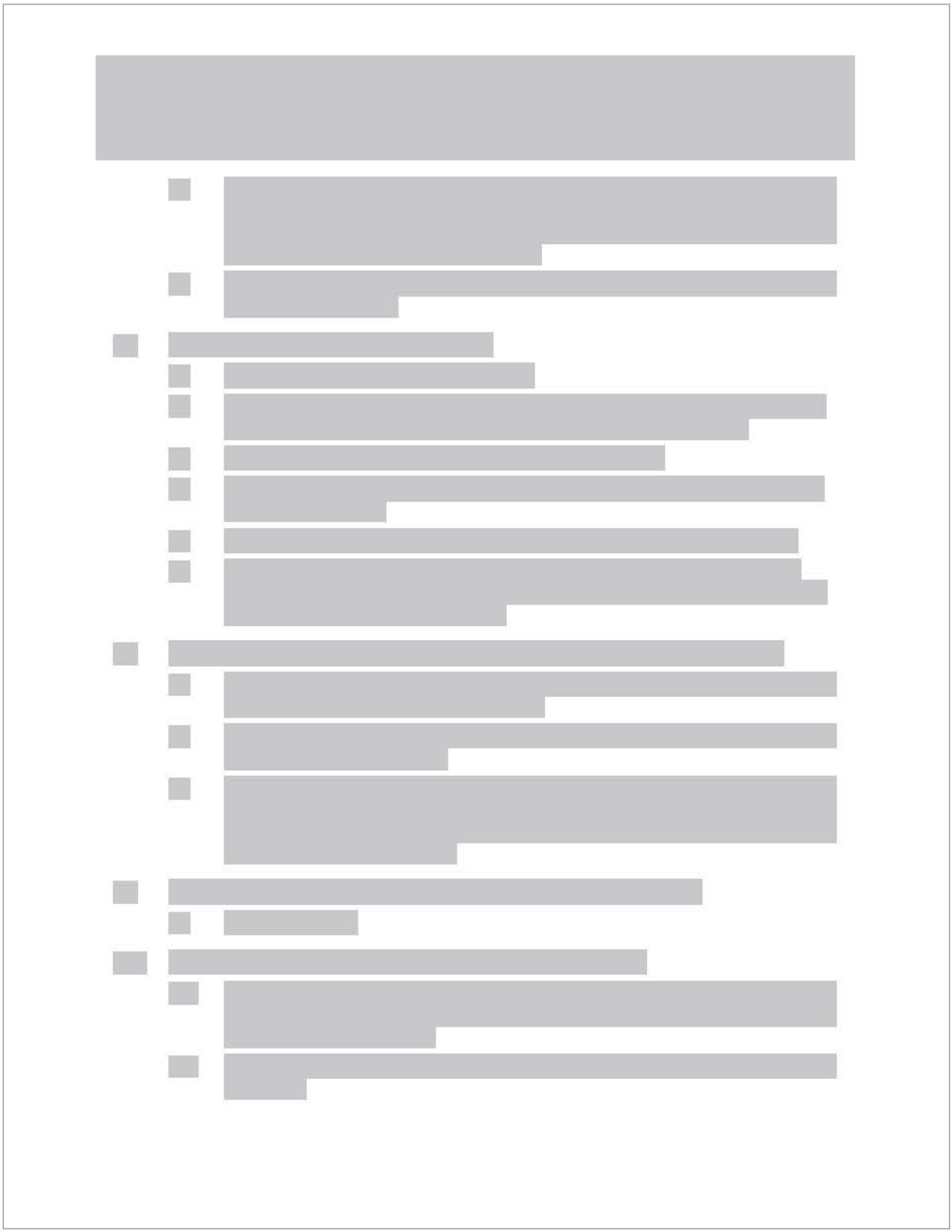


Exhibit C.X.12 SOP-020A Cultivation through Drying

Standard Operating Procedure Batch Record Issuance, Execution, and Completion – Cultivation through Drying	Page 1 of 15
Document No: SOP-020-A	Revision: 1

Function	Approval		Date
	Print	Signature	
Growing	Jonathan Lane		
Packaging	Scott Turner		
Compliance	Tim Bliss		

REVISION CONTROL TABLE

Rev. #	Description of Changes	Author	Date
1	Initial Release	P. Rafa	05APR14

Standard Operating Procedure Batch Record Issuance, Execution, and Completion – Cultivation through Drying	Page 2 of 15
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Document No: SOP-020-A	Revision: 1

1.0 PURPOSE

To describe the process and procedure for maintaining the Batch Record Log, batch production process flow, and using the MJ Freeway Software application for batch completion through the Drying/Curing process.

2.0 SCOPE

The procedure applies to the production of all medical marijuana and derivative products at the Labs production facility.

3.0 REFERENCES

3.1 SOP-001 Quality Management System

3.2 SOP-002 Training Policy

3.3 SOP-010 Good Documentation Practices

3.4 FRM-010 Batch Record Log

4.0 RESPONSIBILITY

4.1 Management is responsible for ensuring that all production personnel are suitably trained on all applicable reference procedures

4.2 Management is responsible for ensuring that all production personnel adhere to the procedures described herein for obtaining, executing, and completing batch records.

4.3 Compliance is responsible for batch record issuance and maintenance of the batch record log and storage of batch record documentation.

4.4 All employees are required to comply with requirements defined in this procedure, as applicable to their duties within the facility.

5.0 BACKGROUND

Manufacturing, packaging, processing, storage and distribution of medicinal cannabis and derivative products is required by the State of Illinois to be subject to strict procedures intended to ensure that security and control of product is maintained at all times during the production process. The batch record is the key element that tracks medicinal cannabis and derivative products throughout the production life cycle in order to be able to provide documented evidence of the lack of adulteration, theft or diversion of marijuana product throughout the production process.

Standard Operating Procedure Batch Record Issuance, Execution, and Completion – Cultivation through Drying	Page 4 of 15
Document No: SOP-020-A	Revision: 1

6.0 DEFINITIONS

Not applicable.

7.0 MATERIAL REQUIREMENTS

N/A

8.0 BATCH RECORD ISSUANCE

8.1 Operations personnel provide Compliance with the following required Batch Identification Information:

8.1.1 Quantity of Input Material (clones, seeds)

8.1.2 Strain Name

8.2 Compliance obtains the Batch Record Log and creates an entry for the batch using the next available Batch #. The Batch #, Strain Name, and Lot #, as well as the Start Date (same day the Batch Record Log item is initiated) are recorded at the start of batch processing.

8.3 Compliance creates a Batch History File for the batch so that in-process documentation and final MJ Freeway Reports can be compiled and stored.

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9.0 BATCH RECORD EXECUTION

Note: The MJ Freeway Software application is installed on portable electronic devices for use in the facility. Permissions as well as user names and passwords are controlled by the system administrator. For any issues accessing the application, contact the system administrator.

The software utilizes a cloud-based server for batch information storage.

MJ Freeway Global Instructions:

- The software is split into two operations –Growing and Packaging. All steps prior to 3rd party laboratory sampling are performed in the Grow operation, and all subsequent steps are performed in the Packaging operation. These operations are accessed by a drop down menu at the top of the screen after successful login.
- Any time cannabis material is moved between different rooms, it must be recorded on MJ Freeway using the Grow/Plants/Manage Plants pathway.
- Any step involving a quantification of cannabis material (seed/clone count, plant death, non-viable seed/clone, determination of male plant, weight of waste, unfinished, or finished product, etc.) requires two-person verification. Double verification is performed by affixing a Note at the time the quantification is made.

9.1 Start of Batch Procedures

9.1.1 Horticultural Staff Procedures

9.1.1.1 Label each growth medium unit (cube) with the Batch #.

9.1.1.2 Prepare the growth medium for germination.

9.1.1.3 If using seeds, plant the seeds into the growth medium. Skip to step 9.1.1.8.

9.1.1.4 If using clones, use a sterile razor blade or small scissors to cut a piece of stem and leaf from the mother plant.

9.1.1.5 Dip the cut end into rooting hormone solution/gel. If no mist clone starter is to be used, skip to step 9.1.1.7

9.1.1.6 If using a mist clone starter, place cuttings into the mist clone starter. When clone starts have sprouted roots, proceed to step 9.1.1.7.

9.1.1.7 Plant the clone starts into the growth medium.

9.1.2 Compliance Staff Procedures – MJ Freeway

9.1.2.1 Access the following website on the portable electronic device: https://i.gomjfreeway.com/. The login screen appears.

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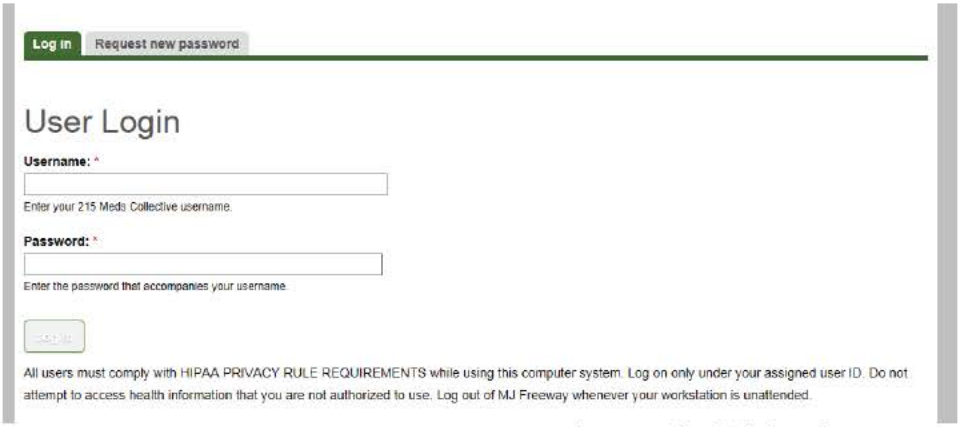
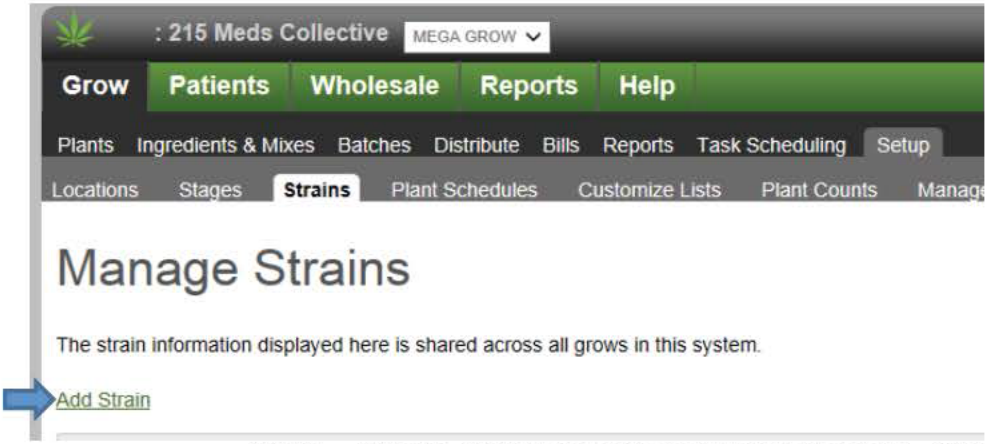


9.1.2.2 Enter your user name and password and click Login.

9.1.2.3 Select Growing from the Locations drop down menu. Click Save Settings.

9.1.2.4 Select the pathway Grow/Setup/Strains. Click on Add Strain to enter a new strain.



9.1.2.5 Enter the Strain Name and leave blank all other fields. Click Save.

9.1.2.6 Select the pathway Grow/Plants/Add Plants. Click on Add Single Plant. Note: A single plant represents the batch

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container the entire quantity of individual plants within the batch.

9.1.2.7 Enter the Plant ID using the batch # from the Batch Record Log as the entry.

9.1.2.8 Enter the Plant Origin. Select Seed or Clone as appropriate.

9.1.2.9 Enter the room in which Seed or Clone Propagation will occur from the drop down menu.

9.1.2.10 Enter the current Stage from the drop down menu.

9.1.2.11 Enter grow medium from the drop down menu. Select Hydro for Rock Woll applications.

9.1.2.12 Leave the Gender field blank.

9.1.2.13 Enter the Strain from the drop down menu.

9.1.2.14 Click on Mother if it is known that this batch will be used as a Mother plant. Do not Click on Mother by default.

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9.1.2.15 Leave the Assign by Patient Caregiver and Patient fields blank.

9.1.2.16 In the Group field, enter the number of seeds or clones selected for processing.

9.1.2.17 Click Save to save all information.

9.2 Seeding/Cloning Propagation Procedures

9.2.1 Horticultural Staff Procedures

9.2.1.1 Provide nutrient/water feeding per horticultural staff instruction.

9.2.1.2 If at any point in time the batch is moved between rooms, contact the Compliance department for record keeping on MJ Freeway.

9.2.1.3 If at any point there is a reduction in the number of seeds/clones, contact the Compliance department for record keeping on MJ Freeway.

9.2.1.4 After Compliance enters the number of viable seeds/successful clone starts, monitor the seedling roots.

9.2.2 Compliance Staff Procedures – MJ Freeway

9.2.2.1 If contacted by Horticultural Staff in the event of a transfer of cannabis product between production facility rooms, document the change using the Grow/Plants/Manage Plants path.

Select the appropriate batch and change the location using the drop down menu. Click Add Note on the right hand side of the screen. Provide a justification for the change and click Add Note Now to save the note. Typical reasons for change in location are environmental conditions, room/area cleaning, among others).

9.2.2.2 If contacted by Horticultural Staff in the event of a change in lot size, document the change using the Grow/Plants/Manage Plants path. In the ID search field, search the batch number of the impacted batch. Once the impacted batch is presented on the screen, click on the Group field within the row for the batch. Enter the new lot size number. Ensure that the new Group number is saved by verifying a green check mark appears after entry (you need to either click Tab or click on a blank space on the screen to ensure the entry is saved). Select the appropriate batch. Scroll down and click Add Note on the right hand side of the screen. Provide a justification for the change in lot size, and provide the name of a second individual whom verified the change and click Add Note Now to save the note. Typical reasons for changes in lot size include non-viable seeds/clones, plant death, male plant determination, among others).

9.3 Vegetative Growth Procedures

9.3.1 Horticultural Staff Procedures

9.3.1.1 Ensure each growth medium unit (cube) is labelled with the batch.

9.3.1.2 Transfer rooted seedlings into larger growth medium as advised by Senior Horticultural Staff. Ensure the larger growth medium is labelled with the batch #.

9.3.1.3 Provide nutrient/water feeding per horticultural staff instruction. Plants in vegetative growth step are placed under 18-24 hour light conditions using High Pressure Sodium Light and/or High Output T-5 Fluorescent Lighting Plant maintenance includes trimming. Plant waste during this step is to be sent to Quarantine area prior to destruction. Label the waste container with a Drug Waste label.

9.3.1.4 If at any point in time the batch is moved between rooms, contact the Compliance department for record keeping on MJ Freeway.

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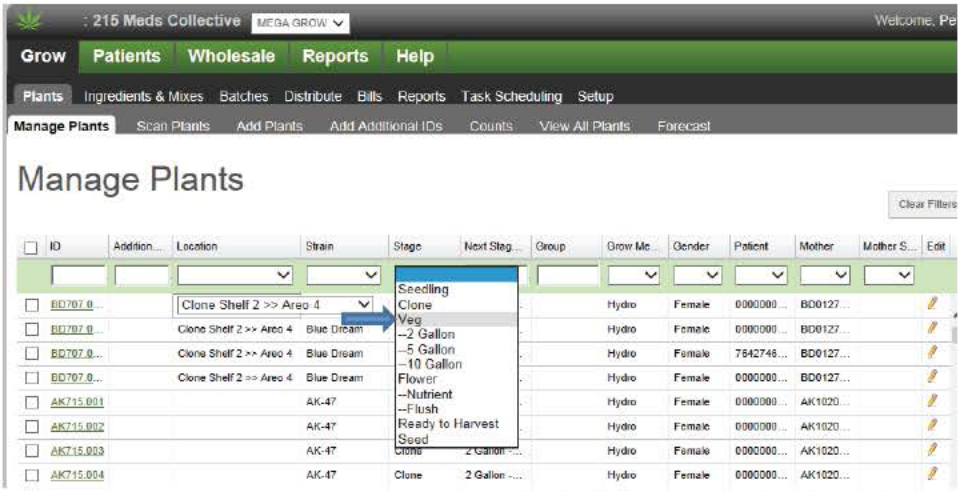
9.3.1.5 If at any point there is a reduction in the number of seeds/clones, contact the Compliance department for record keeping on MJ Freeway.

9.3.2 Compliance Staff Procedures – MJ Freeway

9.3.2.1 Upon start of vegetative growth stage, document the Stage change using the following path: Grow/Plants/Manage Plants. Select the Vegetative Growth item from the drop down menu and click Save.



9.3.2.2 See 9.2.2.1 for procedures to follow in the event of transfer of cannabis product between rooms.

9.3.2.3 See 9.2.2.2 for procedures to follow in the event of a change in lot size.

9.4 Flowering Procedures

9.4.1 Horticultural Staff Procedures

9.4.1.1 Provide nutrient/water feeding per horticultural staff instruction. Plants held in flowering step receive 12 hours on/12 hours off lighting with high pressure sodium light. Plant maintenance includes trimming. Plant waste during this step is to be sent to Quarantine area prior to destruction. Label the waste container with a Drug Waste label. Gloves must be disposed of into appropriate waste container.

9.4.1.2 If at any point in time the batch is moved between rooms, contact the Compliance department for record keeping on MJ Freeway.

9.4.1.3 If at any point there is a reduction in the number of seeds/clones, contact the Compliance department for record keeping on MJ Freeway.

9.4.2 Compliance Staff Procedures – MJ Freeway

9.4.2.1 Upon start of flowering stage, document the Stage change using the following path: Grow/Plants/Manage Plants. Select the Flowering item from the drop down menu and click Save.

9.4.2.2 See 9.2.2.1 for procedures to follow in the event of transfer of cannabis product between rooms.

9.4.2.3 See 9.2.2.2 for procedures to follow in the event of a change in lot size.

9.5 Harvest Procedures

9.5.1 Horticultural Staff Procedures

9.5.1.1 Contact Compliance Staff to coordinate harvesting and MJ Freeway data entry.

9.5.1.2 Cut each plant at the base of the stock and weigh the plants. Work with the Compliance Staff to determine the weight of the entire batch of harvested plants.

9.5.1.3 Remove the fan leaves and flowers from the stem of the each plant ("shucking").

9.5.1.4 Gather all of the waste (fan leaves, stems, and strings) and work with Compliance Staff to weigh them. Affix a waste label for the collection container that lists the Strain, Batch #, and Net Weight. Seal the container and transport to the Quarantine area.

9.5.1.5 Unfinished product will be segregated into allocations for 3rd party lab analysis. Obtain instruction from the Supervisor as to how many segregations (Screens) are required for the batch. Gather each allocation and work with the Compliance Staff to weigh them. Place each allocation on a drying screen and transport to the Drying/Curing room.

9.5.1.6 If at any point in time the batch is moved between rooms, contact the Compliance department for record keeping on MJ Freeway.

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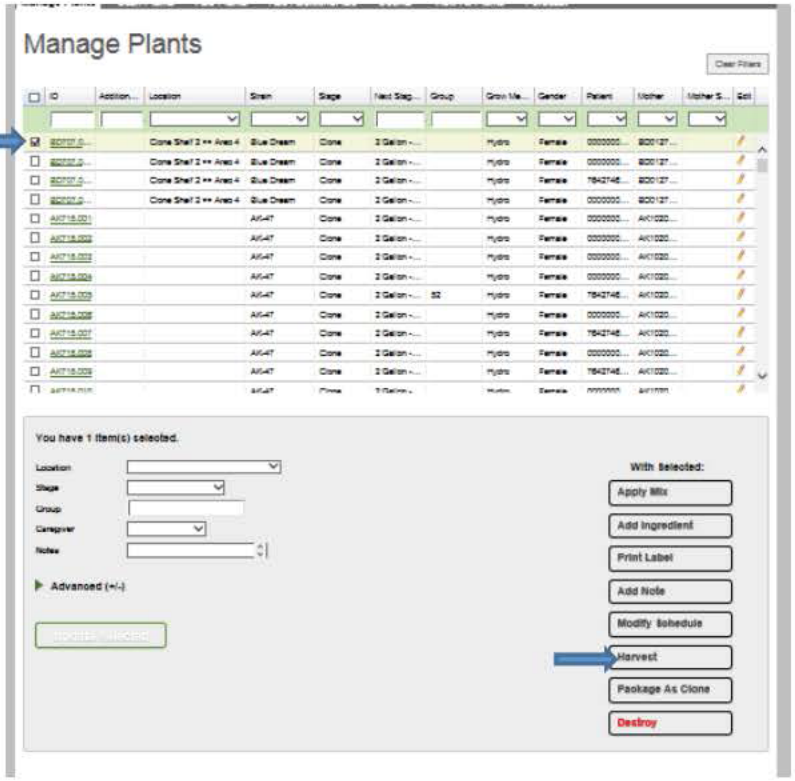
9.5.1.7 If at any point there is a reduction in the number of seeds/clones, contact the Compliance department for record keeping on MJ Freeway.

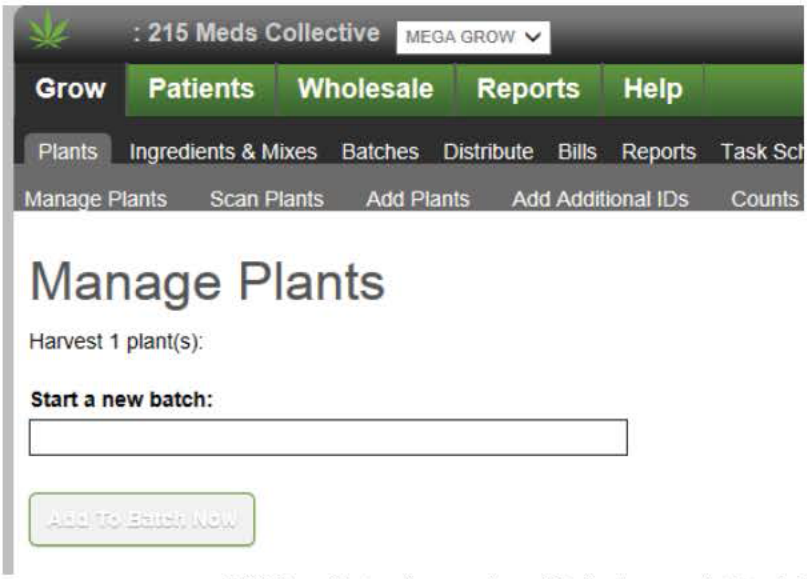
9.5.2 Compliance Staff Procedures – MJ Freeway

9.5.2.1 Note: MJ Freeway contains a Stage termed "Ready for Harvest". This Stage is not required to transition into Harvest, as it is anticipated that the Ready for Harvest determination will be communicated verbally and not through the software application.

9.5.2.2 When a batch is selected for Harvest, click the check box for the appropriate Batch ID, scroll down the page, and click Harvest.



The Start a New Batch field appears.



9.5.2.3 Enter the previous Batch # as maintained during previous processing and click Add to Batch Now.

9.5.2.4 It is now time to Harvest weight data. If required, follow the path Grow/Batches/Active Batches and select the appropriate batch.

9.5.2.5 Click on Batch Weights.

9.5.2.6 Harvest Wet Weight: In the Wet Weight Tab, enter the weight of the entire batch of harvested plants. Keep any spreadsheets or calculations made to determine the wet weight of the entire batch and place them in the Batch History Folder for the appropriate batch. Assign the batch to an appropriate personnel designee. Click on the Unfinished Product bubble. Click Submit. Click on Wet Weight is complete. Ignore the Screen drop down menu at this point.

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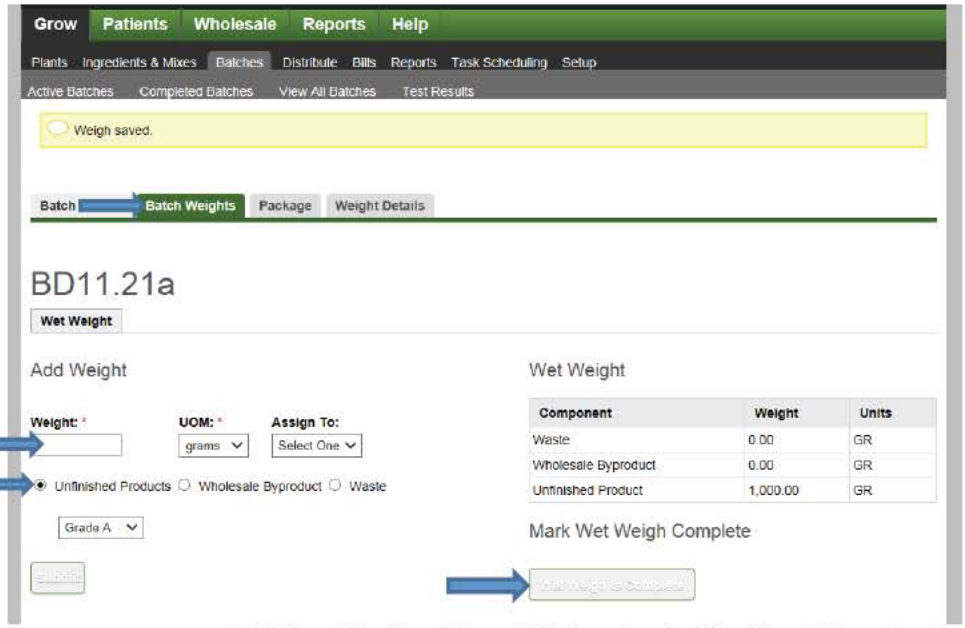

9.5.2.7 Shucking Waste Weight: In the Shucking Tab, entire the weight of the entire waste material from Step 9.5.1.3. Assign the batch to an appropriate personnel designee. Click on the Waste bubble. Click on Submit. Keep any spreadsheets or calculations made to determine the Shucking Waste Weight of the entire batch and place them in the Batch History Folder for the appropriate batch.

9.5.2.8 Shucking Unfinished Product Weight: In the Shucking Tab, unfinished product will be segregated into allocations for 3rd party lab analysis. Obtain instruction from the Supervisor as to how many segregations (Screens) are required for the batch.

9.5.2.8.1 In the Shucking Tab, entire the weight of the first unfinished product allocation from Step 9.5.1.4. Assign the batch to an appropriate personnel designee. Select Screen 1 from the drop down menu. Click on the Unfinished Product bubble. Click on Submit.

9.5.2.8.2 Repeat the previous step for each Unfinished Product allocation.

9.5.2.8.3 Note: Data entry errors for improper allocation to Screens can be corrected by adding or subtracting the mistaken entry from a particular screen and clicking on Submit.

9.5.2.9 See 9.2.2.1 for procedures to follow in the event of transfer of cannabis product between rooms.

9.5.2.10 See 9.2.2.2 for procedures to follow in the event of a change in lot size.

9.6 Drying Procedures

9.6.1 Horticultural Staff Procedures

9.6.1.1 Ensure that batch subdivisions are segregated appropriately. Label screens and netting as appropriate.

9.6.1.2 At the end of the Drying Stage, contact Compliance Staff to coordinate MJ Freeway data entry.

9.6.1.3 Obtain from the allocation to be split into Extraction Product and Raw Cannabis Product.

9.6.1.4 At the end of weighing, affix a label containing the Batch #, Product Type (Unfinished Product or Wholesale Byproduct) and Net Weight on the storage container. The allocations from different screens may be combined provided they are of the same Product Type and the Net Weight is updated appropriately.

9.6.2 Compliance Staff Procedures – MJ Freeway

9.6.2.1 At the end of drying, follow the pathway Grow/Batches/Active Batches. Select the appropriate batch. Click on the Dry tab.

9.6.2.2 Record the Dry Weight of the first Screen. Assign the batch to the appropriate personnel designee. Click on the Unfinished Product or Wholesale Byproduct bubble as directed by the Supervisor. Click Submit to complete the step.

9.6.2.3 Repeat the previous step for each screen.

9.6.2.4 Note: Data entry errors for improper allocation to Screens can be corrected by adding or subtracting the mistaken entry from a particular screen and clicking on Submit.

Exhibit C.X.13 SOP-020B Processing through QC Lab Analysis

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Function	Approval		Date
	Print	Signature	
Growing			
Packaging			
Compliance			

REVISION CONTROL TABLE

Rev. #	Description of Changes	Author	Date
1	Initial Release	P. Rafa	

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1.0 PURPOSE

To describe the process and procedure for maintaining the Batch Record Log, batch production process flow, and using the MJ Freeway Software application for batch completion from Batch Processing through QC Lab Analysis.

2.0 SCOPE

The procedure applies to the production of all medical marijuana and derivative products at the Labs production facility.

3.0 REFERENCES

3.1 SOP-001 Quality Management System

3.2 SOP-002 Training Policy

3.3 SOP-010 Good Documentation Practices

3.4 FRM-010 Batch Record Log

4.0 RESPONSIBILITY

4.1 Management is responsible for ensuring that all production personnel are suitably trained on all applicable reference procedures

4.2 Management is responsible for ensuring that all production personnel adhere to the procedures described herein for obtaining, executing, and completing batch records.

4.3 Compliance is responsible for batch record issuance and maintenance of the batch record log and storage of batch record documentation.

4.4 All employees are required to comply with requirements defined in this procedure, as applicable to their duties within the facility.

5.0 BACKGROUND

Manufacturing, packaging, processing, storage and distribution of medicinal cannabis and derivative products is required by the State of Illinois to be subject to strict procedures intended to ensure that security and control of product is maintained at all times during the production process. The batch record is the key element that tracks medicinal cannabis and derivative products throughout the production life cycle in order to be able to provide documented evidence of the lack of adulteration, theft or diversion of marijuana product throughout the production process.

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6.0 DEFINITIONS

Not applicable.

7.0 MATERIAL REQUIREMENTS

N/A

8.0 BATCH RECORD ISSUANCE

8.1 Operations personnel provide Compliance with the following required Batch Identification Information:

8.1.1 Quantity of Input Material (clones, seeds)

8.1.2 Strain Name

8.2 Compliance obtains the Batch Record Log and creates an entry for the batch using the next available Batch #. The Batch #, Strain Name, and Lot #, as well as the Start Date (same day the Batch Record Log item is initiated) are recorded at the start of batch processing.

8.3 Compliance creates a Batch History File for the batch so that in-process documentation and final MJ Freeway Reports can be compiled and stored.

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9.0 BATCH RECORD EXECUTION

Note: The MJ Freeway Software application is installed on portable electronic devices for use in the facility. Permissions as well as user names and passwords are controlled by the system administrator. For any issues accessing the application, contact the system administrator.

The software utilizes a cloud-based server for batch information storage.

MJ Freeway Global Instructions:

- The software is split into two operations –Growing and Packaging. All steps prior to 3rd party laboratory sampling are performed in the Grow operation, and all subsequent steps are performed in the Packaging operation. These operations are accessed by a drop down menu at the top of the screen after successful login.
- Any time cannabis material is moved between different rooms, it must be recorded on MJ Freeway using the Grow/Plants/Manage Plants pathway.
- Any step involving a quantification of cannabis material (seed/clone count, plant death, non-viable seed/clone, determination of male plant, weight of waste, unfinished, or finished product, etc.) requires two-person verification. Double verification is performed by affixing a Note at the time the quantification is made.

9.1 Processing Procedures (Homogenization, Trimming, Extraction)

9.1.1 Horticultural Staff Procedures

9.1.1.1 Upon instruction from the Supervisor, collect the product container selected for processing and transport to the processing room. Contact Compliance Staff to record the transfer in MJ Freeway.

9.1.1.2 If directed by Supervisor, collect samples for internal laboratory analysis and label the sample container with the net weight of sample taken and the Batch #. Contact Compliance Staff to perform MJ Freeway data entry.

9.1.1.3 Prior to using the processing equipment, ensure that the machine is cleaned and documented as clean in the equipment logbook. If the equipment is not clean, or no logbook entry indicating equipment cleaning is present, clean the equipment per the appropriate cleaning SOP.

9.1.1.4 Operate the processing equipment per appropriate SOP. At the end of processing, contact the Compliance Staff to perform MJ Freeway data entry.

9.1.1.5 Clean the processing equipment. Note: Cleaning materials (gloves, towels, etc.) will contain active pharmaceutical ingredient after cleaning. All cleaning waste from the fine homogenization equipment must be placed into a waste bag and disposed of in the medical waste bin.

9.1.2 Compliance Staff Procedures – MJ Freeway

9.1.2.1 Record the weight of internal laboratory samples as applicable by adding a Note to the Batch Record.

9.1.2.2 At the end of processing, follow the path Grow/Batches/Active Batches.

9.1.2.3 Select the appropriate batch.

9.1.2.4 Click on the Grinding tab.

9.1.2.5 Enter the weight of the processed material. Assign the batch to an appropriate personnel designee. Ensure the Unfinished Product bubble is selected. Click Submit.

9.2 Preparation of In Process Packaging for 3rd Party Laboratory

9.2.1 Horticultural Staff Procedures

9.2.1.1 Upon instruction from Supervisor, determine number of intermediate unfinished product packages required for 3rd party laboratory samples. Background: The 3rd party laboratory has restrictions on the size of a sample population from which a single laboratory sample may be taken.

9.2.1.2 Divide the homogenized product into allocations meeting the 3rd party laboratory sample size requirement. Work with the Compliance Staff to

ensure weight information is recorded on MJ Freeway.

9.2.1.3 After Compliance Staff have finished MJ Freeway data entry, label and transfer the intermediate bulk product containers to the Pending Laboratory Testing section of the Vault. Contact a Supervisor for Vault access.

9.2.2 Compliance Staff Procedures – MJ Freeway

9.2.2.1 Follow the path Grow/Batches/Active Batches. Click on the Package tab.

9.2.2.2 Ensure the Finished Product Bubble is selected.

9.2.2.3 Ensure the Bulk tab is highlighted.

9.2.2.4 Leave the Package ID and Additional ID fields blank. The Package ID will be automatically populated by the software.

9.2.2.5 Enter the weight of the first homogenized raw cannabis allocation from Step 9.2.1.2. Ensure the units (UMO) is in grams.

9.2.2.6 After the cannabis allocation is placed into an intermediate bulk container, record the weight of the package in the Gross Weight field.

9.2.2.7 Click on Create Package.

9.2.2.8 Repeat the previous three steps for each homogenized product allocation from Step 9.2.1.2.

9.2.2.9 The intermediate packages must be distributed at this point in the software. Follow the path Grow/Distribute/Distributions.

9.2.2.10 Click on Create Distribution. The Create Grow Distribution page opens.

9.2.2.11 Perform the following steps:

9.2.2.11.1 Enter the Batch ID.

9.2.2.11.2 Change the Status to In Transit.

9.2.2.11.3 Check the box for Transfer to GramTracker.

9.2.2.11.4 Scroll to the bottom of the page and enter the Package ID (from 9.2.2.4) and Gross Weight from the previously filled out Package Tab.

9.2.2.11.5 Click Save.

9.2.2.12 The intermediate packages are at this point ready to be transferred to the XXXXX Packaging portion of the MJ Freeway software.

9.3 Labelling of Homogenized Product Packages Pending 3rd Party Lab Analysis

9.3.1 Horticultural Staff Procedures

9.3.1.1 After Compliance Staff have finished MJ Freeway data entry and label printing, label and transfer the intermediate bulk product containers to the Pending Laboratory Testing section of the Vault. Contact a Supervisor for Vault access.

9.3.2 Compliance Staff Procedures – MJ Freeway

9.3.2.1 Access the XXXXX Packaging portion of the software. Login to the software and select XXXXX Packaging from the Locations tab, or if already logged in, select XXXXX Packaging from the top drop down menu.

9.3.2.2 Go to the In-Transit Inventory by following the path Inventory/Receive Transfers. Click Receive Now. A message that the items must be mapped to items at the location appears.

9.3.2.3 The strain should automatically populate the field. If it does not, it indicates that the strain name entered does not match 100% to the strain database on the software. Select the correct strain from the drop down menu in this scenario.

9.3.2.4 Click Receive Now. The Active Purchase Order screen will appear.

9.3.2.5 Scroll down to the Product Name section. Check on the Repkg check box and enter the net weight into the Rcvd Net MMJ weight field.

9.3.2.6 Select Pending Test for the Storage Location. Print each package label and provide to the Horticultural Staff to affix to the package.

9.3.2.7 Click Save at the bottom of the screen.

9.3.2.8 Follow the path Inventory/Bulk Inventory. Select the proper strain by clicking on the title.

9.3.2.9 Click on the Inventory Tab for the strain.

9.3.2.10 Under the Operations column, click on Edit.

9.3.2.11 Scroll down to the Lot Number field and enter a suffix for the Batch Number, i.e., for Batch #1 with 5 allocations, enter .1, .2, ….5.

9.3.2.12 Now the subdivided packages must be linked to a Parent Batch.

9.3.2.12.1 Click on the Batch title.

9.3.2.12.2 Click on the Batch Parent Tab.

9.3.2.12.3 Click Add Parent.

9.3.2.12.4 Enter the Batch #, and ensure to click on the value that arrives in a scroll down menu. Ensure that the node [nid xxx] appears in the entry field.

9.3.2.12.5 Enter 1 into the Percentage field.

9.3.2.13 Repeat the previous 5 steps for each Package within the Batch subdivision.

9.3.2.14 Print each package label and provide to the Horticultural Staff to affix to the package.

9.4 3rd Party Lab Sampling and Inventory Adjustment

9.4.1 Horticultural Staff Procedures

9.4.1.1 None.

9.4.2 Compliance Staff Procedures – MJ Freeway

9.4.2.1 When the 3rd Party Lab analyst is prepared to take samples, login to the MJ Freeway application.

9.4.2.2 Select the XXXXX Packaging Location.

9.4.2.3 Follow the path Inventory/Bulk Inventory.

9.4.2.4 Click on the title of the bulk product being sampled.

9.4.2.5 From the Inventory Tab. Click on Adjust for the Package ID being sampled.

9.4.2.6 For Action, select "Remove From Inventory" from the drop down menu.

9.4.2.7 Enter the sample weight in the field provided.

9.4.2.8 Select Lab Sample from the Adjustment Reason drop down menu.

9.4.2.9 In the Adjustment Notes field, enter the company name and identification of the lab personnel taking the samples.

9.4.2.10 Click on Apply Adjustment to finalize the adjustment.

9.5 Receipt of 3rd Party Lab Test Results

9.5.1 Horticultural Staff Procedures

9.5.1.1 If laboratory analysis testing failed any of microbiological, mycotoxins, heavy metals, and chemical residue analysis) the entire batch is to be disposed of as medical waste. Place a medical waste label on the intermediate bulk container and send to the drug waste area within the Quarantine area.

9.5.1.2 If laboratory analysis passed all testing, affix a Green "Ready for Packaging" label. This label is not an MJ Freeway label, but rather a standard home office supply store label.

9.5.1.3 After receipt of passing lab results, the packages must be weighed to determine current weight (evaporation and diffusion could lower product weight during lab sampling and result receipt period). Work with Compliance Staff to weigh the package and record the new Gross and Net Weight on the "Ready for Packaging" label. Ensure the Batch and Allocation Subdivision information is included on the label.

9.5.2 Compliance Staff Procedures – MJ Freeway

9.5.2.1 Upon receipt of the lab results, the results must be entered into the MJ Freeway software.

9.5.2.2 Select the XXXXX Packaging Location.

9.5.2.3 Follow the path Inventory/Test Results.

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9.5.2.4 Click on Add Test Results.

9.5.2.5 Enter the following information from the Lab Report.

9.5.2.5.1 Sample ID

9.5.2.5.2 Sample Date

9.5.2.5.3 Strain Name (Enter the Strain Name plus the Child Batch ID, for instance for Batch #2 of Strain Blue Dream, for the third product allocation, enter Blue Dream 2.3.)

9.5.2.6 Enter all lab results into the fields provided.

9.5.2.7 Click Save.

9.5.2.8 The Lab Results must then be attached to the Package ID for the sampled package within the software. Opening two browser windows will aid in this process to visualize Testing Result IDs.

9.5.2.9 Follow the path Inventory/Batch Inventory.

9.5.2.10 Click on the Title of the Strain.

9.5.2.11 Click on the Inventory Tab and Click on the appropriate Batch link.

9.5.2.12 Click the edit tab and add the Testing Result ID. The Testing Results ID inputted must match the Testing Result ID under Inventory Test Results.

9.5.2.13 Click Save.

9.5.2.14 File the hard copy of all laboratory testing results in the Batch History File.

9.5.2.15 After receipt of passing lab results, the packages must be weighed to determine current weight (evaporation and diffusion could lower product weight during lab sampling and result receipt period).

9.5.2.16 Select the XXXXX Packaging Location.

9.5.2.17 Follow the path Inventory/Reconcile.

9.5.2.18 Click on the Start A Reconciliation button.

9.5.2.19 On the bottom of the screen, click on the Use Mobile Version link.

9.5.2.20 Click on the Scan Tab.

9.5.2.21 Using either manual entry, or a Scanner, enter the Package ID on the label of the package to be weighed.

9.5.2.22 Hit Enter.

9.5.2.23 Enter the weight of the Package in the Gross Weight New Field.

9.5.2.24 In the Note field, have a second verifier record that the new values were verified. Input New Weight Verified, with the Verifier's name.

9.5.2.25 Record the New Gross and New Net Weight on the "Ready for Packaging" label.

9.5.2.26 Hit Confirm.

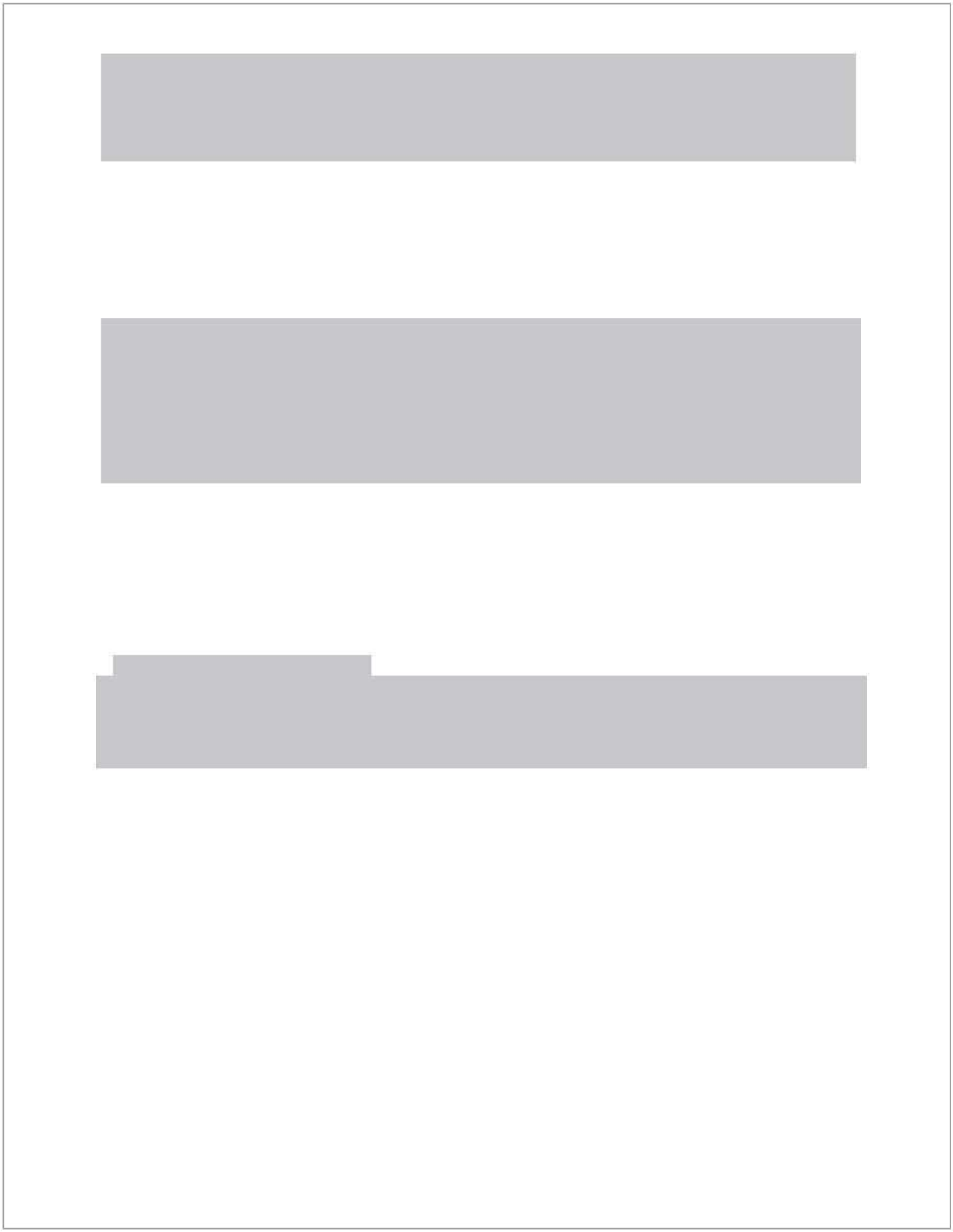
9.5.2.27 Repeat Steps 9.5.2.20 through 9.5.2.26 for each package to be weighed.

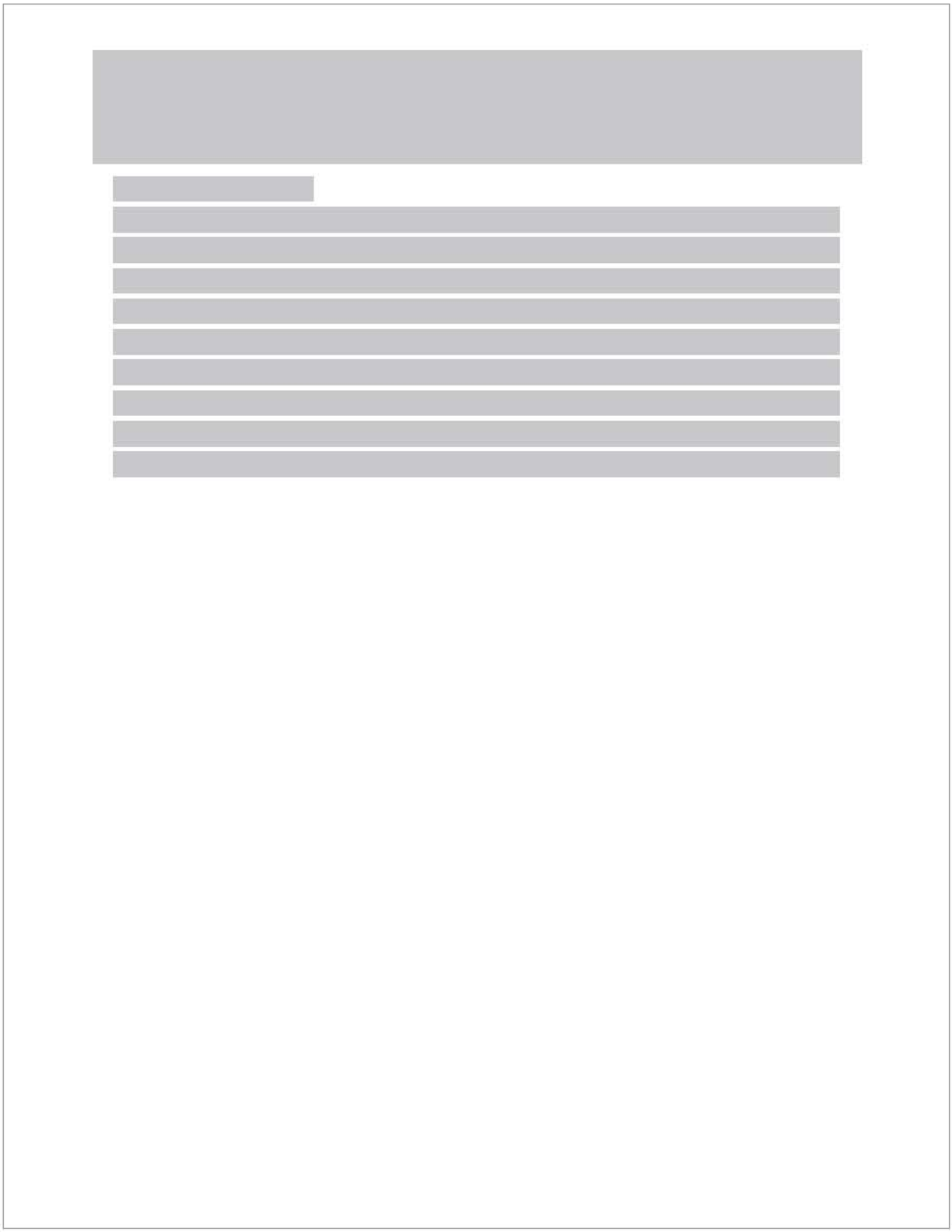
9.5.2.28 Click on the Use Desktop Site link.

9.5.2.29 Click on Save and View All Changes.

9.5.2.30 Review the adjustments made, and Click Save and Make These Adjustments.

Exhibit C.X.14 SOP-021 Quarantine and Destruction





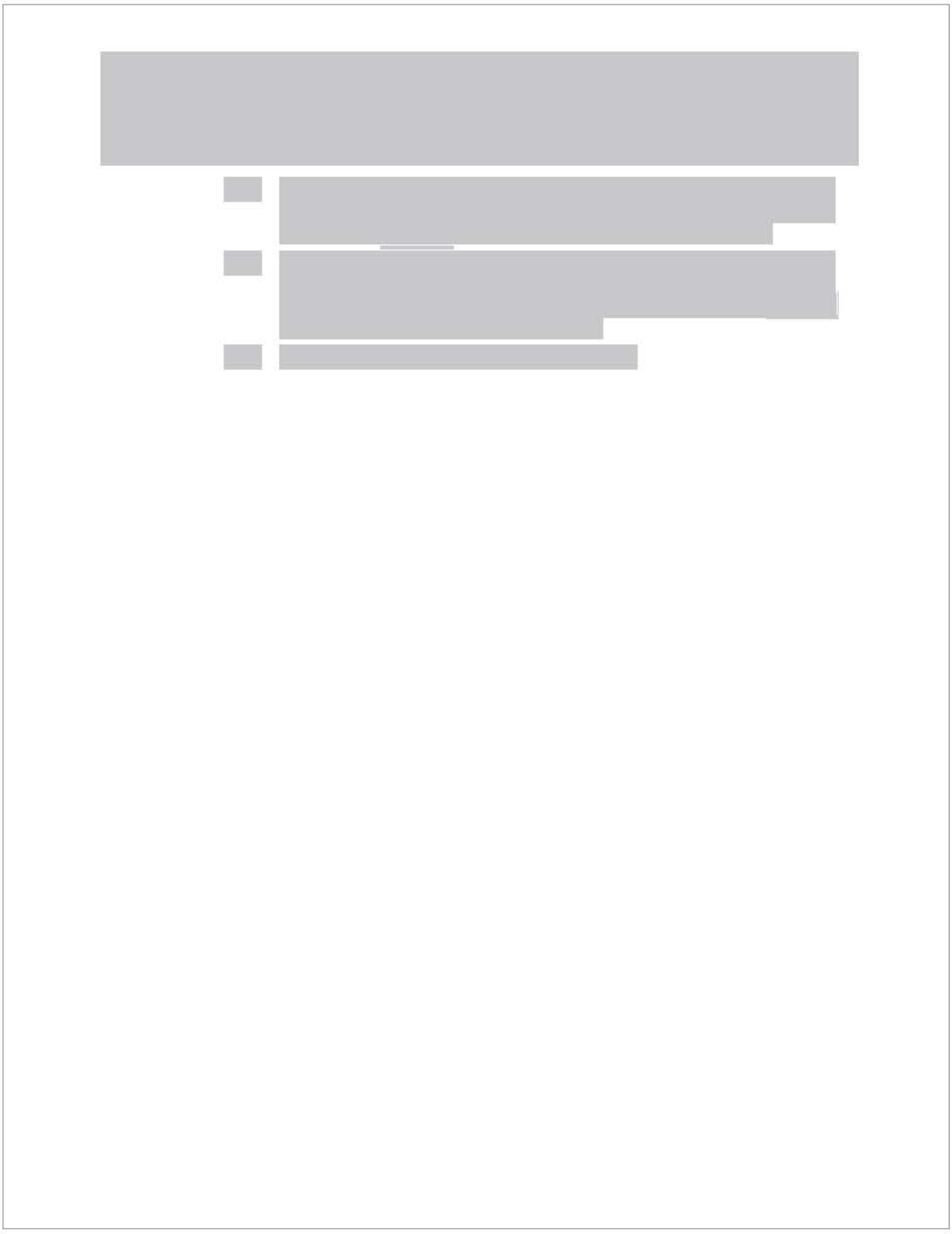


Exhibit C.X.15 SOP-022 Disposal of Non-Viable Seeds and Seedlings

Exhibit C.X.16 SOP-023 Disaster Plan

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Function	Approval		Date
	Print	Signature	
Operations			
Facilities			
Quality Assurance			

REVISION CONTROL TABLE

Rev. #	Description of Changes	Author	Date
0	Application Draft	M. Feighery-Ross	

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1.0 PURPOSE

This SOP defines the plan and procedures for disaster and/or other external emergency, in order to minimize damage and facilitate successful recovery from disaster for the Illinois Company Production facility. The plan and procedures will be coordinated with appropriate representatives of site Security, and when necessary with local Law Enforcement, Fire, and Community Emergency Response Teams.

2.0 SCOPE

This procedure applies to the Illinois Company production facility or grounds. Any person entering the facility is within the scope of this disaster plan SOP.

The Illinois Company facility may encounter a variety of emergencies which require immediate action to protect staff safety, maintain product security, and prevent loss or contamination of product. The following types of events require special preparation, emergency response, and recovery practices:

- Fire
- Weather emergencies (snow, flood, hurricane)
- Equipment failure and loss of backup power or HVAC
- Security threats

This document describes necessary steps to prepare, respond and recover from these and other contingencies. Following an emergency, the Quality and Operations groups will initiate investigations to evaluate in-process and/or stored product for quality impacts if they have encountered conditions of potential adverse impact.

3.0 REFERENCES

3.1 SOP-019 Physical Plant Security

4.0 RESPONSIBILITY

4.1 Management is responsible for ensuring that security procedures are properly performed, and that security requirements are clearly communicated and enforced. Management is also responsible for identifying and training select personnel in each working area or department for the Site Emergency Action Team.

4.2 Site Emergency Action Team (SEAT) members have additional responsibilities above and beyond those of other employees. SEAT members are responsible for evacuation headcounts, liason with emergency response personnel, and disseminating information to employees during emergency situations.

4.3 All employees (regular and temporary), contractors and visitors are responsible for following the emergency procedures defined in this plan, as applicable to their level of access within the facility, and for following instructions given by SEAT members and/or community Law Enforcement and First Responders.

4.4 Visitors are subject to special security procedures; and visitor conformance to security procedures is the direct responsibility of the employee escorting them.

5.0 BACKGROUND

Illinois Company's first priority during an emergency situation is personnel safety and security. Following that, product and facility security and control are mandated by the State of Illinois to be maintained at all times.

6.0 DEFINITIONS

6.1 N/A

7.0 GENERAL PRECAUTIONS AND PROCEDURES

7.1 Be familiar with emergency equipment and exits, in case visibility is obscured by smoke or power outage.

7.2 Keep hallways, walkways, emergency exits, and fire access areas clear. Do not store any items in such manner that it could block or impede access or egress in the event of an emergency.

7.3 Notify the SEAT member in your area if you have a (temporary or permanent) disability that may limit or impede your ability to evacuate the building in a timely manner. Assistance will be provided to enable you to evacuate safely.

7.4 During an emergency evacuation, all personnel should report to the assembly area to which they are assigned based upon their work area. If you are unable to access your assigned assembly area, check in with the SEAT member of the area most accessible, so that you are accounted for during the situation.

7.5 There will be a minimum of one unannounced emergency evacuation drill per year, coordinated with Site Security and the Fire Department.

8.0 EVACUATION PROCEDURE – ACTIVE PRODUCTION AREAS

8.1 Should an emergency occur which necessitates evacuation from part or all of the controlled production area, the following special actions should be taken if possible, but only if it is possible without compromising your safety:

8.1.1 Turn off equipment that has moving parts and/or heating elements (except HVAC) in the fastest safe manner, using the Emergency Stop button (if available), Stop or Off switch.

8.1.2 Stop running water taps and/or pumps to reduce the potential for overflows and spills.

8.1.3 Do not turn off lights in rooms with growing plants, unless specifically directed to do so.

8.1.4 Do not turn off any fans or HVAC equipment, unless specifically directed to do so.

8.1.5 Ensure that doors close behind you as you exit.

9.0 EXTREME WEATHER EMERGENCIES

9.1 Employees should consider local weather conditions and make all reasonable efforts to get to work, even if they arrive beyond their normal start hour. Any employee who is unable to get to work must call to advise their supervisor regarding their local situation.

9.2 Weather extremes are generally forecast in advance with 48-72 hours' notice prior to the event. If the forecast indicates severe weather, supervisors should evaluate shift assignments scheduled for the expected duration of the emergency. When feasible, supervisors will advance or delay assigned tasks to reduce labor requirements during the emergency, and will determine the minimum numbers of staff to fulfill minimum production requirements.

10.0 POWER OUTAGE / EQUIPMENT FAILURE

10.1 Illinois Company facility has an automatic generator cut-over that starts upon power failure. Production-critical equipment including lights and HVAC, is on emergency power. Office spaces are not powered in an emergency, except for emergency lighting fixtures. Generators are tested annually.

10.2 Should the generator cut-over fail to function during line power outage, or should it be damaged due to fire or the specifics of an emergency situation, notify Facilities Maintenance and note the time of failure.

11.0 SECURITY THREATS

11.1 In the event of a community or site security threat, such as terrorism, burglary or vandalism, follow directions from Supervisors, Managers, SEAT members, and Law Enforcement agents, for evacuation, equipment shutdown, and/or site security.

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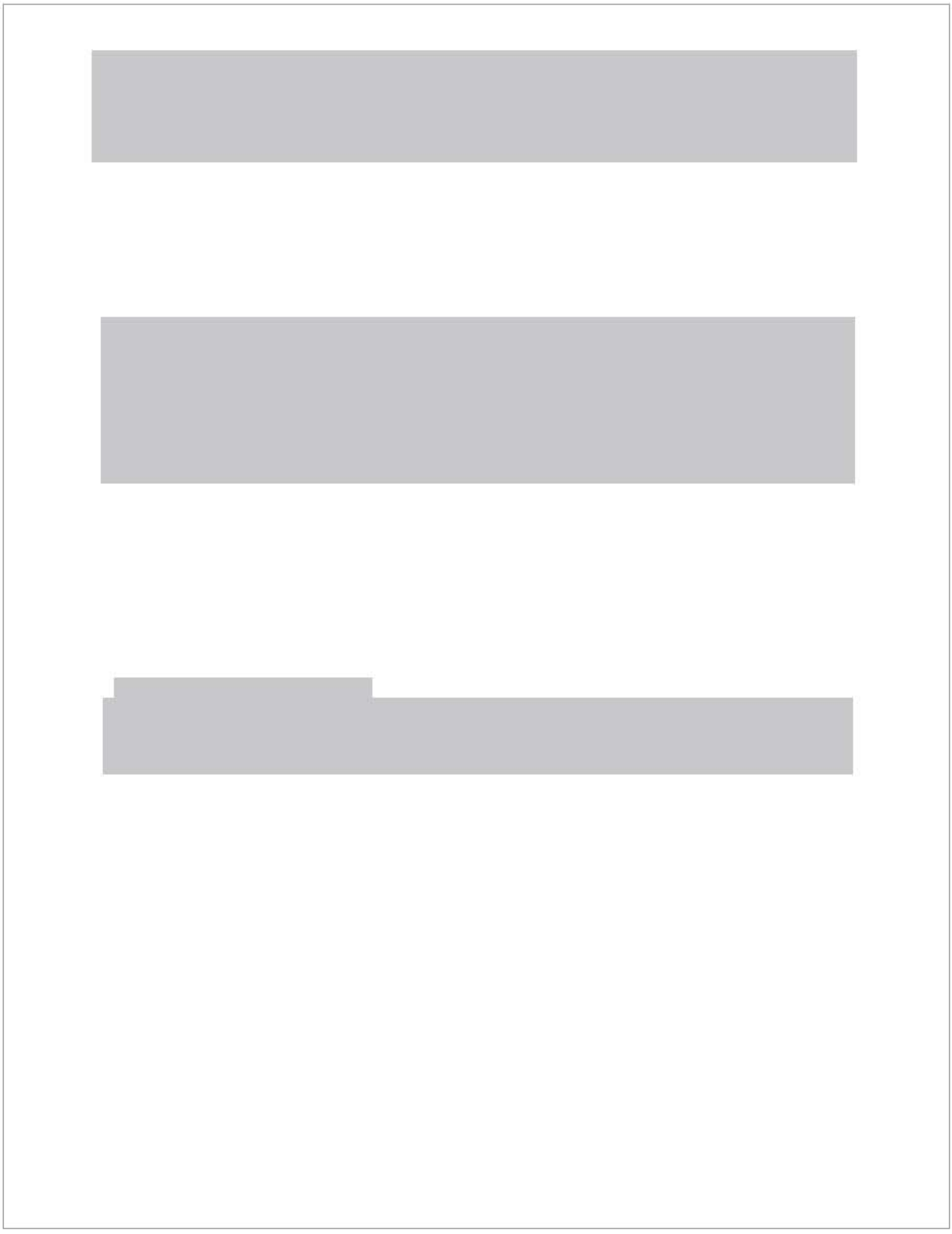
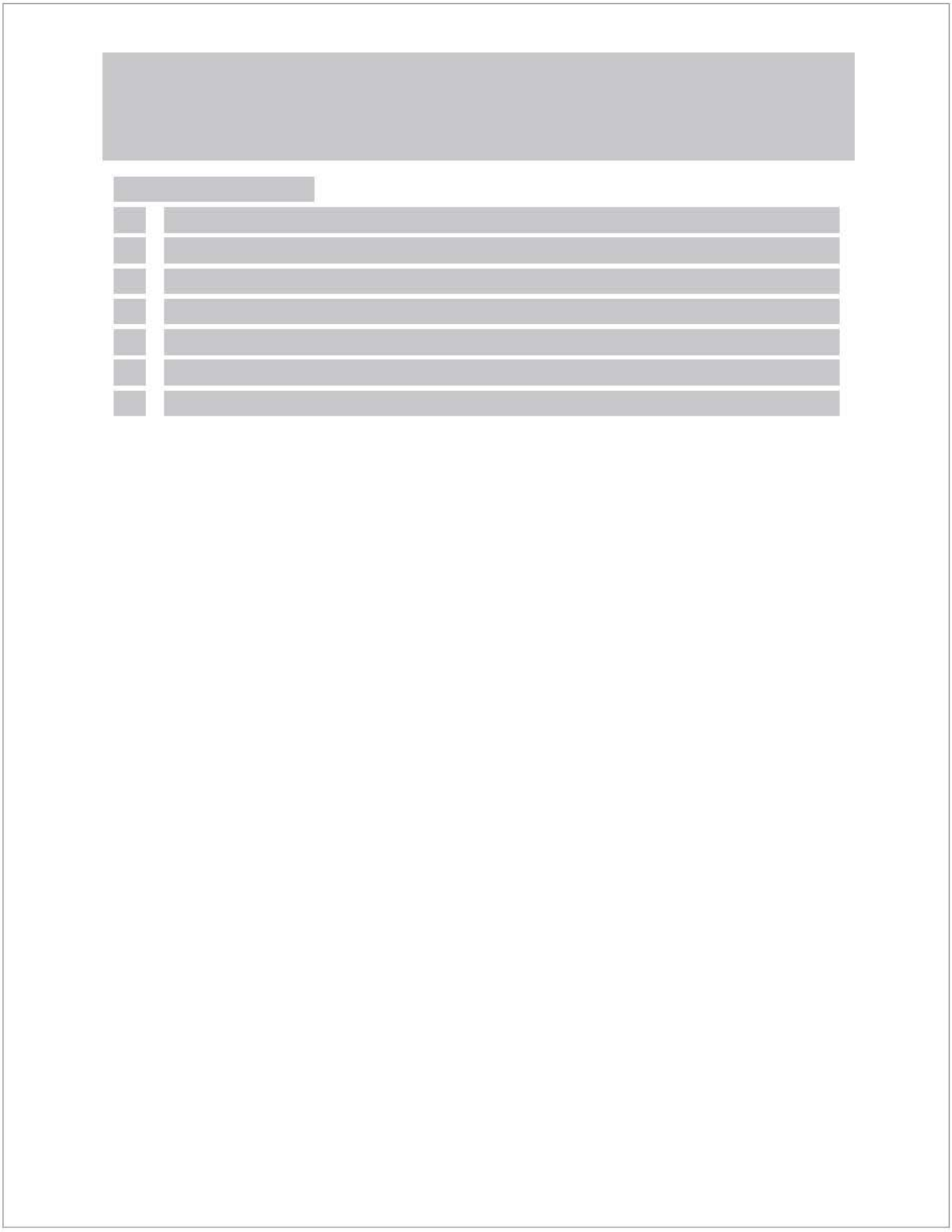
12.0 RECOVERY FROM EMERGENCY

12.1 The first priority once the facility is deemed safe for staff to enter is to assess and respond to the condition of vegetative and flowering medicinal marijuana plants to determine what, if any, impact has occurred to security, identity, purity, and safety of the product.

12.2 Subsequent to the resolution of an emergency situation, this Disaster Plan will be reviewed in light of the event and revised if necessary to better respond to future situations.

Exhibit C.X.17 SOP-024 Weekly Inventory Procedure





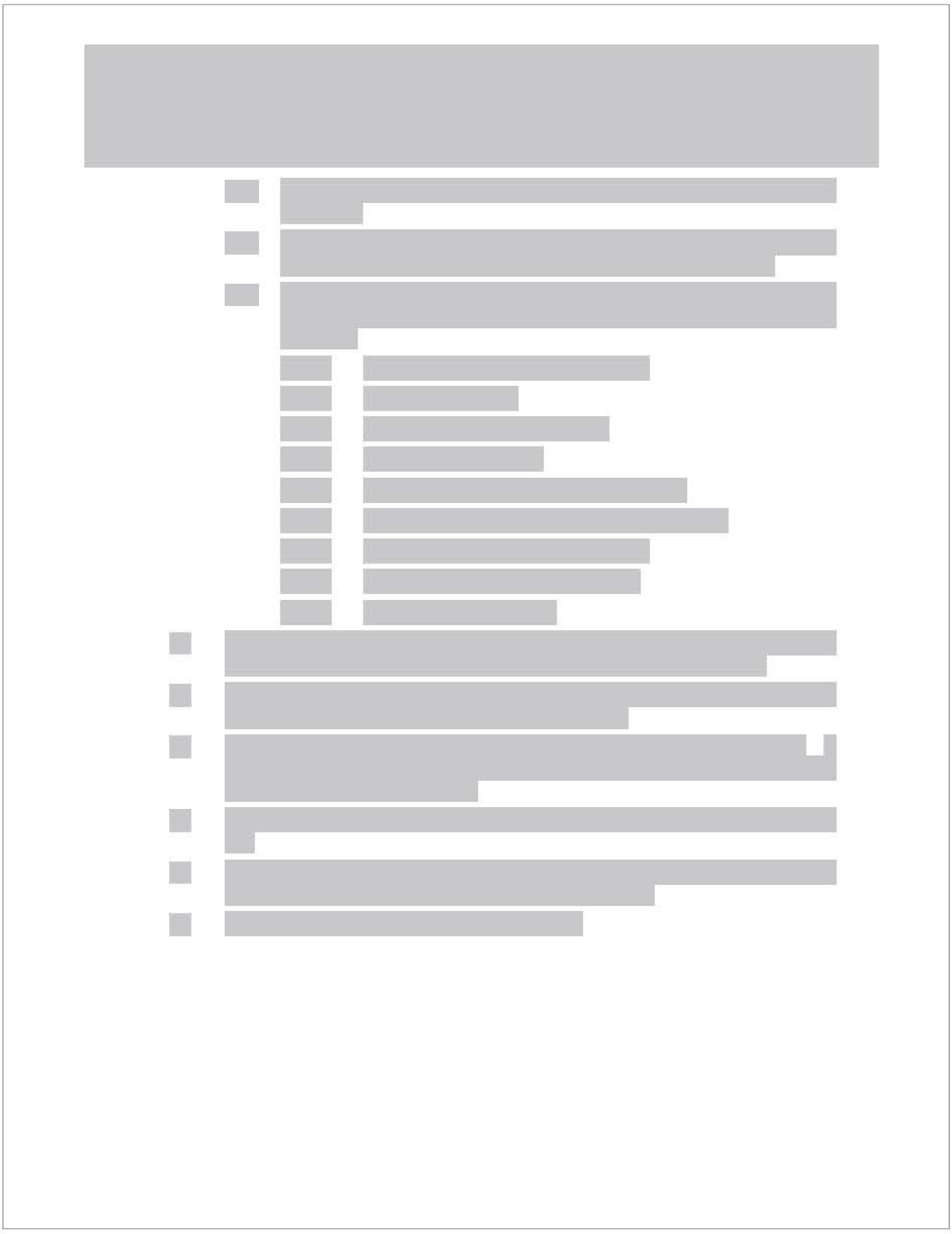


Exhibit C.X.18 BPR-001 Batch Production Record

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 1 of 32
Strain		**Lot #**	**Issued By**	**Issue Date**

Function	Master Approval		Date
	Print	Signature	
Growing			
Packaging			
Compliance			

REVISION CONTROL TABLE

Rev. #	Description of Changes	Author	Date
1	Initial Release	P.Rafa	

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 2 of 32
Strain		**Lot #**	**Issued By**	**Issue Date**

Step	Instructions		Performed By (Initial/Date)	Verified By (Initial/Date)
Note: Production will either start with seeding or cloning. If production is to initiate via cloning, line out Section 1 of this record. If production is to initiate via seeding, line out Section 2 of this record.				
SECTION 1 – SEED PROPAGATION				
1.	Record the Room Number in which seed propagation will be performed	Room #		
2.	Place Strain Identification and Lot Number label onto each tray used for seeding. Record the number of trays.	# Trays		
3.	Determine the number of seeds selected for processing.	# Seeds		
4.	Prepare individual rock wool cubes for germination.			
5.	Plant seedlings into individual 1 ½" rock wool cubes.			
6.	Determine the number of seedlings.	# Seedlings		
7.	Provide nutrient/water feeding per horticultural staff instruction. Record feeding materials and observations in Attachment 1.		See Attachment 1	
8.	Monitor seedling roots. When seedling roots are first visible at the edges of the rock wool cubes proceed to Section 3. Complete the Performed By column on the date Section 3 is initiated.			

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 3 of 32

Strain		Lot #		Issued By		Issue Date	

Step	Instructions		Performed By (Initial/Date)	Verified By (Initial/Date)
	SECTION 2 – CLONING PROPAGATION			
9.	Record the Room Number in which cloning propagation will be performed	Room #		
10.	Record the Strain Name and Lot # from the Mother plant.	Strain		
		Lot #		
11.	Place Strain Identification and Lot Number label onto each tray used for cloning. Record the number of trays.	# Trays		
12.	Using a sterile razor blade or small scissors, cut a piece of stem and leaf from each mother plant.			
13.	Determine the number of cuttings from the mother plant.	# Cuttings		
14.	Dip cut end into rooting hormone solution/gel. If no mist clone starter is to be used, skip to step 16.			
15.	If using a mist clone starter, place cuttings into the mist clone starter. When clone starts have sprouted roots, proceed to step 16.			
16.	Plant clone starts into individual 1 ½ " rock wool cubes.			
17.	Record number of successful clone starts.	# Clone Starts		
18.	Provide nutrient/water feeding per horticultural staff instruction. Record feeding materials and observations in Attachment 1.		See Attachment 1	
19.	Monitor seedling roots. When seedling roots are first visible at the edges of the rock wool cubes proceed to Section 3. Complete the Performed By column on the date Section 3 is initiated.			
	SECTION 3 – VEGETATIVE GROWTH			
20.	Record date and time when tray is moved into Vegetative Growth Room. Record the Room Number. Record the number of plants in the batch record and on the Room Inventory Log (both exiting and entry rooms).	Date		
		Time		
		Room #		
		# Plants		
21.	Verify the number of plants is the same as recorded in step 17.	# s Match? (Yes Required)		

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Strain		Lot #		Issued By		Issue Date	

Step	Instructions		Performed By (Initial/Date)	Verified By (Initial/Date)
22.	Place Strain Identification and Lot Number label onto each tray used for vegetative growth. Record number of trays.	# Trays		
23.	Place rooted seedlings from 1 ½" rock wool cubes into 4x4" rock wool cubes.			
24.	Provide nutrient/water feeding per horticultural staff instruction. Record feeding materials and observations in Attachment 2. Plants in 4x4" rock wool cubes are held in vegetative step under 18-24 hour light conditions using High Pressure Sodium Light and/or High Output T-5 Fluorescent Lighting. Plant maintenance includes trimming. Plant waste during this step is to be sent to Quarantine area prior to destruction. Label the waste container with a Drug Waste label.		See Attachment 2	
	SECTION 4 – FLOWERING			
25.	Record date and time when tray is moved into Flowering Room. Record the Room Number. Record the number of plants in the batch record and on the Room Inventory Log (both exiting and entry rooms).	Date		
		Time		
		Room #		
		# Plants		
26.	Verify the number of plants is the same as recorded in step 21.	# s Match? (Yes Required)		
27.	Place Strain Identification and Lot Number label onto each tray used for flowering. Record number of trays.	# Trays		
28.	Provide nutrient/water feeding per horticultural staff instruction. Record feeding materials and observations in Attachment 3. Plants held in flowering step receive 12 hours on/12 hours off lighting with high pressure sodium light. Plant maintenance includes trimming. Plant waste during this step is to be sent to Quarantine area prior to destruction. Label the waste container with a Drug Waste label. Gloves must be disposed of into appropriate waste container.		See Attachment 3	
	SECTION 5 – HARVESTING			
29.	Record date and time when tray is moved into Harvesting Room. Record the Room Number. Record the number of plants in the batch record and on the Room Inventory Log (both exiting and entry rooms).	Date		
		Time		
		Room #		
		# Plants		

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 5 of 32
Strain	**Lot #**	**Issued By**	**Issue Date**	

Step	Instructions		Performed By (Initial/Date)	Verified By (Initial/Date)
30.	Verify the number of plants is the same as recorded in step 26.	# s Match? (Yes Required)		
31.	Place Strain Identification and Lot Number label onto each tray used for flowering. Record number of trays.	# Trays		
32.	Cut each plant at the base of the stock and weigh the plants. Record total weight.	Harvest Weight		
33.	Remove the fan leaves and flowers from the stem of the each plant ("shucking"). Once each plant in the batch has been shucked gather all of the flowers and weigh them. Seal the bag and prepare for transport to the Drying/Curing room.	Flowers Weight		
34.	Gather all of the waste (fan leaves stems and strings) and weigh them. Affix a waste label for the collection container that lists the Strain, Lot #, and Net Weight. Seal the bag and prepare for transport to the Drying/Curing Room.	Waste Weight		

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 6 of 32
Strain	**Lot #**	**Issued By**	**Issue Date**	

Step	Instructions			Performed By (Initial/Date)	Verified By (Initial/Date)
	SECTION 6 – DRYING				
35.	Record date and time when tray is moved into Drying Room. Record inventory transaction onto the Room Inventory Log (both exiting and entry rooms).	Date			
		Time			
36.	Place Strain Identification and Lot Number label onto each netting section used for drying and ensure physical segregation from any other strains/batches.				
37.	Hang flowers onto properly labeled and segregated netting for drying. Record drying start date.	Date			
38.	Record the end date of drying.	Date			
39.	Contact Supervisor to determine approximate allocation of harvest to be split between extraction product and raw cannabis product.	Extraction (%)	Raw Cannabis (%)		
40.	Weigh each container used to collect each product allocation.	Extraction Container (a)	Raw Cannabis Container (b)		
41.	Segregate the flowers as specified from Supervisor. Weight each allocation and record the weight.	Extraction Total Weight (a)	Raw Cannabis Total Weight (b)		
42.	Determine the net weight of each product allocation.	Extraction Net Weight (a)	Raw Cannabis Net Weight (b)		
43.	Label the Raw Cannabis product allocation container with the Strain identification, Stain Lot#, and Net Raw Cannabis product weight. Prepare for transport to the room designated for homogenization.				
44.	Label the Extraction product allocation container with the Strain identification, Stain Lot#, and Net Extraction product weight.				
45.	Transfer the Extraction product allocation to container the "Extraction Raw Material" section within the vault. Record the date and time. Record inventory transaction onto the Room Inventory Log (both exiting and entry rooms).	Date			
		Time			

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Strain		Lot #		Issued By		Issue Date	

Step	Instructions		Performed By (Initial/Date)	Verified By (Initial/Date)
	SECTION 7 – HOMOGENIZATION			
46.	Transfer the Raw Cannabis product allocation to container the room designated for homogenization. Record the date and time. Record inventory transaction onto the Room Inventory Log (both exiting and entry rooms).	Date		
		Time		
47.	Collect samples for internal laboratory analysis. Individually package each sample to be sent to the laboratory. Record sample identification with the Strain, Lot#, and Net Weight on each individual sample. Record the weight in Attachment 4.			
48.	Verify that the homogenization equipment (grinder) has been cleaned by thorough visual examination and review of the equipment logbook. If clean equipment is not available, clean the machine per the equipment cleaning SOP.	Clean? (Yes Required)		
49.	Place the remaining contents of the raw cannabis allocation into the homogenization equipment (grinder).			
50.	Collect the homogenized product material. Obtain empty weight of collection container. Obtain weight of homogenized product. Calculate the net product weight.	(a) Empty Cont. Weight		
		(b) Filled Cont. Weight		
		(c) Net Weight		
51.	Place the homogenized product in a container to be transported to the vault. Place Strain Identification and Lot Number label including net weight on the transport container.			
52.	Perform homogenization equipment (grinder) batch cleaning.			
	Cleaning materials (gloves towels etc.) will contain active pharmaceutical ingredient after cleaning. The quantity of each item must be recorded in Attachment 6 and a unit weight must be established. The waste bag that each glove and towel is discarded into must also be weighed prior to cleaning. All cleaning waste from the fine homogenization equipment must be placed into the weighed waste bag and a final weight measurement must be taken and then disposed of in the medical waste bin. Record all data into Attachment 6.		See Attachment 6	

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Strain		Lot #		Issued By		Issue Date	

Step	Instructions		Performed By (Initial/Date)	Verified By (Initial/Date)
53.	Transfer the homogenized product container in the vault for outside laboratory sampling in the "Pending Lab Analysis" section. Record the date and time the container is placed in the vault. Record inventory transaction onto the Room Inventory Log (both exiting and entry rooms). No further processing can occur until laboratory analysis is completed.	Date		
		Time		
54.	When laboratory analyst takes the bulk and individual samples, record the date, time. Record the weight of the bulk sample in Attachment 4. Record inventory transaction on Room Inventory Log.	Date		
		Time		
55.	Record laboratory company and personnel information.	Company		
		Person		
56.	Attach a copy of all laboratory analysis reports to this batch record after Attachment 5.			
57.	If laboratory analysis testing failed any of microbiological, mycotoxins, heavy metals, and chemical residue analysis) the entire batch is to be disposed of as medical waste. Place a medical waste label on the intermediate bulk container and send to the medical waste area within the Quarantine area.			
58.	If laboratory analysis testing passed all tests record the results for information (terpenes/cannabinoid profile) that will be contained on the product label in Attachment 4.			

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 9 of 32
Strain		**Lot #**	**Issued By**	**Issue Date**

Step	Instructions		Performed By (Initial/Date)	Verified By (Initial/Date)
	SECTION 7 – PACKAGING AND LABELING			
59.	Obtain the packaging work order from the operations supervisor. This work order will list the Strain Lot # and specific packaging instructions. Attach the work order to this batch record.			
60.	Record date and time when intermediate bulk container is moved into Packaging Room. Record inventory transaction onto the Room Inventory Log (both exiting and entry rooms).	Date		
		Time		
61.	PRIMARY PACKAGING Station One (Refer to Packaging and Labeling SOP) Follow SOP instructions to fill vials with 5 10 15 35 ± 5% grams. At the end of packaging, determine the net weight of trimming waste generated during packaging. Obtain printout of database weights for this step and attach to this batch record (Attachment 7).	a. Empty Bag Weight		
		b. Full Bag Weight		
		c. Net Weight		
62.	PRIMARY PACKAGING Station Two (Refer to Packaging and Labeling SOP) Follow SOP instructions to cap and label product vials. Obtain printout of database weights for this step and attach to this batch record (Attachment 7). Obtain the net weight of product filled into each container and the weight of each filled final product container.			
63.	LABELING (Refer to Packaging and Labeling SOP) The net weight of product in each container will be printed automatically. The label must contain required producer information, Strain/Brand name, Lot #, Terpenes/cannabinoid profile data, Laboratory Pass/Fail rating and testing date Packaging Date and Expiration Date. Affix each label to the appropriate container. Review each label for legibility and accuracy. Place any erroneous labels on the space allotted in the batch record and request a replacement from the operations supervisor. Refer to Attachment 8.			
64.	Affix the one label specimen to the allotted space in this batch record (Attachment 9).			
65.	Complete the label reconciliation table in Attachment 9.			
66.	Transfer the finished product to the "Pending Lot Release" section within the vault. Record the date and time.	Date		
		Time		

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 10 of 32
Strain		**Lot #**	**Issued By**	**Issue Date**

Step	Instructions		Performed By (Initial/Date)	Verified By (Initial/Date)
67.	Set aside a quantity of finished product as retain samples. Identify retain sample package # s from Attachment 9. Place these retain samples in "Retain" section of vault. Record inventory transaction onto the Room Inventory Log (both exiting and entry rooms).	Retain Package # s/ Retain Package Net Wt.		
68.	Complete the product reconciliation table in Attachment 10.			
69.	Review batch record for completeness and legibility. Submit to Quality Assurance for review and lot release.			

FINAL LOT RELEASE - TO BE COMPLETED BY QA PERSONNEL ONLY

1. **QA personnel to review each finished product container label for accuracy, legibility, and conformance to labeling requirements. Complete Attachment 6 column.**
2. **QA personnel to review completed batch record for completeness and legibility. Sign below to release the lot for commercial distribution and sale.**

QA Approved: _____ (Print) _____ (Sign) _____ Date

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Strain		Lot #		Issued By		Issue Date	

Attach additional pages as necessary Page ___ of ___

Attachment 1 – Propagation Feeding		
Feed Material Description	**Observations**	**Completed By**
Instructions: List all feed materials (nutrients, water, etc.) that were used during this phase. List any observations that may aid in future production.		

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Strain		Lot #		Issued By		Issue Date	

Attach additional pages as necessary Page ___ of ___

Attachment 2 – Vegetative Growth Feeding		
Feed Material Description	**Observations**	**Completed By**
Instructions: List all feed materials (nutrients, water, etc.) that were used during this phase. List any observations that may aid in future production.		

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 13 of 32

Strain		Lot #		Issued By		Issue Date	

Attach additional pages as necessary Page ___ of ___

Attachment 3 – Flowering Feeding

Feed Material Description	Observations	Completed By
Instructions: List all feed materials (nutrients, water, etc.) that were used during this phase. List any observations that may aid in future production.		

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Strain		Lot #		Issued By		Issue Date	

Attachment 4 – QC Analysis of Individual Flowers

Recorded By (Initial/Date)				Verified By: (Initial/Date)							
Sample	Bulk	1	2	3	4	5	6	7	8	9	10
Weight											
Total Sample Weight											
Content Analysis: THC%											
Content Analysis: THCA%											
Content Analysis: CBD%											
Content Analysis: CBDA%											
Content Analysis: Other											
Content Analysis: Other											
Content Analysis: Other											
Content Analysis: Other											
Chemical Analysis: Mycotoxin											
Chemical Analysis: Microbiology											
Chemical Analysis: Heavy Metals											
Chemical Analysis: Chemical Residue											

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 15 of 32

Strain		Lot #		Issued By		Issue Date	

Attachment 5 Attach Reports from Laboratory after this page.

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 16 of 32

Strain		Lot #		Issued By		Issue Date	

Attachment 6 Machine Waste Reconciliation

Machine Waste Reconciliation					
Column Letter				Performed By Initial and Date	Verified By Initial and Date
A	B	C	D		
Item	Unit Weight	Quantity Used	Total Weight D = B * C		
Gloves					
Wipes					
Bags					
Other (Specify Below)					
Other (Specify Below)					
Other (Specify Below)					
INPUT TOTAL (Sum of Rows Above)					
OUTPUT TOTAL(Weight of Filled Waste Bag)					
NET WEIGHT of Product Waste = OUTPUT - INPUT					

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Attachment 7 Database Printouts for Net Weight (Station One) and Net Weight and Total Package Weight (Station Two)

Attach Two Separate Database Printouts behind this page. See Steps 61 and 62!

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Strain		Lot #		Issued By		Issue Date	

Attachment 8 Packaging and Labeling Data

Packaging and Labeling Data								
Column Letter							Performed By Initial and Date	Verified By Initial and Date
A	B	C	D	E	F	G		
#	Empty Container Weight	Full Container Weight	Net Product Weight (D C - B)	Child Resistant Mechanism Engaged (Yes Required)	Label Legible (Yes Required)	Label Attached (Yes Required)		
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
11.								
12.								
13.								
14.								
15.								
16.								
17.								
18.								
19.								
20.								
21.								
22.								
23.								
24.								
25.								

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 19 of 32
Strain	**Lot #**	**Issued By**	**Issue Date**	

Attachment 8 Packaging and Labeling Data

Packaging and Labeling Data								
Column Letter							Performed By Initial and Date	Verified By Initial and Date
A	B	C	D	E	F	G		
#	Empty Container Weight	Full Container Weight	Net Product Weight (D C - B)	Child Resistant Mechanism Engaged (Yes Required)	Label Legible (Yes Required)	Label Attached (Yes Required)		
26.								
27.								
28.								
29.								
30.								
31.								
32.								
33.								
34.								
35.								
36.								
37.								
38.								
39.								
40.								
41.								
42.								
43.								
44.								
45.								
46.								
47.								
48.								
49.								
50.								

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 20 of 32
Strain	**Lot #**	**Issued By**	**Issue Date**	

Attachment 8 Packaging and Labeling Data

Packaging and Labeling Data								
Column Letter							Performed By Initial and Date	Verified By Initial and Date
A	B	C	D	E	F	G		
#	Empty Container Weight	Full Container Weight	Net Product Weight (D C - B)	Child Resistant Mechanism Engaged (Yes Required)	Label Legible (Yes Required)	Label Attached (Yes Required)		
51.								
52.								
53.								
54.								
55.								
56.								
57.								
58.								
59.								
60.								
61.								
62.								
63.								
64.								
65.								
66.								
67.								
68.								
69.								
70.								
71.								
72.								
73.								
74.								
75.								

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 21 of 32
Strain	**Lot #**	**Issued By**	**Issue Date**	

Attachment 8 Packaging and Labeling Data

Packaging and Labeling Data								
Column Letter							Performed By Initial and Date	Verified By Initial and Date
A	B	C	D	E	F	G		
#	Empty Container Weight	Full Container Weight	Net Product Weight (D C - B)	Child Resistant Mechanism Engaged (Yes Required)	Label Legible (Yes Required)	Label Attached (Yes Required)		
76.								
77.								
78.								
79.								
80.								
81.								
82.								
83.								
84.								
85.								
86.								
87.								
88.								
89.								
90.								
91.								
92.								
93.								
94.								
95.								
96.								
97.								
98.								
99.								
100.								

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 22 of 32
Strain	**Lot #**	**Issued By**	**Issue Date**	

Attachment 8 Packaging and Labeling Data

Packaging and Labeling Data								
Column Letter							Performed By Initial and Date	Verified By Initial and Date
A	B	C	D	E	F	G		
#	Empty Container Weight	Full Container Weight	Net Product Weight (D C - B)	Child Resistant Mechanism Engaged (Yes Required)	Label Legible (Yes Required)	Label Attached (Yes Required)		
101.								
102.								
103.								
104.								
105.								
106.								
107.								
108.								
109.								
110.								
111.								
112.								
113.								
114.								
115.								
116.								
117.								
118.								
119.								
120.								
121.								
122.								
123.								
124.								
125.								

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 23 of 32

Strain		Lot #		Issued By		Issue Date	

Attachment 8 Packaging and Labeling Data

Packaging and Labeling Data								
Column Letter							Performed By Initial and Date	Verified By Initial and Date
A	B	C	D	E	F	G		
#	Empty Container Weight	Full Container Weight	Net Product Weight (D C - B)	Child Resistant Mechanism Engaged (Yes Required)	Label Legible (Yes Required)	Label Attached (Yes Required)		
126.								
127.								
128.								
129.								
130.								
131.								
132.								
133.								
134.								
135.								
136.								
137.								
138.								
139.								
140.								
141.								
142.								
143.								
144.								
145.								
146.								
147.								
148.								
149.								
150.								

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 24 of 32

Strain		Lot #		Issued By		Issue Date	

Attachment 8 Packaging and Labeling Data

Packaging and Labeling Data								
Column Letter							Performed By Initial and Date	Verified By Initial and Date
A	B	C	D	E	F	G		
#	Empty Container Weight	Full Container Weight	Net Product Weight (D C - B)	Child Resistant Mechanism Engaged (Yes Required)	Label Legible (Yes Required)	Label Attached (Yes Required)		
151.								
152.								
153.								
154.								
155.								
1 6.								
157.								
1 8.								
1 9.								
160.								
161.								
162.								
163.								
164.								
165.								
166.								
167.								
168.								
169.								
170.								
171.								
172.								
173.								
174.								
175.								

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 25 of 32

Strain		Lot #		Issued By		Issue Date	

Attachment 8 Packaging and Labeling Data

Packaging and Labeling Data								
Column Letter							Performed By Initial and Date	Verified By Initial and Date
A	B	C	D	E	F	G		
#	Empty Container Weight	Full Container Weight	Net Product Weight (D C - B)	Child Resistant Mechanism Engaged (Yes Required)	Label Legible (Yes Required)	Label Attached (Yes Required)		
176.								
177.								
178.								
179.								
180.								
181.								
182.								
183.								
184.								
185.								
186.								
187.								
188.								
189.								
190.								
191.								
192.								
193.								
194.								
195.								
196.								
197.								
198.								
199.								
200.								

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 26 of 32

Strain		Lot #		Issued By		Issue Date	

Attachment 9 Label Reconciliation

LABEL RECONCILIATION IDENTIFICATION
Collect Label Specimen at start of packaging and affix to this page. Print a "Label Specimen" with Lot Number and Expiry and affix to this page. Sign/date next to the "Label Specimen". Also attach any rejected label to this page.

Completed By: _____ (Print) _____ (Sign) _____ (Date)

	BATCH PRODUCTION RECORD	Document No	Rev No	Page 27 of 32
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Strain		Lot #		Issued By		Issue Date	

Attachment 9 Label Reconciliation

LABEL RECONCILIATION

Description	Column Letter A: Quantity Printed/ Issued	B: Quantity Used on product containers	C: No. of Rejects	D: No. of Label Specimen	E: Total Accounted For (E) = (B+C+D)	F: % Accounted For (E/A *100)	Required % accounted for	Performed By Initial and Date	Verified By Initial and Date
Labels							100.0%		

Note: In case of any discrepancy (% accounted for), notify supervisor.

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Strain		Lot #		Issued By		Issue Date	

Attachment 10 Product Reconciliation

Table 1 – Shucking Step

Column Letter A: Harvest Initial Weight (Step 32)	B: Harvested Flowers (Step 33)	C: Fan Leaves, Stems, Strings for Extraction (Step 34)	D: Loss During Shucking D=A-(B+C)	E: % Loss During Shucking E = D/A*100%	Performed By Initial and Date	Verified By Initial and Date

Table 2 – Drying Step

Column Letter A: Harvested Flowers (Step 33)	B: Extraction Allocation (Step 42a)	C: Raw Cannabis Allocation (Step 42b)	D: Total Allocation D = B+C	E: Loss on Drying E = A-D	F: % Loss During Drying F = E/A*100%	Performed By Initial and Date	Verified By Initial and Date

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 29 of 32

Strain		Lot #		Issued By		Issue Date	

Attachment 10 Product Reconciliation

Table 3 – Homogenization Step

Column Letter						Performed By Initial and Date	Verified By Initial and Date
A	B	C	D	E	F		
Starting Weight (Step 42b)	Total Lab Samples (Attachment 4)	Homogenized Product (50c)	Machine Net Product Waste (From Att. 6)	Loss During Homogenization E = A-(B+C+D)	% Loss During Shucking F = E/A*100%		

Table 4 – Packaging Step

Column Letter					Performed By Initial and Date	Verified By Initial and Date
A	B	C	D	E		
Homogenized Product (50c)	Net Weight Packaged Product (Attachment 7)	Waste (Step 61c)	Packaging Loss D = A-(B+C)	% Loss During Packaging E = D/A*100%		

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 30 of 32

Strain		Lot #		Issued By		Issue Date	

Attachment 10 Product Reconciliation

Table 5 – Total Reconciliation

Column Letter													
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Input	Outputs												
Harvested Plants	Product				Waste			Loss					
Harvest Initial Weight	For Extraction From...		Net Packaged Product	Total	Homog. Machine Waste	Packaging Waste	Total	Shucking Loss	Drying Loss	Lab Samples	Homog. Loss	Packaging Loss	Total
	Shucking Waste	Extraction Allocation											
T1-A	T1-C	T2-B	T4-B	B+C+D	T3-D	T4-C	E+F+G	T1-D	T2-E	T3-B	T3-E	T4-D	I+J+K+L+M

Final Calculations	
Total Inputs (I) = Column A above	
Total Outputs (O) = Sum of Columns (E+H+N) Above	
Accounted For = O/I * 100% (Must be ≥ 100%)	
Performed By (Initial Date)	
Verified By (Initial Date)	

Note: T"#"-"X" indicates value is to be transcribed from a certain Table number and Column Letter. For example, T1-A indicates Table 1, Column A.

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 31 of 32

Strain		Lot #		Issued By		Issue Date	

Attachment 11 Incident Reporting

QUALITY INCIDENT LOG SHEET					
Date / Time	**Step**	**Description of Incident (use comments section if more space required)**	**Cause**	**Corrective Action**	**QA Comments**

	BATCH PRODUCTION RECORD	Document No BPR-001	Rev No 1	Page 32 of 32

Strain		Lot #		Issued By		Issue Date	

QUALITY INCIDENT LOG SHEET
OBSERVATIONS / COMMENTS

Completed by: _____ (Print) _____ (Sign) _____ Date

Reviewed by (Quality Assurance): _____ (Print) _____ (Sign) _____ Date

Exhibit C.X.19 FRM-001 Room Readiness Checklist

Room Readiness Checklist	Page 1 of ___
Document No: FRM-001	Revision: 1

Room Readiness Checklist

Room Number: _____

Room Use: _____

Intended Use: _____

Item	Pass/ Fail / NA
Verify that room construction is complete and facilitates cleanliness, maintenance, and intended operations.	Pass Fail NA
Verify that appropriate mold-resistance surfaces have been constructed.	Pass Fail NA
Verify that security access controls are in place.	Pass Fail NA
Verify that signage (Required PPE) is posted on all room entrances.	Pass Fail NA
Verify that room temperature is between 59 to 86 °F. Record Actual Value: _____ Record Instrument ID: _____	Pass Fail NA
Verify that room relative humidity is less than 70% RH. Record Actual Value: _____ Record Instrument ID: _____	Pass Fail NA
Verify that room CO_2 level is less than 2000 ppm. Record Actual Value: _____ Record Instrument ID: _____	Pass Fail NA
Verify that room is completely segregated from ongoing construction activity.	Pass Fail NA
Verify that a room logbook is present. Record logbook #: _____	Pass Fail NA
Verify that room has been cleaned and documented in the logbook.	Pass Fail NA
Verify that Environmental Monitoring is in place. Check the method of monitoring in use. Building Management System ☐ Continuous Monitoring Instrumentation ☐ Paper Logbook (Record #: _____) ☐	Pass Fail NA
Performed By: Initial/Date	
Reviewed/Accepted By (Compliance): Initial/Date	

Exhibit C.X.20 FRM-002 Room Logbook (Cleaning and Maintenance)

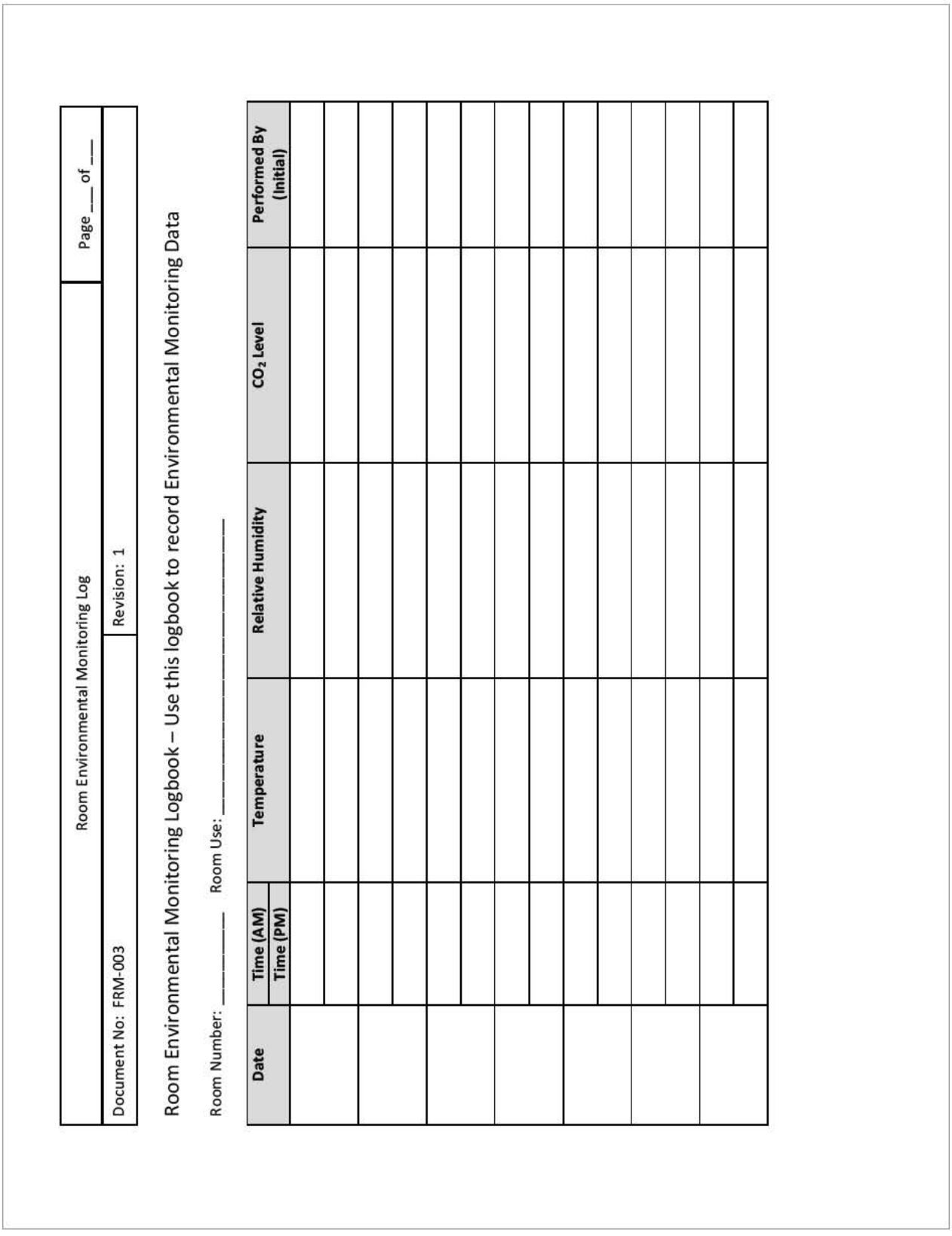
Room Logbook		Page ___ of ___
Document No: FRM-002	Revision: 1	

Room Logbook – Use this logbook to document room cleaning, maintenance and calibration activity

Room Number: _____ Room Use: _____

Date	Time	Activity	Performed By (Initial)

Exhibit C.X.21 FRM-003 Room Logbook (Environmental Monitoring)



Room Environmental Monitoring Log		Page ___ of ___
Document No: FRM-003	Revision: 1	

Room Environmental Monitoring Logbook – Use this logbook to record Environmental Monitoring Data

Room Number: _____ Room Use: _____

Date	Time (AM) / Time (PM)	Temperature	Relative Humidity	CO_2 Level	Performed By (Initial)

Exhibit C.X.22 FRM-004 Room Logbook (Inventory Log)

Room Inventory Log		Page ___ of ___
Document No: FRM-004	Revision: 1	

Room Inventory Log – Use this logbook to document product quantities moving In & Out of a room.

Room Number: _____ Room Use: _____

In (Date)	Performed By (Initial)	Material Description		Out (Date)	Performed By (Initial)
		Lot #	Quantity		

Exhibit C.X.23 FRM-005 Product Release Record

Exhibit C.X.24 FRM-006 Security Event Form

[redacted]

Form Submitted By:	Date/Time:

Exhibit C.X.25 FRM-007 Reportable Event Form

Reportable Event FORM	
Document No: FRM-007	Revision: 1

Please note: A Reportable Event is defined in SOP-004 When a Reportable Event requiring reporting occurs, this signed Form must be provided to the State within 24 hours after discovery of the event

Event Brief Description:	
Item Name/Description:	
Affected Quantity:	
Date/Time of Discovery:	
Reported to Local Law Enforcement By/Date/Time:	

Event Analysis and Detailed Circumstances:

Analysis Prepared By:	Date/Time:

Event Corrective Action (if any):

Corrective Action Approved By:	Date/Time:
Corrective Action Completed By:	Date/Time:

Form Submitted to State By:	Date/Time:

Exhibit C.X.26 FRM-008 Deviation Form

Form Deviations	Page 1 of 1
Document No: FRM-008	Revision: 1

System:			
Deviation No.		Procedure No.	
Summary Title			
Lot affected?	Yes / No (circle)	Lot Number:	

Description:

Analysis:

Action:
Description, Analysis, Action sections Completed By:

Result:
Action Executed and Result Completed By:
QA Approval:

Follow-up Information:
Attachments:

Exhibit C.X.27 FRM-009 CAPA Room

Form CAPA Record	Page 1 of 1
Document No: FRM-009	Revision: 1

Record No.		Assigned To:	
Summary Title			
Lot affected?	Yes / No (circle)	Lot Number:	

Description:

Scope and Analysis:

Action:
Description, Scope and Action sections Completed By:
Action Pre-Approval (QA):

Result:
Action Executed and Result Completed By:
QA Approval:

Follow-up Information:
Attachments:

Exhibit C.X.28 FRM-010 Batch Record Log

Batch Record Log	Page ___ of ___
Document No: FRM-010	Revision: 1

Batch Record Log – Use this log to document all batches initiated.

Batch #	Start Date	Lot #	Strain	Entered By (Initial/Date)	Packaging Completion Date

Exhibit C.X.29 FRM-011 Non-Viable Seeds and Seedlings Disposal Verification

Non-Viable Material Disposal Verification		Page 1 of 1
Document No: FRM-011	Revision: 0	

Non-Viable Material Disposal Verification

Source Strain Name: _____

Source Lot#: _____

Procedure	Performed By (Initial/Date)	Verified By (Initial/Date)
1. Count each non-viable item. Record results in the space provided. **Non-Viable Seeds** | **Non-Viable Seedlings** | |		
2. (Non-Viable Seedlings Only). Verify that no more than 30 days have elapsed since the seedlings were planted. **Plant Date** | **Today's Date** | **# Elapsed Days** | | | | If no more than 30 days have elapsed, continue to step 3. If more than 30 days have elapsed, this form cannot be used for disposal. Refer to SOP-021: package waste material and label with drug waste label and send to quarantine area for storage and eventual disposal.		
3. Dispose of the non-viable material using either a sink or toilet. Record the Room Number and disposal method used. **Room #** | **Disposal Method** | |		
4. Attach this form to the source batch record.		

End of Form

Exhibit C.X.30 LeafLine Labs Employee Handbook

LeafLine Labs

EMPLOYEE HANDBOOK – Table of Contents

EMPLOYEE HANDBOOK
FOREWORD

Whether you have just joined our staff or have been here for a while, we are confident that you will find our company a dynamic and rewarding place in which to work, and we look forward to a productive and successful association. We consider our employees to be one of its most valuable resources. This handbook has been written to serve as the guide for the employer/employee relationship.

There are several things to keep in mind about this handbook. First, it contains only general information and guidelines. It is not intended to be comprehensive or to address all the possible applications of, or exceptions to, the general policies and procedures described. For that reason, if you have any questions concerning eligibility for a particular benefit or the applicability of a policy or practice to you, you should address your specific questions to the Human Resource department. This handbook will be interpreted so that it is consistent with applicable state, local, and federal law.

Neither this handbook nor any other company document confers any contractual right, either express or implied, to remain in the company's employ. Nor does it guarantee any fixed terms and conditions of your employment. Your employment is not for any specific time and may be terminated at will with or without cause and without prior notice by the company, or you may resign for any reason at any time. No supervisor or other representative of the company (except the president) has the authority to enter into any agreement for employment for any specified period of time or to make any agreement contrary to the above.

The procedures, practices, policies and benefits described here may be modified or discontinued from time to time. We will try to inform you of any changes as they occur. However, it is your responsibility to review the handbook and any updates to it. Some subjects described in this handbook are covered in detail in official policy documents. Refer to these documents for specific information because the handbook only briefly summarizes those guidelines and benefits. Please note that the terms of the written insurance policies are controlling and override any statements made in this or other documents.

EMPLOYEE HANDBOOK

Employee Handbook Acknowledgment and Receipt

I have received my copy of the Employee Handbook.

The employee handbook describes important information about LEAFLINE LABS and I understand that I should consult my manager or Human Resources regarding any questions not answered in the handbook. I have entered into my employment relationship with LEAFLINE LABS voluntarily and acknowledge that there is no specified length of employment. **Accordingly, either I or LEAFLINE LABS can terminate the relationship at will, with or without cause, at any time, so long as there is not a violation of applicable federal or state law or any applicable contract.**

I understand and agree that, other than the President of company, no manager, supervisor or representative of LEAFLINE LABS has any authority to enter into any agreement for employment other than at will; only the president of the company has the authority to make any such agreement and then only in writing signed by the president of LEAFLINE LABS.

This handbook and the policies and procedures contained herein supersede any and all prior practices, oral or written representations, or statements regarding the terms and conditions of my employment with LEAFLINE LABS. By distributing this handbook, the company expressly revokes any and all previous policies and procedures that are inconsistent with those contained herein.

I understand that, except for employment-at-will status, any and all policies and practices may be changed at any time by LEAFLINE LABS, and the company reserves the right to change my hours, wages and working conditions at any time. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify or eliminate existing policies. Only the President of LEAFLINE LABS has the ability to adopt any revisions to the policies in this handbook.

I understand and agree that nothing in the Employee Handbook creates, or is intended to create, a promise or representation of continued employment and that employment at LEAFLINE LABS **is employment at will, which may be terminated at the will of either** LEAFLINE LABS **or myself. Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document.** I understand and agree that employment and compensation may be terminated with or without cause and with or without notice at any time by LEAFLINE LABS or myself.

I have received the handbook, and I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it.

_____

Employee's Signature

_____

Employee's Name (Print)

_____

Date

TO BE PLACED IN EMPLOYEE'S PERSONNEL FILE

EMPLOYEE HANDBOOK
DIVERSITY

Equal Employment Opportunity Statement

We provide equal employment opportunities (EEO) to all employees and applicants for employment without regard to race, color, creed, religion, gender, sexual orientation, gender identity, national origin, age, disability, genetic information, marital status, familial status, amnesty, status with regard to public assistance or status as a covered veteran or any other class protected by applicable federal, state and local laws. We comply with applicable state, local, and federal laws governing nondiscrimination in employment in every location in which the company has facilities. This policy applies to all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation and training.

We expressly prohibit any form of unlawful employee harassment based on race, color, creed, religion, gender, sexual orientation, gender identity, national origin, age, disability, genetic information, marital status, familial status, amnesty, status with regard to public assistance or status as a covered veteran or any other class protected by applicable federal, state and local laws. Improper interference with the ability of our employees to perform their expected job duties is absolutely not tolerated.

Anti-harassment Policy and Complaint Procedure

We are committed to a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits unlawful discriminatory practices, including harassment. Therefore, we expect that all relationships among persons in the office will be business-like and free of bias, prejudice and harassment.

It is our policy to ensure equal employment opportunity without discrimination or harassment on the basis of race, color, creed, religion, gender, sexual orientation, gender identity, national origin, age, disability, genetic information, marital status, familial status, amnesty, status with

regard to public assistance or status as a covered veteran or any other class protected by applicable federal, state and local laws. We prohibit any such discrimination or harassment.

We encourage reporting of all perceived incidents of discrimination or harassment. It is our policy to promptly and thoroughly investigate such reports. We prohibit retaliation against any individual who reports discrimination or harassment or who participates in an investigation of such reports.

Definitions of Harassment

Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. For the purposes of this policy, sexual harassment is defined, as in the Equal Employment Opportunity Commission Guidelines, as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when, for example a) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; b) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or c) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment may include a range of subtle and not-so-subtle behaviors and may involve individuals of the same or different gender. Depending on the circumstances, these behaviors may include unwanted sexual advances or requests for sexual favors; sexual jokes and innuendo; verbal abuse of a sexual nature; commentary about an individual's body, sexual prowess or sexual deficiencies; leering, whistling or touching; insulting or obscene comments or gestures; display in the workplace of sexually suggestive objects or pictures; and other physical, verbal or visual conduct of a sexual nature.

Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal, written or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, color, creed, religion, gender, sexual orientation, gender identity, national origin, age, disability, genetic information, marital status,

familial status, amnesty, status with regard to public assistance or status as a covered veteran or any other class protected by applicable federal, state and local laws or that of his/her relatives, friends or associates, and that a) has the purpose or effect of creating an intimidating, hostile or offensive work environment; b) has the purpose or effect of unreasonably interfering with an individual's work performance; or c) otherwise adversely affects an individual's employment opportunities.

Harassing conduct includes epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes; and written or graphic material that denigrates or shows hostility or aversion toward an individual or group and that is placed on walls or elsewhere on the employer's premises or circulated in the workplace, on company time or using company equipment via e-mail, phone (including voice messages), text messages, tweets, blogs, social networking sites or other means.

Individuals and Conduct Covered

These policies apply to all applicants and employees, whether related to conduct engaged in by fellow employees or someone not directly connected to LEAFLINE LABS (e.g., an outside vendor, consultant or customer).

Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business trips, business meetings and business-related social events.

Complaint Process

Individuals who believe they have been the victims of conduct prohibited by this policy statement or who believe they have witnessed such conduct should discuss their concerns with their immediate supervisor, Human Resources or any member of management.

When possible, we encourage individuals who believe they are being subjected to such conduct to promptly advise the offender that his or her behavior is unwelcome and request that it be

discontinued. Often this action alone will resolve the problem. We recognize, however, that an individual may prefer to pursue the matter through complaint procedures.

We encourage the prompt reporting of complaints or concerns so that rapid and constructive action can be taken before relationships become irreparably strained. Therefore, although no fixed reporting period has been established, early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment.

Any reported allegations of harassment, discrimination or retaliation will be investigated promptly. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action and in compliance with applicable state, local, and federal laws.

Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this policy and, like harassment or discrimination itself, will be subject to disciplinary action. Acts of retaliation should be reported immediately and will be promptly investigated and addressed. Misconduct constituting harassment, discrimination or retaliation will be dealt with appropriately.

If a party to a complaint does not agree with its resolution, that party may appeal to LEAFLINE LABS's Vice President or President.

False and malicious complaints of harassment, discrimination or retaliation may be the subject of appropriate disciplinary action.

Reasonable Accommodation Based on Disability, Pregnancy, and Religion

State and federal laws prohibit employers from discriminating against applicants and individuals with disabilities and require that when needed, an employer must provide reasonable accommodations to applicants and employees who are qualified for a job so that they may perform the essential job duties of the position.

State and federal laws also prohibit discrimination against applicants and individuals on the basis of pregnancy and religion and require reasonable accommodations for pregnancy and related health conditions as well as for religious practices and beliefs.

It is our policy to comply with all federal, state and local laws concerning the employment of persons with disabilities, pregnant individuals, and individuals of various religions. Furthermore, it is our company policy not to discriminate against qualified individuals with disabilities, individuals who are pregnant, or on the basis of religious beliefs or practices in regard to application procedures, hiring, advancement, discharge, compensation, training or other terms, conditions and privileges of employment.

The company will reasonably accommodate qualified individuals with a disability and employees having a health condition related to pregnancy or childbirth so that they can perform the essential functions of a job unless doing so causes a direct threat to these individuals or others in the workplace and the threat cannot be eliminated by reasonable accommodation and/or if the accommodation creates an undue hardship to LEAFLINE LABS. It will also accommodate religious practices and beliefs to the extent that they do not create an undue hardship to XXXXX. Contact the Human Resource department with any questions or requests for accommodation.

EMPLOYMENT

Employee Classification Categories

All employees are designated as either nonexempt or exempt under state and federal wage and hour laws. The following is intended to help employees understand employment classifications and employees' employment status and benefit eligibility. These classifications do not guarantee

employment for any specified period of time. The right to terminate the employment-at-will relationship at any time is retained by both the employee and LEAFLINE LABS.

Nonexempt employees are employees whose work is covered by the Fair Labor Standards Act (FLSA). They are NOT exempt from the law's requirements concerning minimum wage and overtime.

Exempt employees are generally managers or professional, administrative or technical staff who ARE exempt from the minimum wage and overtime provisions of the FLSA. Exempt employees hold jobs that meet the standards and criteria established under the FLSA by the U.S. Department of Labor.

We have established the following categories for both nonexempt and exempt employees:

Temporary workers are not eligible for company benefits unless specifically stated otherwise in company policy or are deemed eligible according to plan documents.

Background and Reference Checks

To ensure that individuals who join LEAFLINE LABS are well qualified and to ensure that we maintain a safe and productive work environment, it is our policy to conduct pre-employment background checks on all applicants who accept an offer of employment. Background checks may include verification of any information on the applicant's resume or application form.

All offers of employment are conditioned on receipt of a background check report that is acceptable to LEAFLINE LABS. All background checks are conducted in conformity with the Federal Fair Credit Reporting Act, the Americans with Disabilities Act, and state and federal privacy and antidiscrimination laws. Reports are kept confidential and are only viewed by individuals involved in the hiring process.

If information obtained in a background check would lead LEAFLINE LABS to deny employment, a copy of the report will be provided to the applicant, and the applicant will have

the opportunity to dispute the report's accuracy. Background checks may include a criminal record check, although a criminal conviction does not automatically bar an applicant from employment.

Additional checks such as a driving record or credit report may be made on applicants for particular job categories if appropriate and job related.

We also reserve the right to conduct a background check for current employees to determine eligibility for promotion or reassignment in the same manner as described above.

Internal Transfers/Promotions

Employees with more than twelve months of service may request consideration to transfer to other jobs as vacancies become available and will be considered along with other applicants. At the same time, the company may initiate transfers of employees between departments and facilities to meet specified work requirements and reassignment of work requirements.

We offer employees promotions to higher-level positions when appropriate. Management prefers to promote from within and may first consider current employees with the necessary qualifications and skills to fill vacancies above the entry level, unless outside recruitment is considered to be in the company's best interest.

To be considered, employees must have held their current position for at least 12 months, have a satisfactory performance record and have no disciplinary actions during the last 12 months. Management retains the discretion to make exceptions to the policy.

Nepotism, Employment of Relatives and Personal Relationships

We want to ensure that corporate practices do not create situations such as conflict of interest or favoritism. This extends to practices that involve employee hiring, promotion and transfer. Close relatives, partners, those in a dating relationship or members of the same household are not permitted to be in positions that have a reporting responsibility to each other. Close relatives are defined as husband, wife, domestic partner, father, mother, father-in-law, mother-in law,

grandfather, grandmother, son, son-in-law, daughter, daughter-in law, uncle, aunt, nephew, niece, brother, sister, brother-in-law, sister-in-law, step relatives, cousins and domestic partner relatives.

If employees begin a dating relationship or become relatives, partners or members of the same household and if one party is in a supervisory position, that person is required to inform management and Human Resources of the relationship.

We reserve the right to apply this policy to situations where there is a conflict or the potential for conflict because of the relationship between employees, even if there is no direct-reporting relationship or authority involved.

Progressive Discipline

Every employee has the duty and the responsibility to be aware of and abide by existing rules and policies. Employees also have the responsibility to perform his/her duties to the best of his/her ability and to the standards as set forth in his/her job description or as otherwise established.

We support the use of progressive discipline to address issues such as poor work performance or misconduct. Our progressive discipline policy is designed to provide a corrective action process to improve and prevent a recurrence of undesirable behavior and/or performance issues. Our progressive discipline policy has been designed consistent with our organizational values, HR best practices and employment laws.

Outlined below are the steps of our progressive discipline policy and procedure. We reserve the right to combine or skip steps in this process depending on the facts of each situation and the nature of the offense. The level of disciplinary intervention may also vary. Some of the factors that will be considered are whether the offense is repeated despite coaching, counseling and/or training; the employee's work record; and the impact the conduct and performance issues have on our organization.

The following outlines our progressive discipline process:

We reserve the right to determine the appropriate level of discipline for any inappropriate conduct, including oral and written warnings, suspension with or without pay, demotion and discharge.

Separation of Employment

Separation of employment within an organization can occur for several different reasons.

It is the practice of LEAFLINE LABS to give special recognition to employees at the time of their retirement. The recipient must be employed with LEAFLINE LABS for five (5) years to be eligible for a retirement gift. The amount provided for the gift is $100 per year, based on the employee's uninterrupted full-time service. The department director should contact the Human Resource department to purchase a gift or a gift card. Departmental funds may not be used to augment the gift.

Return of Company Property

The separating employee must return all company property at the time of separation, including uniforms, cell phones, keys, PCs and identification cards. Failure to return some items may result in deductions from the final paycheck. An employee will be required to sign the Wage Deduction Authorization Agreement to deduct the costs of such items from the final paycheck.

The separating employee shall contact the Human Resource department as soon as notice is given to schedule an exit interview. The interview will be on the employee's last day of work or another day, as mutually agreed on.

Accrued and unused vacation leave will be paid in the last paycheck.

Rehire

Former employees who left LEAFLINE LABS in good standing and were classified as eligible for rehire may be considered for reemployment. An application must be submitted to the Human

Resource department, and the applicant must meet all minimum qualifications and requirements of the position, including any qualifying exam, when required.

Supervisors must obtain approval from the Human Resource director or designee prior to rehiring a former employee. Rehired employees begin benefits just as any other new employee. Previous tenure will not be considered in calculating longevity, leave accruals or any other benefits.

An applicant or employee who is terminated for violating policy or who resigned in lieu of termination from employment due to a policy violation will be ineligible for rehire.

WORKPLACE SAFETY

Drug-Free Workplace

We are committed to providing and ensuring a safe and productive work environment. Alcohol and drug abuse pose a threat to the health and safety of employees and to the security of our equipment and facilities. For these reasons, we are committed to the elimination of drug and/or alcohol use and abuse in the workplace.

This policy outlines the practice and procedure designed to correct instances of identified alcohol and/or drug use in the workplace. This policy applies to all employees and all applicants for employment at LEAFLINE LABS. The Human Resource department is responsible for policy administration.

Employee Assistance and Drug-Free Awareness

Illegal drug use and alcohol misuse have a number of adverse health and safety consequences. Information about those consequences and sources of help for drug/alcohol problems is available from the Human Resource department, whose members have been trained to make referrals and assist employees with drug/alcohol problems.

We will assist and support employees who voluntarily seek help for such problems before becoming subject to discipline and/or termination under this or other policies. Such employees

may be allowed to use accrued paid time off, placed on leaves of absence, referred to treatment providers and otherwise accommodated as required by law. Such employees may be required to document that they are successfully following prescribed treatment and to take and pass follow-up tests if they hold jobs that are safety sensitive or that require driving or if they have violated this policy previously.

Employees should report to work fit for duty and free of any adverse effects of illegal drugs or alcohol. This policy does not prohibit employees from the lawful use and possession of prescribed medications. Employees must, however, consult with their doctors about the medications' effect on their fitness for duty and ability to work safely and promptly disclose any work restrictions to their supervisor. Employees should not, however, disclose underlying medical conditions unless directed to do so.

Work Rules

The following work rules apply to all employees:

Required Testing

The company retains the right to require the following tests, all of which are administered in accordance with applicable state law:

Consequences

Applicants who refuse to cooperate in a drug test or who test positive will not be hired.

Employees who refuse to cooperate in required tests or who use, possess, buy, sell, manufacture or dispense an illegal drug in violation of this policy will be terminated.

Employees will be paid for time spent in alcohol/drug testing and then suspended pending the results of the drug/alcohol test. After the results of the test are received, a date/time will be scheduled to discuss the results of the test; this meeting will include a member of management and Human Resources. Should the results prove to be negative, the employee will receive back pay and benefits for the times/days of suspension.

Confidentiality

Information and records relating to positive test results, drug and alcohol dependencies and legitimate medical explanations provided to the medical review officer (MRO) shall be kept confidential to the extent required by law and maintained in secure files separate from normal personnel files.

Inspections

We reserve the right to inspect all portions of its premises for drugs, alcohol or other contraband. All employees, contract employees and visitors may be asked to cooperate in inspections of their persons, work areas and property that might conceal a drug, alcohol or other contraband. Employees who possess such contraband or refuse to cooperate in such inspections are subject to appropriate discipline up to and including discharge.

Crimes Involving Drugs

We prohibit all employees from manufacturing, distributing, dispensing, possessing or using an illegal drug in or on company premises or while conducting company business. Employees are also prohibited from misusing legally prescribed or over-the-counter (OTC) drugs. Law enforcement personnel shall be notified, as appropriate, when criminal activity is suspected.

Workplace Bullying

We define bullying as “repeated inappropriate behavior, either direct or indirect, whether verbal, physical or otherwise, conducted by one or more persons against another or others, at the place of work and/or in the course of employment.” Such behavior violates the company Code of Ethics, which clearly states that all employees will be treated with dignity and respect.

The purpose of this policy is to communicate to all employees, including supervisors, managers and executives, that the company will not tolerate bullying behavior. Employees found in violation of this policy will be disciplined up to and including termination.

Bullying may be intentional or unintentional. However, it must be noted that where an allegation of bullying is made, the intention of the alleged bully is irrelevant and will not be given consideration when meting out discipline. As in sexual harassment, it is the effect of the behavior

upon the individual that is important. We consider the following types of behavior examples of bullying:

Violence in the Workplace

All employees, customers, vendors and business associates must be treated with courtesy and respect at all times. Employees are expected to refrain from conduct that may be dangerous to others.

Conduct that threatens, intimidates or coerces another employee, customer, vendor or business associate will not be tolerated. Our resources may not be used to threaten, stalk or harass anyone at the workplace or outside the workplace. We treat threats coming from an abusive personal relationship as it does other forms of violence.

Indirect or direct threats of violence, incidents of actual violence and suspicious individuals or activities should be reported as soon as possible to a supervisor, security personnel, Human Resources, member of our Threat Management Team or any member of senior management. When reporting a threat or incident of violence, the employee should be as specific and detailed as possible. Employees should not place themselves in peril, nor should they attempt to intercede during an incident.

Employees should promptly inform the Human Resource department of any protective or restraining order that they have obtained that lists the workplace as a protected area. Employees are encouraged to report safety concerns with regard to intimate partner violence. We will not retaliate against employees making good-faith reports. We are committed to supporting victims of intimate partner violence by providing referrals to our employee assistance program (EAP) and community resources and providing time off for reasons related to intimate partner violence.

We will promptly and thoroughly investigate all reports of threats of violence or incidents of actual violence and of suspicious individuals or activities. The identity of the individual making a report will be protected as much as possible. We will not retaliate against employees making good-faith reports of violence, threats or suspicious individuals or activities. In order to maintain

workplace safety and the integrity of its investigation, we may suspend employees suspected of workplace violence or threats of violence, either with or without pay, pending investigation.

Anyone found to be responsible for threats of or actual violence or other conduct that is in violation of these guidelines will be subject to prompt disciplinary action up to and including termination of employment.

We encourage employees to bring their disputes to the attention of their supervisors or Human Resources before the situation escalates. We will not discipline employees for raising such concerns.

Safety

It is the responsibility of each employee to conduct all tasks in a safe and efficient manner complying with all local, state and federal safety and health regulations and program standards, and with any special safety concerns for use in a particular area or with a client.

Although most safety regulations are consistent throughout each department and program, each employee has the responsibility to identify and familiarize her/himself with the emergency plan for his/her working area. Each facility shall have posted an emergency plan detailing procedures in handling emergencies such as fire, weather-related events and medical crises.

It is the responsibility of the employee to complete an Accident and Incident Report for each safety and health infraction that occurs by an employee or that the employee witnesses. Failure to report such an infraction may result in employee disciplinary action, including termination.

Furthermore, management requires that every person in the organization assumes the responsibility of individual and organizational safety. Failure to follow company safety and health guidelines or engaging in conduct that places the employee, client or company property at risk can lead to employee disciplinary action and/or termination.

The Health and Safety Committee and the safety director shall have the responsibility to develop and the authority to implement the safety and health program in the interest of a safer work environment.

Smoke-Free Workplace

It is our policy to prohibit smoking on all company premises in order to provide and maintain a safe and healthy work environment for all employees. For purposes of this policy, smoking is the "act of lighting, smoking or carrying a lighted or smoldering cigar, cigarette or pipe of any kind."

The smoke-free workplace policy applies to all employees, temporary employees and student interns when working in :

Smoking is permitted in Company parking lots only.

Employees who violate the smoking policy will be subject to disciplinary action up to and including immediate discharge.

WORKPLACE EXPECTATIONS

Confidentiality

Our clients and other parties with whom we do business entrust the company with important information relating to their businesses. In general terms, Confidential information is information that is proprietary, trade secrets, technical information, computer and other passwords, marketing information, and other information related to the Company's operations, products and services, including sales, pricing, payment schedules, service fees, finances, management systems, computer software and programs, joint ventures, affiliations, research, development, purchasing, accounting, and personal medical information.

It is our policy that all information considered confidential will not be disclosed to external parties or to employees without a "need to know." If an employee questions whether certain information is considered confidential, he/she should first check with is/her immediate supervisor.

This policy is intended to alert employees to the need for discretion at all times and is not intended to inhibit normal business communications.

All inquiries from the media must be referred to [insert name, title, contact information].

Conflicts of Interest

Employees must avoid any relationship or activity that might impair, or even appear to impair, their ability to make objective and fair decisions when performing their jobs. At times, an employee may be faced with situations in which business actions taken on behalf of LEAFLINE LABS may conflict with the employee's own personal interests. Company property, information or business opportunities may not be used for personal gain.

Conflicts of interest could arise in the following circumstances:

Employees with a conflict-of-interest question should seek advice from management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their manager or the Human Resource department.

Outside Employment

Employees are permitted to engage in outside work or to hold other jobs, subject to certain restrictions as outlined below.

Activities and conduct away from the job must not compete with, conflict with or compromise the company interests or adversely affect job performance and the ability to fulfill all job responsibilities. Employees are prohibited from performing any services for customers on nonworking time that are normally performed by LEAFLINE LABS. This prohibition also extends to the unauthorized use of any company tools or equipment and the unauthorized use or application of any confidential information. In addition, employees are not to solicit or conduct any outside business during paid working time.

Employees are cautioned to carefully consider the demands that additional work activity will create before accepting outside employment. Outside employment will not be considered an excuse for poor job performance, absenteeism, tardiness, leaving early, refusal to travel or

refusal to work overtime or different hours. If we determine that an employee's outside work interferes with performance, the employee may be asked to terminate the outside employment.

Employees who have accepted outside employment may not use paid sick leave to work on the outside job. Fraudulent use of sick leave will result in disciplinary action up to and including termination.

Attendance and Punctuality

Vacation and holidays must be scheduled with one's supervisor in advance. Sick leave may be used in the case of emergency or sudden illness without prior scheduling. Patterns of absenteeism or tardiness may result in discipline even if the employee has not yet exhausted available paid time off. Absences due to illnesses or injuries that qualify under the Family and Medical Leave Act (FMLA) will not be counted against an employee's attendance record. Medical documentation within the guidelines of the FMLA may be required in these instances.

Not reporting to work and not calling to report the absence is a no-call/no-show and is a serious matter. The first instance of a no call/no show will result in a final written warning. The second separate offense may result in termination of employment with no additional disciplinary steps. ***A no call/no show lasting three days may be considered job abandonment and may be deemed an employee's voluntary resignation of employment.***

Attire and Grooming

It is important for all employees to project a professional image while at work by being appropriately attired. Our employees are expected to be neat, clean and well groomed while on the job. Clothing must be consistent with the standards for a business environment and must be appropriate to the type of work being performed.

All employees must be covered from shoulders to knees at all times (no see-through or sleeveless clothing is permitted at any time). Natural and artificial scents may become a distraction from a well-functioning workplace and are also subject to this policy

We are confident that employees will use their best judgment regarding attire and appearance. Management reserves the right to determine appropriateness. Any employee who is improperly

dressed will be counseled or in severe cases may be sent home to change clothes. Continued disregard of this policy may be cause for disciplinary action, which may result in termination.

Electronic Communication and Internet Use

The following guidelines have been established for using the Internet, company-provided cell phones and e-mail in an appropriate, ethical and professional manner:

Right to Monitor

All company-supplied technology and company-related work records belong to the company and not to the employee. We routinely monitor use of company-supplied technology. Inappropriate or illegal use or communications may be subject to disciplinary action up to and including termination of employment.

Social Media—Acceptable Use

Below are guidelines for social media use.

- Employees may not post the Company's financial, confidential, sensitive or proprietary information

- Employees may not post obscenities, slurs, discriminatory statements or personal attacks on the company's clients, employees or applicants.

- When posting on social media sites, employees must use the following disclaimer when discussing job-related matters, *"The opinions expressed on this site are my own and do not necessarily represent the views of* LEAFLINE LABS.*"*

- We may monitor content out on the Internet. Policy violations may result in discipline up to and including termination of employment.

Solicitations, Distributions and Posting of Materials

We prohibit the solicitation, distribution and posting of materials on or at company property by any employee or nonemployee, except as may be permitted by this policy or required by

applicable state, local, or federal law. The sole exceptions to this policy are charitable and community activities supported by our management and company-sponsored programs related to our products and services.

Provisions:

Violations of this policy should be reported to Human Resources.

Employee Personnel Files

Employee files are maintained by the Human Resource department. Managers and supervisors may only have access to personnel file information on a need-to-know basis.

A manager or supervisor considering the hire of a former employee or transfer of a current employee may be granted access to the file, or limited parts of it, in accordance with applicable state, local, and federal law.

Personnel file access by current employees and former employees upon request will generally be permitted within three days of the request unless otherwise required under state law. Personnel files are to be reviewed in the Human Resource department. Personnel files may not be taken outside the department. Copies are provided in accordance with applicable state law.

Representatives of government or law enforcement agencies, in the course of their duties, may be allowed access to file information.

COMPENSATION

Performance and Salary Review

Performance appraisals are conducted on an annual cycle. Employees will receive a performance review on the established date each year. The performance appraisal will be discussed, and both the employee and manager will sign the form to ensure that all strengths, areas for improvement and job goals for the next review period have been clearly communicated. Performance evaluation forms will be retained in the employee's personnel file.

Merit increases are based on company performance and financials and are not guaranteed. A performance review does not always result in an automatic salary increase. The employee's overall performance and salary level relative to his/her position responsibilities are evaluated to determine if a salary increase would be warranted.

Budget allocations for merit increases are planned for and allocated before the start of each calendar year. The annual salary increase program is designed to assist management in planning and allocating merit and promotional increases that reward individual performance, that are market competitive and that are internally equitable.

Salary adjustments are occasionally requested or warranted at times other than the employee's scheduled annual salary reviews. Out-of-cycle salary increases must be preapproved by the department manager, HR and the company president. Human Resources will review all salary increase/adjustment requests to ensure internal equity and compliance with company policies and guidelines.

Payment of Wages

Salary payment is made _____ *[e.g., biweekly]* for base salary due up to the pay date. Paydays are usually _____ *[e.g., biweekly]* on every other _____.

Overtime payment, which is included with the nonexempt employee's base salary payment, is also paid _____ *[e.g., biweekly]* with such payment covering hours worked in the prior _____ *[biweekly]* period.

It is the company's policy that employee paychecks will only be given personally to that employee or mailed to his/her home address.

If the normal payday falls on a company-recognized holiday, paychecks will be distributed one workday before the aforementioned schedule.

Employees may be paid by check or through direct deposit of funds to either a savings or checking account at the financial institution of their choice.

In the event of a lost paycheck, the Human Resource department must be notified in writing as soon as possible and before a replacement check can be issued. In the event the lost paycheck is recovered and the company identifies the endorsement as that of the employee, the employee must remit the amount of the replacement check to the company within 24 hours of the time it is demanded.

If an employee's marital status changes or the number of exemptions previously claimed increases or decreases, a new Form W-4 must be submitted to the Human Resource department.

Except for extreme emergencies and vacation pay, no salary advances will be made.

Time Reporting

A work hour is any hour of the day that is worked and should be recorded to the nearest tenth of an hour. The workday is defined as the 24-hour period starting at 12:00 a.m. and ending at 11:59 p.m. The workweek covers seven consecutive days beginning on Sunday and ending on Saturday. The usual workweek period is 40 hours.

Overtime is defined as hours worked by an hourly or nonexempt employee in excess of 40 hours in a workweek and should be recorded to the nearest tenth of an hour. Overtime must be approved in advance by the manager to whom the employee reports.

Employees will submit their time record weekly as directed by their manager. Each employee is to maintain an accurate daily record of his or her hours worked. All absences from work schedules should be appropriately recorded.

Meal/Rest Periods

The scheduling of meal periods is set by the employee’s immediate manager with the goal of providing the least possible disruption to company operations.

Mandatory Meal Period

Employee meal periods are important to company productivity and employee health. No person shall be required to work for seven and one-half or more consecutive hours without a period of at least thirty consecutive minutes for a meal. Such period shall be given at some time after the first two hours of work and before the last two hours. The meal period will not be included in the total hours of work per day and is not compensable. Nonexempt employees are to be completely relieved of all job duties while on meal breaks and must clock out for meal periods.

Rest Breaks

Salaried employees, as they are paid a weekly salary regardless of the hours they work, may choose to take breaks as needed. Nonexempt employees are permitted a 15-minute rest break for each four hours of work. Nonexempt employees on rest breaks are not required to clock in and clock out because this time is considered “time worked” and is compensable.

Impermissible Use of Meal Period and/or Rest Breaks

Neither the lunch period nor the rest break(s) may be used to account for an employee's late arrival or early departure or to cover time off for other purposes—for example, rest breaks may not be accumulated to extend a meal period, and rest breaks may not be combined to allow one half-hour long break.

Overtime Pay (non-exempt employees)

Nonexempt employees who exceed 40 hours of work time in a workweek will be paid time and one half. Paid leave, such as holiday, sick or vacation pay, does not apply toward work time. The workweek begins at 12:00 a.m. on Sunday morning and ends at 11:59 p.m. on Saturday night.

Supervisors are required to obtain approval from managers prior to the use of overtime.

Employees who anticipate the need for overtime to complete the week’s work must notify the supervisor in advance and obtain approval before working hours that extend beyond their normal schedule.

During busy periods employees may be required to work extended hours.

On-Call Pay (non-exempt employees)

An on-call employee who is called back to work outside his or her normal work schedule shall be paid for the time worked or a minimum of two (2) hours, whichever is greater.

Time worked while on call will be calculated at the employee's regular rate of pay. If an employee is called back to work, he or she will be paid for travel time. If an on-call employee is not called back, no pay will be earned. Overtime compensation is applicable only when total hours worked exceed 40 hours in a workweek.

Employee Travel and Reimbursement

Employees will be reimbursed for reasonable expenses incurred in connection with approved travel on behalf of the company.

Travelers seeking reimbursement should incur the lowest reasonable travel expenses and exercise care to avoid the appearance of impropriety. If a circumstance arises that is not specifically covered in the travel policies, the most conservative course of action should be adopted.

Travel for staff must be authorized in advance. Travelers should verify that planned travel is eligible for reimbursement before making travel arrangements. Upon completion of the trip, and within 30 days, the traveler must submit a Travel Reimbursement Form and supporting documentation to obtain reimbursement of expenses. For more details, refer to the company intranet for detailed travel policies, procedures and authorization and reimbursement forms.

Exempt employees will be paid their regular salary for weeks in which they travel. Nonexempt employees will be paid for travel time in accordance with federal and state wage payment laws.

TIME OFF/LEAVES OF ABSENCE

Holiday Pay

We recognize nine paid holidays each year:
Should a holiday fall on a weekend, the holiday will be observed on the work day closest to the holiday.

Time off may be granted to employees who desire to observe a religious holiday that is not recognized by the company.

Vacation

All full- and part-time employees are eligible for vacation leave benefits. Part-time employees working 20 to 29 hours per week will earn vacation on a prorated basis. Full-time employees are those working 30-plus hours per week. Vacation accrual begins on the first day of full- or part-time employment. Vacation is accrued according to the schedule in this policy. Vacation can be used only after it is earned. Vacation leave will not be earned during an unpaid leave of absence.

To schedule vacation time, employees should submit a completed leave form to the supervisor at least two weeks before the requested leave. Employees must ensure that they have enough accrued leave available to cover the dates requested. Requests will be approved based on a number of factors, including department operating and staffing requirements. The supervisor should return the leave request to the employee within three business days of the date it is submitted indicating that the request has been approved or denied. If the request for vacation leave is denied, the supervisor should provide an appropriate reason on the form returned to the employee.

Vacation will be paid at the employee's base rate at the time the leave is taken. Vacation pay is not included in overtime calculation and does not include any special forms of compensation such as incentives, commissions, bonuses or shift differentials. If a holiday falls during the employee's vacation, the day will be charged to holiday pay rather than to vacation pay.

Leave taken beyond an employee's available vacation balance may be unpaid unless otherwise required under state or federal law.

If employment is terminated, accrued unused vacation leave earned through the last day of active employment will be paid at the employee's base rate of pay at termination. In the event of the employee's death, earned unused vacation time will be paid to the employee's estate or designated beneficiary.

Vacation Schedule

Length Of Continuous Service	**Non-exempt Employees**	**Exempt Employees**
Less than 2 full years	10 days	15 days
At least 2 full years but less than 5	15 days	15 days
5 full years	20 days	20 days

Sick Leave

All regular, full-time employees (37.5 hours/week) are eligible for a maximum of six days of paid sick time in a calendar year. Sick time may not be carried over from one year to the next, and unused sick time is not paid upon termination of employment.

All full-time, regular employees accrue sick leave from the date of hire, for a total of 6 days per year. Part-time, regular employees accrue sick leave from the date of hire, in a prorated amount using the full-time total of 6 days per year and the average number of hours the part-time employee works per week.

Sick leave may be used for an eligible employee's personal illness or injury, well-care, and medical and dental appointments. Sick leave may also be used for illness, injury, and well-care of an employee's child, spouse, sibling, parent, stepparent, grandparent, mother-in-law, father-in-law or grandchild on the same basis as the employee may use accrued sick leave for the employee's own illness or injury. Sick leave may also be used for "safety leave," which includes providing or obtaining assistance because of sexual assault, domestic abuse or stalking of the employee or of specified family members.

Sick leave may be accrued to a maximum of 48 hours. Sick leave may not be used before accrual. If sick leave is exhausted, any available vacation hours will be used in its place. An employee who has a sick leave absence in excess of three consecutive working days must present medical documentation for the absence. Employees are not paid for unused sick leave upon termination of employment.

Family and Medical Leave Act

Upon hire, we provide all new employees with notices required by the U.S. Department of Labor (DOL) on Employee Rights and Responsibilities Under the Family and Medical Act .

The function of this policy is to provide employees with a general description of their FMLA rights. In the event of any conflict between this policy and the applicable law, employees will be afforded all rights required by law.

If you have any questions, concerns or disputes with this policy, you must contact [insert name and contact info for appropriate person] in writing.

General Provisions

Under this policy, we will grant up to 12 weeks (or up to 26 weeks of military caregiver leave to care for a covered service member with a serious injury or illness) during a 12-month period to eligible employees. The leave may be paid, unpaid or a combination of paid and unpaid leave, depending on the circumstances of the leave and as specified in this policy.

Eligibility

To qualify to take family or medical leave under this policy, the employee must meet the following conditions:

Type of Leave Covered

To qualify as FMLA leave under this policy, the employee must be taking leave for one of the reasons listed below:

An employee may take leave because of a serious health condition that makes the employee unable to perform the functions of the employee's position.

A serious health condition is defined as a condition that requires inpatient care at a hospital, hospice or residential medical care facility, including any period of incapacity or any subsequent treatment in connection with such inpatient care or as a condition that requires continuing care by a licensed health care provider.

This policy covers illnesses of a serious and long-term nature, resulting in recurring or lengthy absences. Generally, a chronic or long-term health condition that would result in a period of three consecutive days of incapacity with the first visit to the health care provider within seven days of the onset of the incapacity and a second visit within 30 days of the incapacity would be considered a serious health condition. For chronic conditions requiring periodic health care visits for treatment, such visits must take place at least twice a year.

Employees with questions about what illnesses are covered under this FMLA policy or under the company's sick leave policy are encouraged to consult with the Human Resource manager.

If an employee takes paid sick leave for a condition that progresses into a serious health condition and the employee requests unpaid leave as provided under this policy, the company may designate all or some portion of related leave taken as leave under this policy, to the extent that the earlier leave meets the necessary qualifications.

An employee whose spouse, son, daughter or parent has been notified of an impending call or order to covered active military duty or who is already on covered active duty may take up to 12 weeks of leave for reasons related to or affected by the family member’s call-up or service. The qualifying exigency must be one of the following: a) short-notice deployment, b) military events and activities, c) child care and school activities, d) financial and legal arrangements, e) counseling, f) rest and recuperation, g) post-

deployment activities, and h) additional activities that arise out of active duty, provided that the employer and employee agree, including agreement on timing and duration of the leave.

Covered active duty means:

The term *covered service member* means:

The term *serious injury* or *illness* means:

Amount of Leave

An eligible employee may take up to 12 weeks for the first five FMLA circumstances above (under heading “Type of Leave Covered”) under this policy during any 12-month period. The company will measure the 12-month period as a rolling 12-month period measured backward from the date an employee uses any leave under this policy. Each time an employee takes leave, the company will compute the amount of leave the employee has taken under this policy in the last 12 months and subtract it from the 12 weeks of available leave, and the balance remaining is the amount of time the employee is entitled to take at that time.

An eligible employee can take up to 26 weeks for the FMLA military caregiver leave circumstance above during a single 12-month period. For this military caregiver leave, the company will measure the 12-month period as a rolling 12-month period measured forward. FMLA leave already taken for other FMLA circumstances will be deducted from the total of 26 weeks available.

If a husband and wife both work for the company and each wishes to take leave for the birth of a child, adoption or placement of a child in foster care, or to care for a parent (but not a parent "in-law") with a serious health condition, the husband and wife may only take a combined total of 12 weeks of leave. If a husband and wife both work for the company and each wishes to take leave to care for a covered injured or ill service member, the husband and wife may only take a combined total of 26 weeks of leave.

Employee Status and Benefits During Leave

While an employee is on leave, the company will continue the employee's health benefits during the leave period at the same level and under the same conditions as if the employee had continued to work.

Employee Status After Leave

An employee who takes leave under this policy may be asked to provide a fitness for duty (FFD) clearance from the health care provider.

Use of Paid and Unpaid Leave

All paid vacation, personal and sick leave runs concurrently with FMLA leave.

Disability leave for the birth of a child and for an employee's serious health condition, including workers' compensation leave (to the extent that it qualifies), will be designated as FMLA leave and will run concurrently with FMLA.

Intermittent Leave or a Reduced Work Schedule

The employee may take FMLA leave in 12 consecutive weeks, may use the leave intermittently (take a day periodically when needed over the year) or, under certain circumstances, may use the leave to reduce the workweek or workday, resulting in a reduced-hour schedule. In all cases, the leave may not exceed a total of 12 workweeks (or 26 workweeks to care for an injured or ill service member over a 12-month period).

Certification for the Employee’s Serious Health Condition

The company will require certification for the employee’s serious health condition. The employee must respond to such a request within 15 days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave.

Certification for the Family Member's Serious Health Condition

The company will require certification for the family member's serious health condition. The employee must respond to such a request within 15 days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave.

Certification of Qualifying Exigency for Military Family Leave

The company will require certification of the qualifying exigency for military family leave. The employee must respond to such a request within 15 days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave.

Certification for Serious Injury or Illness of Covered Service Member for Military Family Leave

The company will require certification for the serious injury or illness of the covered service member. The employee must respond to such a request within 15 days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave.

Recertification

The company may request recertification for the serious health condition of the employee or the employee's family member when circumstances have changed significantly, or if the employer receives information casting doubt on the reason given for the absence, or if the employee seeks an extension of his or her leave. Otherwise, the company may request recertification for the serious health condition of the employee or the employee's family member every six months in connection with an FMLA absence.

Procedure for Requesting FMLA Leave

All employees requesting FMLA leave must provide the HR manager with verbal or written notice of the need for the leave. Within five business days after the employee has provided this

notice, the HR manager will provide the employee with the DOL Notice of Eligibility and Rights.

When the need for the leave is foreseeable, the employee must provide the employer with at least 30 days' notice. When an employee becomes aware of a need for FMLA leave less than 30 days in advance, the employee must provide notice of the need for the leave either the same day or the next business day. When the need for FMLA leave is not foreseeable, the employee must comply with the company's usual and customary notice and procedural requirements for requesting leave.

Designation of FMLA Leave

Within five business days after the employee has submitted the appropriate certification form, the HR manager will provide the employee with a written response to the employee's request for FMLA leave.

Intent to Return to Work from FMLA Leave

The company may require an employee on FMLA leave to report periodically on the employee's status and intent to return to work.

Personal Leave of Absence

Employees who require time off in addition to vacation may request a personal leave of absence without pay for up to a maximum of 30 days. Requests for personal leaves of more than 30 days are considered on a case-by-case basis.

All employees are eligible to apply for an unpaid personal leave of absence. The reason for the leave, job performance, absenteeism and departmental requirements will all be taken into consideration before a request is approved.

Please contact Human Resources for more information on request procedures.

The employee must return to work on the scheduled return date or be considered to have voluntarily resigned from his or her employment. Extensions of leave will be considered on a case-by-case basis.

Bereavement Leave

An employee who wishes to take time off due to the death of an immediate family member should notify his or her supervisor immediately.

Bereavement leave will be granted unless there are unusual business needs or staffing requirements.

Paid bereavement leave is granted according to the following schedule:

Jury Duty

Upon receipt of notification from the state or federal courts of an obligation to serve on a jury, employees must notify their supervisor and provide him/her with a copy of the jury summons. The company will pay regular full-time and regular part-time employees for time off for jury duty up to one week of pay.

Voting Leave

All employees are requested to vote either before or after regularly assigned work hours. However, employees may be absent from work for the time necessary to vote in regularly scheduled state primary or general elections, an election to fill a vacancy in the office of U.S. Senator or representative, and an election to fill a vacancy in the office of state senator or representative without penalty or deduction from wages or salary. Time off for voting should be reported and coded appropriately on timekeeping records.

Election Leave

Employees who are chosen to serve as election officials at polling sites will be permitted to take required time off to serve in this capacity. It is incumbent on employees who are chosen to act as election officials to notify their manager a minimum of seven days in advance of their need for

time off in order to accommodate the necessary rescheduling of work periods. Time engaged as an election official should be reported and coded appropriately on timekeeping records.

Military Leave of Absence

We are committed to protecting the job rights of employees absent on military leave. In accordance with federal and state law, it is the company's policy that no employee or prospective employee will be subjected to any form of discrimination on the basis of that person's membership in or obligation to perform service for any of the Uniformed Services of the United States. Specifically, no person will be denied employment, reemployment, promotion or other benefit of employment on the basis of such membership. Furthermore, no person will be subjected to retaliation or adverse employment action because such person has exercised his or her rights under applicable law or company policy. If any employee believes that he or she has been subjected to discrimination in violation of company policy, the employee should immediately contact Human Resources.

Employees taking part in a variety of military duties are eligible for benefits under this policy. Such military duties include leaves of absence taken by members of the uniformed services, including Reservists and National Guard members, for training, periods of active military service and funeral honors duty, as well as time spent being examined to determine fitness to perform such service. Subject to certain exceptions under the applicable laws, these benefits are generally limited to five years of leave of absence.

Employees requesting leave for military duty should contact Human Resources to request leave as soon as they are aware of the need for leave. For request forms and detailed information on eligibility, employee rights while on leave and job restoration upon completion of leave, refer to the policies, procedures and forms on the company intranet site *(will be developed following receipt of permit and completion of operational phase one)* or contact Human Resources.

Other Leaves of Absence

The Company provides all leaves of absence required by applicable state, local, and federal law including, but not limited to, leaves for the birth and adoption of a child, child conferences and school activities, bone marrow donations and crime victims and witnesses.

Lactation/Breastfeeding

For up to one year after a child's birth, any employee who is breastfeeding her child will be provided reasonable break times as needed to express breast milk for her baby. We have designated a room for this purpose that is in close proximity to the work area, provides privacy, and includes access to an electrical outlet. A small refrigerator reserved for the specific storage of breast milk is available. Any breast milk stored in the refrigerator must be labeled with the name of the employee and the date of expressing the breast milk. Any nonconforming products stored in the refrigerator may be disposed of.

Employees storing milk in the refrigerator assume all responsibility for the safety of the milk and the risk of harm for any reason, including improper storage or refrigeration and tampering. Nursing mothers wishing to use this room must request/reserve the room by contacting [insert name and phone number]. Additional rules for use of the room and refrigerator storage are posted in the room. Employees who work off-site or in other locations will be accommodated with a private area to express milk.

Breaks of more than 20 minutes in length will be unpaid, and the employee should indicate this break period on her time record.

[END EMPLOYEE HANDBOOK]

Exhibit C.X.31 Cross-section: Propagation Room

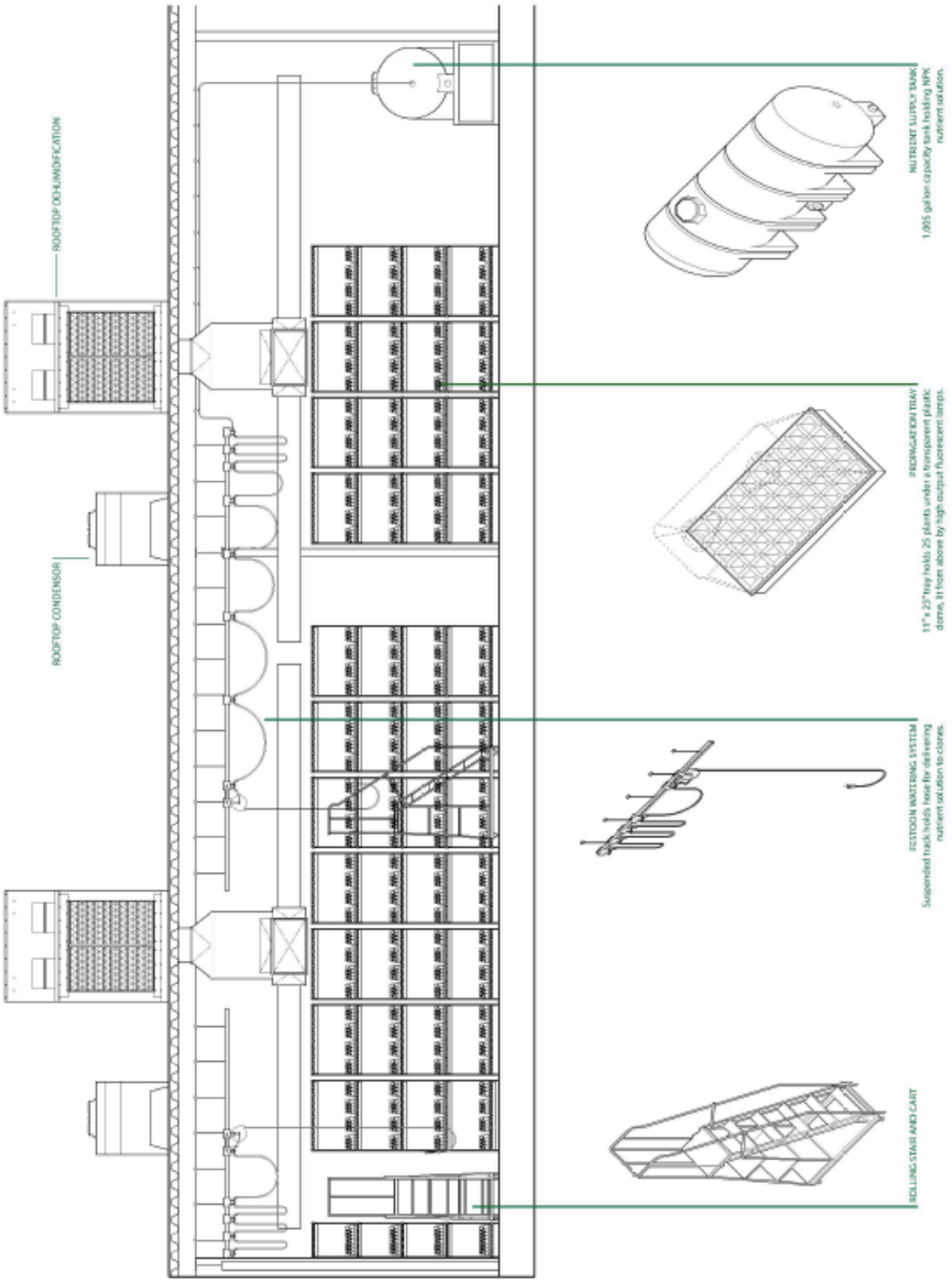


Exhibit C.X.32 Cross-section: Propagation Room Assembly

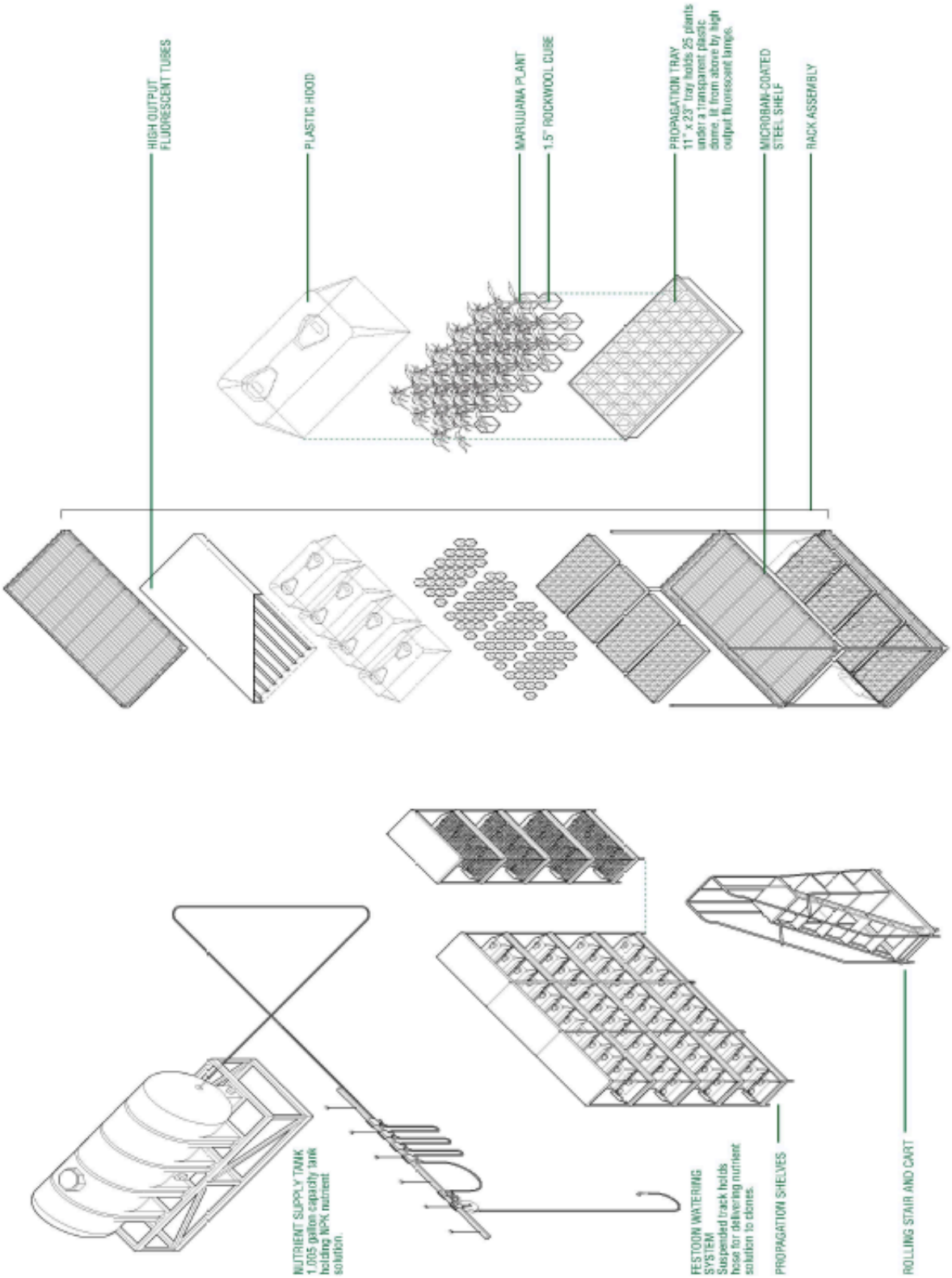


Exhibit C.X33 Cross-section: Flowering Room

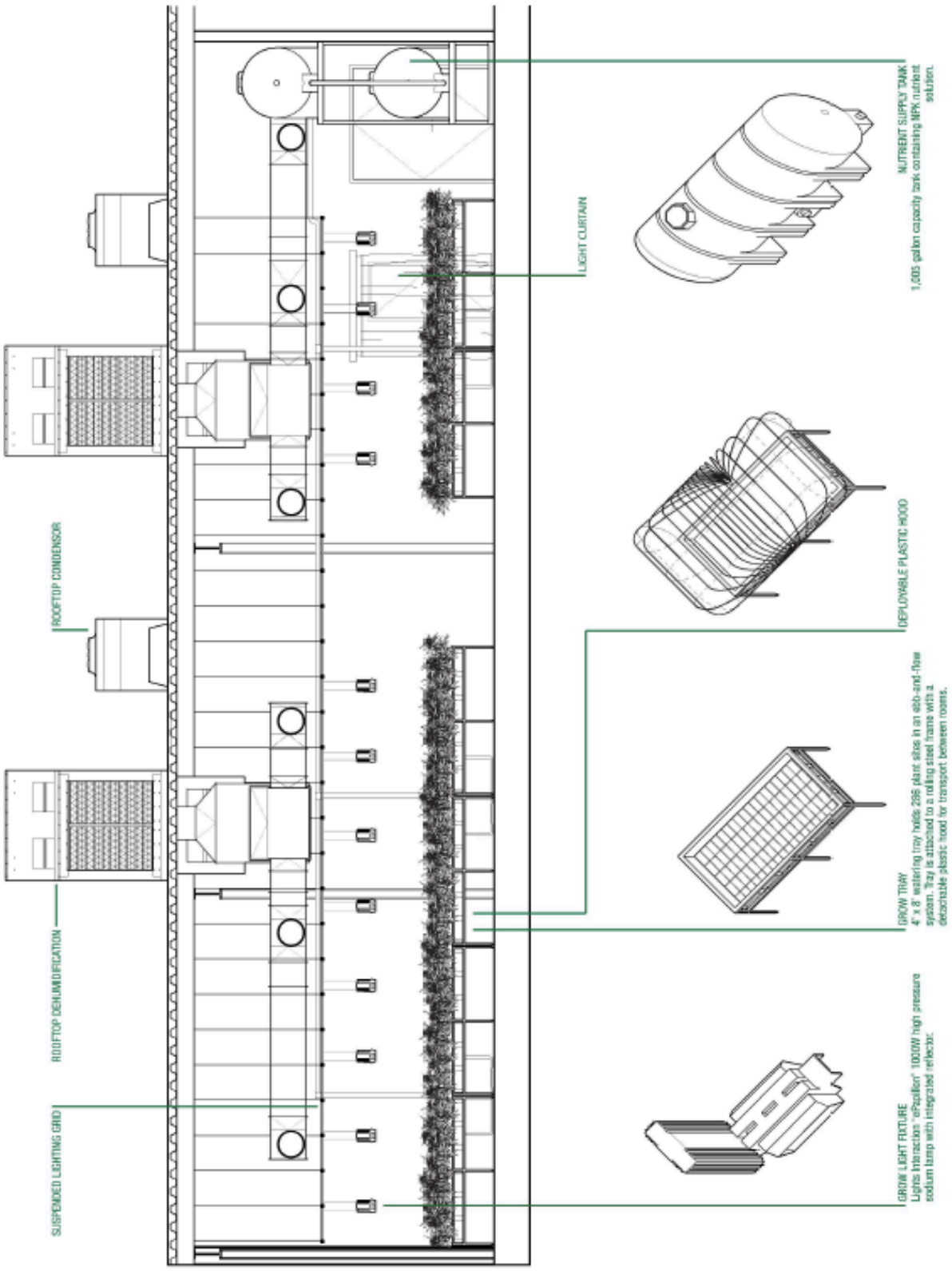


Exhibit C.X.34 Cross-section: Curing Room

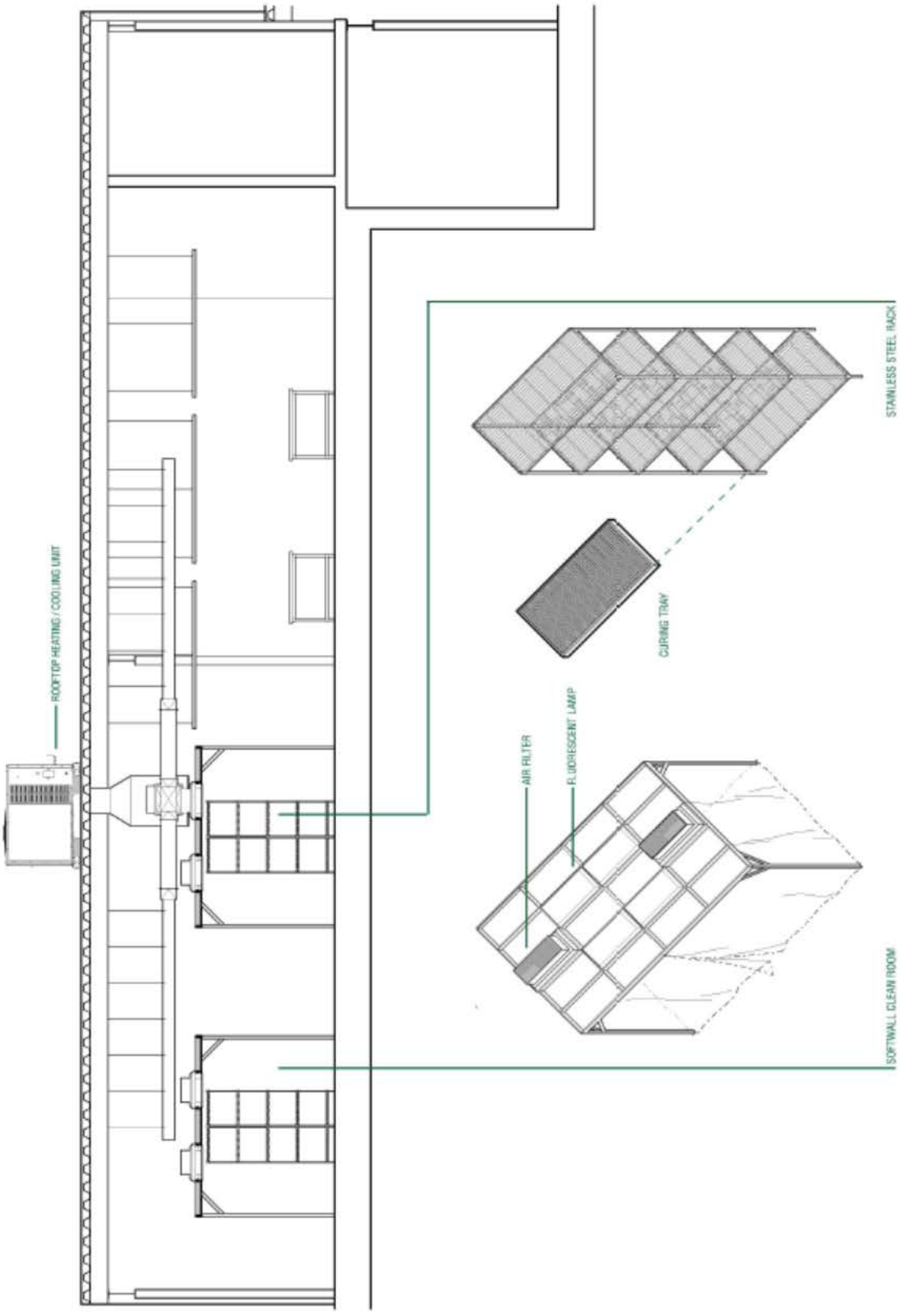


Exhibit C.X.35 Cross-section: Harvesting Room

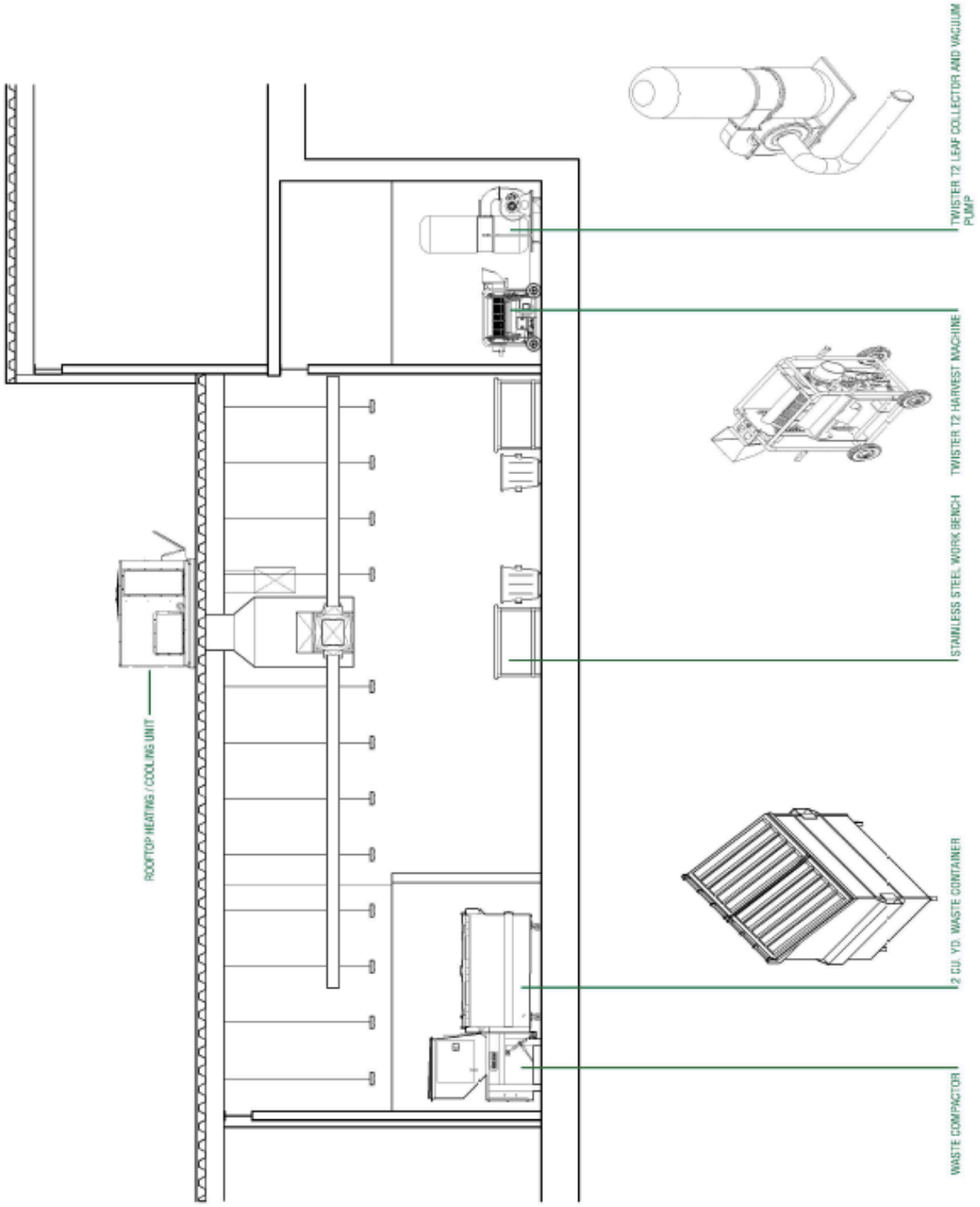


Exhibit C.X.36 Cross-section: Packaging Room

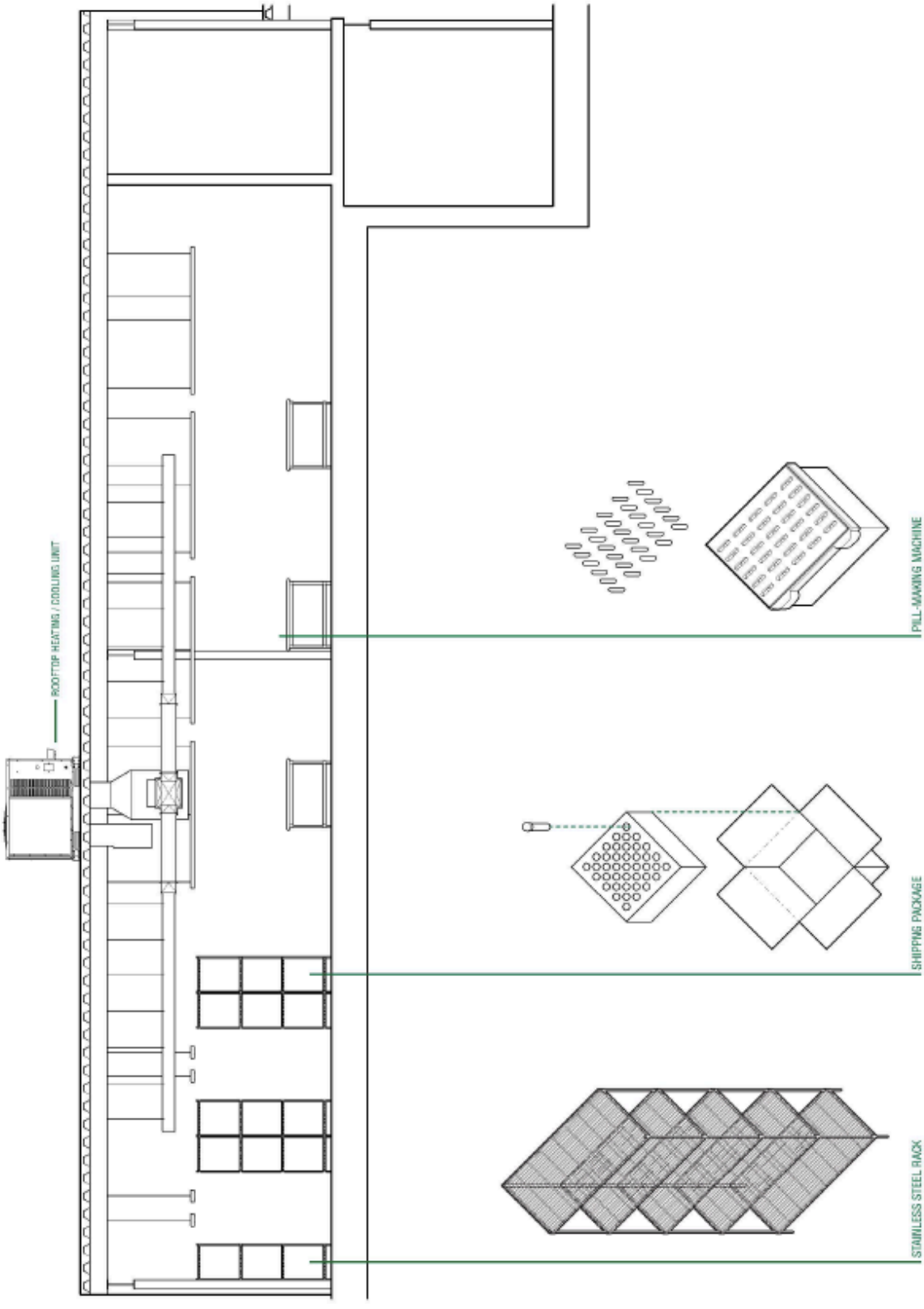


Exhibit C.X.37 Waters SFE 2X5 Spec Sheet

[INSTRUMENT SPECIFICATIONS]

Waters
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SFE 2X5 System

The SFE 2X5 System is an automated supercritical fluid extraction (SFE) system from the Waters® line of pilot scale systems. The system consists of a CO_2 pump, two extraction vessels, a manual and an automated back pressure regulator, and three fraction collection vessels. Options include a co-solvent pump and mixer, mass flow meter, chiller, and CO_2 recycler.

OPERATING SPECIFICATIONS

Operating pressure	Up to 600 bar
Operating temperature	Up to 100 °C
CO_2 flow rate	Up to 200 g/min

VENTING

Carbon dioxide (CO_2) is a non-toxic gas. However, it will displace the air in the room and can lead to suffocation if not properly vented. The system provides for venting to a fume hood through a 1/4" compression fitting and line.

HIGH PRESSURE CO_2 PUMP

Ideal for high pressure, supercritical fluids, and pulseless flow applications.

Cooling	Circulating coolant
Liquid CO_2 supply pressure	~57 bar is required (dip tube cylinder)
Wetted materials	High-strength stainless steel, sapphire, GFPM, PEEK

COOLING HEAT EXCHANGER

Cool and liquefy CO_2 before it enters the pump for maximum efficiency.

ELECTRICAL HEATING HEAT EXCHANGER

Located upstream from the vessel to ensure that the fluid is heated prior to entering the vessel.

Process connection	Tubing: 1/8 inch stainless steel high pressure
Temperature	Up to 100 °C

1

[INSTRUMENT SPECIFICATIONS]

HIGH PRESSURE EXTRACTION VESSEL

Cap with spring-loaded seal enhances safety, and lends to automation for efficient loading and unloading of large vessels. There are two in a system.

Wetted materials	17-4 PH, nitronic 60, and polyamide
Material	17-4 PH stainless steel
Volume	5 L
Fluid	CO_2 and most organic solvents

HIGH PRESSURE VALVE

A high pressure needle valve provides the user with the capability of isolating the vessel from high pressure.

AUTOMATED BACK PRESSURE REGULATOR (ABPR)

Motor-driven and temperature-controlled to compensate for cooling during depressurization. A built-in pressure sensor provides closed-loop feedback for control and pressure alarm monitoring.

Compatible fluids	CO_2 and most organic solvents
Wetted materials	High-strength stainless steel, 17-4 PH, PEEK

TEMPERATURE CONTROL MODULE

Monitors and controls up to six temperature zones independently.

Inputs and outputs	Six
Alarm setting	Six independent zones
Maximum temperature	150 °C

HIGH PRESSURE FRACTION COLLECTION VESSEL

The mixed fluid is introduced into the high pressure collection vessels, efficiently separated, and collected at the bottom of the vessels. There are three in a system.

Wetted materials	17-4 PH, nitronic 60, and polyamide
Volume	1 L
Compatible fluid	CO_2 and most organic solvents

[INSTRUMENT SPECIFICATIONS]

MANUAL BACK PRESSURE REGULATOR

Maintains pressure on the high pressure fraction collection vessel in SFE mode for efficient collection and prevents freezing that occurs at depressurization.

Material	High-strength stainless steel
Pressure	Up to 17 bar

OPTIONS

HIGH PRESSURE CO-SOLVENT PUMP

Pumps a co-solvent, as a percentage of the CO_2 flow rate, up to its maximum flow rate and pressure rating.

Maximum pressure	600 bar
Flow rate	50 g/min

HIGH PRESSURE STATIC MIXER

Blends different liquids into one uniform concentration.

Material	Stainless steel 316 or other High-strength stainless steel
Flow rate	Up to 200 g/min
Operating pressure	Up to 600 bar
Fluid	CO_2 and most hydrocarbon and organic solvents

MASS FLOW METER

Located on the inlet of the CO_2 pump. The pump, for flow control, uses measured liquified CO_2 mass output from the flow meter.

Flow rate	Up to 200 g/min
Maximum pressure	100 bar

CIRCULATING BATH

Circulates coolant through the CO_2 pump heads and heat exchanger.

Reservoir volume	10 L
Coolant	Antifreeze/H_2O mixture**

*Bath should be located on its own separate circuit.

**Follow antifreeze manufacturer's recommendations to allow for a temperature of -20 °C (-4 °F).

[INSTRUMENT SPECIFICATIONS]

RECYCLER

Reclaims vented CO_2 from extraction process. This system consists of storage vessel with level sensor for CO_2 storage, level sensor module to display level, condensing heat exchanger, condensing cooling bath, and valves. The system also features a pressure relief valve that can be piped to vent to relieve pressure in case of over-pressurization or overfill conditions.

Operating pressure range	60-62 bar
Insulated storage capacity	15 L
Level sensor	Low, Low-Low, High, High-High
Manual switching valve	One, select between CO_2 source and recycle mode

*For more details, please see Recycling System specification sheet.

ORDERING INFORMATION

SFE-2X5LF-2-Base	SFE 5000 with two 5-L Vessels and three 1-L fraction collection vessels
SFE-2X5LF-2-FM	SFE 5000 with two 5-L Vessels, Three 1-L fraction collection vessels, and flow meter
SFE-2X5LF-2-C50	SFE 5000 with two 5-L Vessels, Three 1-L fraction collection vessels, and P-50 Co-Solvent Pump
SFE-2X5LF-2-FMC50	SFE 5000 with two 5-L Vessels, three 1-L fraction collection vessels, and P-50 co-solvent pump and flow meter
725000612	Chiller, Accel 500 115 V/60 Hz
725000613	Chiller, Accel 500 230 V/50 Hz
725000614	Chiller, Accel 500 100 V/50–60 Hz
725000615	Chiller, Accel 500 230 V/60 Hz
RS15L-A-2	Recycling Option (non-CE) 240 V/50 Hz Automated
RS15L-A-2-CE	Recycling Option (CE) 240 V/50 Hz Automated
RS15L-2	Recycling Option (non-CE) 240 V/50 Hz Manual
RS15L-2-CE	Recycling Option (CE) 240 V/50 Hz Manual

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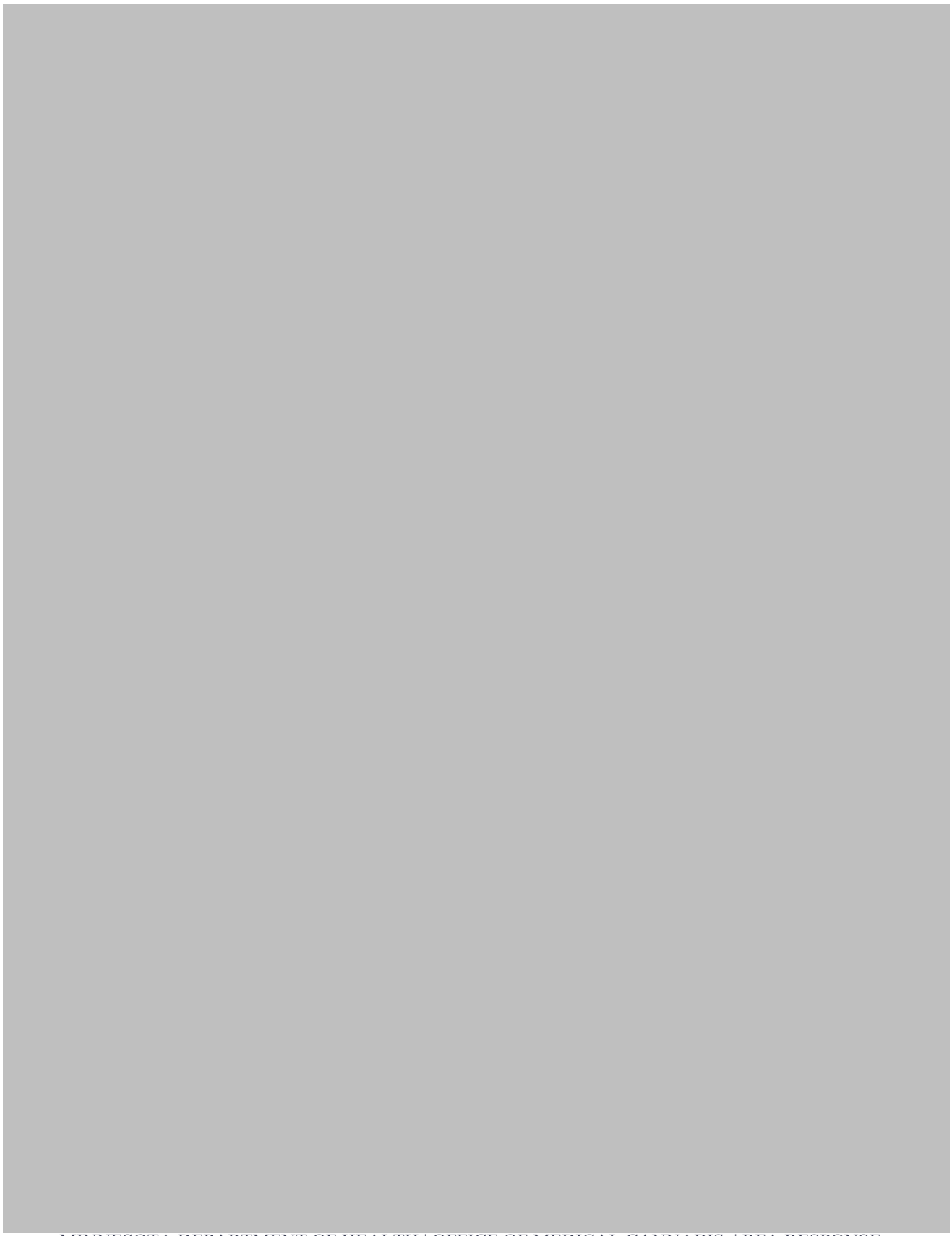
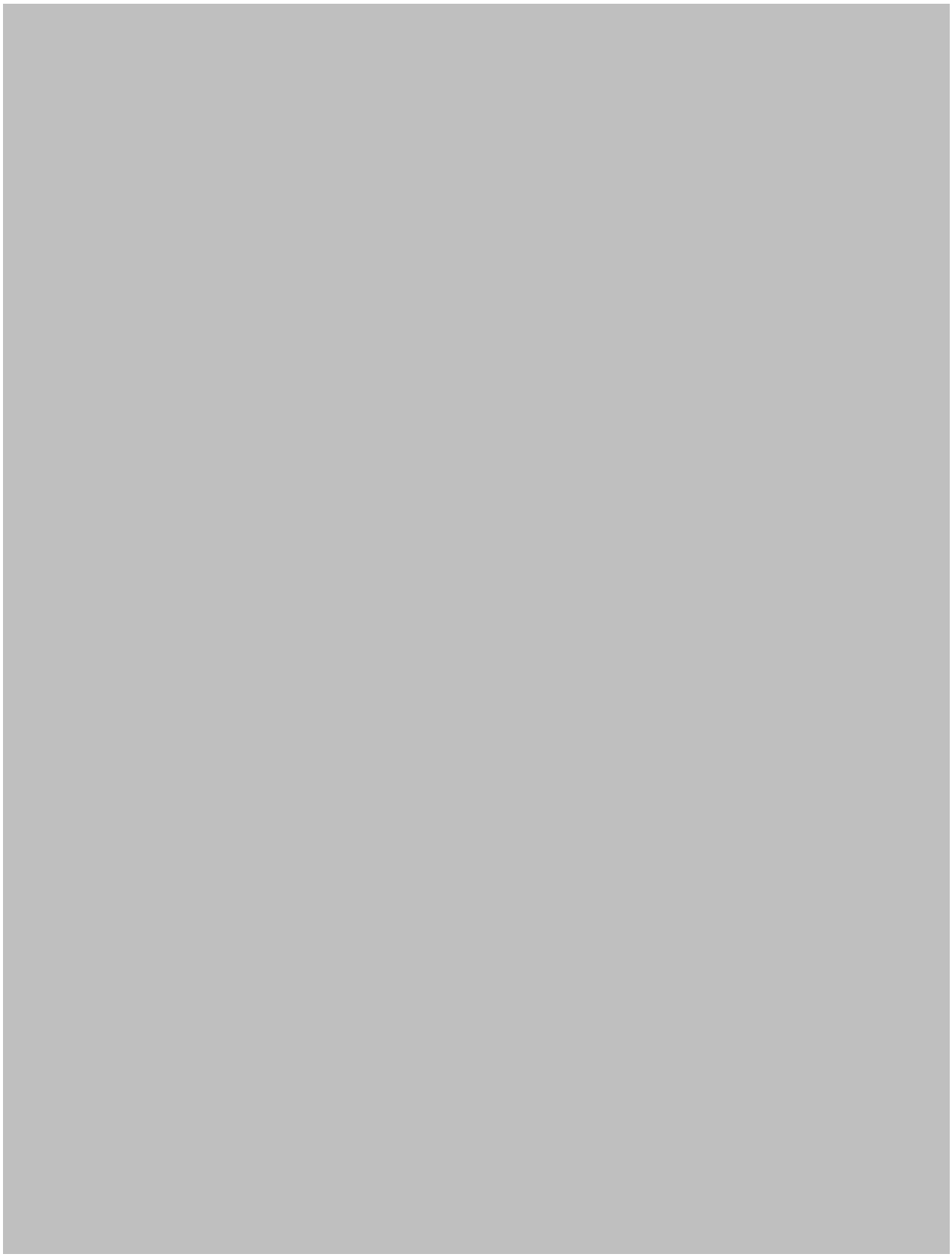
Exhibit C.X.38 LLL Manufacturing Facility – Access Control Device Layout (BranchServ)





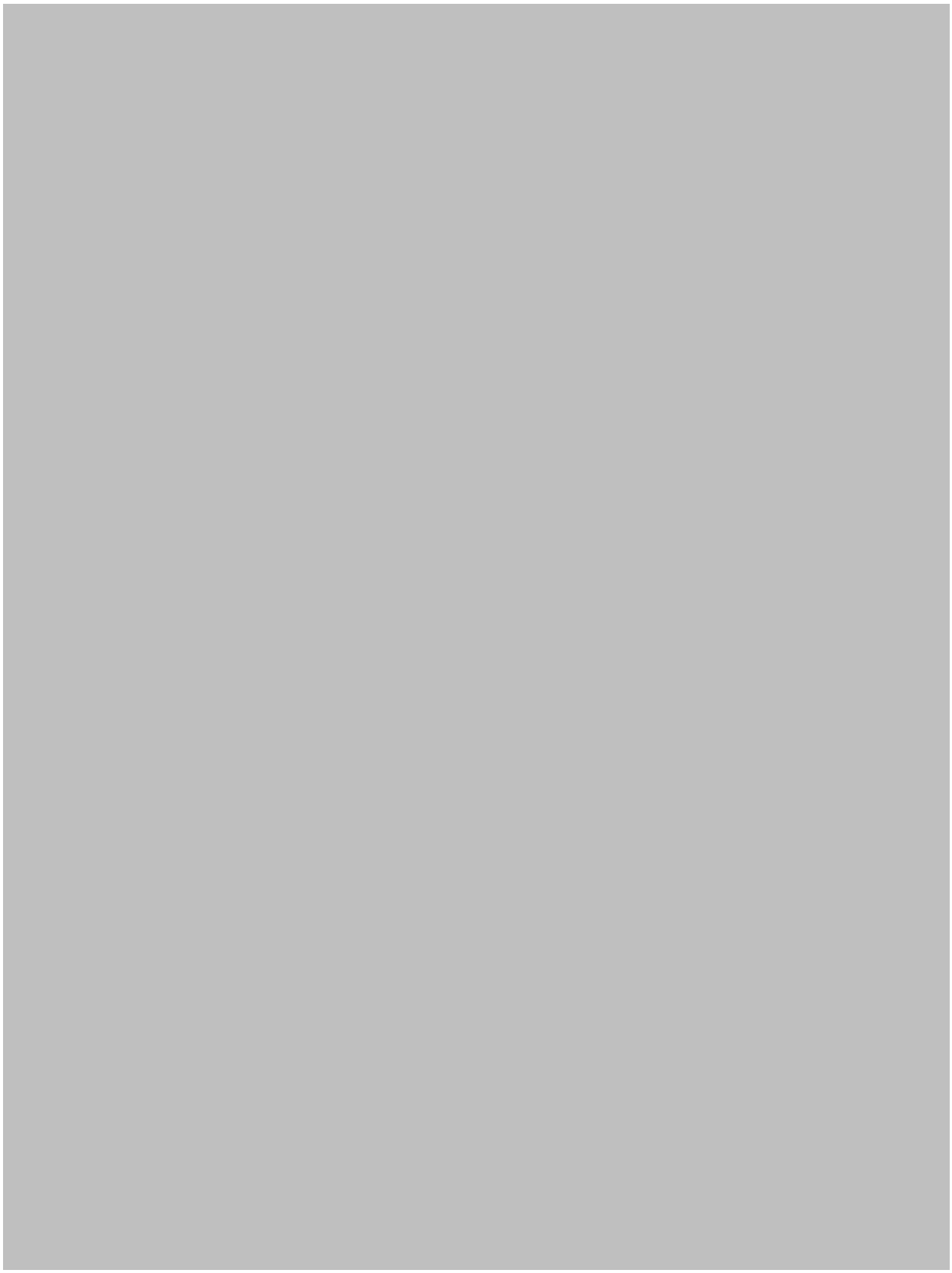
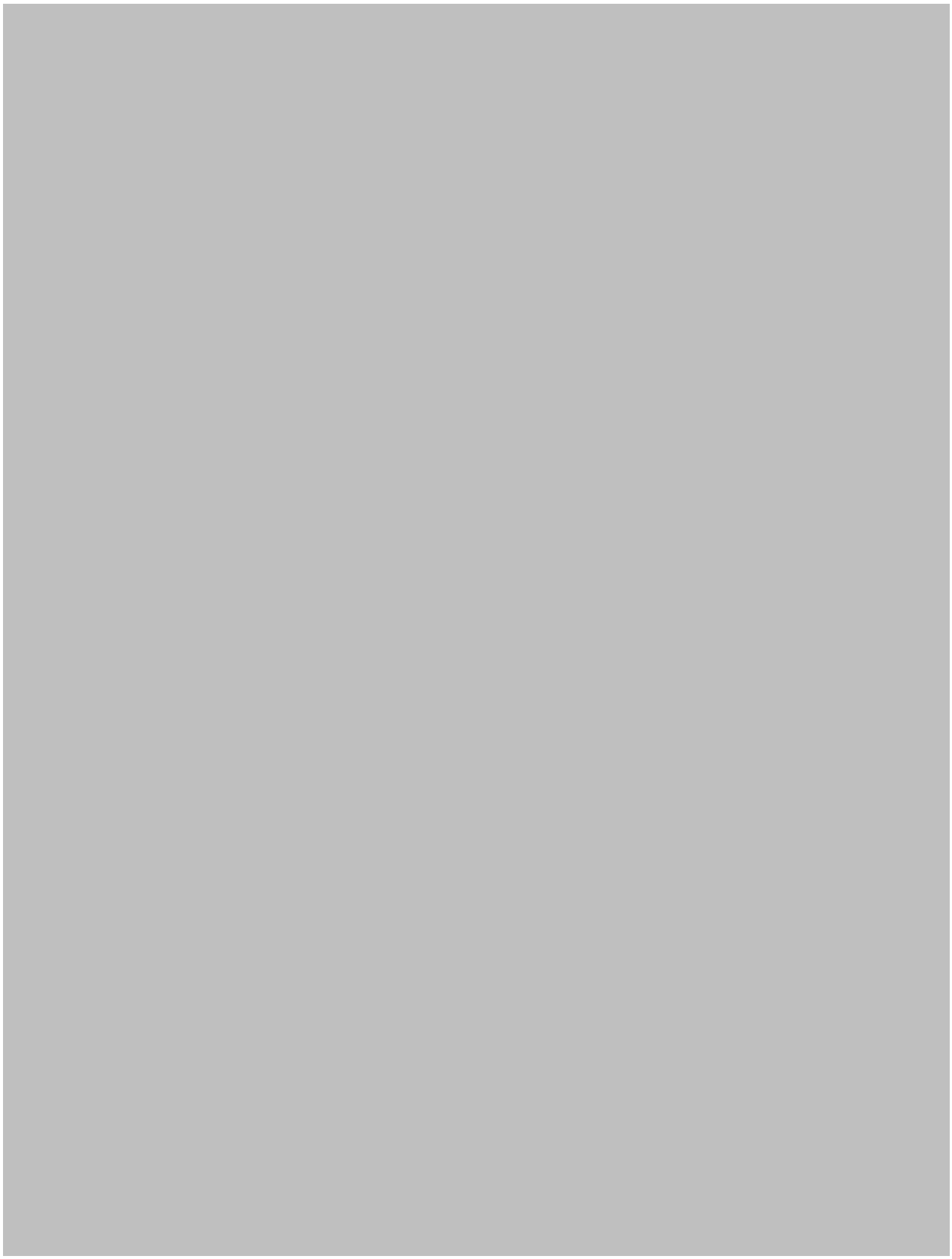
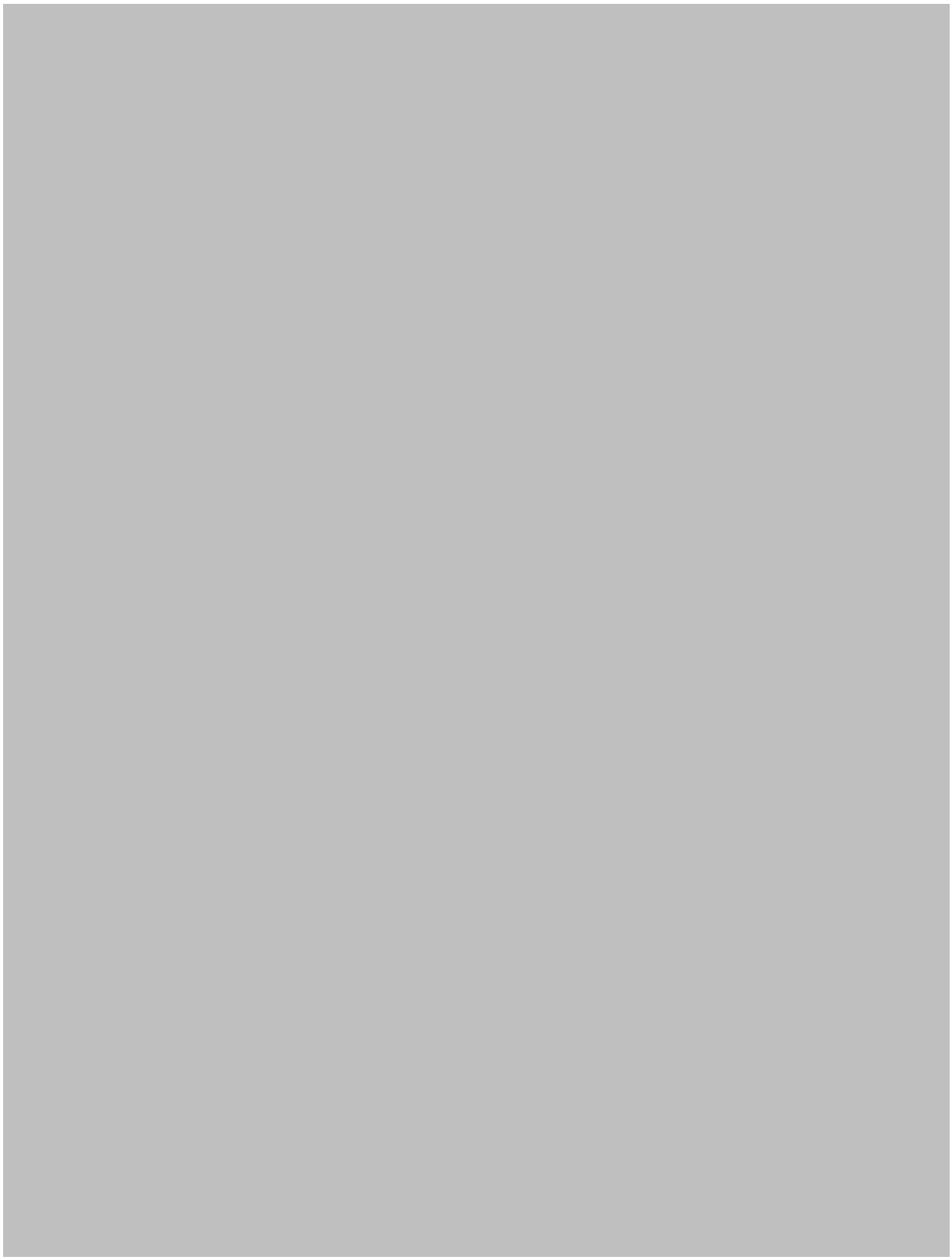


Exhibit C.X.39 LLL Manufacturing Facility –Alarm Device Layout (BranchServ)





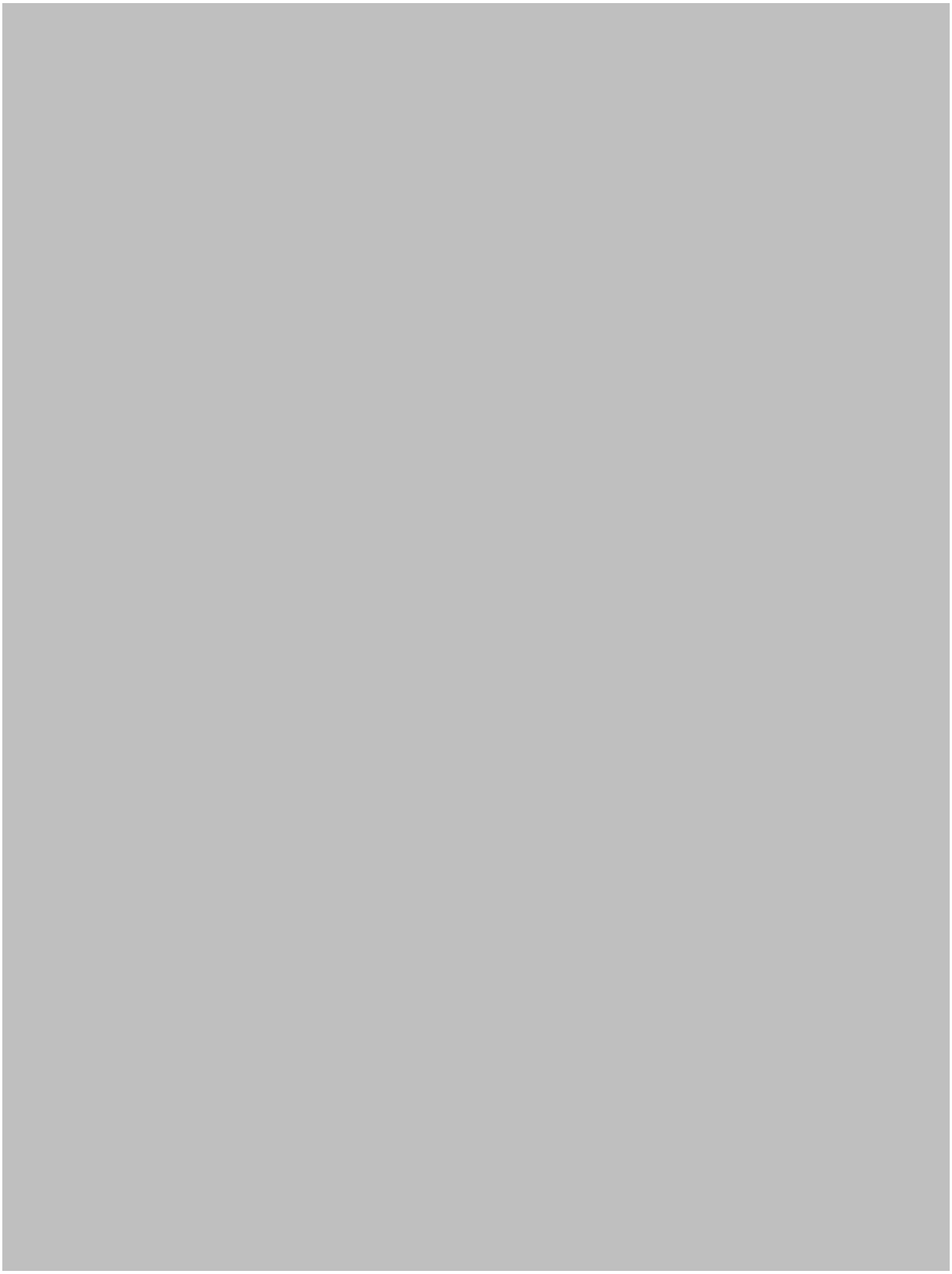
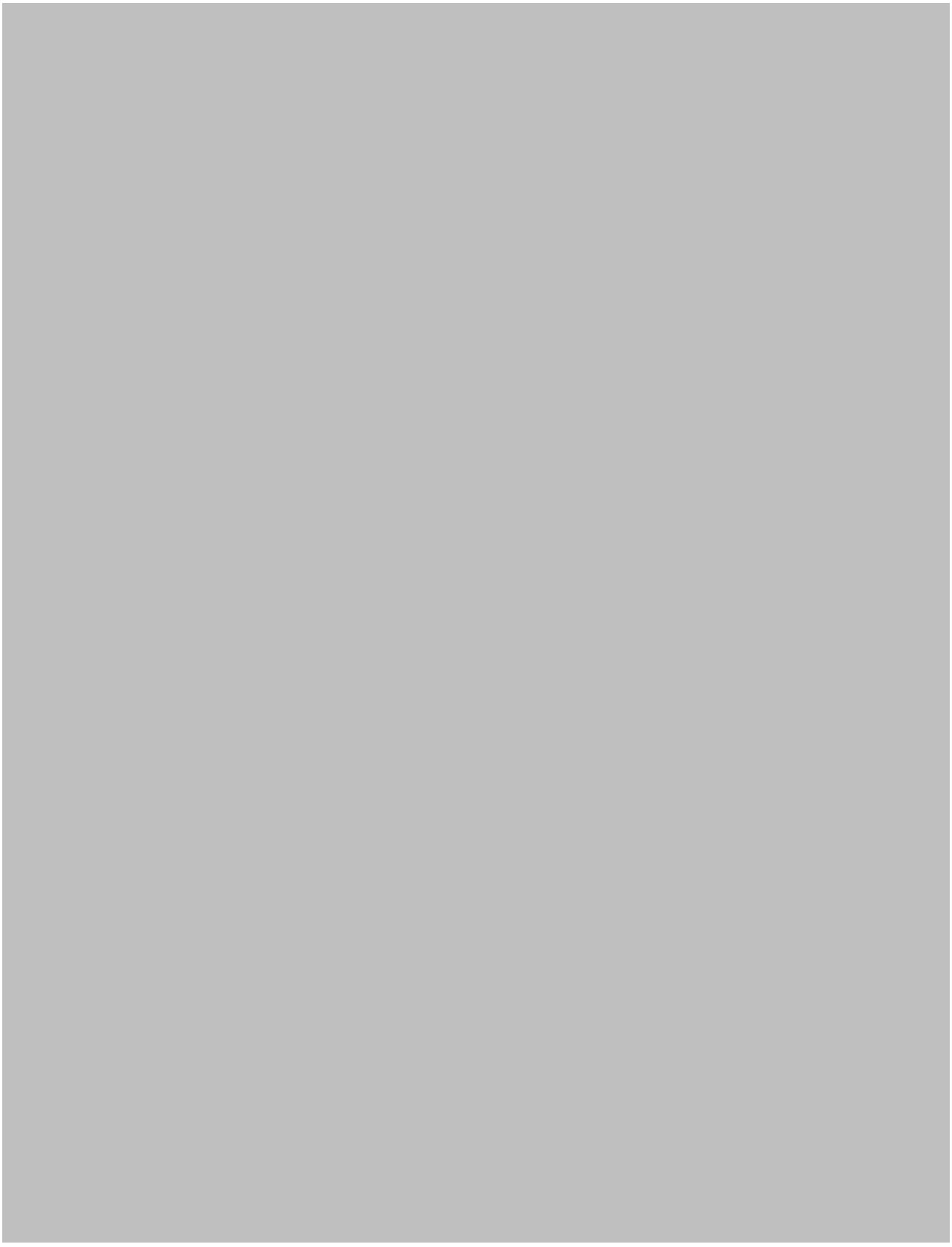


Exhibit C.X.40 LLL Manufacturing Facility –CCTV Video Camera Layout (BranchServ)



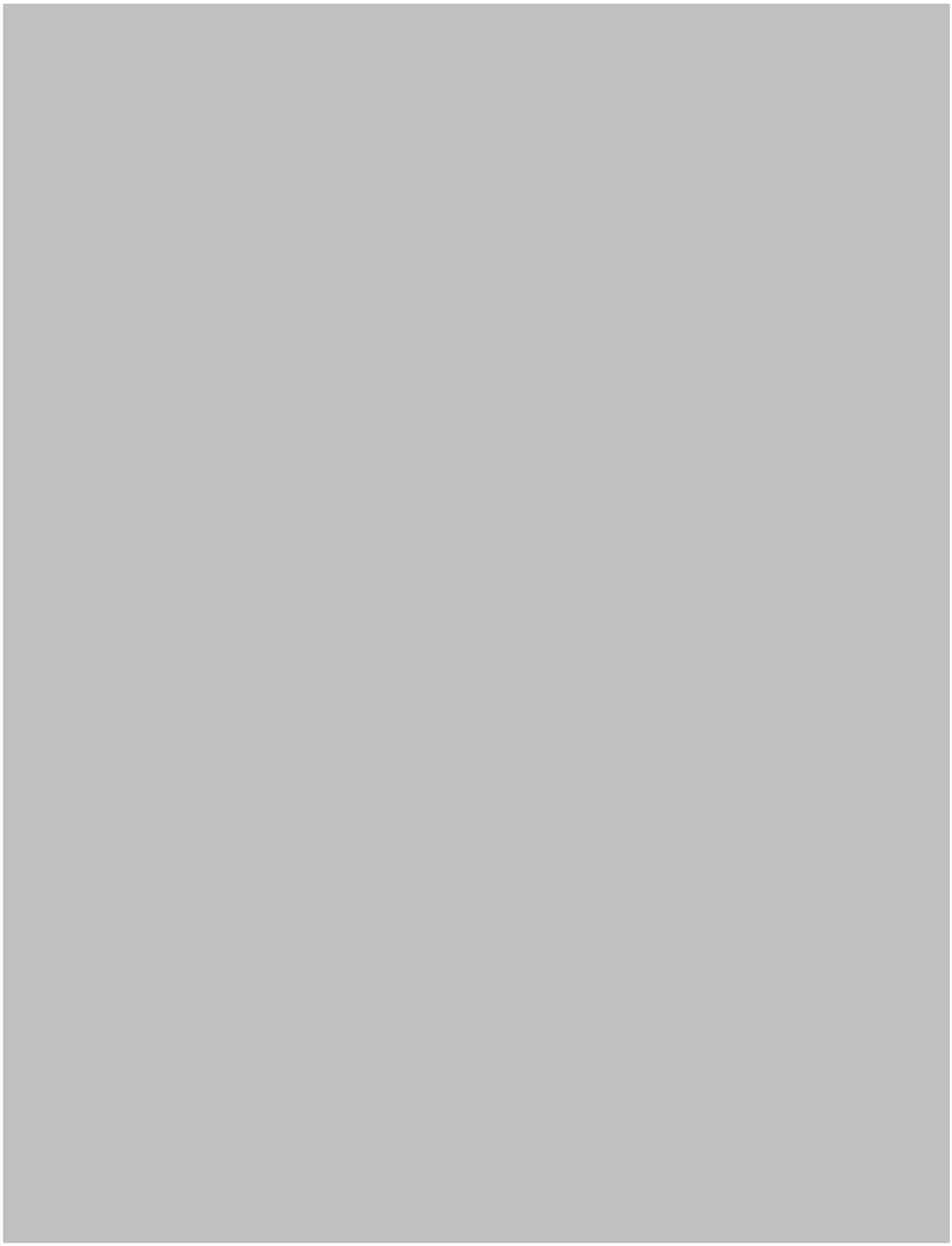
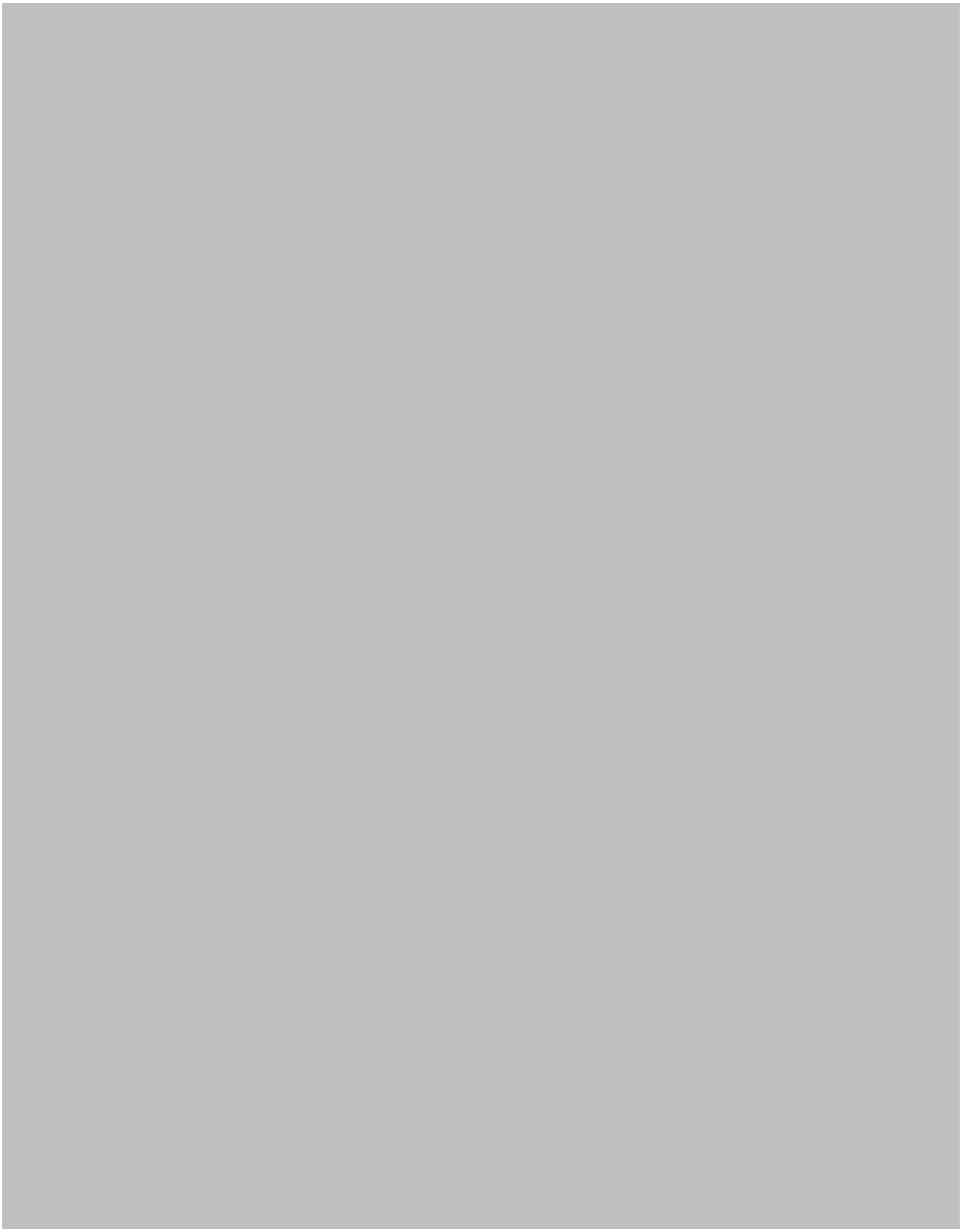
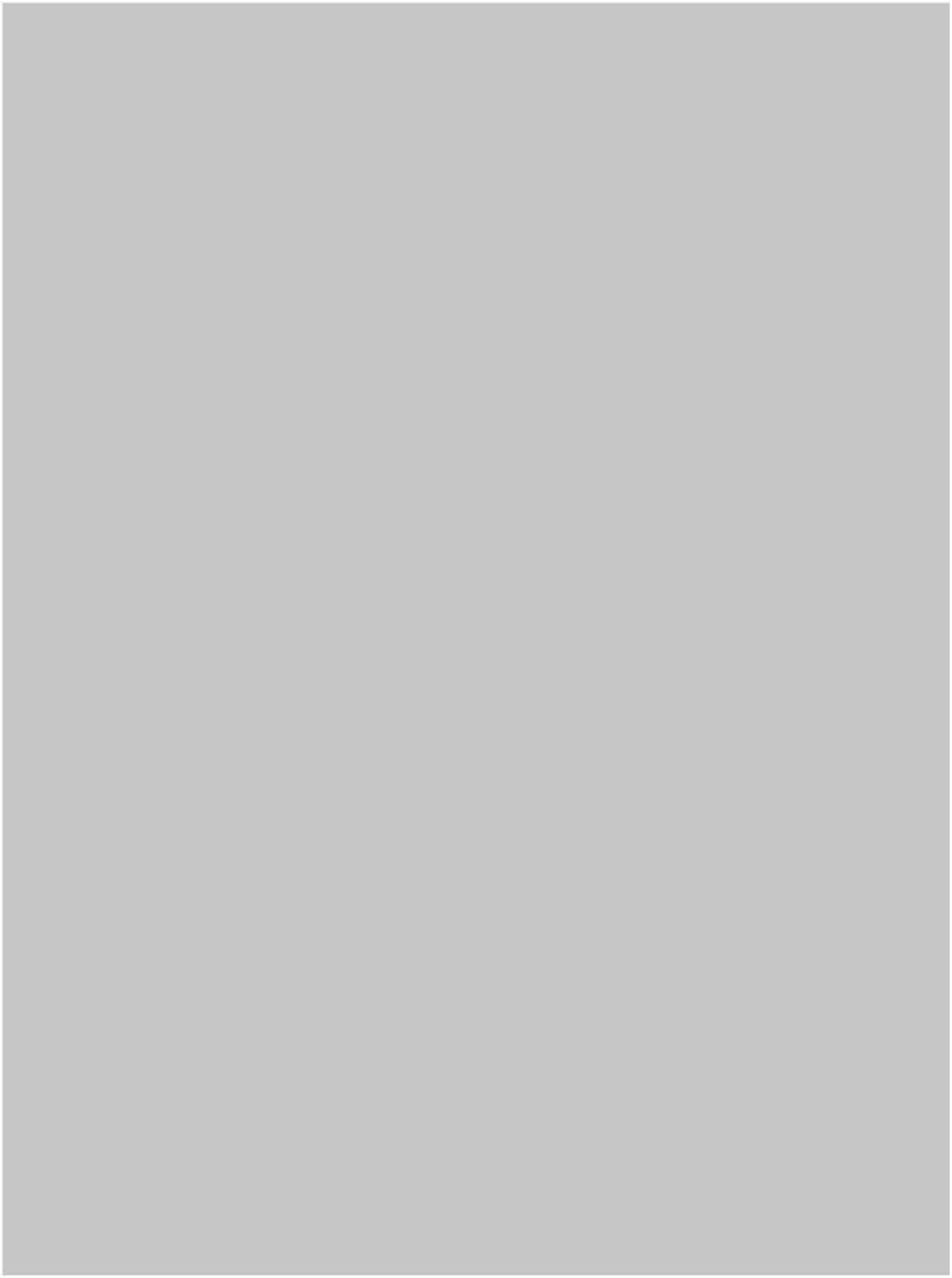
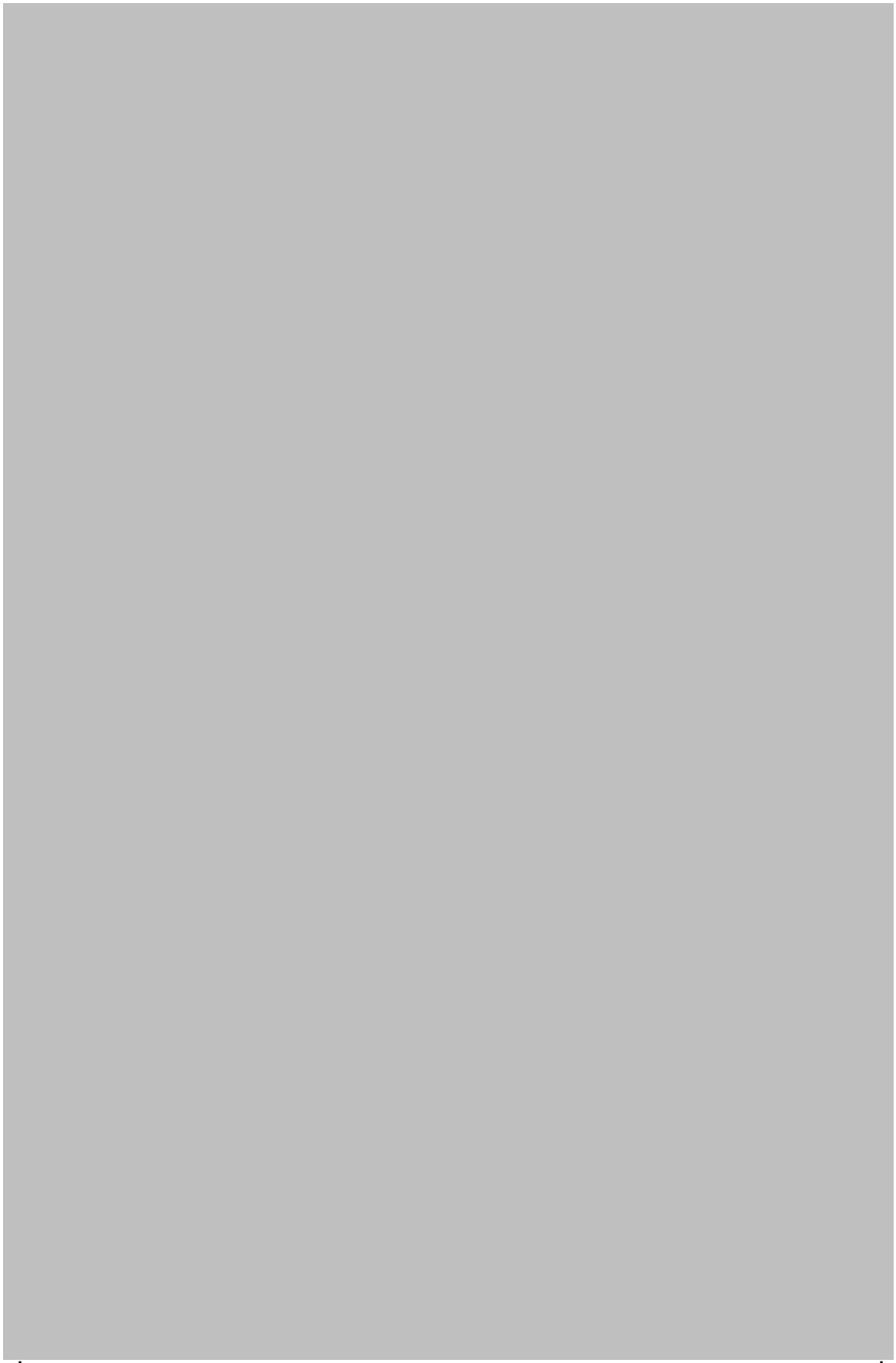
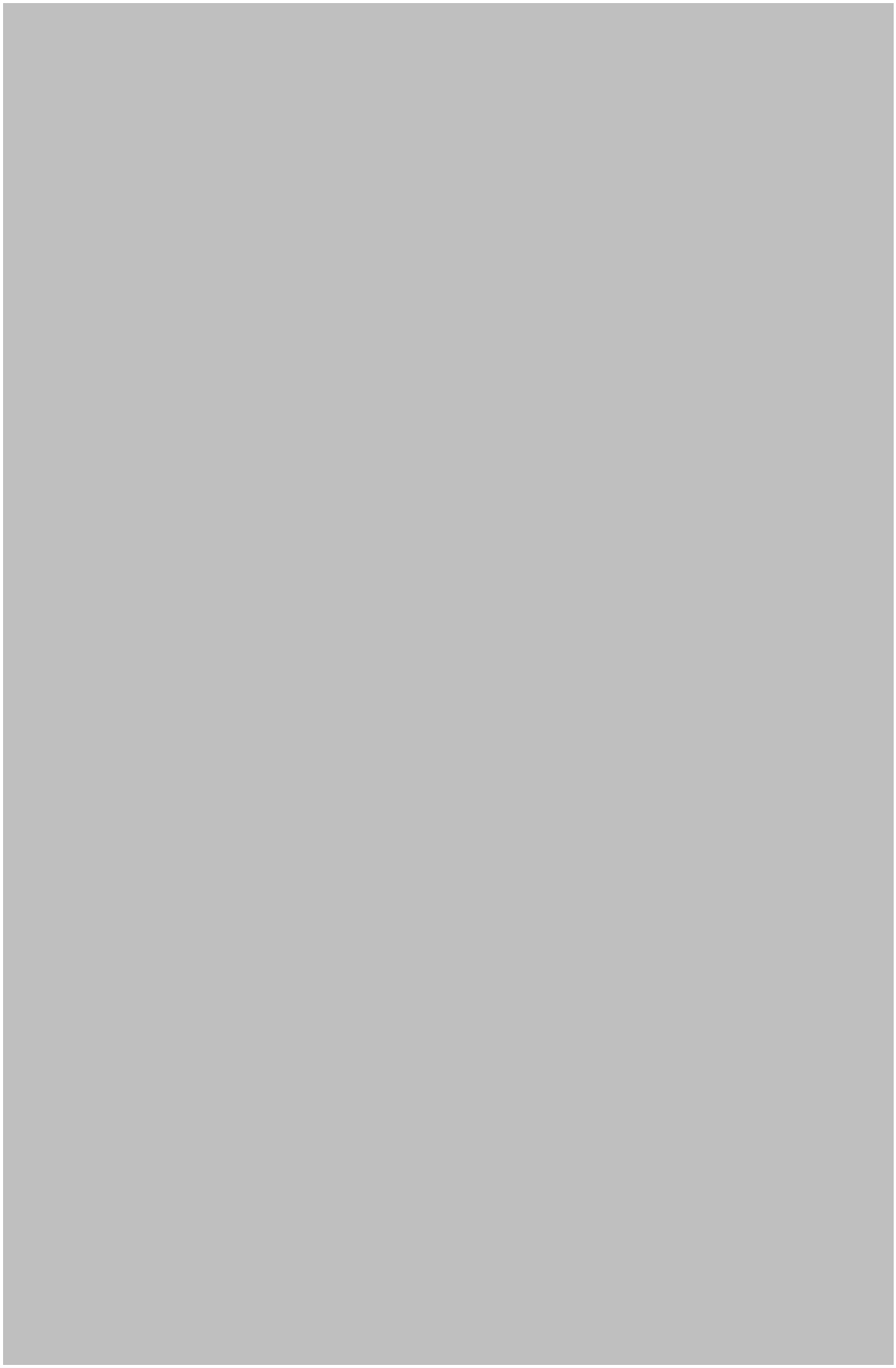


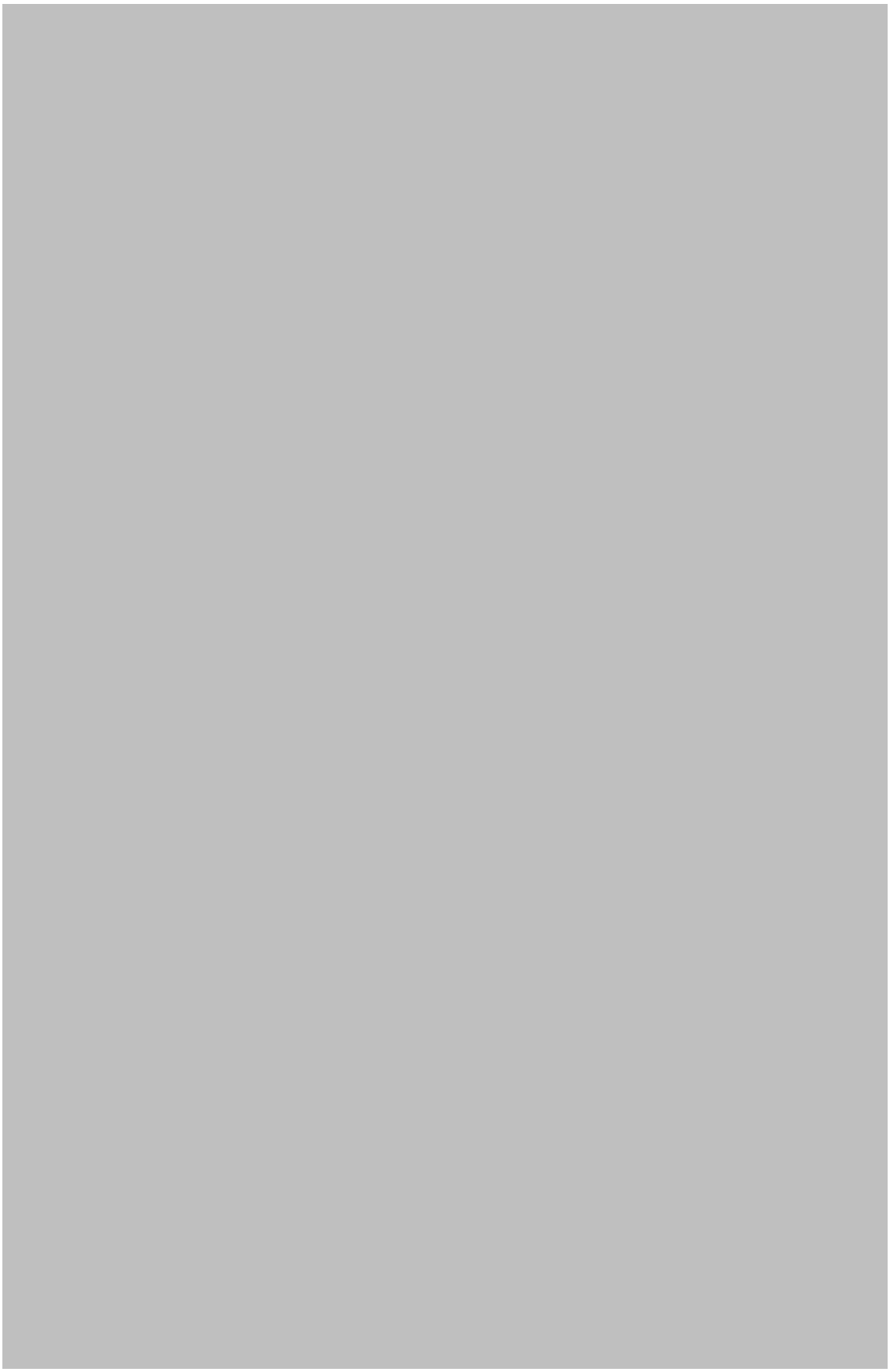
Exhibit C.X.41 LLL Manufacturing Facility –CustomVault Pre-Certification Letter, Slab Prep Details and Vault Specifications











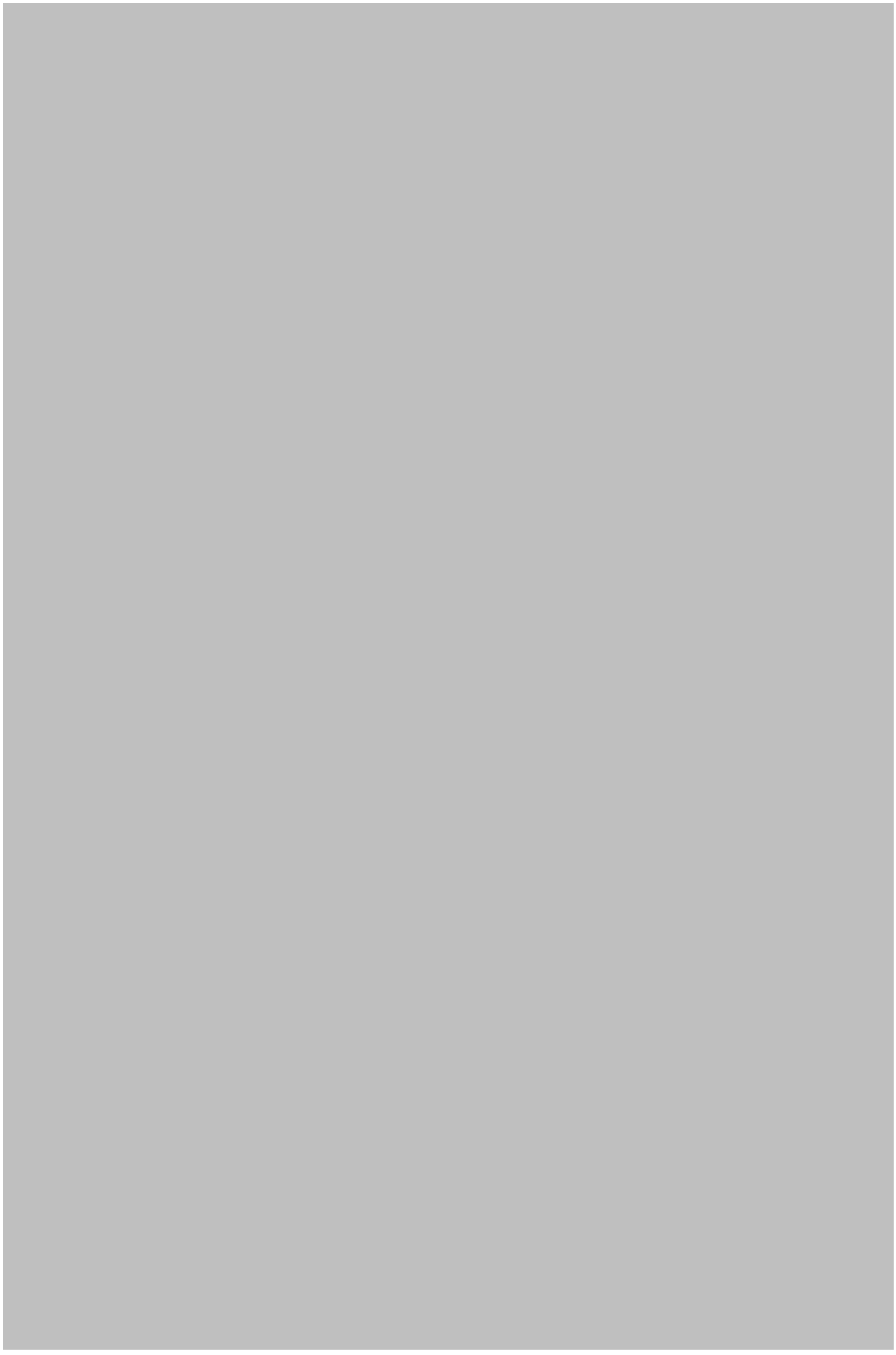
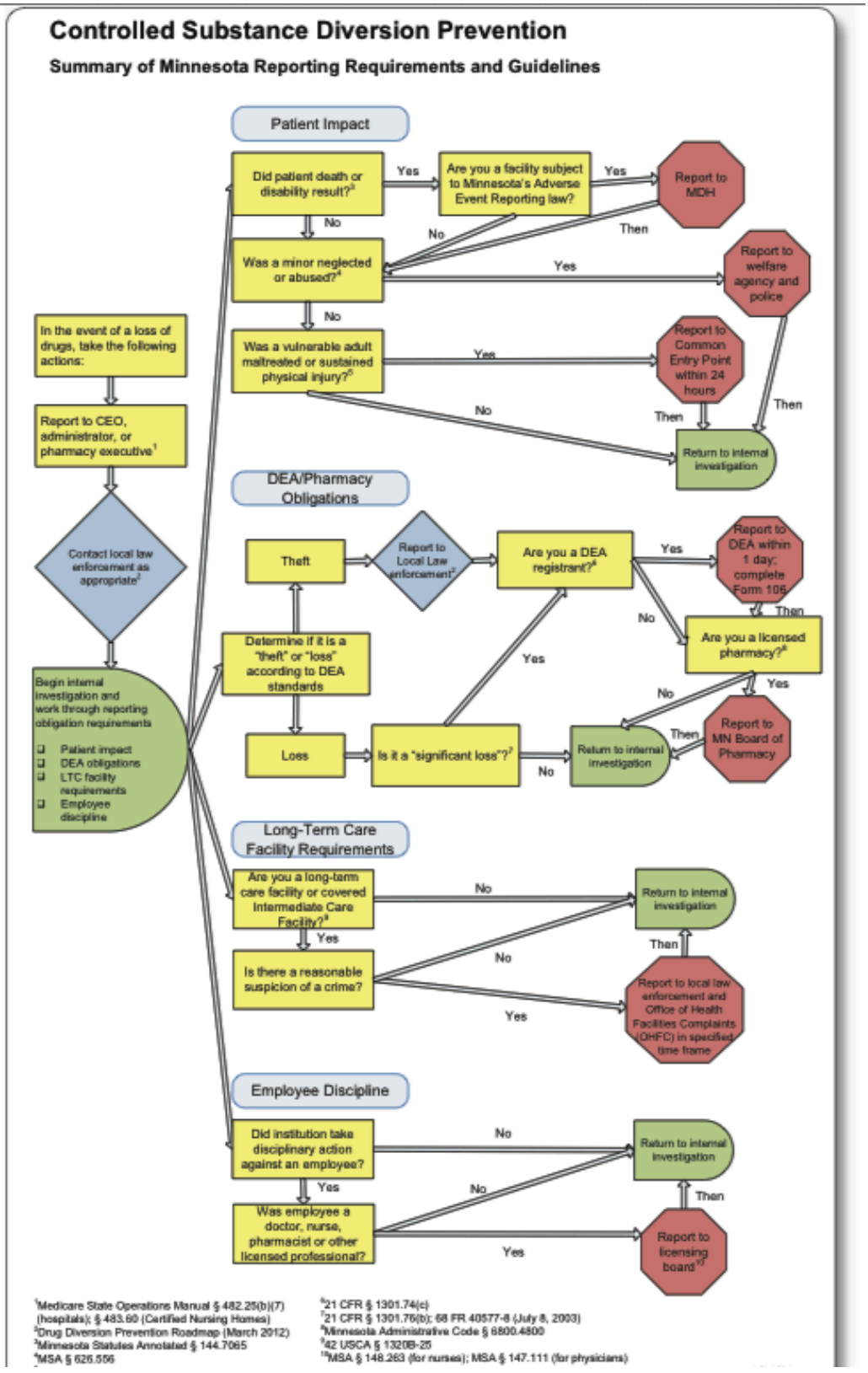


Exhibit C.X.42 MDH Controlled Substance Diversion Prevention

Appendix A

Minnesota Department of Health/Minnesota Hospital Association Controlled Substance Diversion Prevention Reporting Guidelines and Requirements



LeafLine Labs

D. Ownership and Financial Structure

1. Business Structure
2. Organizational Charts
3. Resumes
4. Compensation Agreements
5. Criminal History/Litigation
6. Description of Indebtedness
7. Certified and Pro Forma Financial Statements
8. List of Owners and Investors
9. Future Financial Investments and Commitments

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SECTION D EXHIBITS

D.1 Business Structure

Leafline Labs, LLC is a Minnesota limited liability company. The Articles of Organization filed with and certified by the Minnesota Secretary of State are attached to this application as *Exhibit D.1.1*. The Member Control Agreement of Applicant is attached to this application as *Exhibit D.1.2*. *The* Member Control Agreement provides for the management of the business and affairs of the applicant, the allocation of profits and losses among the members of applicant, and the respective rights and obligations of the members of applicant to each other and to the applicant. [Schedule A to the Member Control Agreement is a list of all of the members of LLL.] *Exhibit D.1.3* attached to this application is a graphic reflecting the ownership of LLL. Two members of applicant are related Minnesota limited liability companies, Family Pharm, LLC and Family Pharm Angels, LLC. LLL is registered with the Minnesota Department of Revenue under Tax Identification Number 3721594. A copy of the application and confirmation provided by Minnesota Department of Revenue is attached as *Exhibit D.1.4*.

Exhibit D.1.1: LeafLine Labs Articles of Organization

Office of the Minnesota Secretary of State
Certificate of Organization

I, Mark Ritchie, Secretary of State of Minnesota, do certify that: The following business entity has duly complied with the relevant provisions of Minnesota Statutes listed below, and is formed or authorized to do business in Minnesota on and after this date with all the powers, rights and privileges, and subject to the limitations, duties and restrictions, set forth in that chapter.

The business entity is now legally registered under the laws of Minnesota.

Name:	Leafline Labs, LLC
File Number:	776767900046
Minnesota Statutes, Chapter:	322B
This certificate has been issued on:	08/27/2014

Mark Ritchie

Mark Ritchie
Secretary of State
State of Minnesota

77676790004

LLC Original

ARTICLES OF ORGANIZATION
OF
LEAFLINE LABS, LLC

The undersigned organizer, being a natural person 18 years of age or older, in order to form a limited liability company under Minnesota Statutes, Chapter 322B, hereby files with the Minnesota Secretary of State the following Articles of Organization:

1. **Name.** The name of the limited liability company shall be Leafline Labs, LLC.

2. **Registered Office.** The registered office of the limited liability company is located at 200 South Sixth Street, Suite 4000, Minneapolis, MN 55402-1425.

3. **Organizer.** The name and address of each organizer is as follows:

Beckie L. Northrop
200 South Sixth Street
Suite 4000
Minneapolis, MN 55402-1425.

4. **Member Control Agreement.** The Members intend to make specific arrangements relating to the (i) formation, operations, ownership, governance, management, and dissolution of the Company; (ii) allocation of income, receipt, gain, loss, deduction, credit, and distribution; (iii) receipt of additional capital, admission of new Members and all valuation issues associated with the receipt of such additional capital and admission of Members; (iv) transfer or encumbrance, whether voluntary or involuntary, of Membership Interests; and (v) other matters related to the Company. Such Agreement constitutes a Member Control Agreement under Section 322B.37 of the Minnesota limited liability company act (the "LLC Act"). During the entire term of such Agreement, the provisions of such Agreement shall supersede any provisions of the LLC Act, as they now exist or as may be subsequently amended or restated, that are inconsistent or conflict with the provisions of such Agreement to the maximum extent permitted by law.

I have signed these Articles of Organization of Leafline Labs, LLC, as the organizer of the limited liability company.

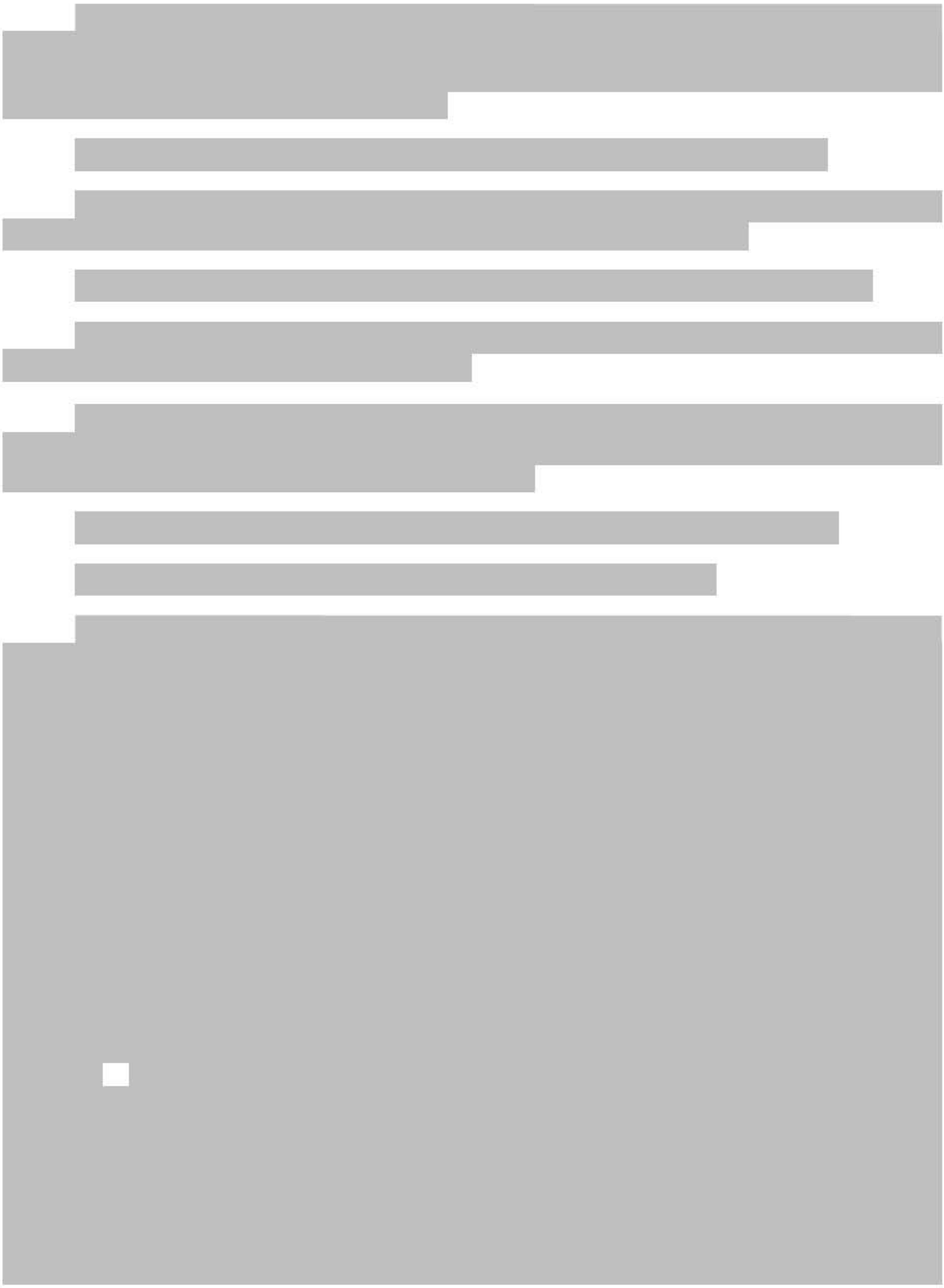
Beckie L. Northrop, Organizer

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
AUG 27 2014

51155347

STATE OF MINNESOTA
DEPARTMENT OF STATE
I hereby certify that this is a true and complete copy of the document as filed for record in this office.
DATED 9/24/2014
Mark Ritchie
Secretary of State
By Brenda Rosemark

[redacted]



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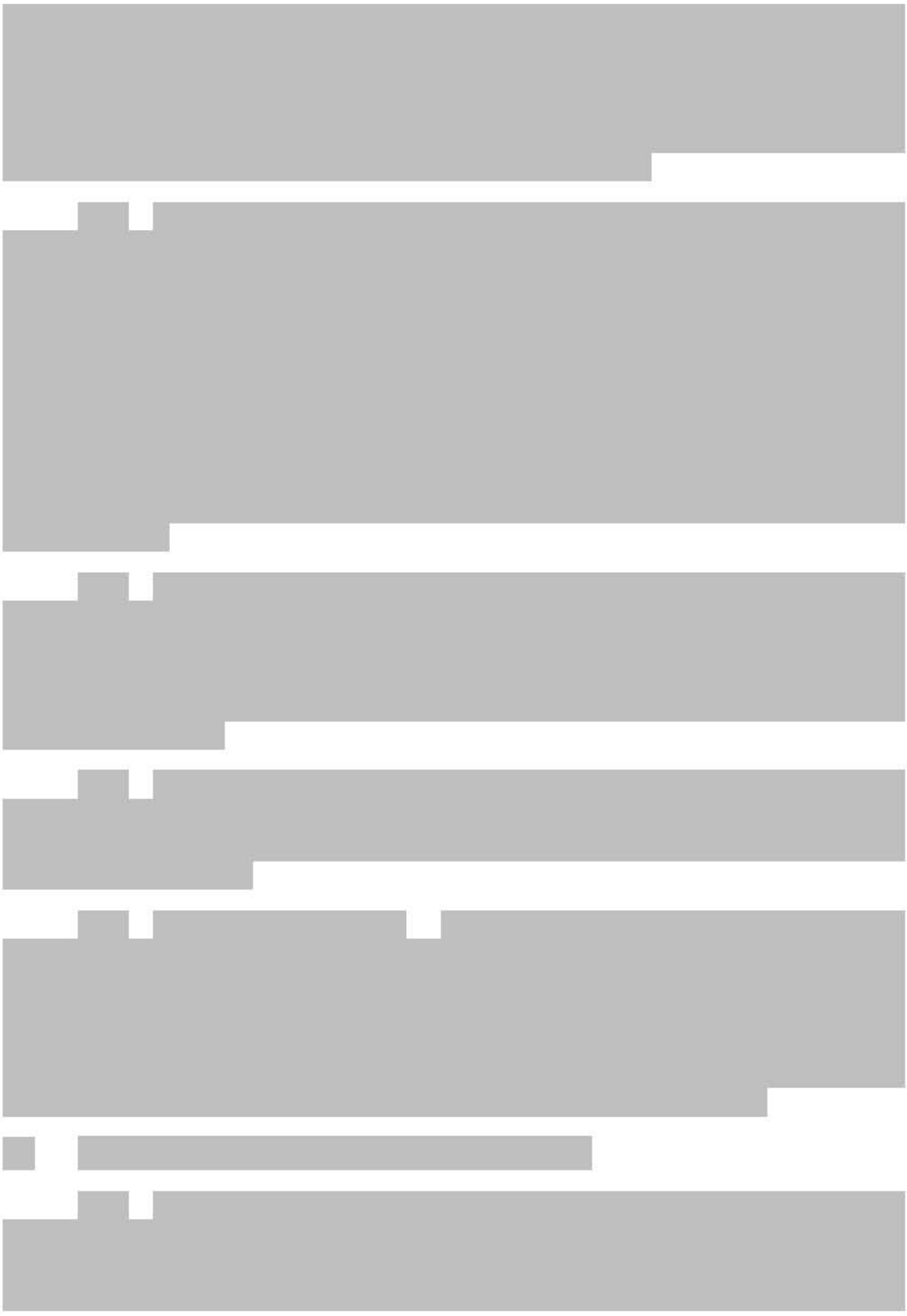

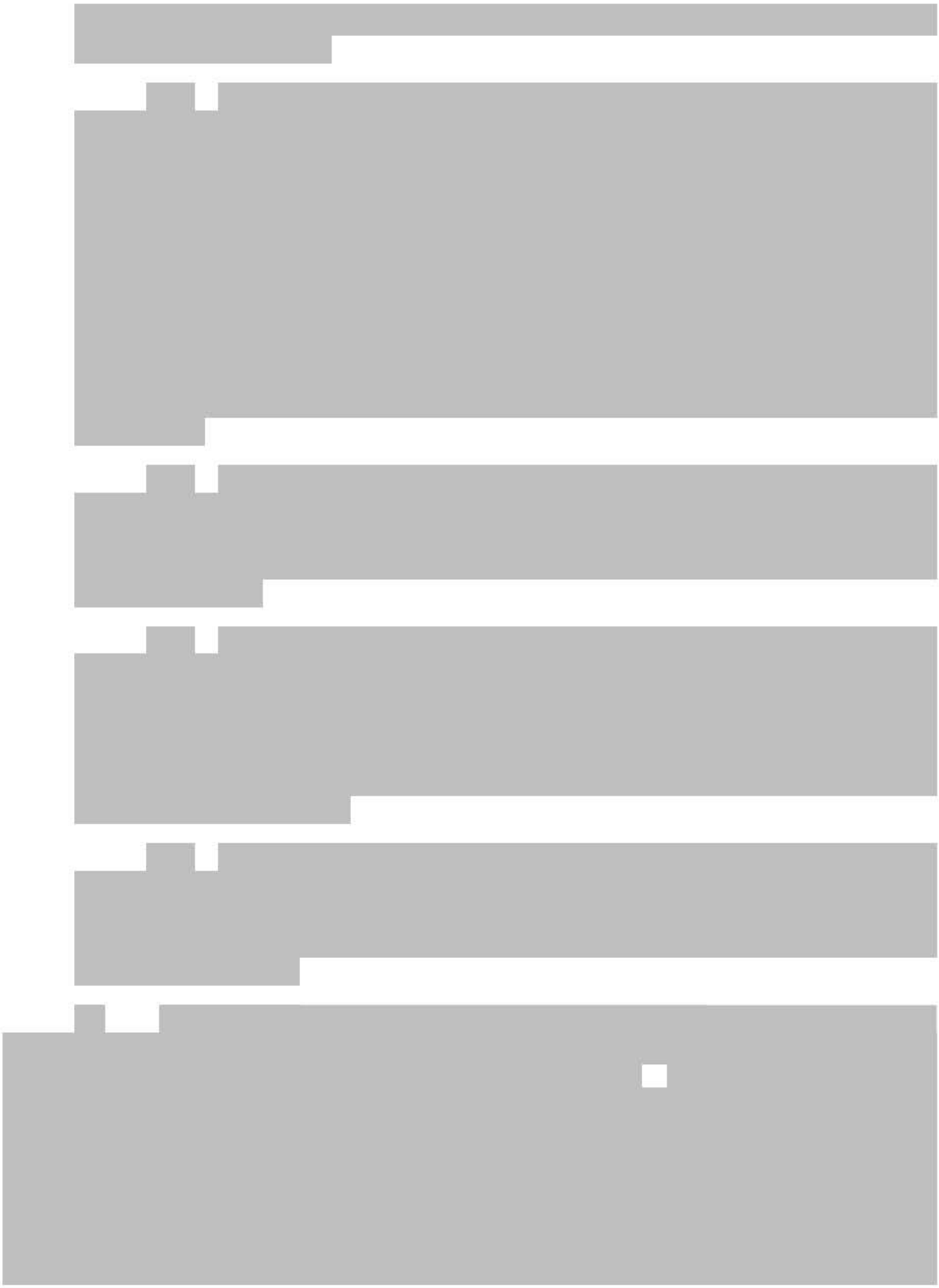

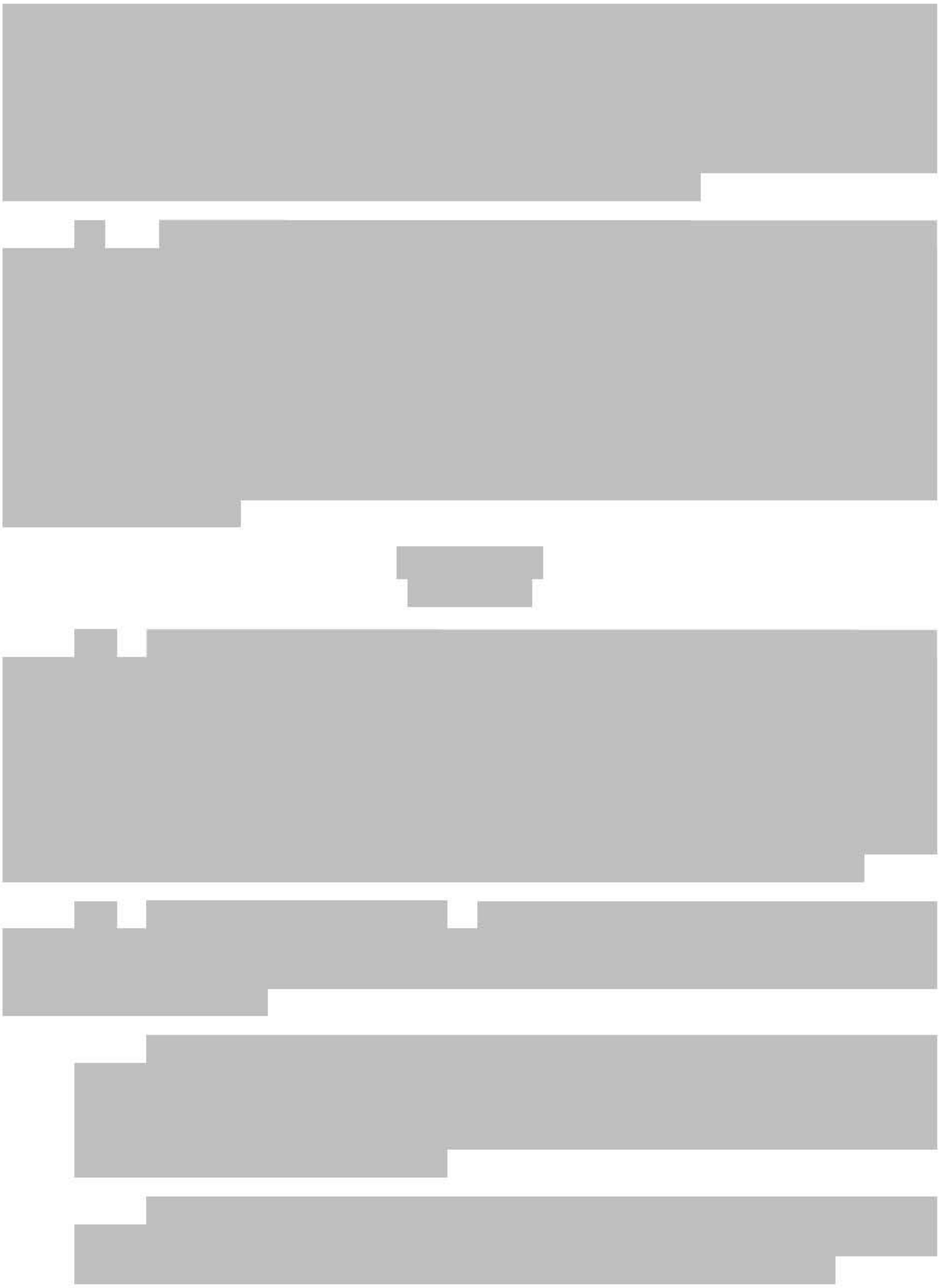

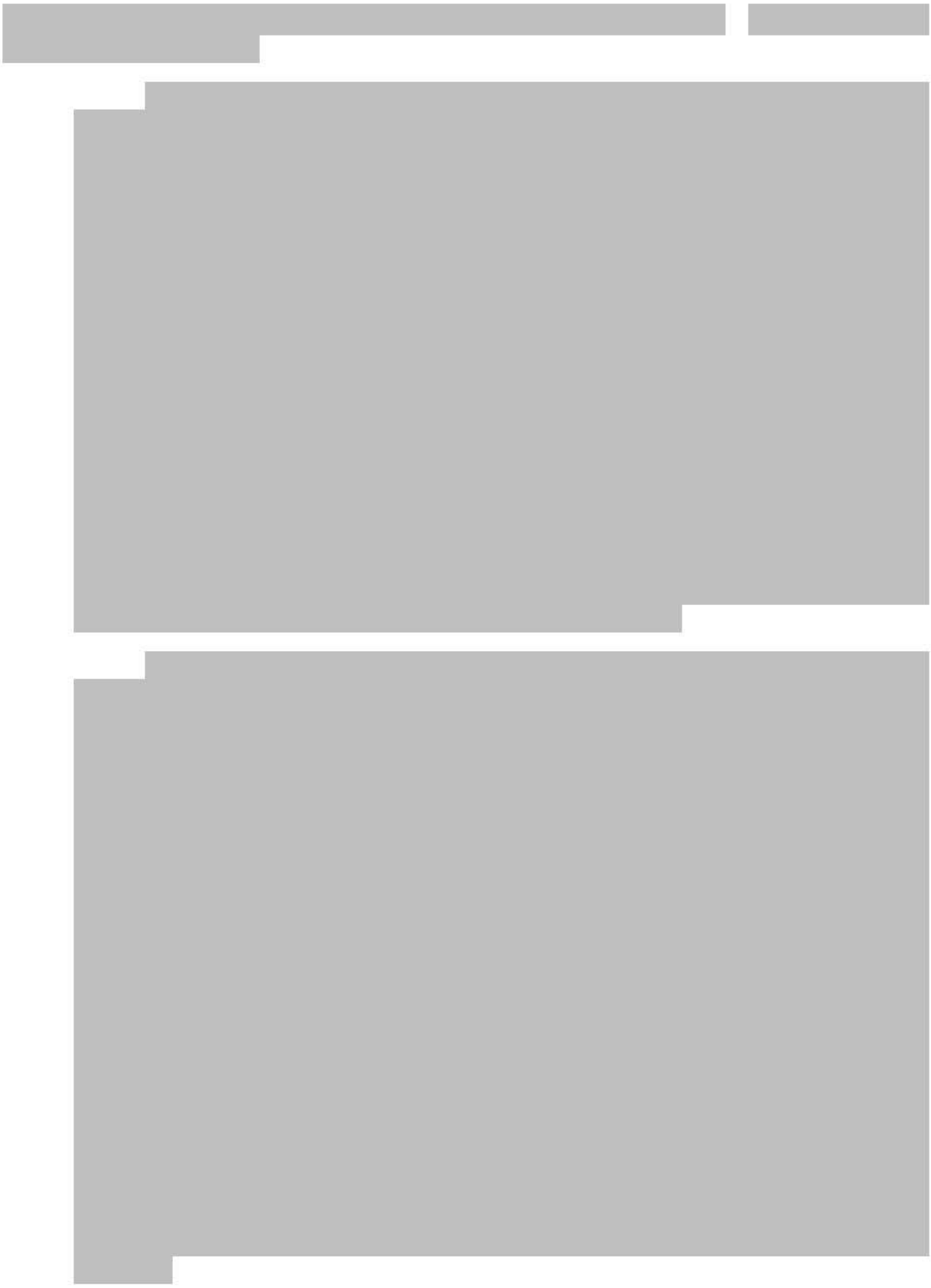

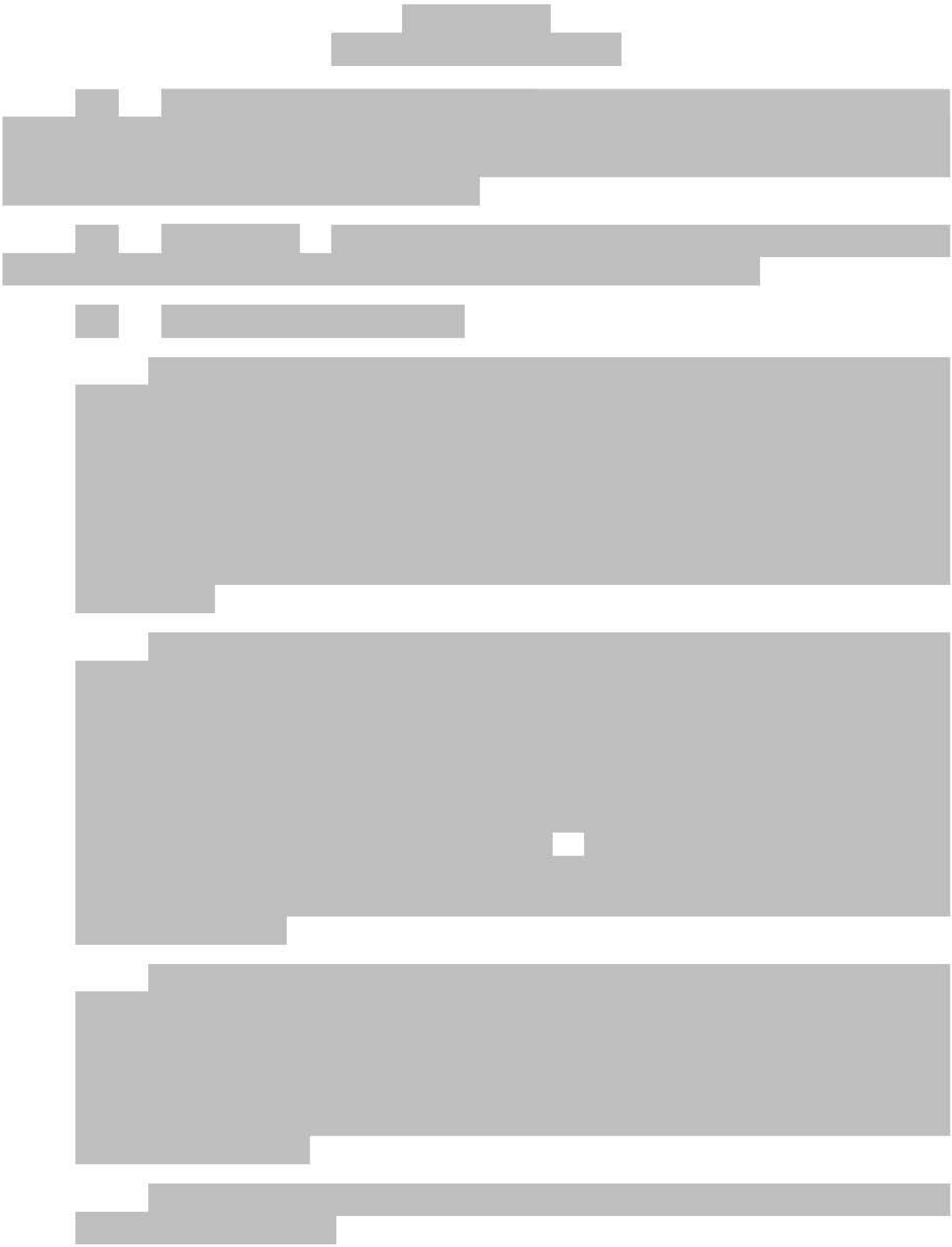

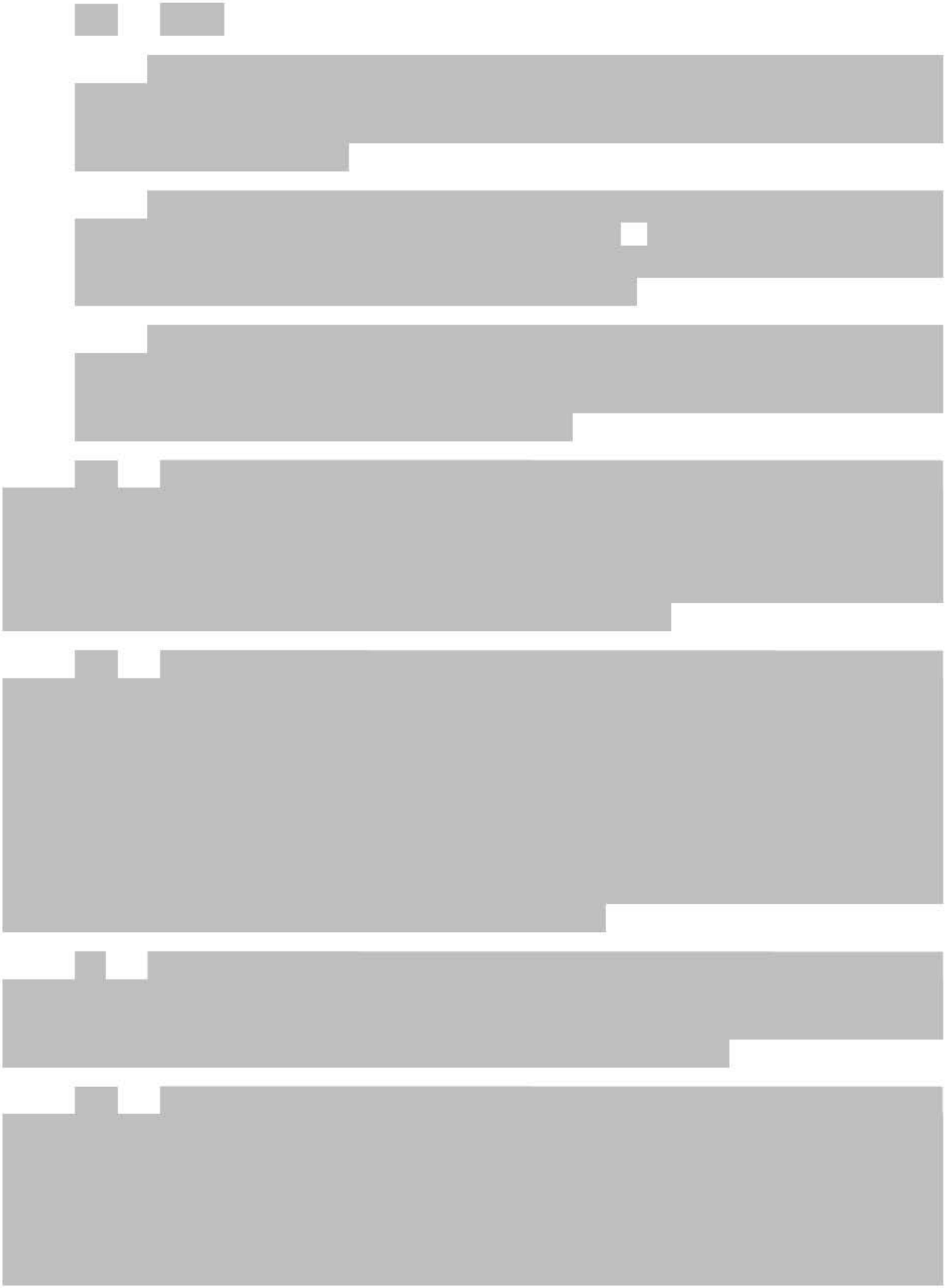

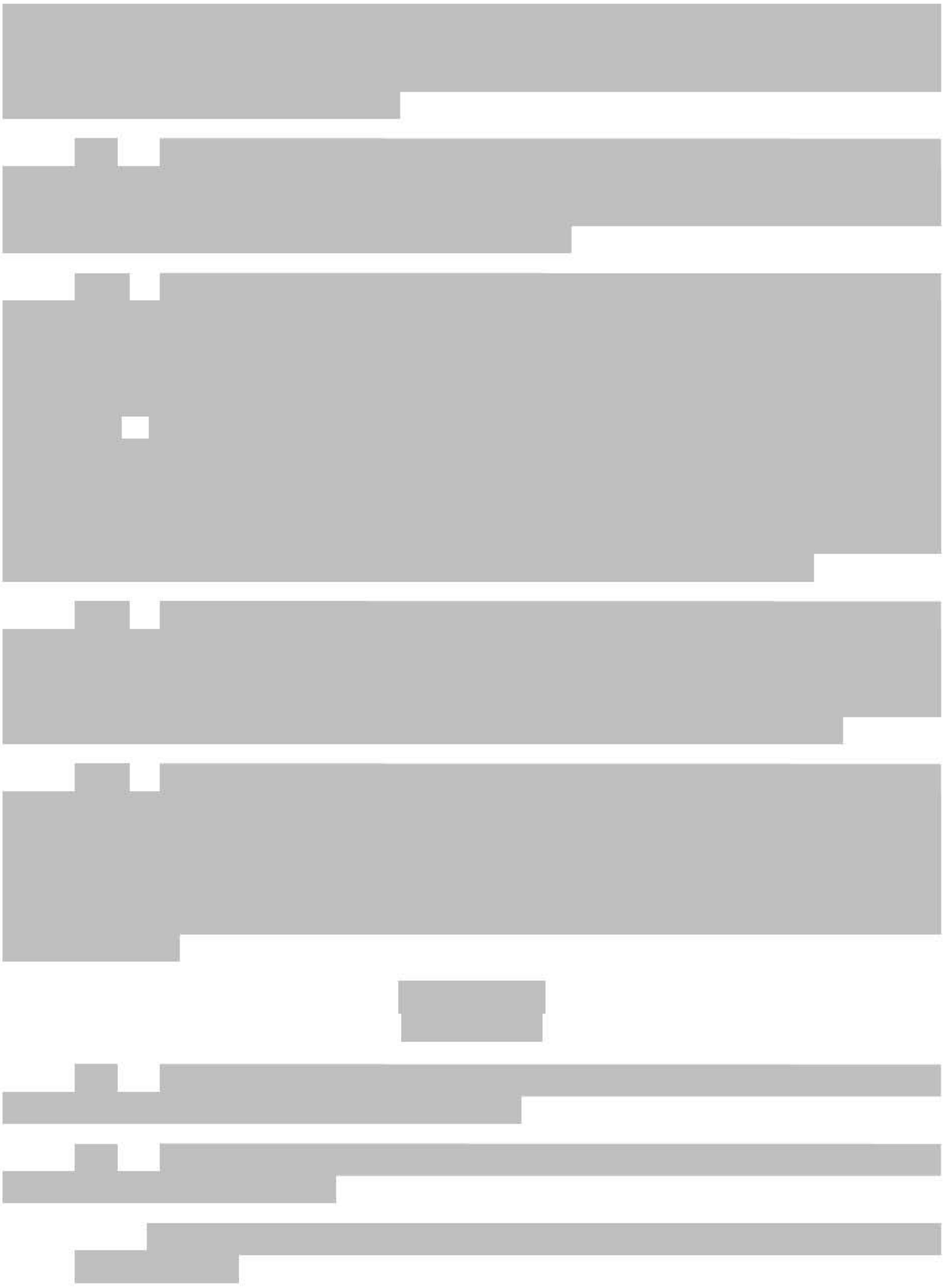

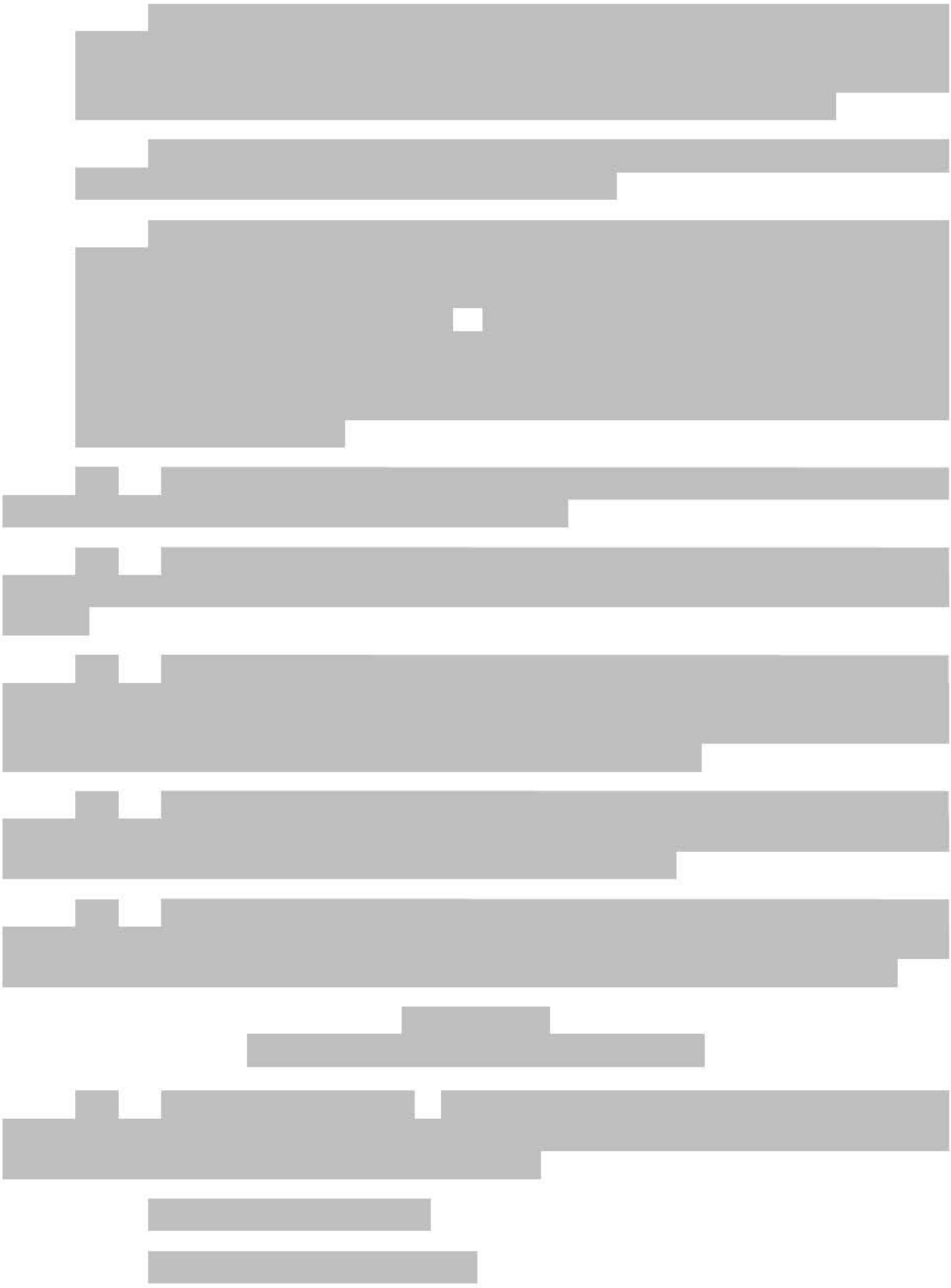

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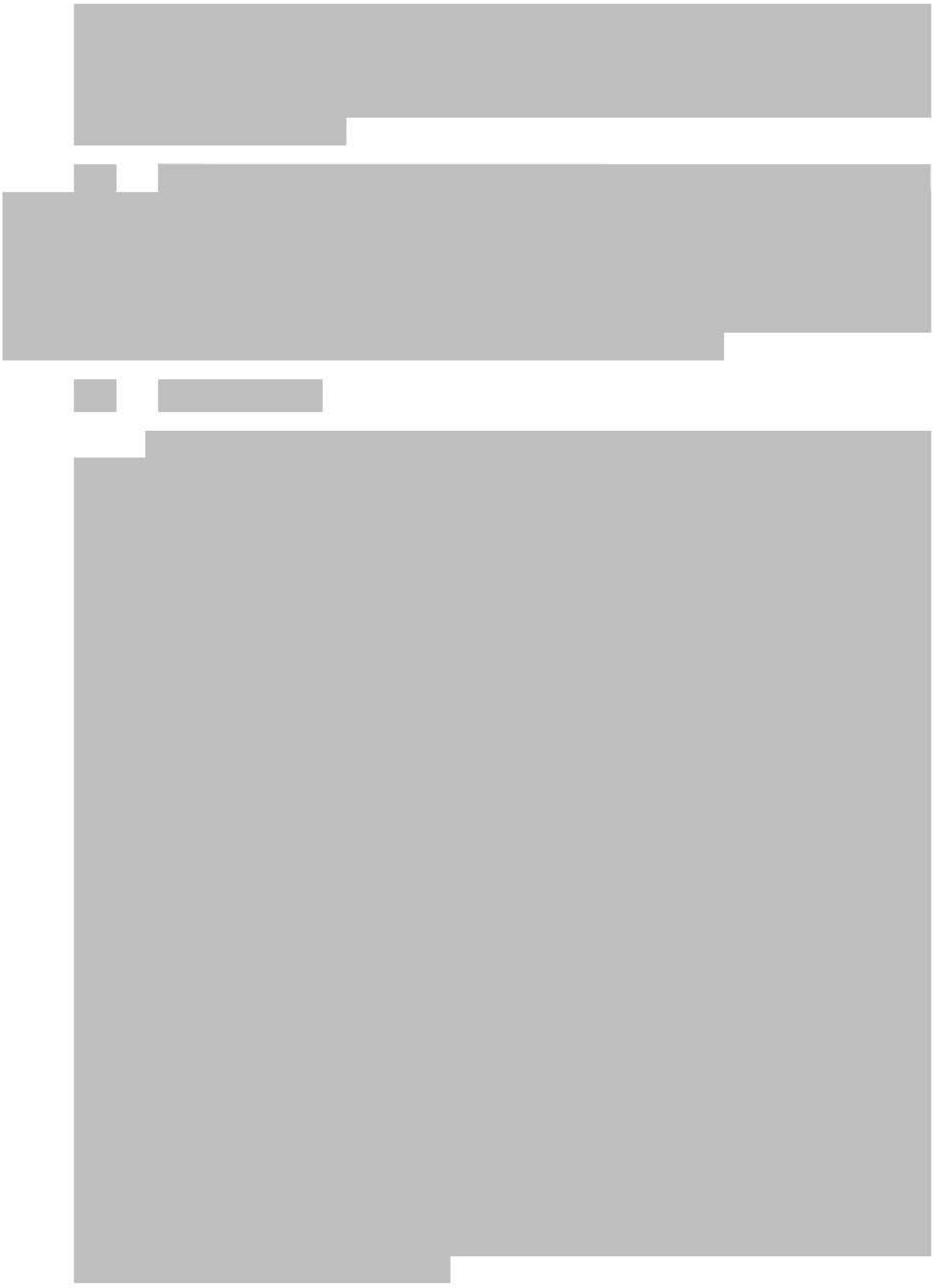

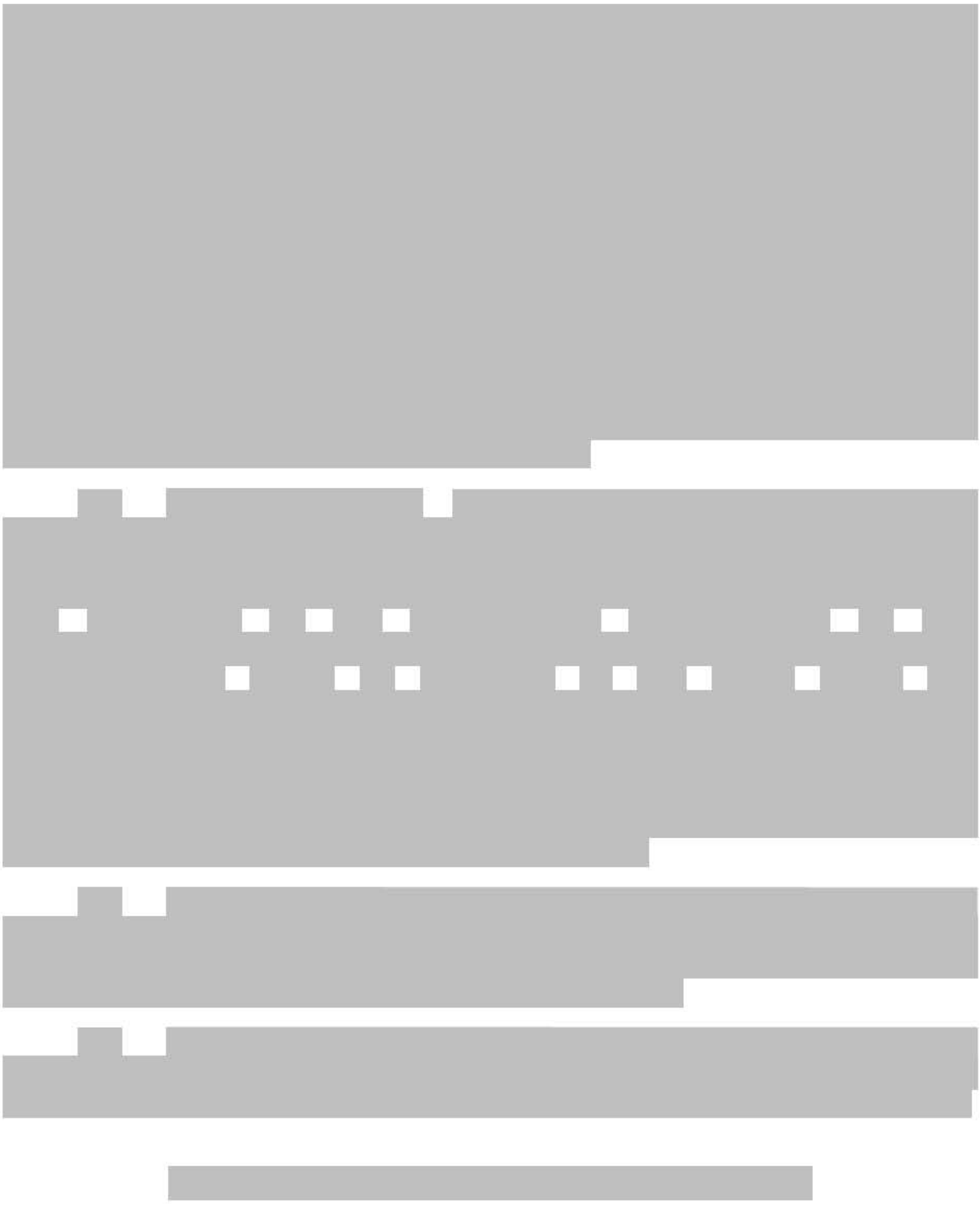

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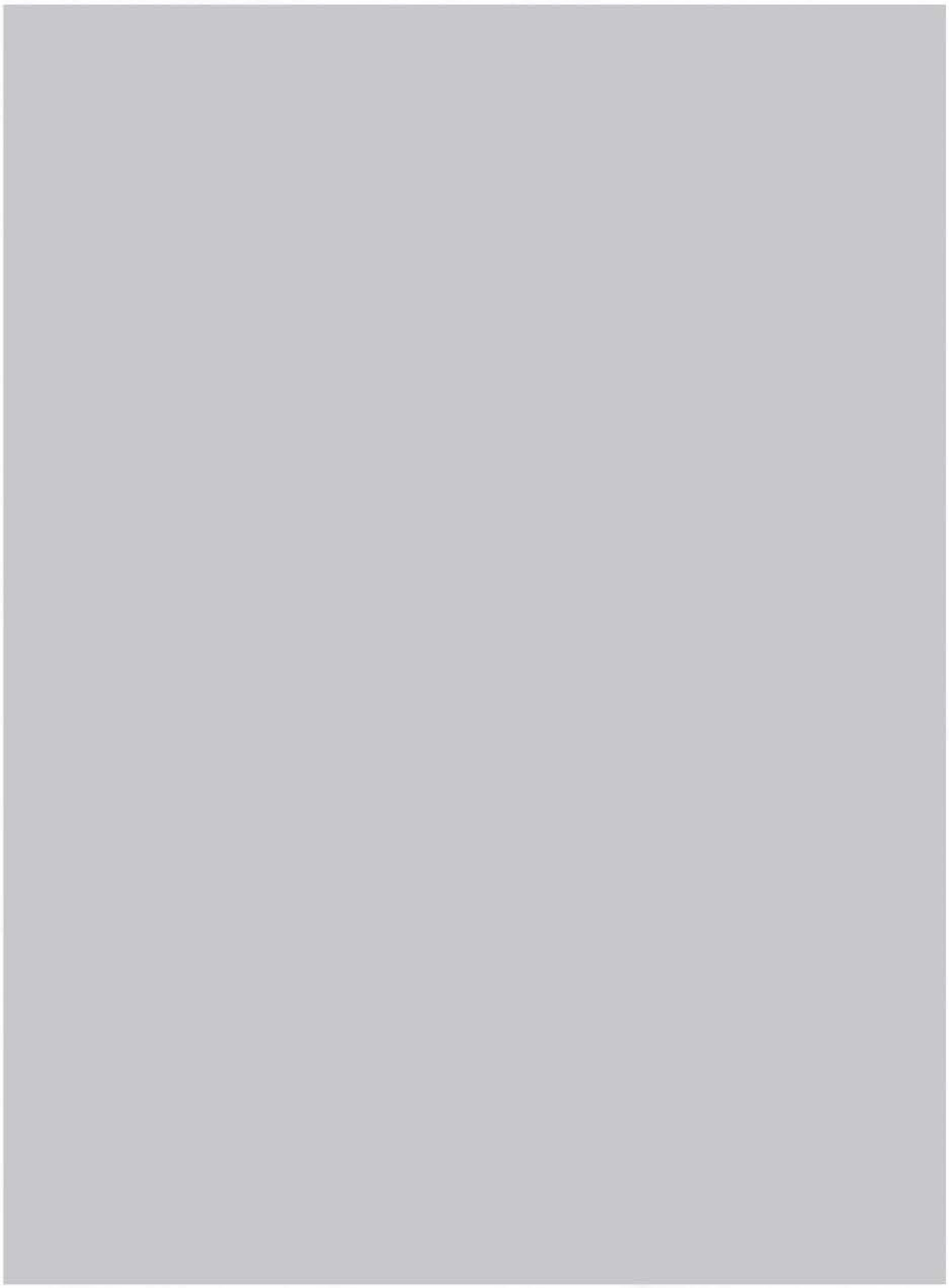

SCHEDULE A TO MEMBER CONTROL AGREEMENT OF LEAFLINE LABS, LLC

Members Effective as of September 26, 2014

51131360_6.docx

Name	Capital Contribution Value	Number of Units
Family Pharm, LLC		65,000
Family Pharm Angels, LLC		10,000
Mitch Baruchowitz		4,000
Dan Emmans		2,500
Dan Fung		1,500
Jon Lane		2,500
Ethan Ruby		13,250
Glenn Taylor		2,000
Scott Turner		2,500
Chris Weidling		1,500
Jon Rappoport		750
Drishti Consulting, LLC		4,500
TOTAL:		110,000

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Exhibit D.1.3: LeafLine Labs Ownership Graphic

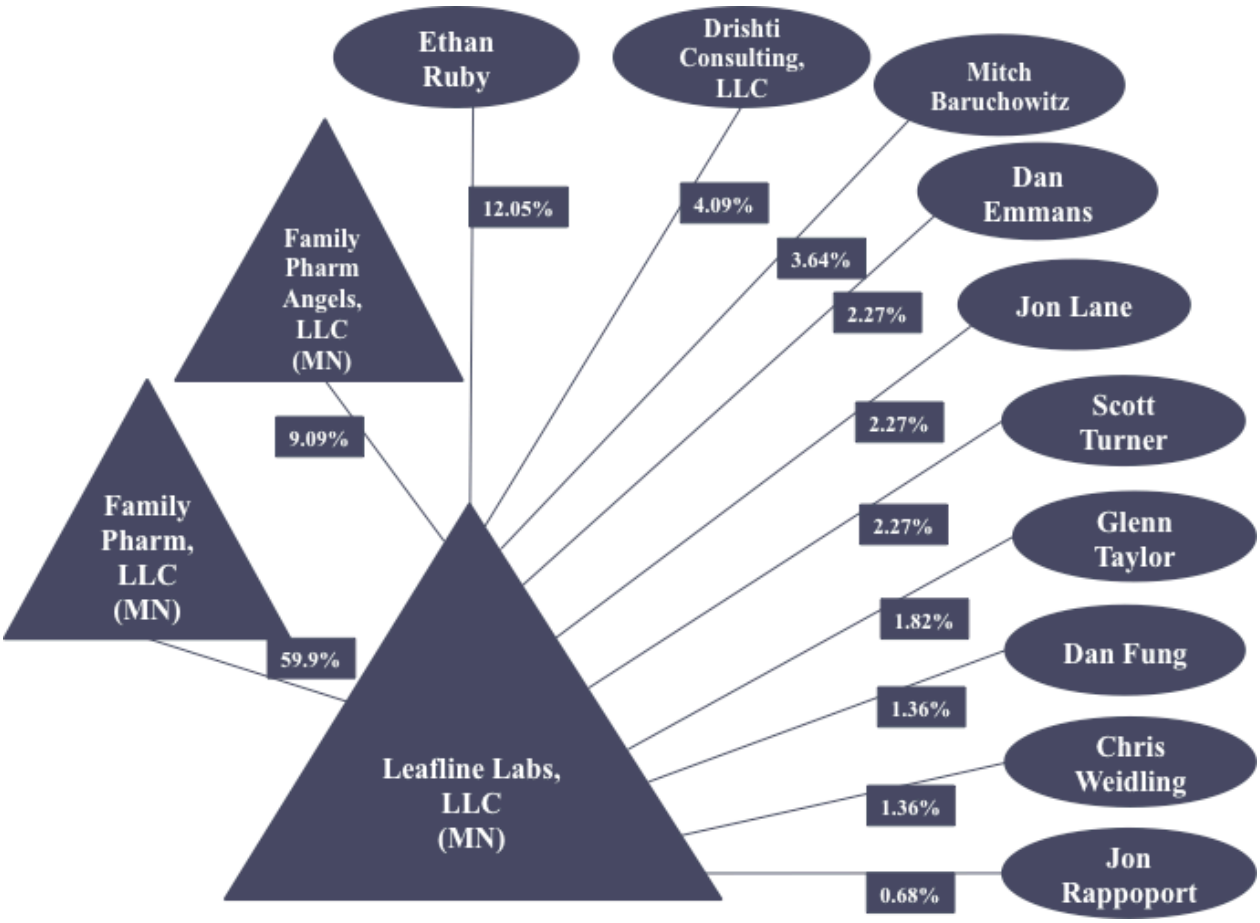


Exhibit D.1.4: Minnesota Tax ID Number

From: <Revenue.OnlineRegistration@state.mn.us>
Subject: New Business Registration
Date: September 24, 2014 at 11:05:32 AM CDT
To: <PETERHBACHMAN@GMAIL.COM>

This email is an automated notification and is unable to receive replies. Please email Registration Services with any questions.

This e-mail is in response to the registration for the company with a legal name of LEAFLINE LABS, LLC.

Confirmation Number: 0-690-124-416
Submitted: 23-Sep-2014 06:53:56 PM

Your Minnesota ID is: **3721594**

Bookmark the Login Page for convenient access to e- Services in the future. Click here to log in to e-Services. If you are unable to open this link, cut and paste this URL address into your browser window: https://www mndor.state.mn.us/tp/eservices/

This message and any attachments are solely for the intended recipient and may contain nonpublic / private data. If you are not the intended recipient, any disclosure, copying, use, or distribution of the information included in this message and any attachments is prohibited. If you have received this communication in error, please notify us and immediately and permanently delete this message and any attachments. Thank you.

D.2 Organizational Charts

LeafLine Labs organizational chart is shown on the next page as *Exhibit D2.1*. Based on experience operating a vertically integrated company that goes from seed to the consumer, we think the best organization for LeafLine Labs involves three silos; 1) manufacturing, 2) retail, and 3) administration. From both an operational and financial perspective, it is necessary to clearly delineate the manufacturing side of the operations from the retail (patient) side of the business. In the organizational chart, we have disclosed a specific manufacturing silo and a retail silo, led by a VP of Patient Care and Communication and an administrative silo, which supports both the manufacturing and retail.

In addition to the positions listed on the organizational chart, we have carefully and meticulously assembled a valuable and vital group of experienced senior advisors from a broad and relevant set of disciplines. Our Advisory Board will advise the management of LLL on a periodic and ongoing basis, aiding in the realization and assurance that we meet our four core company objectives: (1) Compliance, (2) Safety/security, (3) Effective/highest-quality production of medical cannabis that meets patient demand, and 4) Secure environment for patient to obtain medical cannabis. Our Advisory Board is shown in *Exhibit D.2.2*.

The LeafLine Labs Board of Governors will set the company strategy and direction and ensure that the employees who are hired are able to consistently deliver and execute on the mission critical elements. We anticipate that the Board of Governors (BOG) will be active in the business and each BOG member will, in cooperation with the President, make sure verticals in their expertise are properly covered by people with the necessary skills and abilities. LeafLine Labs Board of Governors is shown in *Exhibit D.2.3*.

Exhibit D.2.1: LeafLine Labs Organizational Chart

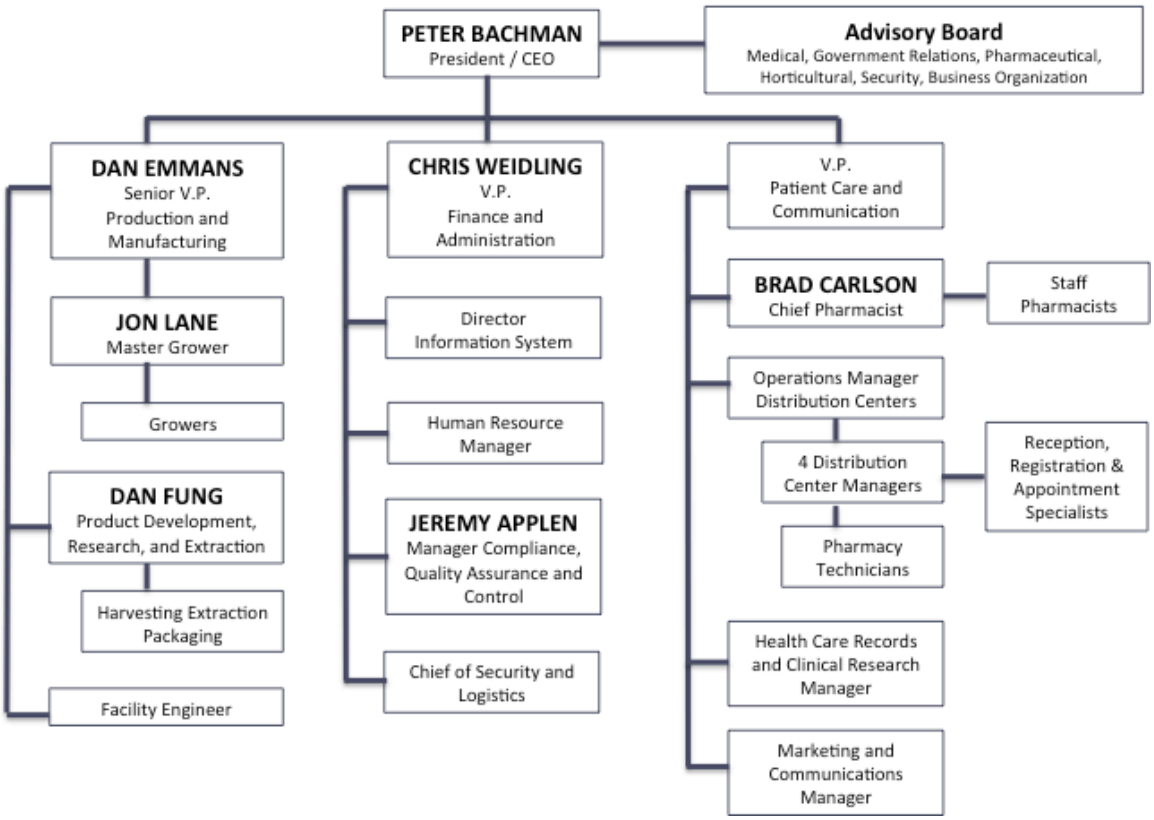


Exhibit D.2.2: LeafLine Labs Board of Directors

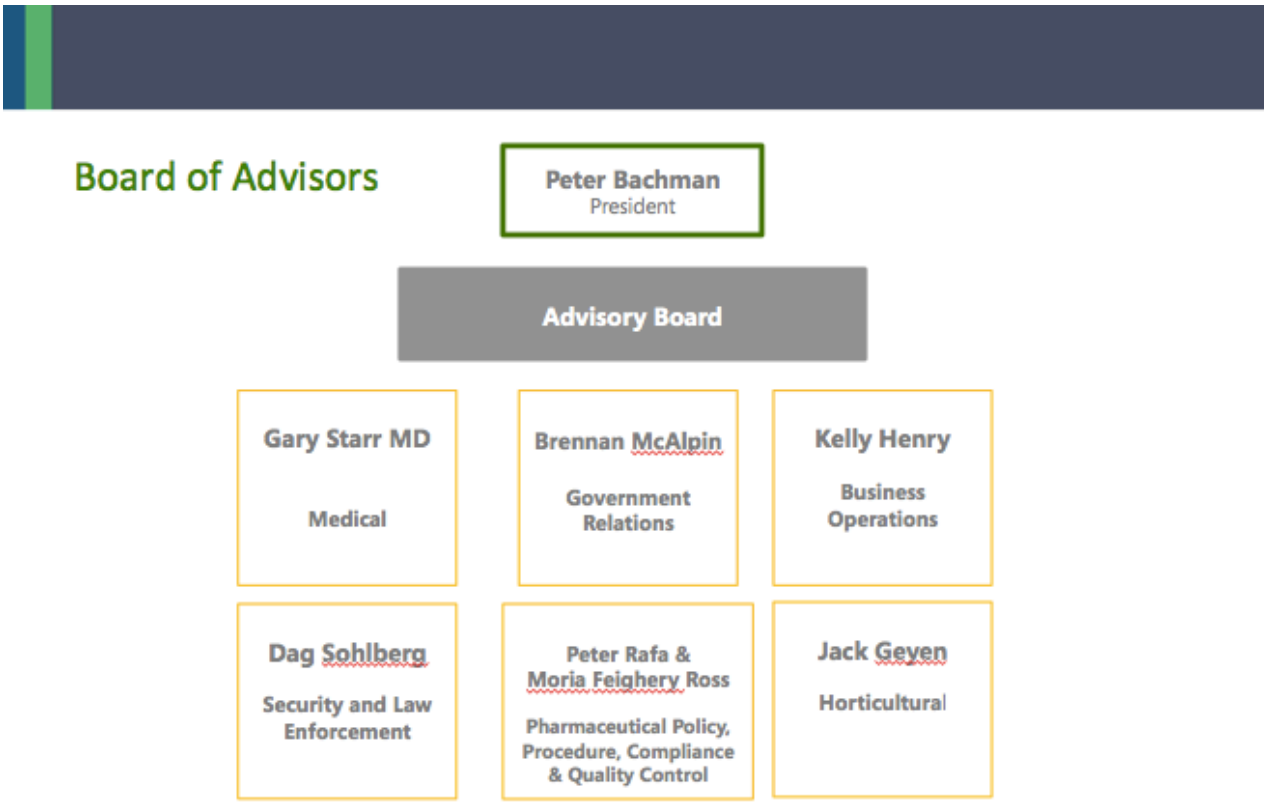


Exhibit D.2.3: LeafLine Labs Board of Advisors

Board of Governors

Andrew Bachman, MD

Paul Bachman

Peter Bachman

Mitchell Baruchowitz

Ethan Ruby
Founder

Glenn Taylor
Founder

LeafLine Labs Job Descriptions

Below are job descriptions for the positions shown on the LeafLine Labs organizational chart:

Peter Bachman is the President and CEO. In this capacity, Peter will:

- Provide strategic leadership for the company by working with the Board and other management to establish long-range goals, strategies, plans, and policies.
- Oversee all operations to ensure fiscal function and performance, regulatory compliance, production efficiency and quality, patient service, and cost-effective management of resources to fulfill corporate mission.

Dan Emmans, Senior Vice President Production and Manufacturing, will be responsible to:

- Manage all operations and with strategic priorities of CEO and President.
- Review all policies and procedures relating to grow operations and security.
- Ensure regulatory and legal compliance, quality control and quality assurance.
- Implement packaging procedures, employee reviews, promotions and discipline and review/update policies and procedures for manufacturing operations.

Jon Lane, Master Grower, will take all steps to ensure safe, successful, and continuous high quality cultivation including steps to:

- Mix nutrients, adjust ph/ppm levels in solutions
- Prepare mediums/mixes: Coco, rockwool, soil and hydroponics.
- Oversee all cutting: clones, dips in rooting hormones, places in medium.
- Monitor plants daily: Observing plants for pests, mold, deficiencies and disease.
- Monitor atmospheric conditions, adjusting conditions as needed, including: fans, lighting, air temperature, humidity, fresh air intake, CO2.
- Record all data.
- Operate and oversee all irrigation systems.
- Conduct and oversee routine cleaning, maintenance of all work areas and equipment.
- Oversee harvest and drying of product.

Growers – TBD

- Daily cultivation of cannabis plants

Daniel Fung, Product Development, Research and Extraction will be responsible for:

- Test and evaluate the most current extraction technologies on the market, and ensure that our medical cannabis is ideally suited to be processed in this equipment.
- Make suggestions to the Executive and Operational Leadership Teams on which new products and product enhancements will best suit changing patient demand, and lead the process of developing, validating and commercializing such products.

Extraction, Harvesting, Packaging Personnel – TBD

- Final harvesting, extraction, and production of cannabis products.
- Packaging and preparation of shipments for transport to distribution centers.

Facility Engineer – TBD, will:

- Review building design to ensure growing operation meets all building requirements, as well as fire, security, and pharmaceutical requirements.
- Create schedules and procedures for routine maintenance of building.
- Monitor HVAC system
- Ensure that operations are running at or under budget.
- Create and maintain a 10-year capital improvement plan.
- Create procedures and processes for the efficient operation of all phases of production.
- Work with Head of Security to ensure that work procedures do not create undue security risks and that security procedures are realistic within the work environment.
- Maintain proper staffing of production and maintenance personnel

Chris Weidling, Vice President Finance and Administration will:

- Provide financial modeling for LeafLine Labs so that overall financial strategy is consistent with our company mission and goals.
- Oversee all financial and risk management duties including: banking relationships, insurance, construction, payroll, accounts payable and other financial matters.
- Develop and monitor control systems designed to preserve the organization's assets and report accurate financial results

Director Information Systems – TBD

- Charged with IT architecture and security of all integrated computer systems

Jeremy Applen, Manager Compliance, Quality Assurance and Control

- Assures regulatory compliance with state regulations for cultivation of medical cannabis.
- Safety and quality control and best practices.

Chief of Security and Logistics – *TBD*

- Will work closely with Security Advisor Dag Sohlberg to ensure safety and security of manufacturing, distribution centers and transportation.

Vice President Patient Care and Communications – TBD

- Oversee operations at dispensaries.
- Communications and Marketing lead.
- Liaison to Haberman for content, website, informational materials, public relations.

Brad Carlson, Chief Pharmacist, will be responsible for:

- Training and education of distribution site pharmacists, pharmacy technicians and staff.
- Oversee communications with MDH regarding patient care and reporting to MDH.
- Coordinate with MDH regarding cannabis dosing protocols.
- Contributes to research strategy.

Staff Pharmacists – TBD

- Works closely with Chief Pharmacist.
- Assists Chief Pharmacist with education of pharmacists, pharmacy technicians and staff.
- Consultation with registered patients and care givers.

Operations Manager, Distribution Centers - TBD

- Oversees operations of all distribution centers.
- Achieves key patient care, financial and operational outcomes found in annual work plan.
- Establishes systems and processes that drive accountability for patient care, financial and/or operational outcomes.
- Acts as effective communication person horizontally and vertically in the organization.

Distribution Center Manager - TBD

- Effectively communicates with teammates and key partners.
- Works effectively with team colleagues and other key partners to execute divisional and/or departmental initiatives and day to day operations.
- Understands, tracks and focuses the team on metrics that measure key business outcomes.

Staff Pharmacy Technicians - TBD

- Works closely with Pharmacists.
- Makes appointments with patients and care givers.
- Consultation with registered patients and care givers.

Health Care Records and Clinical Research Manager - *TBD*

- Helps set and maintain research strategy.
- Meets regularly with distribution center staff concerning assignments, projects and operational issues.
- Oversees record keeping, privacy and confidentiality policies and procedures, and other management responsibilities.

Marketing and Communications Manager

- Works with outside marketing and public relations firm
- Ensures all digital and non-digital materials are appropriate for patient, physician, and caregivers needs.
- Assures all communications is compliant with the MDH guidelines.

Advisory Board Members

Gary Starr MD - Medical Advisor

Practicing MN Emergency Physician trained at the University of Chicago. USAF Special Operations Command flight surgeon (ret.) with extensive experience treating military members with medical conditions for which medical cannabis has been shown to be effective therapy.

Brennan McAlpin - Government Relations Advisor

Professional health care government relations advisor with business and clinical experience.

Peter Rafa, Moria Feighery Ross - Pharmaceutical and Life Sciences Advisors

Experts in manufacturing facilities, validating systems and processes for clinical and commercial product lines, and risk assessment and validation in all phases of quality systems.

Jack Geyen – Horticulture Advisor

Previous Director of Production for Bachman's Inc for 20 years. Managed 50-75employees, and over $10 MM of production annually. Extensive knowledge in crop scheduling, growing and timing to meet specific harvest dates and consistently delivering product of the highest quality.

Kelly Henry - Business Operations Advisor

Extensive experience in building new organizations and overseeing operations, hiring, problem solving.

Dag Sohlberg –Security Advisor

Specializes in complex investigations, physical security, major event security. 26-year distinguished career with Minneapolis Division – FBI as Acting Special Agent in Charge and Drug demand reduction coordinator. FBI Training in drug investigation, technical security, countermeasures, police instruction & federal/state/local law enforcement coordination.

D.3 Resumes

Beginning on the follow page are resumes for all people that are listed on our organizational chart, including those listed our board of advisors and Board of Governors charts. Please note the three letters of support for our President, Peter Bachman.

Exhibit D.3.1: LeafLine Labs Resumes

PETER H. BACHMAN

Education

J.D., *cum laude*	William Mitchell College of Law, 1982
B.A. in Philosophy	University of Minnesota, 1977

Employment

July 2014 to Current — **President,** Leafline Labs, LLC

- Founder of company seeking registration as medical cannabis manufacturer in Minnesota

June 2003 to July 2014 — **Retired,** engaged in volunteer conservation work

Feb. 1995 to June 2003 — **Executive Director,** Minnesota Center for Environmental Advocacy, St. Paul, MN

- Oversaw all aspects of nonprofit environmental organization
- Over the course of eight years, quadrupled the size of the organization and built it into an organization recognized in government and environmental circles as one of the state's premier advocacy groups
- Duties included strategizing advocacy efforts, fundraising, lobbying, building and maintaining coalitions, spokesperson, board management, and managing a staff of 18, plus volunteers

Feb. 1990 to Feb. 1995 — **Attorney,** Leonard, Street and Deinard, Minneapolis, MN

- Practice focused in areas of environmental and land use law, including lobbying
- Representative clients: Amoco Oil Co., Lundgren Bros. Development, Daniel Development, Shiely Sand and Gravel, Tower Asphalt, City of Minneapolis, City of Falcon Heights

Oct. 1988 to Jan. 1990 — **Special Counsel for Land Use Matters,** Office of the Minneapolis City Attorney, Minneapolis, MN

- Led review and revision of City's land use decision making process and zoning code

Aug. 1983 to Sept. 1988 **Attorney,** Metropolitan Council, St. Paul, MN

- Governmental practice emphasizing land use, environmental review, solid waste, transportation and transit, parks, local government procedural/process matters, sewers, housing, labor, affirmative action, personnel, contracts and grants, and other issues
- During this time, also served as adjunct professor of legal writing at William Mitchell College of Law

June 1982 to August 1983 **Attorney,** Broeker, Hartfeldt, Hedges and Grant, Minneapolis, MN

- Practice focused in areas of administrative and environmental law

Boards, Task Forces, Advisory Committees (representative list)

Board member and incorporator, Minnesota League of Conservation Voters Education Fund
Board member, Minnesota Environmental Fund
Board member, Minnesota Center for Environmental Advocacy
Board member, Friends of the Mississippi River
Board member, Lone Moose Meadows Unit Owners Association
Board member, Growth and Justice
Board member, 1000 Friends of Minnesota
Board member, Yellowstone to Yukon Conservation Initiative
Founding member and chair, Minnesota Environmental Partnership
Member, U of M Center for Environment and Public Health Advisory Committee
Member, U of M College of Biological Sciences Advisory Committee
Member, U of M Law School Joint Degree Program in Law, Health and Life Sciences Advisory Committee
Member, MPCA Environmental Justice Advisory Committee
Member, MPCA Mercury Reduction Roundtable
Member, Governor's Task Force on Environmental Review Reform
Member, MN Dept. of Health Antibiotics in Animal Agriculture Advisory Committee
Member, State Environmental Leadership Program Executive Committee
Member, Wilderness and Parks Coalition Executive Committee
Member and President, Waterdogs Fishing Club
Member, Heartland Democracy Planning Advisory Committee
Member, Friends of the Mississippi Council of Advisors
Member, Greenway Public Art Project

Personal

Married with two grown children. Interests include fly-fishing, canoeing, camping, bird hunting, biking, skiing, reading and foreign travel

Dee Long
[redacted]

To Whom It May Concern at the Minnesota Department of Health:

This letter is in support of Peter Bachman's application for medical cannabis manufacturer. I have known Peter for a good many years and can speak to his character and his skills.

I first got to know Peter when Peter was Executive Director of the Minnesota Center for Environmental Advocacy (MCEA). Peter recruited me and I served on the board. Peter built MCEA from a small organization into one of the (if not the) leading environmental advocacy organizations in the state. What he did for the infrastructure of the environmental movement in Minnesota is remarkable. He not only built MCEA, simultaneously he founded, chaired and nurtured the Minnesota Environmental Partnership into one of the premier environmental coalitions in the country. He also incorporated the League of Conservation Voters and worked to get it funded and staffed. This organization eventually became Conservation Minnesota, another of the state's leading environmental organizations.

Peter is multi-faceted and has a work ethic and style that gets to success. He had what is rare in a nonprofit manager—the ability to have a firm grasp of the public policy issues coupled with the abilities to raise funds, manage staff and a board, and set strategic direction. I observed him in all these roles and can attest to the impressive job that Peter did. His honesty and integrity is of the highest order.

Managing an advocacy organization is a challenging endeavor. Peter always seemed to be in front of the issues and prepared for whatever came his way. He has a nose to sense what is likely to happen before it does. He has impressive management skills. His staff admired and liked working with him and were very disappointed when he left the organization.

I can only imagine the skill set required to run one of Minnesota's medical cannabis manufacturers. With Peter's skills as a lawyer and his knowledge of state government, business and the nonprofit sector coupled with his knack for seeing the big picture and being out in front of issues, I am confident he will lead a top-quality company. I highly recommend him to you without reservation.

Sincerely,

Dee Long

Dee Long

BYRON E. STARNS

[redacted]

September 22, 2014

Minnesota Department of Health
Office of Medical Cannabis
St. Paul, Minnesota

Re: Letter of Reference for Peter Bachman, President of Leafline Labs, LLC

Dear Reader:

I have known Peter Bachman on a personal and professional basis for over 30 years. I have worked with him as a partner in my law firm, and while he served as counsel to the Metropolitan Council and Executive Director of the Minnesota Center for Environmental Advocacy. My family and I have spent a great deal of time with his nuclear family and enjoyed many social and recreational activities with them over the decades that we have known each other.

Based on my perspective from decades of knowing Peter and his family, and working with Peter, I can state without qualification that he is a man of the highest character and integrity, an outstanding lawyer and executive, and a person who is committed to his community and this State.

I cannot envision a better qualified, or more highly regarded, person to whom to entrust the leadership and establishment of medical cannabis manufacturing in Minnesota. He has deep experience as a lawyer and executive that spans the public, private and non-profit arenas. He understands regulated businesses and the fiduciary obligations that such endeavors include. Importantly, Peter has demonstrated he is a dedicated steward of the public interest throughout his career.

Very truly yours,

Byron E. Starns

Byron E. Starns

11660872v1

Mark F. Ten Eyck
[redacted]

September 8, 2014

Minnesota Department of Health
To Whom It May Concern:

I write to provide a very strong recommendation for Peter Bachman and Leafline Labs LLC to become a manufacturer of medical marijuana in the State of Minnesota. I worked for Peter from 1996 to 2003 at the Minnesota Center for Environmental Advocacy (MCEA). He was MCEA's Executive Director. I was its Legal Director (1996 -2003) and Advocacy Director (2003-2006).

Peter has the management skills, strategic vision, entrepreneurial drive, and personal integrity to launch Leafline Labs LLC and make it a success in Minnesota's important new medical marijuana market. He excels at taking on innovative and challenging projects, seeing them through to success, and making sure the job gets done right. He knows how to put together an interdisciplinary team and make it function toward clear and measureable goals.

Here are some examples.

Peter took over MCEA in the mid 1990's at a time when the organization was struggling with a lack of program focus and a decline in financial support. He made the decision to return the organization to its core strengths and historic roots in legal and legislative work. He quickly put together a successful fund raising effort to add experienced staff members in both areas. Over time, he grew the organization from its base in water quality and forestry programs to add programs in human health, transportation, energy, and wildlife and natural resource. Using outside scientists and technical consultants he made sure MCEA's advocacy initiatives were based on solid facts, and brought onto the staff a communications person to make sure things were explained correctly to the interested public. Peter is well-known and much respected for these accomplishments throughout Minnesota's environmental community of nonprofit, private business, scientific and government professionals.

Peter also did much to strengthen the environmental community's hand in this balance of competing interests. MCEA's upgraded legal and legislative capacity – including the sharing of its expertise with other organizations -- did much to level the playing field. In addition, it was Peter's idea and his months of hard work that established the Minnesota Environmental Partnership (MEP) as a much needed umbrella group for environmental organizations across the state, with the purpose to facilitate better communications and coordinate efforts. At the same time, he restructured the Minnesota League of Conservation Voters (now Conservation Minnesota) to return it to being a strong nonpartisan voice in the public policy debate on environmental issues. Both MEP and Conservation Minnesota have prospered and remain cornerstones of environmental politics in Minnesota.

It was also Peter's vision to align better the interests and efforts of "green" environmental groups with those of the outdoor "hook and bullet" conservationists. It had often been said that the two interests working together would be formidable, maybe unbeatable, in championing policy initiatives. But no one had been able to make much of anything come together. Here, Peter used his personal background in both camps to foster new alliances to, among other things, enforce state wetland laws and protect threatened trout streams. Ten years later, these alliances were the building blocks of the even larger coalition that passed the Clean Water, Land and Legacy Amendment to the State Constitution, which dedicated many millions of new dollars of sales tax revenue to clean water, habitat protection, parks and trails, and arts and culture resources.

It is a tribute to Peter's strong management skills that everyone I know who worked with him during these years feels a great sense of accomplishment in having achieved these results. And, it was always very clear to me – and I think to everyone -- that Peter knew what he was doing, knew how to run a business organization, understood the politics, kept board and staff focused on their respective roles, created a supportive workplace, made sure its financial aspects were in order, and accomplished the intended results. He and Leafline Labs LLC will make a great contribution to producing and distributing medical marijuana to patients in need in Minnesota.

Sincerely,

Mark F. Ten Eyck

Mark F. Ten Eyck

[redacted]

cc: Peter Bachman

PAUL G. BACHMAN

Education

B.A With Honors, Business Administration Coe College, Cedar Rapids, IA

Employment

2008 to Current **President,** Bachman's Inc.

- Fourth Generation member of the 129-year-old family floral and garden business. Bachman's is a vertically structured company that grows much of the blooming plants, garden plants, and nursery stock that it sells at the company's 700-acre farm in Farmington, MN. Bachman's employs over 1000 people and serves the entire Twin Cities metro area with 6 Floral Home and Garden stores, and 22 floral locations in Lund's and Byerly's.

1988 to 2008 **Vice President**, Bachman's Inc.

- Responsible for various areas of the company including: Retail Store Planning, Marketing and Merchandising, Gift and Garden Hard Goods Procurement, Visual Merchandising, and Design Room.

1984 to 1988 **Senior Buyer,** Bachman's Inc.

- Responsible for directing our team of buyers

1979 to 1984 **Director, Floral Stores,** Bachman's Inc.

- Directed store operations for 18 floral stores located in major malls in the Twin Cities, Rochester, and Eau Claire.

1974 to 1979 **Manager, Garden Center,** Bachman's on Lyndale

1973 to 1974 Holland and Denmark

- Following college, I Gained experience in the floral and garden business by working at four different companies in Holland and Denmark over a nine-month period.

Organizations and Boards

- Chairman, American Floral Endowment
- Director, Society of American Floriculture
- Director, Minnesota Retailers Association
- Director, Minnesota Family Business Council
- President, Minnesota State Florists Association

ETHAN RUBY

EXECUTIVE SUMMARY

A philanthropist and entrepreneur with expertise in identifying non-profit and for-profit business opportunities, conducting and compiling comprehensive proprietary and secondary research, assembling leading executive teams, coordinating business development, and overseeing project execution

PROFESSIONAL EXPERIENCE

Theraplant, LLC — Managing Member, Chief Executive Office **2014–present**
Watertown CT
A for-profit medical marijuana producer committed to furthering the science of medical marijuana, delivering healing relief to doctors and patients, and becoming a recognized leader in the emerging medical marijuana industry

- Directed all aspects of company formation from identifying opportunity, through the application process, to the granting one of four medical marijuana producer licenses awarded by the state
- Set strategic vision and orchestrate company operations to achieve stated mission
- Build and manage community relationships, compassionate care program, and charitable partnerships
- Provide shareholder updates and implement required governance
- Work with Strategic Advisory Board and General Advisory Board to implement company vision and ensure that strategic milestones are met

WheelComfort, LLC — Inventor, Founder, Chief Operating Officer **2007–present**
Cold Spring, NY
A for-profit company that manufactures and sells universally compatible wheelchair footplate for the comfort and safety of wheelchair-bound individuals

- Designed and managed full life cycle of product from conception to prototype though manufacture
- Pursued and was awarded a United States Patent No 8,302,985
- Worked with component manufacturers to select product materials and test application and durability
- Customized product to meet various market demands
- Conceived and executed marketing campaign including promotional video
- Promoted and marketed product to various outlets including rehab hospitals and VA clinics
- Hired, trained and managed employees for sales and distribution
- Testified at the Social Security Administration to secure Medicare coverage for users

NRG Properties — Founding Partner **2007–present**
Littleton, CO
A far-profit real estate investing firm with a portfolio of over 1 million dollars

- Monitor targeted real estate markets to identify and secure prime investment opportunities
- Conduct on-going market research to create renovation and sales strategies for optimal ROI
- Create and oversee administration of portfolio budget to ensure maximum profitability
- Responsible for legal due diligence on all prospective properties

Wearable Collections — Owner, Spokesperson **2005–2012**
New York, NY
Wearable Collections is a for-profit company that coordinates all aspects of textile recycling

- Conceived of first textile recycling program in NYC
- Met objectives of diverting over a million pounds 9 (and counting) of textiles from landfill and raised over $100,000 dollars for charity while filling a community need
- Built network of over 200 donation sites throughout NYC through cooperation and negotiation with building managers and city officials

BooTrade, LLC — Founding Partner, Managing Director **1999–2003**
New York, NY
A for -profit day trading company that provided strategy and hands-on training for equity traders with a proprietary system

- Identified opportunity to capitalize on relatively new arena of day trading and founded a firm at age 24
- Conducted negotiations with broker/dealers to secure prime rates for trades
- Continually evaluated software offerings to ensure optimization
- Monitored compliance with Securities and Exchange Commission regulations
- Increased number of traders from 5 to 35 within 4 years
- Supervised combined portfolio trades of hundreds of million dollars monthly

- Involved in all aspects of company finance, HR, and administration
- Accurately forecasted market trends to exit industry prior to market-wide decline

PHILANTRHOPIC EXPERIENCE AND ENDEAVORS

Community Counseling of Central Connecticut, Inc. — Board Member **2007–present**

A crisis intervention and mental health treatment facility located in Bristol, CT that uses a sliding fee scale to offer counseling and psychotherapy for individuals, couples, and families

- Conceived the "Pay it Forward" program
- Active in the acquisition and formation of the Pillwillop Therapeutic Farm
- Serve as a trusted advisor and sounding board to full-time administration and staff

Poker4Life **2005–present**

A charitable organization founded in 2005 designed to bring poker players together to raise money for charities of their choosing

- Conduct all aspects of charity event organization and marketing
- Raised over $1,000,000 to date with 100% distributed directly to charities
- Successfully secured support and involvement of high-profile participants
- Expanded event to 500 attendees and 30 corporate sponsors in 9 years
- Devised and orchestrated streamline donation collection system

CityStreets — Chief Pedestrian Officer **2003–present**

Non-profit organization for advocacy of pedestrian and transportation safety issues in NYC

- Serve as public voice for the organization by giving interviews and assisting in marketing campaigns
- Devised curb study of NYC streets to garner community engagement
- Collaborate on new project development

Motivational Speaker **2003–present**

Speech topics have included living with spinal cord injury, overcoming adversity and the key components to leading a happy and meaningful life

- Conduct speaking engagements at educational institutions of all levels
- Delivered the commencement addresses for Moses Brown School, Providence, RI and The Gordon School, East Providence, RI

The Ruby Run **2002–present**

An annual run in New York's Central Park to raise funds for spinal cord research

- Conceived of event, which has raised approximately $100,000 to date
- Devise and execute marketing strategy

The Buoniconti Fund — Volunteer Director, New York Chapter **2003–2008**

A non-profit organization founded in 1992 devoted to funding research to cure spinal cord injury

- Organized NY Chapter board members and oversaw all chapter operations
- Crafted and/or evaluated charity event propositions for maximum fundraising potential
- Recruited and managed event committees
- Secured donations from businesses and individuals

EDUCATION

University of Pennsylvania, B.A. Psychology 1994–1997
Brandeis University 1993–1994

Glenn C. Taylor

Professional Experience

Member of the Board of Regents for St. Olaf College, Northfield, MN Chair of Finance Committee 2008 – Present
Member of the Board of Directors for Legalwise, Inc. Sold Company to ARAG Insurance Co. 1996– 2002

Group President, Health Plans–Medco Health Solutions, Inc., Franklin Lakes, NJ 2003– 2012
Responsible for the growth and P&L management of this business group comprised of Commercial Health Plans, Federal Plans and UnitedHealth Group, the company's largest customer. Responsible for the revenues of greater than 65% of this Fortune 30 Corporation. Served as an Executive Officer and on the Corporate Management Committee.

Senior Vice President, Account Management – Medco Health Solutions, Inc. 2002 – 2003
Responsible for managing the client service organization for the company in all market segments. Served as an Executive Officer and on the Corporate Management Committee.

President, UnitedHealth Group Division – Medco Health Solutions, Inc. 1998 – 2002
Developed a Managed Care Division in support of a multiple-year contract with UnitedHealth Group.

Vice President, Southeast Business Group – Merck & Co. Inc., West Point, PA 1997 – 1998
Sales and market development activities for over 1000 personnel. Led the nation in sales growth and market share growth over the two years in this position.

Senior Vice President, Central Region – Merck-Medco, Franklin Lakes, NJ 1993 – 1997
Responsible for generating new sales and managing through account management the Central Region--one of three Region Executives. Sold new accounts, built client relationships and developed a strong regional presence in the Midwest.

President, Chief Operations Officer – Flex Rx Inc., Pittsburgh, PA 1992 – 1993
Developed the company into a major competitor as a Prescription Benefits Manager. It was successfully sold to Medco.

Executive Vice President, ArcVentures, Inc.– Rush Presbyterian St. Luke's Medical Center, Chicago, IL 1987 – 1992
Chief Operating Officer, for this subsidiary of the Medical Center with an objective to make specialized services developed internally available to the general market. Served as Vice President of the Board for the American Managed Care Pharmacy Association and on the faculty of Rush University Health Science Graduate School.

Group Vice President, Distribution Divisions– Baxter Healthcare/American Hospital Supply Corporation, Deerfield, IL 1976 – 1986
Over ten years with American Hospital Supply (and post merger Baxter) gained significant sales and operations/logistics. Experience with the largest distributor of medical, surgical, dietary and textile supplies. At the time of the merger, I reported to the Group President and had direct responsibilities for 1800 employees in 77 locations. Post merger, I was responsible for the acquisition and divestiture activities for the six operating companies of Baxter.

Education

MBA with High Honors – Lakes Forest Graduate School of Management, Lake Forest, IL 1987
BA – Economics, St. Olaf College, Northfield, MN 1973

ANDREW W. BACHMAN, MD, FACEP

Education

Doctor of Medicine Aug. 1997 – June 2001
Georgetown University School of Medicine
Washington, DC

Bachelor of Arts, Biology Sep. 1993 – June 1997
Amherst College
Amherst, MA
Magna Cum Laude, Distinction in Biology
NESCAC Academic All-Conference (Soccer)

Washburn High School Aug. 1989 – June 1993
Minneapolis, MN
Valedictorian Graduate

Residency Training

Emergency Medicine Residency June 2001 – June 2004
Hennepin County Medical Center - Emergency Medicine Residency
Minneapolis, MN
Chief Resident, June 2003 - June 2004
Faculty Council, HCMC, Dept. of Emergency Medicine, 2003 - 2004
Resident Council, Vice-Chair, 2003 - 2004
Graduate Medical Education Committee, HCMC Board Rep., 2003 - 2004
Emergency Medicine Residents' Association, HCMC Rep., 2002 - 2004

Professional Experience

Family Pharm, LLC July 2014 – present
Founder & Chief Medical Officer
Minneapolis, MN

Emergency Medicine Physician July 2004 – present
Fairview Southdale Hospital
Edina, MN

Emergency Medicine Physician July 2004 – present
Park Nicollet/Healthpartners Methodist Hospital
St. Louis Park, MN
Emergency Department Asst. Director - Scheduling, 2009 - 2012
Emergency Department Asst. Director - Quality Improvement 2004 - 2009

Emergency Medicine Physician July 2004 – present
Emergency Physicians Professional Association - The Urgency Room
Woodbury/Eagan/Vadnais Heights, MN

Medtronic - Physiologic Research Lab July 1995 – Jan. 1996
Physiology Research Fellow

Leadership Experience

ANDREW W. BACHMAN, MD, FACEP

Emergency Physicians Professional Association, Shareholders Advisory Committee	Apr. 2013 – present
Minnesota ACEP Board of Directors	Oct. 2010 – Oct. 2013

Licensure and Board Certification

Unrestricted State Medical License – Minnesota #45650	Exp. Mar. 2015
American Board of Emergency Medicine, Board Certification	June 2006 – Dec. 2016

Professional Societies

American College of Emergency Physicians (ACEP), Fellow
American Medical Association (AMA)
Society for Academic Emergency Medicine (SAEM)
Minnesota College of Emergency Physicians (MN-ACEP)

Research

Bachman A, Miner JR, et al., *Assessment of the Onset and Persistence ofAmnesia During Procedural Sedation with Propofol,* Aced Emerg Med 2005; 12:491-6

Bachman A and Milzman D, *Event Medicine - NHL Spectator Hockey Puck Injuries,* presented live on ESPN Television's "Outside The Lines" and with contributions excerpted by Sports Illustrated, April, 2002. Abstract presented at SAEM Scientific Assembly, May 1999.

Bachman A, *Variable Cell Line Efficacy in Cytotoxicity Testing of Biomedical Materials,* Research Fellowship thesis, Medtronic Inc., 1995-1996.

Academic Interests

Emergency Medicine Legislation
Healthcare Administration
Event Medicine: Lifetime Fitness Triathalon EMS Volunteer, 2005 - 2006
Metrodome & Aquatennial EMS Volunteer, 2001 - 2004
MCI Center EMS Volunteer, Washington DC, 1999 - 2001
Emergency Department Ultrasonography - Residency Credentialed, 2003
Sports Medicine - Preceptorship, HealthPartners Como Clinic, MN, 2001
Procedural Sedation in Emergency Medicine
Complementary & Alternative Medical Therapies

Christopher K. Weidling, CFA

Experience

Theraplant LLC — **Watertown, CT**
Chief Financial Officer — *February 2014 – present*
- Provides most of the operational duties as they relate to banking and finance: payroll, accounts payable, securing a performance bond to satisfy the state of Connecticut's regulatory requirements, maintaining relationships with banks, insurance providers, and our construction management team
- Provides financial modeling for the Connecticut entity, as well as forecast models for potential acquisitions and partnerships Contributes to the overall financial strategy of the company
- Primary relationship contact for Theraplant's six dispensary customers

JMP Securities — **New York, NY**
Director, Institutional Sales — *June 2012-June 2013*
- Primary sales coverage to over 30 institutional asset managers and hedge funds in NY, NJ and CT
- Expanded sector knowledge to Financials and Real Estate (in addition to continued Tech and Healthcare coverage)

Canaccord Genuity — **New York, NY**
Principal, Institutional Sales — *June 2006-March 2012*
- Primary sales coverage to over 30 institutional asset managers and hedge funds in NY, NJ and CT
- #2 overall revenue producer in research sales, responsible for ~$4m in agency revenue in 2011
- Expanded product expertise beyond large-cap focused research to small/micro-cap research and investment banking products, including PIPE's, SPAC's, and private placements
- Participated in the morning meeting process, both running the morning call and working with analysts to better package their product

Fulcrum Global Partners, LLC — **New York, NY**
Senior Vice President, Research Sales — *July 2004-Dec 2005*
- Primary sales coverage to over 25 institutional asset managers and hedge funds in the New York, Connecticut, Toronto, Milwaukee, and St Louis regions
- Improved revenues and research ranking at every account covered vs previous coverage

Prudential Equity Group, LLC — **New York, NY**
Associate VP, Institutional Equity Sales — *May 2002-July 2004*
- Primary back-up for a two-person sales team generating over $15 million in revenue in 2003
- Primary sales coverage to five accounts including one top-ten metropolitan New York asset manager

Equity Research Retail Sales — *October 2000-May 2002*
- Facilitated the flow of market related information to the retail and institutional sales force
- Responsible for coordinating and executing the morning and intra-day institutional research calls, assisting analysts develop market impacting calls, and providing updates to the Investment Policy Committee

The Carson Group, Inc. — **New York, NY**
Analyst — *April 2000-August 2000*

Jennison Associates, LLC — **New York, NY**
Account Administrator — *August 1998-March 2000*

Education

Boston College — **Chestnut Hill, MA**
The Carroll School of Management-Class of 1998: BS Finance
Allston-Brighton YMCA "Adopt a Fifth Grade Program"

Licenses/Interests

- **Series 7** and **Series 63** Certified
- Member of CFA Institute and NYSSA
- Interests include Golf, Basketball, Music, Reading

Daniel Emmans

Summary of Qualifications/Licensing

- Medical Marijuana Key License
- 2011 Medical Cannabis Cup Winner
- Colorado Real Estate License
- Maine Real Estate License
- Colorado Gaming License
- Series 56 License
- Series 7 License
- 17 Years Management Experience

Professional Employment

Chief Operating Officer
2014–Present
Theraplant, LLC
Watertown, CT

- Manage all operations in alignment with strategic priorities of President and CEO
- Review all policies and procedures for grow operations and security
- Implement all physical security needs and policies
- Address operational gaps to ensure regulatory and legal compliance
- Interface with pharmaceutical consultants to review and update policies and procedures for production operations
- Implement packaging procedures
- Perform human resource functions such as conducting employee reviews, granting promotions, and applying disciplinary actions

Owner/Operator
2009–2013
Grass Roots Health and Wellness Center, LLC
Denver, CO

- Founded legal medical marijuana dispensary and grow
- Vetted and hired staff
- Instituted compliance, security, and safety protocols
- Vetted all vendors
- Secured and operated 130,000 square foot grow facility

Owner/Member
2007–Present
+NRG Investments, LLC
Littleton, CO

- Manage all aspects of real estate investment firm
- Identify investment opportunities
- Prepare and review contracts
- Manage and track all properties held by +NRG

Broker
2004–Present

Home Real Estate/Homesmart Realty
Centennial, CO

- Manage portfolio of real estate investors
- Advise clients in all aspects of real estate purchases
- Prepare and review contracts for clients

Equity Member/Manager
2003–2004

Homestyle Real Estate
Denver, CO

- Managed all aspects of real estate investment group
- Managed portfolio of real estate investors
- Advised clients in all aspects of real estate purchases
- Prepared and reviewed contracts for clients

Equity Member/Manager
2003–2004

Homestyle Lending
Denver, CO

- Managed all aspects of real estate lending business
- Oversaw over 20 loan officers
- Reviewed and audited all loans for compliance
- Evaluated loan needs of individual clients

Broker
2002–2003

Reali Real Estate
Portland, ME

- Managed portfolio of real estate investors
- Prepared and reviewed contracts for clients
- Advised clients in all aspects of real estate purchases

Trader/Floor Manager/Trainer
2000–2002

BooTrade LLC
New York, NY

- Managed stock account with net worth of two million dollars
- Oversaw large capital and stock transactions
- Identified market trends and opportunities
- Executed stock purchases and sales
- Tracked and recorded all capital and stock transactions within the account
- Supervised trading activity on the floor
- Trained trading personnel

Food and Beverage Manager
1995–1996, 1997–1999

Fitzgeralds Casino
Blackhawk, CO

- Supervised approximately 35 food and beverage personnel
- Assisted in the development and maintenance of quarterly budget reports
- Coordinated the purchase and delivery of supplies and equipment
- Managed daily operations of the bar and restaurant
- Responsible for daily cash accounting

Bar Manager
1996–1997 Boulevard Bar and Grill
Miami, FL

- Managed daily operations of the bar
- Supervised approximately 10 beverage personnel
- Tracked and ordered daily inventory
- Balanced daily accounting reports

Education
B.A. Economics
1995 Brandeis University
Boston, MA

Jonathan Graham Lane

[redacted]

Summary of Qualifications

- Strong skills in large-scale cannabis cultivation management ensuring consistent production of quality product
- Innovative, entrepreneurial approach to conceiving, researching, designing, developing, and improving policies and processes. Successful in proposing and implementing key initiatives, mitigating risk, and driving achievement of desired results in complex indoor cultivation environments
- Strong background of working with diverse varieties of cannabis. In-depth knowledge of known classifications, origins, plant specific traits, and qualities
- Profound knowledge and understanding of a wide spectrum of indoor cannabis cultivation properties including:
    - Soils, inert mediums, hydroponic systems
    - Nutrients and their relation to plant processes
    - Lighting
    - Environmental controls
    - Integrated Pest Management systems
    - Stages of photosynthesis and plant life cycles
    - Differences in cannabis species
    - Pollination and selective breeding
    - Identification of disease-resistant species through observation
    - Systematic production through propagation of seeds and clones
    - Successive growth of vegetative and flowering cannabis plants utilizing proven methods
- Extensive history of workforce management
- Outgoing, credible communicator with outstanding ability to connect meaningfully with individuals promoting a strong work environment

Professional Qualifications

Master Grower — Theraplant, LLC
2014 – present

- Orchestrate and execute all phases of horticultural production of Medical Marijuana plants from seed and clone propagation, vegetative plants, and flowering plants through end of the growth cycle including the following:
    - Prepare mediums such as coco, rockwool, soil, hydroponics
    - Cut clones, dip in rooting hormones, place in medium
    - Prune, train and top plants
    - Apply plant treatments including dipping clones in foliar solutions and applying foliar sprays
    - Stake and trellis plants for support
    - Operate irrigation systems
    - Maintain ideal atmospheric conditions through continual monitoring of fans, lighting, air temperature, humidity, fresh air intakes, and CO_2 exhaust

- Monitor plants daily and observe for pests, mold, deficiencies and disease, and address these conditions as necessary
- Record all plant data including plant growth times, nutrient observations, disease, molds, and insects
- Perform routine cleaning and maintenance of work areas and equipment

Grow Consultant
2013 – present

Animus Herbal, Harvest Moongrow LLC

- Consult with licensed MMJ operations
- Advise on horticultural techniques, Integrated Pest Management programs, and business development
- Operate all phases of production from seed and clone propagation, vegetative plants and flowering plants through end of growth cycle

Head Grower
2011 – 2013

Grassroots Health and Wellness Center

- Personally managed all horticultural production of medicinal cannabis
- Operated all phases of production from seed and clone propagation, vegetative plants, and flowering plants through end of growth cycle
- Managed and trained employees in all aspects of company protocol and policies regarding cultivation including mixing and calibrating nutrients, performing environmental monitoring, monitoring water treatments, filtration and irrigation systems
- Developed and organized grow systems in all phases of growth, as well as implemented strategies for improved consistency and efficiency of production
- Responsible for oversight of nutrient regimens, grow mediums, grow systems and plant maintenance including plant support systems, pruning techniques for maximum yield and plant health, foliar spray applications, and development and implementation of Integrated Pest Management programs
- Developed safety protocols and training for handling of hazardous or potentially hazardous materials used for plant and water treatments, awareness of unsafe nutrients and pesticides, use of personal protective gear when needed
- Oversaw safe use and maintenance of horticultural tools and equipment
- Documented over 100 varieties of flowering cannabis in the production areas, as well as success and failures of various techniques utilized in propagation and vegetative growth
- Documented plant pests of many varieties and their behaviors including root aphids, russet mites, and spider mites to understand effective treatments and pest management
- Participated in company meetings to analyze strain selections,

Assistant Manager of Horticulture 2010 – 2011	Lotus Farms

- Assisted in construction of grow rooms
- Produced cannabis in coco coir, soil, and deep-water culture hydroponic systems
- Assisted lead grower in nutrient mixing, irrigation, operation of hydroponic systems, operation of environmental systems and monitoring, and product processing and packaging

Owner/Operator 2001 – 2010	JGL Construction Inc.

- Contractor and hands-on builder on various aspects of home building including framing, siding, windows, doors, decks, sunrooms, and log structures
- Organized and directed labor crews on daily basis to perform and complete projects in multiple locations
- Maintained stringent work schedules to complete projects in timely manner
- Responsible for interpreting blueprints for labor and material cost estimates
- Built long-lasting relationships and partnerships statewide through continued execution of quality workmanship
- Managed high-cost budgets of custom home, multi-family condominium, and commercial projects through completion
- Responsible for the safety and training of employees
- Operated and maintained heavy equipment, tools and scaffolding

Daniel Y. Fung

Experience

Theraplant, LLC **January 2014-present**
Extractions
Extraction Engineer as well as R&D – New Product Development

- Responsible for all aspects of extractions, including procuring extraction equipment, improving extraction process, researching extraction technologies and assessing all vaporization and delivery technologies
- Inventor of the MedTab, a brand new homogenized, dosable form of dry MMJ flowers, with a US Provisional Patent Application Filed as of August 1, 2014 Pending Review by the USPTO

International Beverage Holdings Limited USA, Inc. , New York NY **November 2006-Dec 2013**
Operations and Internal Control
Operations Manager

- Responsible for managing internal operations for wholly owned subsidiary of ThaiBev, a billion dollar company listed in Singapore
- Managed operations for beverage distribution including oversight of all distribution agreements and reconciliation of inventories
- Oversaw payment of all bills for the company and tracking of all expenses, reconciling them against our budgets, and reporting the project's financial status to our principal investors
- Negotiated all external facing distribution agreements and tasked with ancillary aspects of contracts, including marketing, exclusivity, contract compliance and legal review

Atlantic Sea Island Group LLC, New York, NY **November 2005-Oct 2006**
Business Development and Project Management
Communications Director & Assistant Financial Controller

- Managed the cash flow of company funds in the amount of 7 million dollars for the permit filing and siting of a Liquefied Natural Gas Import Terminal project This included maximizing the interest revenue of cash on hand
- Wrote all the checks and paid all the bills for the company Responsible for the tracking of all expenses, reconciling them against our budgets, and reporting the project's financial status to our principal investors
- Maintained payroll relationship and bank relationship activities Authorized monthly payroll, and made payroll changes on behalf of the company, incl new hires and deduction adjustments
- Responsible for all purchasing for the company including IT hardware (setup & maintenance)
- Maintained and administered the company email server including blackberry setup
- Processed and reconciled expense reports for all senior management, and responsible for replenishment and tracking of Petty Cash expenses
- Responsible for editing and producing company presentation materials for meetings with public officials and other interested groups

Regus/HQ Global Workplaces, New York, NY **July 2005-December 2005**
Commercial Real Estate Asset Management
Operations Manager

- Managed needs of 100+ clients with different business needs
- Liaised with potential clients Explained how Regus's services could meet their needs, and brought long-term clients into the firm
- Managed staff to deliver quality customer service
- Managed cost controls and the monthly billing process
- Reviewed all invoices and bills Verified check deposits against aging reports Processed all Accounts Payable and security deposit refunds
- Audited month end statements Helped to guarantee compliance with internal accounting controls
- Responsible for collections of all aging Accounts Receivables
- Oversaw staff hiring, training and supervision at the center
- Found creative solutions to roadblocks/problems
- Networked with clients to develop business leads, foster strong relationships and enhance revenue stream

PassGate Corporation, New York, NY **March 2000-June 2005**
Payment Technology Development Company
Founder, Director of Sales & Marketing

- Founder of startup PassGate Corporation, developer of a solution to eliminate the risk of fraud and theft of online credit card numbers/info [www passgate com]
- Developed variety of online and offline sales & marketing materials
- Made sales presentations to senior contacts at major credit card associations, banks, merchants, portals and card processors
- Assisted with preparation of patent applications in the USA, Europe and Asia
- Mobilized and managed a diverse range of resources (legal, IT, financial, sales and marketing, consumer research, networking)
- Developed detailed 5 Year Business Model and Plan, including operational scenarios
- Raised and managed funding to ensure that PassGate was fully operational

SONY MUSIC ENTERTAINMENT INTERNATIONAL, New York, NY **December 1997-Febuary 2000**
International Marketing & Distribution
International Order Services

- Responsible for coordinating the flow of promotional materials and point of purchase items from the International Logistics Center
- Maintained all databases for Traffic Operations

Education

University of Pennsylvania, Philadelphia, PA **Class of 1997**
B A in Psychology
The College of Arts & Sciences

Other Skills

- Significant knowledge of technology applications (including all Office applications, Adobe software, etc) and Internet technology via personal interests and PassGate initiatives
- Experienced in setting up computer networking, wireless networking environments, and some PC troubleshooting ability
- Strong verbal and written skills
- Conversational proficiency in Cantonese
- Have passed the test to become a NY State Real Estate Salesperson
- Licensed Notary Public

Mitchell Baruchowitz Esq.

AREAS OF EXPERTISE:
Capital Markets Transactions, SEC/FINRA Rules and Regulations (i.e. 33/34 Acts, Investment Company and Advisors Acts), Mergers & Acquisitions, Intellectual Property, Corporate Law, Financial Products, Regulatory and Management Reporting.
Holds FINRA Series 7, 63, 79 and 24 licenses.

EDUCATION:
Boston University School of Law, JD 1999
Brandeis University, BA History 1996

PUBLICATIONS:
Managing the Decline: The Role of a General Counsel in a Faltering Company, International In-House Counsel Journal, Vol. 5, No. 20, Summer 2012

CAREER HISTORY:

Cavu Securities, LLC
Senior Managing Director, Head of Investment Banking 12/13-present

- Leads a five person generalist investment banking team with knowledge and expertise across the entire capital spectrum with $45MM in recent transactions
- Recently completed an $4MM offering for California Gold in its acquisition of certain patents from MVP Patents, a holder of valuable location-based patents
- Represents an elite tool manufacturer, eco-conscious materials company, beacon communication and enterprise platform company, and visual communication and sales optimization company in transactions totaling $65MM in 2014
- Appointed by California Bankruptcy Court to represent the largest minority Shareholder of a Wind Power company in dispensation of certain assets and a purchase of shares from the majority shareholder in $50MM stock transaction

Theraplant, LLC 5/12-present
Head of the Strategic Advisory Board

- Primary drafter of Theraplant's application to the Connecticut Department of Consumer Protection where Theraplant received the top score of 16 applicant companies and won a coveted license to cultivate medical marijuana
- Responsible for helping to set strategic priorities and manage the company's governance regime and shareholder outreach
- Guides company efforts on maintaining proper books and records as well as management and financial reporting

Abadi & Co./ACGM, Inc., New York, New York
Senior Managing Director, Head of Investment Banking 6/10-12/2013

- Oversaw Investment Banking division for FINRA regulated broker dealer specializing in assisting sprout stage companies in capital raising, restructuring, asset purchase/sales and structured investments
- Led more than $36MM in capital raising for companies in the financial, technology, consumer, and education sectors
- Managed the Semper US RMBS Opportunity REIT sales team which raised more than $100MM from retail accredited investors
- Raised more than $10MM for Semper Capital Hedge Funds

Pali Holdings, Inc./Pali Capital, New York, New York
Deputy General Counsel, Corporate Secretary/CRO 10/07-6/2010

- Appointed to run the firm's post-Chapter 11 wind-down of several subsidiaries, including preparing the main operating subsidiary, Pali Capital for a Chapter 7 liquidation in Federal Bankruptcy Court
- Managed a staff of 20 employees in wind down operations, oversaw the drafting of Chapter 7 petition and transitioning of critical infrastructure, information and remaining assets to Chapter 7 trustee
- Prior to wind down, Reported to the firm's Executive Committee, as primary legal counsel for $200MM financial services company with broker dealer operations in U.S., U.K. and Singapore
- Member of the Firm's Bank Loan and Products Committee which performed risk and exposure analyses on proposed or newly created financial products
- Managed the firm's daily strategic legal needs, including direct responsibility for several transactions, a $4MM Collateralized Note offering, a $20MM Convertible Subordinated Debenture offering and sale of Pali's asset management arm to a UK based manager in 2009
- Responsible to the firm's Board of Directors for drafting corporate board minutes, resolutions, proxy statements, shareholder materials and agreements pertaining to the issuance of the firm's equity
- Supervised the firm's outside counsel team with a budget of over $8MM in 2008/2009

Axiom Legal, New York, New York 2/07-10/07
Attorney Secondee for Financial Companies

Pershing LLC

- Drafted memoranda for senior management on legal issues pertaining to asset management, investment company trading, lending, and prime brokerage operations
- Assisted in AML analysis and creating risk-based templates for the due diligence assessments of foreign broker dealers and investment managers for the Global Security Services group

Merrill Lynch

- Consulted for the Office of General Counsel on matters relating to Merrill Lynch Investment Management(MLIM) and ML Global Wealth Management Group on a variety of legal and regulatory issues affecting worldwide operations
- Assisted Global Services Group with legal and compliance needs related to capital markets transactions and prime brokerage offerings

MarketAxess Corporation, New York, New York 4/05-2/07
Associate General Counsel, Chief Compliance Officer

- Corporate generalist and direct report to firm's General Counsel on regulatory, legal and compliance oversight for global, publicly-traded financial technology firm with 200 employees and market capitalization of $2 billion
- Provided primary legal and compliance support to sales and business line professionals in matters requiring real-time judgment and strong command of rules and practices relating to the development of fixed-income products
- Tasked with creating Sarbanes Oxley entity controls, responding to all regulatory inquiries and revising compliance procedures in response to regulatory updates
- Negotiated and drafted corporate documents necessary for sale and licensing of cutting-edge trading and data technology products
- Responsible for drafting 2 patents relating to financial technology that have been granted full USPTO approval

Boo Trade LLC/Andover Trading/Assent LLC New York, NY (8/2000-3/05)
Managing Director, Counsel

- Chief legal officer/Managing Director responsible for 35 employees and traders for trading company absorbed by Assent, LLC, a self-clearing broker dealer purchased by Sungard in 2003
- Drafted all documents relating to the investment management and asset management services, licensing of data and automated trading technology as well as the sale of infrastructure support and services
- Created the Empire State Development Corporation's default methodology for the valuation of Equity Trading Firms, Hedge Funds, and Alternative Asset Managers while representing over 20 Firms in recouping over $6 million in compensation from the World Trade Center Business Recovery Program

Blackwood Trading, New York, NY (8/99-8/2000)
Staff Attorney/Trader

- Assisted with legal and compliance affairs for company focused on equity trading, statistical arbitrage, Black and Grey Box trading and software development
- Developed policies, procedures and trading parameters for client equity trading systems and proprietary and automated trading books

Peter Rafa

Summary

Mr. Rafa has over twelve years of engineering, project management, validation, and quality management experience in the regulated life science industry. Mr. Rafa is experienced with quality system regulation, and has designed and implemented entire Quality Management Systems for industry clients. Mr. Rafa has extensive hands-on experience with process, equipment, facility, process supporting utilities, and computer control systems validation within the pharmaceutical, biotech, and medical device industries. He is a facilitator of collaboration among project stakeholders, as well as a critical and innovative thinker to help bring the best solutions forward in a timely manner.

Experience

20/20 Quality Consulting **September 2013 – Present**
Managing Member

Provide compliance consulting during application, operational start-up and ongoing production for medicinal cannabis production facility in Connecticut.

Key Responsibilities

- Application Support
- Quality Management System Development
- Standard Operating Procedure Development
- Production Batch Record Development
- Compliance Auditing
- Environmental Monitoring System Development
- Compliance and Production Staff Training
- Inventory Procedure Development
- Inventory Auditing

Pharmatech Associates **October 2001 – Present**
Associate Director

Provide engineering, quality assurance, validation, engineering, project management, and internal company management to regulated life sciences industry consultancy. Clients include Novartis Pharmaceuticals, Gilead Sciences, Johnson & Johnson (and multiple subsidiaries), Intelliject, Roche, Genentech, and others.

Project Highlights

- Compliance strategy development for device, pharmaceutical, and biotech clients
- Management/Scheduling/Validation Master Plan generation for new manufacturing building for medical device manufacturer.
- Developed Environmental Monitoring Program, from Master Plan down to the SOP level for pharmaceutical start-up.
- Management/Execution of new manufacturing building in preparation of PAI audit for combination pharmaceutical/medical device product.
- PM/Lead Engineer validation of new pharmaceutical facility including BOD and modification of HVAC design/air balance, automation and characterization studies for automated processes.
- PM/Lead Engineer validation of new automated web coating line.
- Managed Change Control process for a filling/repackaging line.
- Management/Generation/Execution of solid dosage formulation equipment and facility validation.

- Participated in pre-Pre Approval Inspection assessments of Medical Device, Biotech, and Pharma clients.
- Designed and managed Document Control systems for pharmaceutical start-up
- Validation Master Plan development for pharmaceutical bulk chemical manufacturer.
- Designed and Implemented reconciliation program for DEA-controlled packaging operation
- Able to direct many domestic and international projects of varying size and complexity simultaneously and ensures schedules, budgets, and technical project goals are met.

Internal Responsibilities

- Over 10 years of experience in sales, scoping, estimating, and proposal writing
- Management of over 10 direct reports

Education

- B.S. in Chemical Engineering: Johns Hopkins University, Baltimore, MD.

Moria Feighery-Ross

Summary

Ms. Feighery-Ross' 7+ years of consulting work for the pharmaceutical manufacturing industry spans startups to multinational corporations and Contract Manufacturing Operations. She has qualified manufacturing facilities, equipment, and utilities, as well as validating Computer Systems and Processes for clinical and commercial product lines of oral solid dosage forms, transdermal delivery systems, drug-device combinations and medical devices. This experience also includes qualifying manufacturing sites subject to Drug Enforcement Agency guidelines. She is experienced in risk assessment and risk-based validation, personnel training, and all phases of development of quality systems.

Experience

20/20 Quality Consulting **September 2013 – Present**
Managing Member

Provide compliance consulting during application, operational start-up and ongoing production for medicinal cannabis production facility in Connecticut.

Key Responsibilities

- Application Support
- Quality Management System Development
- Standard Operating Procedure Development
- Production Batch Record Development
- Compliance Auditing
- Environmental Monitoring System Development
- Compliance and Production Staff Training
- Inventory Procedure Development
- Inventory Auditing

Pharmatech Associates **January 2007 – Present**
Consultant

Provided engineering, quality assurance, validation and technical support to regulated life sciences industry consultancy. Clients include Johnson & Johnson, Watson, Novo Nordisk, and others.

Project Highlights

- Validation Master Plan generation for new manufacturing facility/equipment for oral solid dosage manufacturer.
- Validation of new pharmaceutical facility including BMS, utility and facility qualification, and process move validation for commercial production medical device manufacturer.
- Validation of new pharmaceutical facility including multiple custom process equipment for drug-device combination manufacturer in scale-up from clinical to commercial production.
- Generation/Execution of solid dosage formulation equipment and facility validation, including extensive vendor interaction and troubleshooting.

Internal Responsibilities

- Creation of Training program exercises, presentations and SOPs

Jeff's Diesel Works **December 2005-December 2006**
Mechanic

In-frame and in-shop overhauls of heavy diesel engines providing motive and generative power for tugboats, fishing boats and pleasure craft.

Various locations: San Diego, CA and Portland, OR **July 1999-September 2004**
Veterinary Technician

Induce and monitor anaesthesia, dental cleanings, intensive care services, laboratory analysis of blood, urine and other samples, clinical intake and release procedures, radiology and pharmacy services in a client-based atmosphere.

University of California, San Diego and Stanford University 1997-98, 2000-01
Undergraduate Researcher

Silicon surface chemistry and photoelectrolithography; front-end semiconductor manufacturing, novel cell culture techniques.

Education

- B.S. Biology: University of California, San Diego, 2002

Jeremy Applen

Education:

Pharm. D. Candidate Left program in good standing Nov. 2010

The University of New Mexico College of Pharmacy, Albuquerque, NM

Bachelor of Science – Biochemistry
The University of New Mexico, Albuquerque, NM

Amigo Scholarship, University of New Mexico

Technical Expertise:

- Gel electrophoresis
- Bacterial cell culture
- Protein expression/purification
- Protein quantitation
- DNA isolation
- DNA quantitation
- PCR
- Affinity chromatography
- Size exclusion chromatography
- Ion exchange chromatography
- Western Blot Assays
- Enzyme kinetics
- Hydrogen/Deuterium exchange
- Enzyme Linked Immunosorbent Assays

Instrumental Expertise:

- Waters QTof2 Mass spectrometer
- Pharmacia AKTA FPLC
- Agilent 1100 HPLC
- Shimadzu LC10AD HPLC
- Shimadzu BioSpec-mini UV/Vis Spectrophotometer
- Bio-Rad 550 Microplate reader
- Bio-tek ELx 808-UV Microplate reader
- BioLumix Automated Microbiology
- Leica Asp300 Tissue processor
- ImageJ software

Research Experience:

Owner
Page Analytical Laboratories
Responsible for performing routine qualitative and quantitative analysis to ensure product conformity with written specifications and compliance with requirements set forth by 21 CFR 111 and the United States Pharmacopoeia. Additional responsibilities include developing remediation solutions when deviations occur in the production process, providing consulting services to clients and working with industry stakeholders as well as state and federal regulatory agencies to ensure appropriate quality standards.

Pharmacy Management and Research
Dept. of Veterans Affairs Cooperative Studies Program
Supervisor: Dr. Heather Campbell
Participated in the planning, start-up and ongoing activities for multi-center clinical research trials. Specifically my involvement was related to developing drug information materials and reviewing as well as assessing adverse medical events.

Research Technician
University of New Mexico
Supervisor: Dr. Karlett Parra
Worked towards developing an ELISA to identify the effects of mutations in the V_0 and V_1 domains of the yeast vacuolar proton-translocating ATPase on V_1V_0 complex formation. Other responsibilities include supervising undergraduate researchers,

Intern
Pfizer Inc.
Supervisor: Dr. Sven Beushausen
Participated in the development of assays for candidate off-target binding proteins in support of a reverse pharmacology project, primarily determining the conditions for an adenosine deaminase activity assay. Work was also done to perfect a gel shift assay to determine if a Hepatitis C Virus (HCV) lead compound was binding to its suspected target.

Undergraduate Research Assistant
Department of Chemistry, University of New Mexico
Advisor: Dr. John R. Engen
Involvement in the culture, expression of E. Coli cells and the purification of both tyrosine kinase interacting protein (Tip) and the lymphoid-specific Src-family kinase Lck. Hydrogen/deuterium exchange mass spectrometry was used to characterize the conformation of Tip and characterize the interaction between Tip and Lck.

Lab Technician I
Veterinary Diagnostic Services, New Mexico Department of Agriculture
Supervisor: Greg Jillson

Principle technician responsible for chronic wasting disease detection by Enzyme Linked Immunosorbent Assay (ELISA) and reserve technician responsible for testing for equine infectious anemia using the same technology. Isolation of DNA for use in the detection of Trichomoniasis by PCR. Other responsibilities include the maintenance of reagents used for histological sample preparation along with various clerical and sample management duties.

Publications:

Mitchell, J. L. Trible, R. P., Emert-Sedlak, L. A., Weis, D. D., Lerner, E. C., Applen, J. J., Sefton, B. M., Smithgall, T. E. & Engen, J. R. (2007). Functional characterization and conformational analysis of the *Herpesvirus saimiri* Tip-C484 protein. **J. Mol. Biol.** DOI: 10.1016/j.jmb. 2006.12.026

Ediger B, Melman SD, Pappas DL Jr, Finch M, Applen J, Parra KJ. The tether connecting cytosolic (N terminus) and membrane (C terminus) domains of yeast V-ATPase subunit a (Vph1) is required for assembly of V0 subunit d. **J Biol Chem**. 2009 Jul 17;284(29): 19522-32.

Bradley D. Carlson, PharmD, BS, AAS

[redacted]

EDUCATION

✦ Pharmacy Practice Residency - PGY1, emphasis: Emergency Medicine. Allina Mercy and Unity Hospitals; Coon Rapids, Minnesota; and Fridley, Minnesota; July 1, 2009 – June 30, 2010
✦ Doctor of Pharmacy, University of Minnesota College of Pharmacy; Minneapolis, Minnesota; May 2009.
✦ Associate of Arts and Sciences, MusicTech College; St. Paul, Minnesota; December 2002. Major: Bass performance
✦ Bachelor of Science, Minnesota State University, Mankato; Mankato, Minnesota. May 2001. Major: Microbiology / Minor: Chemistry

EMPLOYMENT AND PROFESSION PHARMACY EXPERIENCE

11/1/2011 - present: ***Emergency Center Pharmacist - Team Lead***
Park Nicollet Methodist Hospital (St. Louis Park, Minnesota)

- Developed and implemented new role for pharmacists in Emergency Center at Methodist Hospital - including procedures, workflow, interdisciplinary relations
- Perform medication reconciliation for patients admitted to Methodist Hospital through the Emergency Department; review charts for correct medication information, drug-drug interactions, drug-disease contraindications, drug-age warnings, etc.
- Support Emergency Center staff with drug information, including medication selection, medication dosing, medication dosing adjustments
- Assist attending physician staff with critical patients (Red Rigs)
- Prospective verification of inpatient medication orders
- Development and implementation of collaborative practice agreement to review and reconcile outpatient urine, stool, wound, and blood cultures, and to make changes based on culture information and clinical utility - including quarterly review and assessment of clinical decision making for EC Pharmacist staff (currently 7)
- Educate Emergency Center staff on pharmacy shortages, alternative medicinal agents, new medications and changes to drug-delivery procedures
- Conduct routine meetings for Emergency Pharmacist group to discuss changes and implement new policies and procedures
- Created and implemented training procedure for student pharmacists to assist in medication reconciliation services
- Precept pharmacy residents, student pharmacists in clinical rotation, and pre-pharmacy students wishing to shadow in Emergency Department
- Collaborate with management from Methodist Emergency Center, Emergency Physicians PA (EPPA), Health Partners medical staff, etc. on patient care projects

7/29/2010 - 10/31/2011: ***Staff Pharmacist***
Park Nicollet Methodist Hospital (St. Louis Park, Minnesota)

- Achieved proficiency in training to staff in the following areas of inpatient and decentralized pharmacy: central pharmacy - order verification, IV preparation including chemotherapy preparation, anticoagulation services, outpatient pharmacy services including hospice medication preparation, decentralized general medicine floor, decentralized neurology and rehabilitation floor, decentralized surgical services
- Check and verify medication orders for all inpatient floors
- Oversee pharmacy technician and pharmacy intern workflow
- Provide medication information assistance and Epic Willow assistance to hospital staff
- Student precepting and advising

7/1/2009 - 6/30/2010: Pharmacy Practice Resident, PGY1
Allina Mercy and Unity Hospitals (Coon Rapids, Minnesota; Fridley, Minnesota)
- Post Graduate Year 1 Pharmacy Practice Residency (Emphasis - Emergency Medicine)
- Rotations in Emergency Medicine, Medication Safety, System Formulary Review, Infectious Disease, Pain Management / Hospice, Cardiology, Pharmacy Management, Critical Care / ICU, Oncology, Internal Medicine
- Pharmacy staffing, central pharmacy operations and decentralized cardiology floor
- Residency project and presentation: "Financial and Therapeutic Outcomes of Incorrectly Documented Allergies to Anti-Infective Agents." Presented at the Midwest Pharmacy Resident Conference in Omaha, Nebraska, May 6, 2010

3/27/2006 – 12/4/2008: Pharmacy Intern
CVS Pharmacy (Andover and Coon Rapids, Minnesota)
- Educated patients on new medications
- Accurately transcribed new prescriptions from hospitals and clinics
- Prepared custom drug compounds, including ointments, suspensions, capsules, and powders; used "Flavor Rx" to make pediatric suspensions more palatable
- Reconciled and audited controlled (CII) medications monthly and whenever necessary, under supervision of the pharmacist
- Ordered controlled medications using DEA form 222 under pharmacist supervision
- Processed and filled prescriptions accurately and in a timely fashion
- Worked with insurance providers to resolve third party issues; assisted patients in selecting Medicare Part D plans with computer aided selection system
- Contacted doctors for refill authorizations, prior authorizations, and drug therapy modifications
- Helped maintain the pharmacy to a clean, presentable state
- Consistently complied with all HIPAA guidelines to assure optimal patient confidentiality

Fall 2007 – Spring 2008: Pharm D II Compounding Lab Teaching Assistant
University of Minnesota College of Pharmacy (Minneapolis, Minnesota)
- Facilitated and supervised non-sterile pharmaceutical compounding lab students
- Reviewed student pre-lab assignments and demonstrated lab procedures
- Guided students through units including suspensions, emulsions, ointments, creams, suppositories, and capsules
- Assisted with student questions and concerns
- Graded student assignments and provided prompt and insightful feedback
- Facilitated and graded compounding lab final exam

6/8/2005 – 3/17/2006: Pharmacy Technician
Target Pharmacy (Shoreview, Minnesota)
- Processed and filled prescriptions accurately and quickly
- Worked with insurance providers to resolve third party issues
- Contacted doctors for refill authorizations and other concerns
- Helped maintain the pharmacy to a clean, presentable state
- Consistently complied with all HIPAA guidelines to assure optimal patient confidentiality

PROFESSIONAL AFFILIATIONS

- ✦ American Pharmacists Association
- ✦ American Society of Health-System Pharmacists
- ✦ Kappa Psi Professional Pharmaceutical Fraternity
- ✦ Minnesota Pharmacists Association
- ✦ Minnesota Pharmacy Student Alliance
- ✦ Minnesota Society of Health-System Pharmacists

RECOGNITION

- ✦ Dean's List; (Fall, 97, Winter 97-8, Spring 98, Fall 99, Spring 00, Spring 01, Spring 05)
- ✦ Outstanding Achievement Award – Bass Performance; Musictech College, St. Paul, Minnesota. December, 2002.
- ✦ Minnesota State University, Mankato Presidential Scholarship; August 1997 – May 2001
- ✦ Arnold Lund Microbiology Scholarship; Spring 2000
- ✦Valedictorian; La Crescent High School Class of 1997

LICENSURE

- ✦ State of Minnesota Pharmacist License, No: 119809
- ✦ BLS-CPR/ACLS/PALS certified, American Heart Association

DAG SOHLBERG

[redacted]

SOHLBERG ASSOCIATES, LLP, Apple Valley, Minnesota

Established firm as managing partner in 1999

Specialized Areas

- Corporate Internal Investigations
- Intellectual Property Protection
- Major Event Security

Employment History

LICENSED PRIVATE INVESTIGATOR
State of Minnesota, 1999 – Present
State of North Dakota 2005 - Present

NATIONAL FOOTBALL LEAGUE – MINNESOTA
Security Representative/ Consultant, 1999 - Present

SPECIAL INVESTIGATOR, OFFICE OF INDEPENDENT COUNSEL
Secretary of Interior Inquiry, 1998 – 1999

SPECIAL AGENT AND SUPERVISORY SPECIAL AGENT, FEDERAL BUREAU OF INVESTIGATION
Minneapolis Division, 1972 - 1998
Philadelphia Division, 1971 - 1972

UNITED STATES NAVY
Division Officer, Department Head, and Destroyer Squadron Engineering Staff Officer, 1965 - 1971

Education

University of Wisconsin, Madison
Bachelor of Science, Political Science/International Relations, 1965

Specialized FBI Training

- Numerous FBI Academy criminal investigative and management seminars
- Drug Investigator, Federal Training Center, Glynco, Georgia
- Specialized Weapons and Tactics (SWAT) & SWAT Team Leader
- Technical Security and Countermeasures
- Certified Police Instructor

Experience

Extensive experience in conducting and supervising complex investigations and managing physical security issues:

- Fourteen years of conducting and supervising patent protection investigations in a four state area for an international agribusiness client
- NFL Security Representative with physical security planning and execution responsibility at New Orleans Super Bowl XXXVI, San Diego Super Bowl XXXVII, and Pro Bowls 2005-2014
- NFL Best Practices for Stadium Security auditor at NFL stadiums 2005-Present
- Acting Special Agent in Charge, Minneapolis FBI
- Peer selected to Special Agent and Supervisory Special Agent advisory committees to FBI Director
- Supervised various FBI squads with investigative responsibilities for organized crime, drug, crimes on Indian reservations, civil rights, major crimes, and counterintelligence violations
- Employee Assistance Program Coordinator, FBI Minneapolis
- Drug Demand Reduction Coordinator, FBI Minneapolis
- FBI supervisor of ground breaking federal/state/local law enforcement drug, violent crime and gang task forces. One case resulted in 23 gang members being convicted in the arson murder of 5 St. Paul children
- SWAT Team Leader that negotiated peaceful surrender of numerous insurrectionists following a Minnesota Red Lake Indian Reservation civil unrest incident
- Qualified as expert witness in U.S. District Court

KELLY BACHMAN HENRY

EDUCATION:

UNIVERSITY OF MINNESOTA, Minneapolis, Minnesota
Carlson School of Management
Master of Business Administration — May 2012

BATES COLLEGE, Lewiston, ME
Bachelor of Arts in Economics — May 2004

EXPERIENCE:

FAMDOO, Minneapolis, Minnesota — February 2012 - Current
VP Operations and Strategy

- Managed initial research of product concept and used conclusions from research to define product development
- Served as Project Manager for technology build of the FamDoo product
- Responsible for taking unorganized information from early stage of company development and turning into a coordinated plan of action

MOJO MINNESOTA, Minneapolis, Minnesota — May 2011 – Current
Agitator
Innovation Co-Operative working to fuel entrepreneurship in Minnesota

- Started as an intern and moved to agitator, involved in coordinating policy and advocacy efforts to support early stage companies in Minnesota
- Drafted white paper on Angel Investor tax credit comparing Minnesota to other states

EDINA REALTY, Edina, MN — August 2007 - August 2010
Realtor

- Created and executed business plan to establish a successful real estate sales business in challenging marketing conditions
- Achieved membership in Edina Realty Leadership Circle 2008 and President's Circle 2009 based on sales volume

HUNT ASSOCIATES, Minneapolis, MN — September 2004 - October 2007
Project Coordinator
Real estate development firm working in residential, commercial, and mixed-use development

- Managed multiple projects simultaneously while adhering to project deadlines and maintaining highest level of quality assurance
- Coordinated communications and work processes among sales professionals, including architects, attorneys, contractors, municipal staff, sales agents, marketing and public relations personnel on a diverse portfolio of projects to ensure timely completion
- Had primary responsibility for coordinating marketing, sales negotiations, contracts, financing and municipal approvals to ensure successful project completion

JACK GEYEN

Professional Employment:

Director of Greenhouse Production: Bachman's Inc.
1994 – 2013

- Started with Bachman's in 1977 in greenhouse operations and progressed to the Director position.
- Directed a 300,000 square foot greenhouse operation growing large quantities of the highest quality ornamental plants.

Summary of Qualifications:

- Strong skills in large scale cultivation management ensuring consistent production of quality product.
- Innovative, entrepreneurial approach to conceiving, researching, developing and improving policies and processes. Successful in proposing and implementing key initiatives, mitigating risk and driving achievement of desired results.
- Excellent background in determining unique growth habits between plant varieties and special requirements.
- Timed crops to meet weekly harvest and shipping windows of time.
- Extensive history of work force management including union employees.
- Specific skill sets include:
    - Soils and growing mediums
    - Nutrients and their relation to plant processes
    - Lighting
    - Environmental controls
    - Integrated pest management controls
    - Stages of photosynthesis and plant life cycles
    - Systematic execution of production through propagation of seeds and cuttings.
    - Order fulfillment and shipping logistics

BRENNAN C. McALPIN

PROFESSIONAL EXPERIENCE

Director of Government Affairs *North Memorial Health Care, Robbinsdale, MN* *Oct. 2005 – Present*

- Continue to develop and maintain working relationships with State of Minnesota Legislators
- Continue to develop and maintain working relationships with State of Minnesota Agencies
- Work closely with the Governor's office of healthcare and public safety issues
- Maintain a strong understanding of health care and EMS state statutes, rules and regulations
- Strong ability to draft, research, lobby and pass health care legislation
- Continue to develop and maintain working relationships with health plans and governmental payers
- Strong understanding of health care payment system and financing for hospitals
- Continue to develop and maintain working relationships with State of Minnesota's Federal Legislators
- Maintain working relationships with City and County elected officials in North Memorials service area
- Developing and implementing health care reform at North Memorial
- Attend and serve on numerous health care reform work groups
- Attend and serve on numerous Hospital Association committees
- Work closely with Department of Human services and Depart of Health Commissioners and staff
- Work very closely with health care lobbyists and trade associations
- Monitor and work very closely with Statewide Trauma System staff and advisory committee
- Maintain working relationship with Emergency Medical Services Regulatory Board staff and board
- Maintain a working relationship with Association of MN Counties and League of MN Cities
- Member of the MN Governmental Relations Council

Senior Partner/Emergency Preparedness Resource Group Consulting Minneapolis, MN June. 2006-2013

- Oversee business development of EPRG on a daily basis
- Provide consulting services to our clients on all aspects of EMS
- Negotiate contracts with prospective clients on projects
- Oversee timelines on projects to assure completion of projects for our clients
- Provide the most skilled subject matter experts to assure our clients receive a quality product

City Mayor *City of Annandale, Annandale, MN* June. 2006 – 2010

- Work closely with City Administrator on day to day operations of Annandale
- Chair of Management and Budget Committee
- Serve on the Personnel Committee
- Chair of Public Safety Committee

Operations Manager *North Memorial Ambulance Service, Marshall, MN* *Jan. 1996 – Oct. 2005*

- Managed day to day operations of ALS, BLS and Critical Care ambulances for Marshall Region with 75 employees
- Assisted in oversight of Aircare III helicopter base
- Worked very closely with City and County elected officials
- Worked closely with numerous rural hospitals to develop aircare and ground ambulance transport business and referrals in an 18 county region in SW MN
- Facilitated monthly staff and committee meetings concerning operational and educational issues
- Responsible for the measurement, assessment and continuous improvement of our services, productivity, quality, employee engagement and financial performance
- Served on SW EMS Board of Directors as Vice President
- Attended Gallup Great Manager program
- Served as President of Minnesota Ambulance Association
- Served as board member of Minnesota Rural Health Association
- Served as member of National ambulance co-op
- Served as Chair of the Planning and Zoning commission, city of Marshall
- Served as board member of American Ambulance Association reimbursement group
- Prepared and oversaw fiscal budget
- Negotiated ambulance contracts and building leases with numerous communities North served
- Strategically planned for business and operations initiatives

Critical Care Paramedic *North Memorial Ambulance, Brooklyn Center* *Nov. 1988 – Jan. 1996*

- Responded to 911 emergency calls in metro area providing pre-hospital emergency and critical care
- Served as Field Training Officer
- Served on Quality Assurance and Advisory committee
- Provided special event coverage and lectures on EMS
- Worked with EMS education as an Instructor
- Attended Blandin Leadership training
- Served as a Councilman for City of Annandale
- Served as Assistant Fire Chief City of Annandale

Paramedic *Allina Emergency Medical Services, St. Paul, MN* *Nov. 1989 – Oct. 1994*

- Responded to 911 calls for emergency care in the Allina service area
- Stood by at special events and promoted Allina
- Served as Board of Directors for Minnesota Ambulance Association

EMT/Dispatcher *North Memorial Ambulance, Brooklyn Center, MN* *Nov. 1985 – Nov. 1988*

- Responded to inter-facility non-emergency transfers

- Worked as a dispatcher answering calls for emergency and non-emergency calls for ambulances and helicopters
- Worked as an EMS Educator
- Firefighter/EMT City of Annandale
- Stood by at special events and provided public relation duties

Owner McAlpin Consulting LLC.
January 2013 - Present

- Provide focused consulting services on Community Paramedic and Health Care Reform
- Provide modeling and financial performance analysis for CP models
- Provide relationship building between Legislative and Regulatory bodies on Community Paramedic development.
- Provide and facilitate relationships between payers and health plans on CP reimbursement models
- Provide full implementation and program development of a CP program for individual providers and health care systems
- Research, Draft and implement numerous health care reform legislative models
- Represent MN Ambulance Association, MN Association of Emergency Physicians, Trauma Centers and EMS providers at the MN State Legislature

EDUCATION

College Network/Bellevue University, Omaha, NE	*BS Political Science*
Century College, White Bear Lake, MN	*Associates Degree-Paramedic Program*
Carlson School of Business	*Numerous Business Courses completed*
Blandin Foundation Rural Leadership Program	
Gallup Great Managers Program	

CERTIFICATIONS

National Registry of Emergency Medical Technicians – Paramedic	*Current*
State of Minnesota Paramedic	*Current*
Advanced Cardiac Life Support	*Current*
Pediatric Advanced Life Support	*Current*

GARY C. STARR, M.D. FACEP

Education

Doctor of Medicine — Aug. 1994 – June 1998
University of Cincinnati College of Medicine
Cincinnati, Ohio

Bachelor of Science, Zoology with Spanish minor — Sep. 1990 – June 1994
Ohio State University
Columbus, Ohio
Summa Cum Laude, Distinction in Zoology, Honors in the Liberal Arts

American Field Service International Exchange Student — Aug. 1989 – July 1990
A.F.S. Ecuador (Quito, Ecuador)

Residency Training

Emergency Medicine Residency — June 2005 – June 2008
University of Chicago Emergency Medicine Residency
Chicago, Illinois
University of Chicago Aeromedical Network (UCAN) Flight Physician
Emergency Medicine Residents Association (EMRA) Board of Directors

Family Medicine Residency — June 1998 – June 2001
Saint Louis University / Scott AFB Belleville Family Practice Residency
Belleville, Illinois
Captain, U.S. Air Force Reserve

Professional Experience

Family Pharm LLC — July 2014– present
VP Research and Development
Minneapolis, MN

Emergency Medicine Physician — July 2008 – present
Director, Telemedicine Programs
Emergency Physicians Professional Association (EPPA)
Minnetonka, Minnesota

Consultant, Emergency Medicine Physician (Independent Contractor), — Feb. 2007 – present
Telemedicine, Wellness and Emergency Healthcare Consulting
Principal Partner
Harmonique Healthcare International LTD

International Aeromedical Transport Physician — July 2006 – June 2008
AXA Assistance USA Inc.

Special Operations Forces Medical Element Flight Surgeon — Oct. 2003 – June 2005
Major, U.S. Air Force
353rd OSS, Kadena AFB, Japan

GARY C. STARR, M.D. FACEP

Professional Experience (continued)

Squadron Medical Element Flight Surgeon Captain, U.S. Air Force 909th ARS, Kadena AFB, Japan	Aug. 2002 – Oct. 2003
Family Practice Physician / Primary Care Team Leader Captain, U.S. Air Force 18th MDG/MDOS, Kadena AFB, Japan	June 2001 – Aug. 2002

Leadership Experience

Emergency Physicians Professional Association, Finance and Audit Committee	Apr. 2014 – present
Minnesota ACEP Board of Directors	Oct. 2010 – present
Chair, Minnesota ACEP Advocacy and Policy Committee	Oct. 2009 – present
ACEP Finance Committee	July 2009 – present
Chair, ACEP Audit Committee	July 2010 – present
Methodist Hospital (St. Louis Park, MN) Utilization Management Committee, Subcommittee Chair	July 2009 – present
Production Preparation Process (3P), Park Nicollet (St. Louis Park, MN)	Oct. 2012 – present
Advanced Training Program (ATP), Park Nicollet Institute	Apr. 2013 – July 2013
ACEP Membership Committee	July 2010 – Oct. 2012
Chair, ACEP Young Physicians Section	Oct. 2010 – Oct. 2012
EMRA Board of Directors (ACEP Representative, member-at-large)	Oct. 2006 – Oct. 2008
ACEP Coding and Nomenclature Committee	July 2007 – July 2009
ACEP Steering Committee	Oct. 2006 – Oct. 2008
EMRA Representative to Summit on Institute of Medicine (IOM) Report	Feb. 2007
EMRA Program Representative (University of Chicago)	July 2005 – July 2007
EMRA Council Reference Committee	Oct. 2005 – Oct. 2006
EMRA Research Committee	May 2007 – Oct. 2008

Honors and Recognitions

Meritorious Service Medal (U.S. Air Force)	Jan. 2005
Alpha Omega Alpha (AOA) Honor Medical Society	Apr. 1997
Distinguished Graduate, Officer Training School (U.S. Air Force)	Jun. 1994
Phi Beta Kappa Honor Society	Apr. 1994

Licensure and Board Certification

Unrestricted State Medical License – Illinois #036-113693	Exp: Jul. 2017
Unrestricted State Medical License – Indiana #01051595A (inactive)	Exp: Oct. 2015
Unrestricted State Medical License – Minnesota #50723	Exp: Apr. 2015
Unrestricted State Medical License – Ohio #35-087543	Exp: Jan. 2017
American Board of Family Practice, Board Certification	Aug. 2001 – Dec. 2015
American Board of Emergency Medicine, Board Certification	Dec. 2009 – Dec. 2019

GARY C. STARR, M.D. FACEP

Professional Societies

American College of Emergency Physicians (ACEP), Fellow
American Medical Association (AMA)
Minnesota College of Emergency Physicians (MN ACEP)

Research Awards

University of Chicago Graduate Medical Education Committee Grant; Johnson C., Starr G M.D , Tupesis, J M.D., Howes, D M D., "Evaluating Professionalism in the Emergency Department: The Patient-Physician Encounter", Award, 7/2006-7/2008, $50,000.

Non-Peer Reviewed Publications

Starr, G.C. "The ABC's of Medicare Reimbursement", EMResident, February – March 2007, V34: 1, pp 10,32.

Starr, G.C. "Don't Lose Your Voice: A Primer on Squeaking ", EMResident, April – May 2007, V34: 2, pp 16-17.

Starr, G.C. "Lost in Transition", EMResident, June – July 2007, V34: 31, pp 16-17.

Starr, G.C. "The Algorithm of Compassion", EMResident, August – September 2007, V34: 4, pp 16-17.

Starr, G.C. "All in a Name", EMResident, October – November 2007, V34: 5, pp 18-19.

Starr, G.C. "The Honor of Fellowship", EMResident, October – November 2007, V34: 6, pp 18-19.

Starr, G.C. "A Primer on the Organizations Representing Emergency Medicine", EMResident, February – March 2008, V35: 1, pp 1, 10-14.

Starr, G.C. (Ed.). ACEP 101: A Guide For Young Physicians, 2nd Edition, ACEP.org, American College of Emergency Physicians, October 2013, http://www.acep.org.

Academic Interests

Emergency Medicine Legislation, Telemedicine, International Emergency Medicine, Medical Resource Utilization Management, EM Workforce Issues, Flight/Aeromedical Transport Medicine

Language Fluency

English, Spanish, French

D.4 Compensation Agreements

LeafLine Labs and Drishti Consulting LLC, a Colorado limited liability company, are parties to a Management Services Agreement, dated August 11, 2014 *(Exhibit D.4.1)*. Under the Management Services Agreement, Drishti will provide LLL with business and organizational strategy, financial and investment management and advisory services, as directed by LLL's Board of Governors and President, in connection with LLL's application for a Manufacturer License from the Minnesota Department of Health. The initial term of the agreement is two years. Drishti, LLC is solely owned by Ethan Ruby who has the support and commitment of a small group of critical people to deliver the services Drishti has agreed to provide.

The members of the Board of Governors of LLL receive no direct compensation for their service on the board. All are unit holders (investors) and will receive distributions based on their holdings as governed by the Member Control Agreement.

LeafLine Labs has compensation agreements with seven people noted in the chart below. All 7 of the agreements are attached to end of this section as *Exhibit D.4.1*. All compensation agreements are prospective meaning they only take effect if we are successful in our application to the MDH. We are providing final copies of offer letters to our core employees who we expect to work at LeafLine Labs on day one. In order to be efficient, we are providing each individualized offer letter and one form of Schedule A, Confidentiality and Restrictive Covenant Agreement since they are all identical.

Prospective Employee	Title	Salary
Peter Bachman*	President	
Dan Emmans*	Vice President of Operations	
Jon Lane*	Master Grower	
Dan Fung*	Extraction Engineer	
Chris Weidling*	Chief Financial Officer and Treasurer	
Bradley Carlson	Chief Pharmacist	
Jeremy Applen**	Compliance, Quality Control and Assurance	Hourly consultant

*Certain Officers of LLL are also owners who will be eligible to receive distributions based on the terms of the Member Control Agreement.
**Contractually obligated by virtue of advisory agreement rather than an employment agreement

Exhibit D.4.1: LeafLine Labs Management Services Agreement w/Drishti Consulting

Execution Version

Management Services Agreement

This Management Services Agreement (this "Agreement"), is effective as of August 11, 2014 (the "Effective Date"), by and between Drishti Consulting LLC, a Colorado limited liability company (the "Service Provider") and Leafline Labs, LLC, a Minnesota limited liability company (the "Company").

WHEREAS, the Company desires to retain the Service Provider to provide certain advisory and consulting services upon the terms and conditions hereinafter set forth, and the Service Provider is willing to undertake such obligations.

NOW, THEREFORE, in consideration of the foregoing and the mutual and dependent covenants hereinafter set forth, the parties agree as follows:

1. Appointment. The Company hereby engages the Service Provider, and the Service Provider hereby agrees, upon the terms and subject to the conditions set forth herein, to provide, or cause any of its Affiliates to provide, certain services to the Company, as described in Section 3(a) hereof. For purposes of this Agreement, an "Affiliate" of any specified person is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified.

2. Term. The term of this Agreement (the "Term") shall be for an initial term expiring two (2) years after the date hereof; *provided*, *however*, that this Agreement and the Company's engagement of the Service Provider hereunder may be terminated at any time following the date hereof upon mutual agreement of the Company and the Service Provider. The Term shall be renewed automatically for additional one-year terms thereafter unless the Service Provider or the Company shall give notice in writing within ninety (90) days before the expiration of the initial term or any one-year renewal thereof of its desire to terminate this Agreement. Notwithstanding anything in this Agreement to the contrary, (a) the provisions of Section 6 shall survive the termination of this Agreement and (b) no termination of this Agreement, whether pursuant to this Section 2 or otherwise, will affect the Company's duty to pay any fees accrued, or reimburse any cost or expense incurred pursuant to the terms of this Agreement prior to the effective date of that termination.

3. Duties of the Service Provider.

(a) Services. The Service Provider or any of its Affiliates shall provide the Company with business and organizational strategy, financial and investment management and advisory services, as the Board of Governors of the Company (the "Board") or the President of the Company may reasonably request from time to time (collectively, the "Management Services"), as well as strategic and corporate advisory services in connection with the Company's application for a Medical Cannabis Manufacturer License from the Minnesota Department of Health (the "Application

Services" and, collectively with the Management Services, the "Services"). The Company shall use the Services of the Service Provider or any of its Affiliates and the Service Provider shall make itself or any of its Affiliates available for the performance of the Services upon reasonable notice. The Service Provider or any of its Affiliates, as applicable, shall perform the Services at the times and places reasonably requested by the Board or President to meet the needs and requirements of the Company, taking into account other engagements that the Service Provider and its Affiliates may have.

(b) Exclusions from Services. Notwithstanding anything in the foregoing to the contrary, the following services are specifically excluded from the definition of "Services":

(i) accounting services rendered to the Company or the Service Provider by an independent accounting firm or accountant who is not an employee of the Service Provider;

(ii) legal services rendered to the Company or the Service Provider by an independent law firm or attorney who is not an employee of the Service Provider;

(iii) actuarial services rendered to the Company or the Service Provider by an independent actuarial firm or actuary who is not an employee of the Service Provider; and

(iv) such business and organizational strategy, financial and investment management and advisory services (other than any Application Services) that the Service Provider and the Company contemplate will be rendered directly to the Company by certain Affiliates of the Service Provider (such services, the "Direct Services"). The Company and the Service Provider acknowledge and agree that the provision of the Direct Services by certain Affiliates of the Service Provider ("Affiliate Providers") will be governed by, and subject to, the terms and provisions of such consulting, employment or services agreement that shall be entered by and between the Company and such Affiliate Providers.

4. Compensation and Reimbursement for Services.

(a) Fees for Management Services. As consideration payable to the Service Provider or any of its Affiliates for providing the Services to the Company, the Company shall pay to the Service Provider a one-time, non-refundable, non-recoupable cash fee in the amount of $250,000 (the "Management Fee"). The Service Provider acknowledges that it has received the Management Fee as of the Effective Date.

(b) Out-of-Pocket Expenses. In addition to the payment required under Section 4(a) above, the Company shall, at the direction of the Service Provider, pay directly or reimburse the Service Provider for Out-of-Pocket Expenses (as hereinafter defined). For purposes of this Agreement, the term "Out-of-Pocket Expenses" shall mean the reasonable amounts incurred by the Service Provider and/or its personnel from

products and/or services of unaffiliated third parties delivered to the Company or the Service Provider and/or their respective personnel in connection with the Services including, without limitation, (i) fees and disbursements of auditors, attorneys and other advisors or consultants (excluding any such fees incurred by Service Provider in the negotiation or evaluation of this Agreement), (ii) costs of any outside services of independent contractors for administrative purposes such as financial printers, couriers, business publications or similar administrative services and (iii) all other reasonable third party expenses actually incurred by the Service Provider and/or its personnel in rendering the Services. Notwithstanding the foregoing, to the extent the Service Provider engages independent contractors or its Affiliates to perform any of the Services hereunder, such expenses for the performance are not Out-of-Pocket Expenses. In addition, to the extent the Service Provider or its Affiliates or their respective personnel anticipate Out-of-Pocket Expenses in excess of $25,000 in the aggregate; the Service Provider will give the President of the Company advance written notice prior to incurring such Out-of-Pocket Expenses. All direct payments and reimbursements for Out-of-Pocket Expenses shall be made promptly upon or as soon as practicable after presentation by the Service Provider to the Company of a written statement in reasonable detail in connection therewith.

(c) Interest on Unpaid Amounts. Interest at a rate per annum equal to twelve percent (12%) shall accrue and be payable by the Company on any unpaid Out-of-Pocket Expenses, from the 31st day after the Company receives the written statement in reasonable detail until such amounts are paid.

5. Disclaimer; Limitation of Liability.

(a) Disclaimer. The Service Provider makes no representations or warranties, express or implied, in respect of the Services to be provided by it hereunder.

(b) Limitation of Liability. Neither the Service Provider nor any of its officers, directors, managers, principals, stockholders, partners, members, employees, agents, representatives and Affiliates (each a "Related Party" and, collectively, the "Related Parties") shall be liable to the Company or any of its Affiliates for any loss, liability, damage or expense arising out of or in connection with the performance of any Services contemplated by this Agreement, unless such loss, liability, damage or expense shall be proven to result directly from the gross negligence or wilful misconduct of such person. In no event will the Service Provider or any of its Related Parties be liable to the Company for special, indirect, or punitive damages, including, without limitation, loss of profits or lost business, even if Service Provider has been advised of the possibility of such damages. Under no circumstances will the liability of Service Provider and Related Parties exceed, in the aggregate, the fees actually paid to Service Provider hereunder.

6. Indemnification. The Company shall indemnify and hold harmless the Service Provider and each of its Related Parties (each, an "Indemnified Party") from and against any and all losses, claims, actions, damages and liabilities, joint or several, to which such Indemnified Party may become subject under any applicable statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment or decree, made by any third party or otherwise, relating to or arising out of the Services or

other matters referred to in or contemplated by this Agreement or the engagement of such Indemnified Party pursuant to, and the performance by such Indemnified Party, of the Services or other matters referred to or contemplated by this Agreement, and the Company will reimburse any Indemnified Party for all costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) as they are incurred in connection with the investigation of, preparation for or defense of any pending or threatening claim, or any action or proceeding arising therefrom, whether or not such Indemnified Party is a party thereto. The Company will not be liable under the foregoing indemnification provision to the extent that any loss, claim, damage, liability, cost or expense is determined by a court, in a final judgment from which no further appeal may be taken, to have resulted solely from the gross negligence or wilful misconduct of such Indemnified Party. The reimbursement and indemnity obligations of the Company, under this Section 6 shall be in addition to any liability which the Company may otherwise have, shall extend upon the same terms and conditions to any Affiliate of the Service Provider and any Related Party or controlling persons (if any), as the case may be, of the Service Provider and any such Affiliate and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Company, the Service Provider, any such Affiliate and any such Related Party or other person. The provisions of this Section 6 shall survive the termination of this Agreement. Notwithstanding the foregoing, the Company shall not have any obligation to indemnify the Service Provider or any of its Affiliates pursuant to this paragraph if the provision by the Service Provider or any of its Affiliates of the Services shall result in any loss, claim, action, damage or liability to the Service Provider or any of its Affiliates under federal law classifying marijuana as a Schedule 1 controlled substance and related federal statutes criminalizing the sale, possession or cultivation of marijuana.

7. Independent Contractor. Nothing herein shall be construed to create a joint venture or partnership between the parties hereto or an employee/employer relationship. The Service Provider shall be an independent contractor pursuant to this Agreement. Neither party hereto shall have any express or implied right or authority to assume or create any obligations on behalf of or in the name of the other party or to bind the other party to any contract, agreement or undertaking with any third party. Nothing in this Agreement shall be deemed or construed to enlarge the fiduciary duties and responsibilities, if any, of the Service Provider or any of its Related Parties, including without limitation in any of their respective capacities as members or directors of the Company.

8. Permissible Activities. Nothing herein shall in any way preclude the Service Provider or its Affiliates or their respective Related Parties from engaging in any business activities or from performing services for its or their own account or for the account of others, including, without limitation, companies which may be in competition with the business conducted by the Company and any of its Affiliates.

9. Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt

requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the addresses indicated below (or at such other address for a party as shall be specified in a notice given in accordance with this Section 9).

If to the Company:

c/o Peter Bachman
[redacted]

with a copy to :

Fredrikson & Byron, P.A.
200 S. Sixth Street, Suite 4000
Minneapolis, Minnesota 55402
Attention: Leigh-Erin Irons, Esq.
[redacted]

If to the Service Provider:

c/o Kleinberg, Kaplan, Wolff & Cohen, P.C.
551 Fifth Avenue
New York, New York 10176
Attention: Jonathan Ain, Esq.
[redacted]

10. Entire Agreement. This Agreement constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter.

11. Successor and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. However, neither this Agreement nor any of the rights of the parties hereunder may otherwise be transferred or assigned by any party hereto, except that (a) if the Company shall merge or consolidate with or into, or sell or otherwise transfer substantially all its assets to, another company which assumes the Company's obligations under this Agreement, the Company may assign its rights hereunder to that company, and (b) the Service Provider may assign its rights and obligations hereunder to any Affiliate. Any attempted transfer or assignment in violation of this Section 11 shall be void.

12. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person any legal or equitable right, benefit or remedy of any nature whatsoever, under or by reason of this Agreement.

13. Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

14. Amendment and Modification; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. 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. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any rights, 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.

15. 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. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

16. Governing Law; Submission to Jurisdiction. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Minnesota without giving effect to any choice or conflict of law provision or rule (whether of the State of Minnesota or any other jurisdiction) that would cause the application of Laws of any jurisdiction other than those of the State of Minnesota. Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby may be instituted in the federal courts of the United States of America or the courts of the State of Minnesota in each case located in the city of Minneapolis and County of Hennepin, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. Service of process, summons, notice or other document by mail to such party's address set forth herein shall be effective service of process for any suit, action or other proceeding brought in any such court. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or any proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

17. Waiver of Jury Trial. Each party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby. Each party to this Agreement certifies and acknowledges that (a) no representative of any other party has represented, expressly or otherwise, that such other party would not seek to enforce the foregoing waiver in the event of a legal action; (b) such party has considered the implications of this waiver; (c) such party makes this waiver voluntarily; and (d) such party has been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 17.

18. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall together be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail 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.

19. No Strict Construction. The parties to this Agreement have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Management Services Agreement on the date first written above.

LEAFLINE LABS, LLC

By _____

Name: Peter Bachman

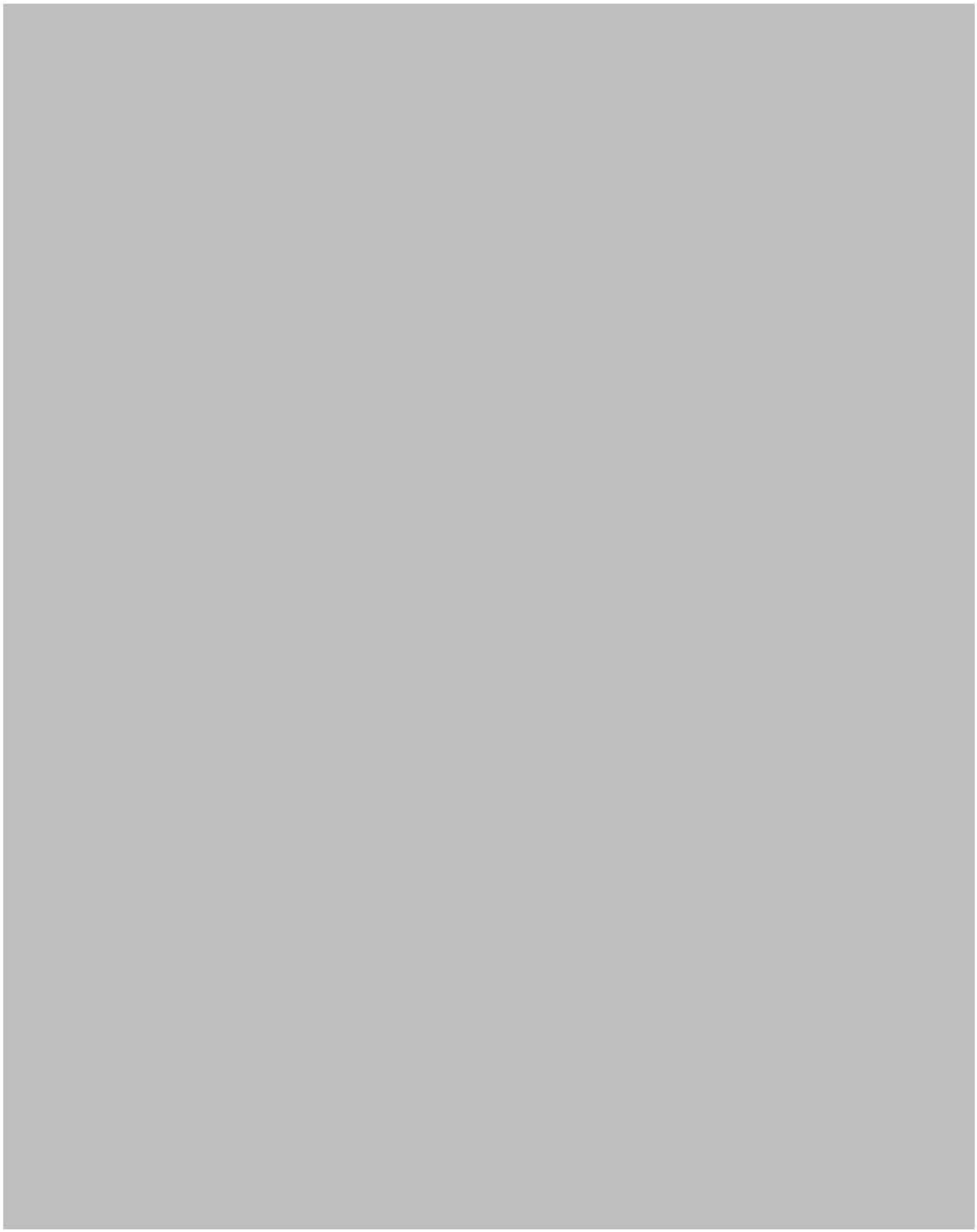
Title: President

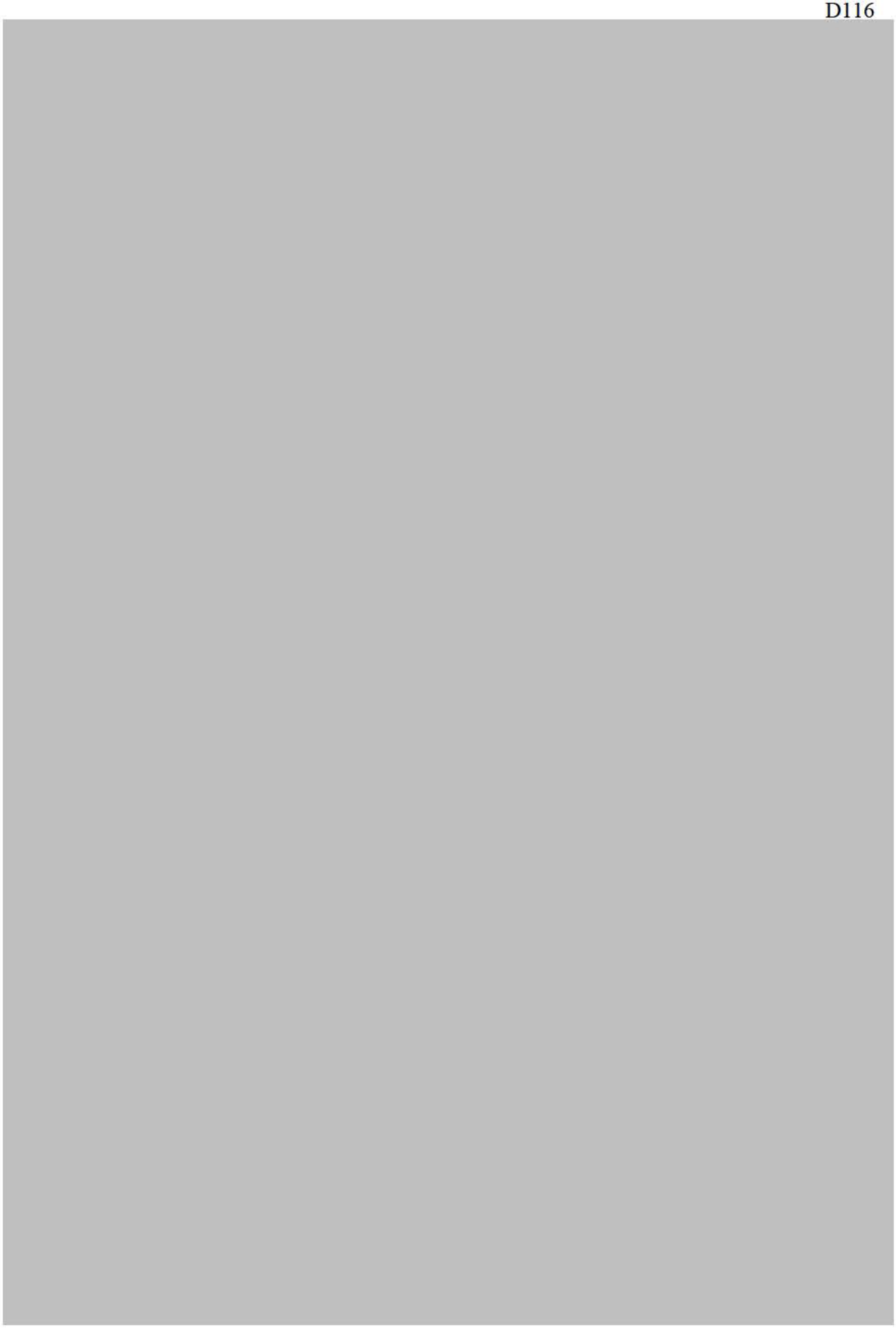
DRISHTI CONSULTING LLC

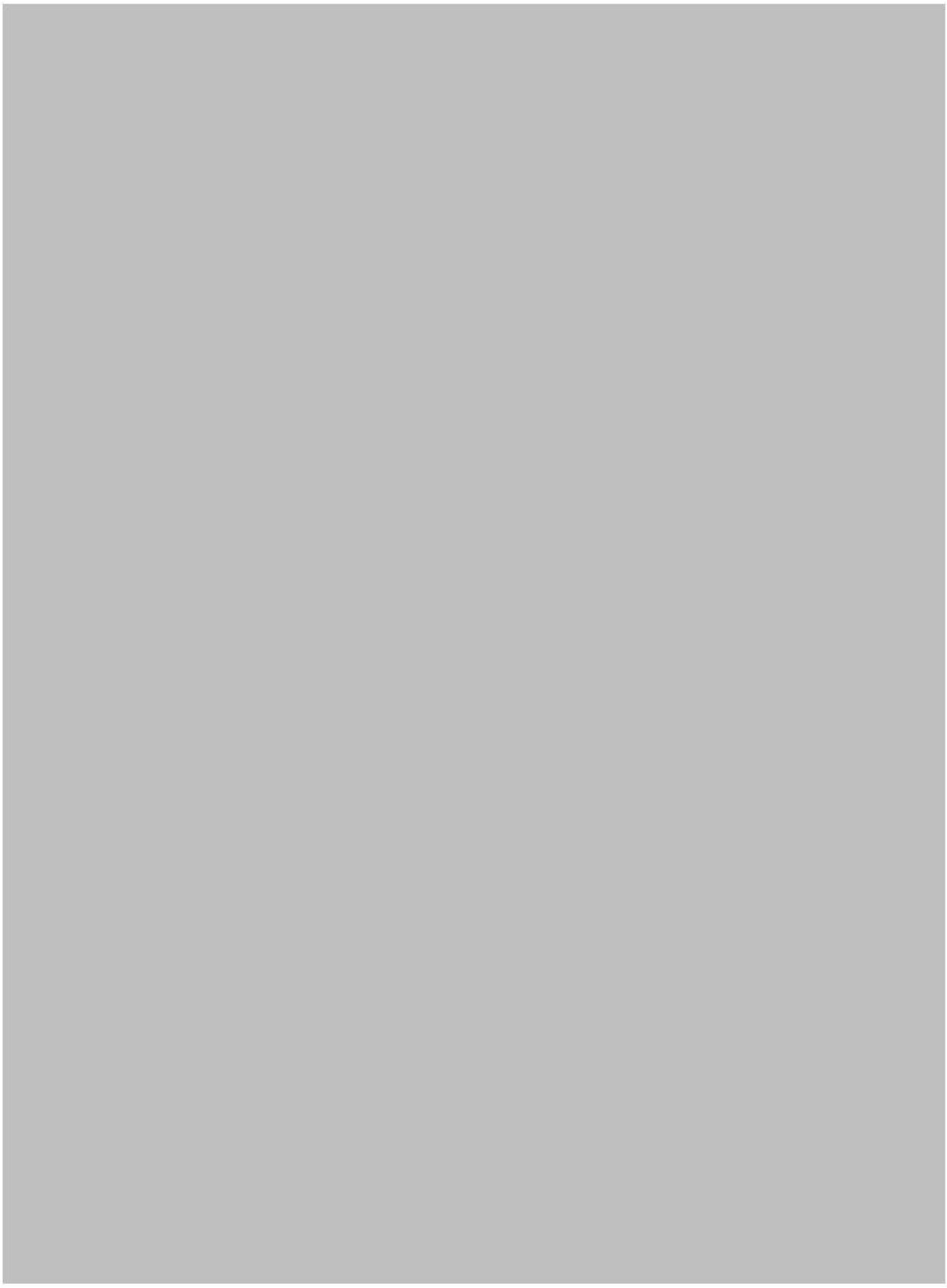
By _____

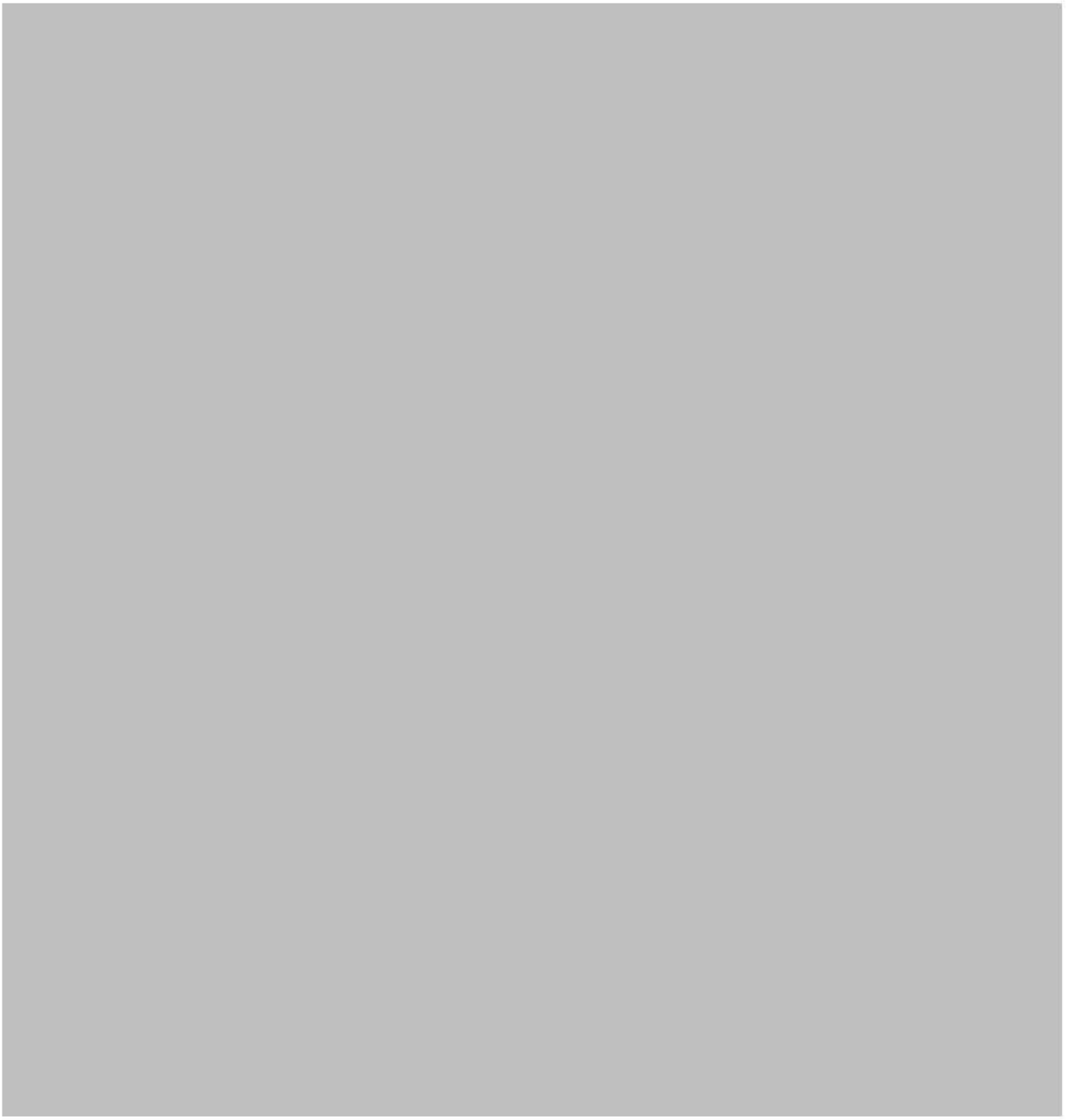
Name: Ethan Ruby

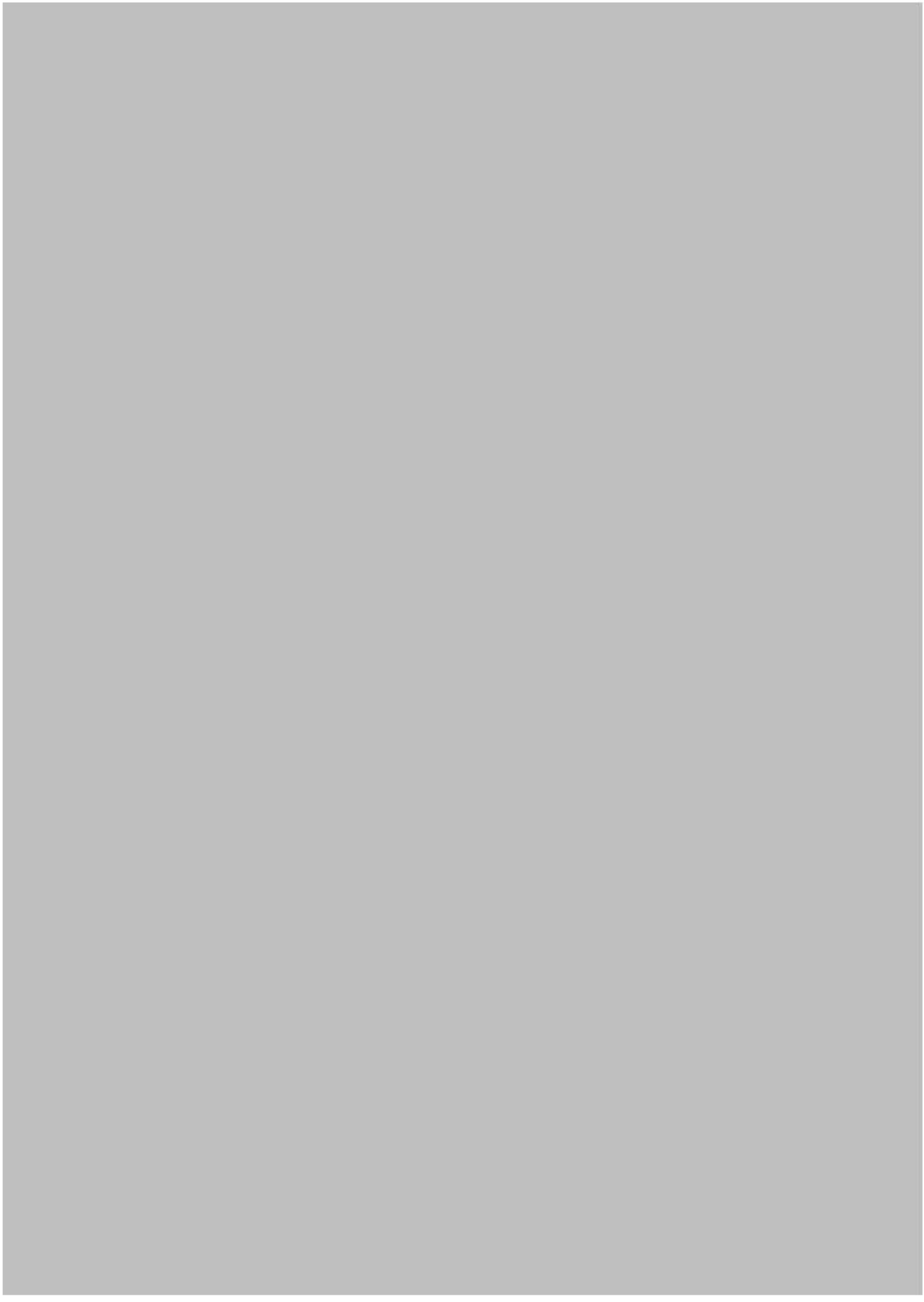
Title: Member

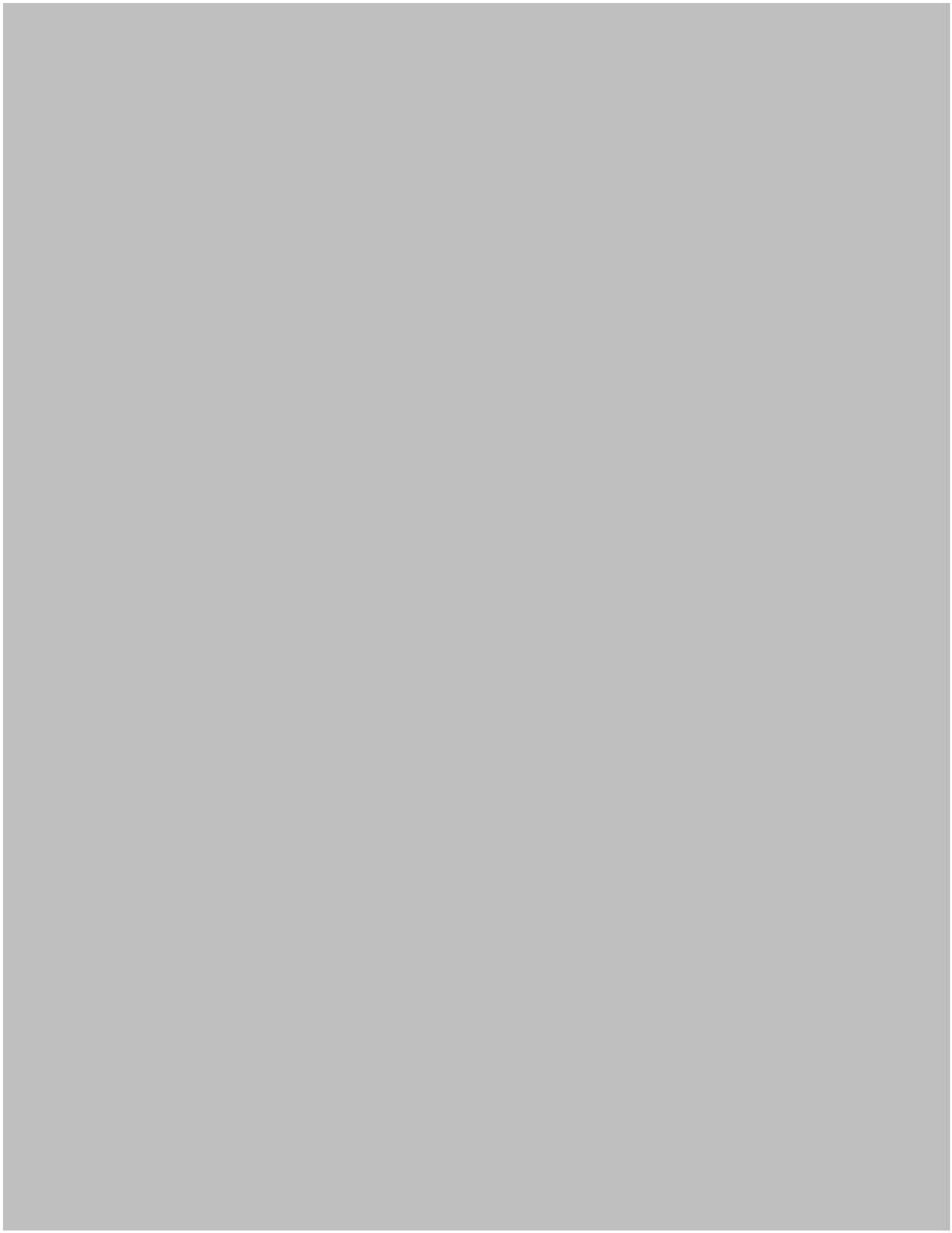


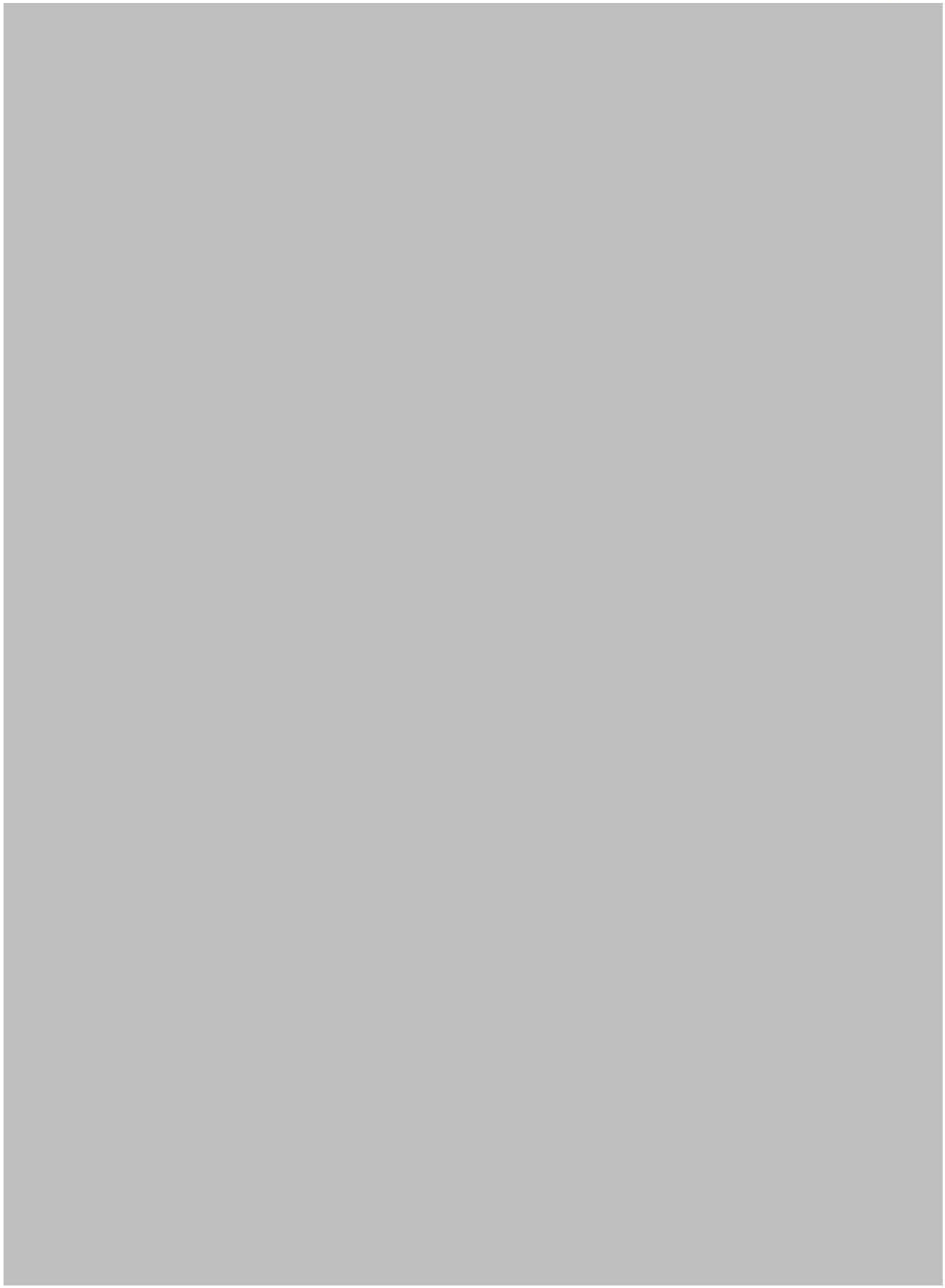


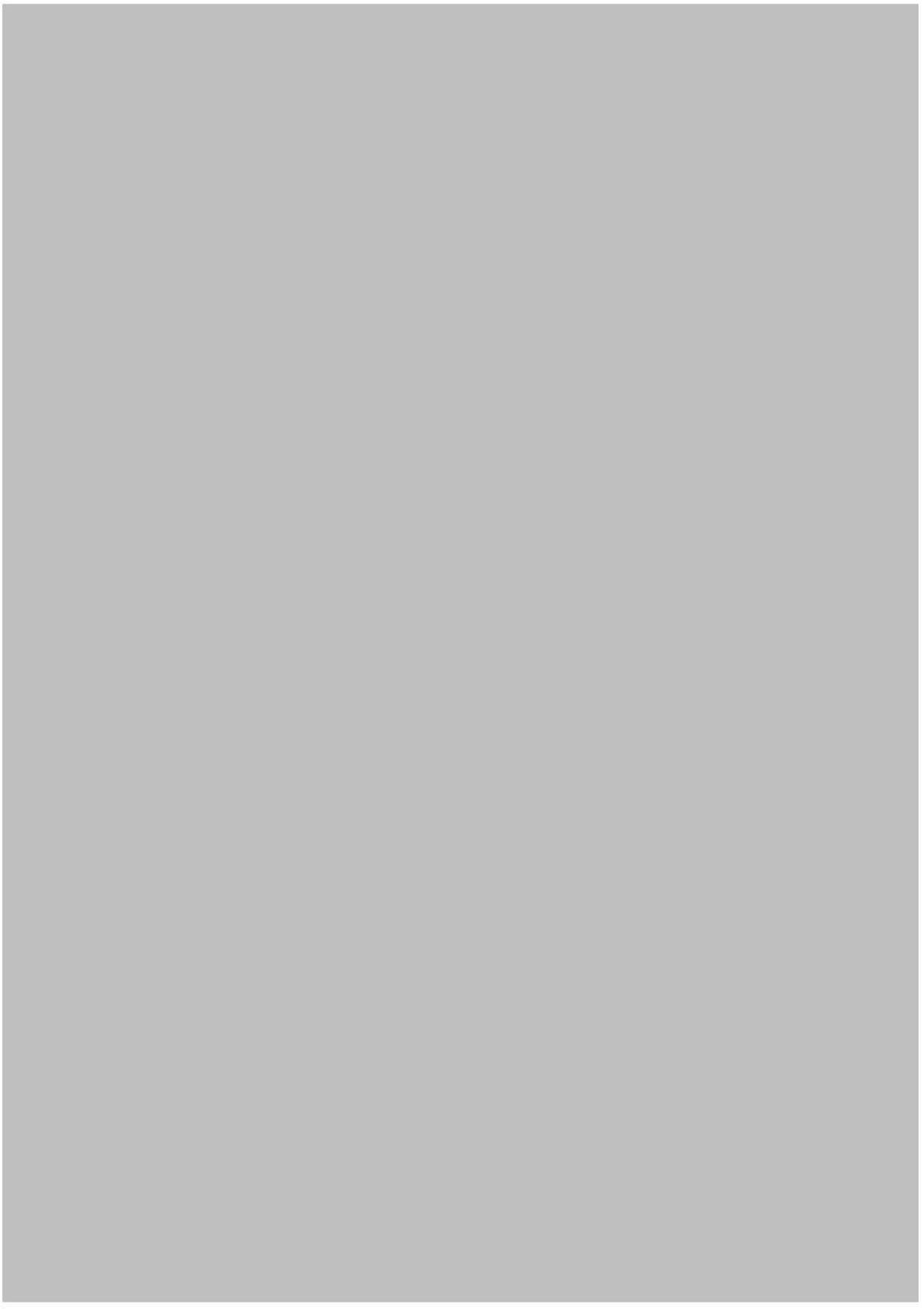


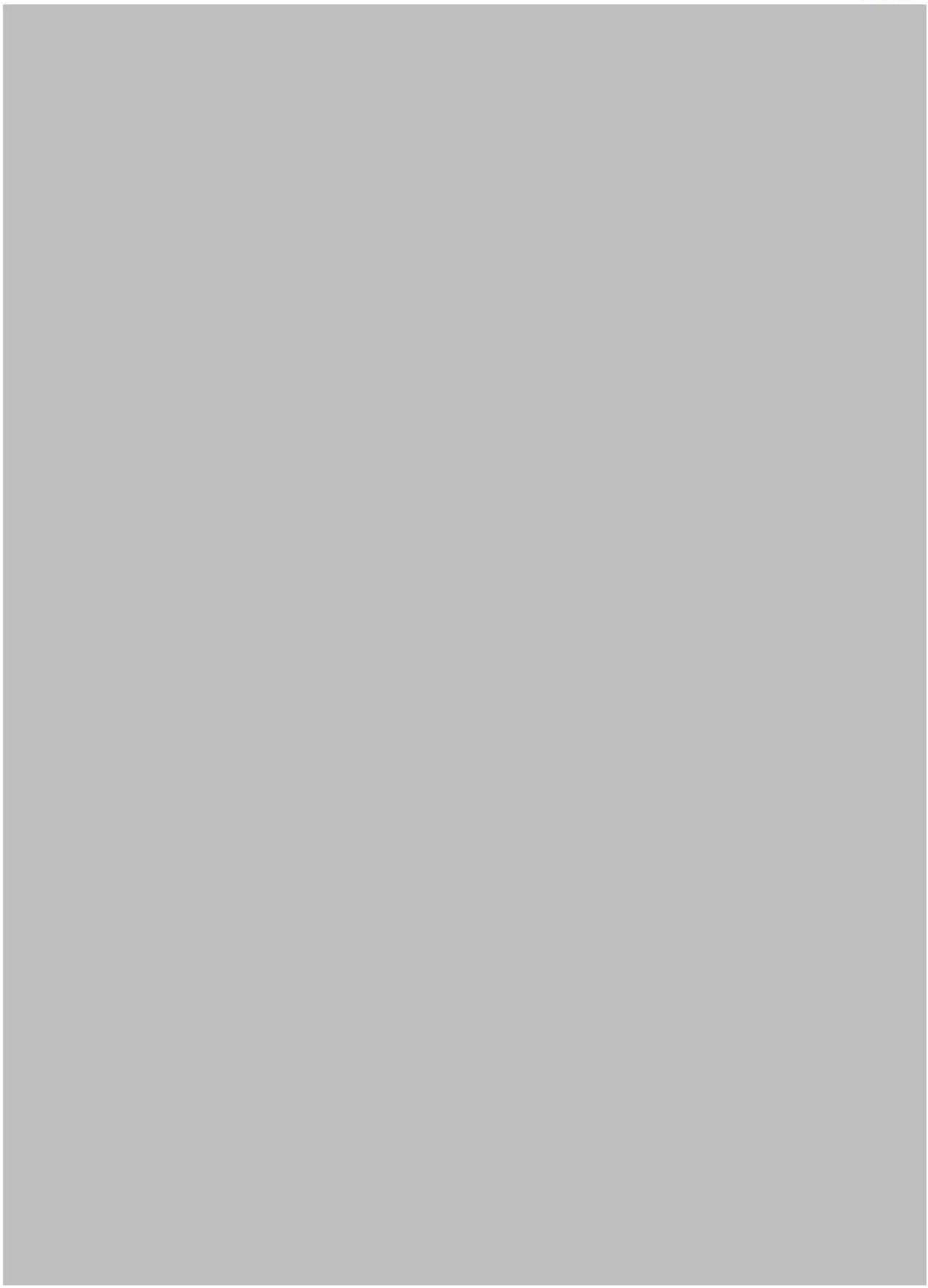


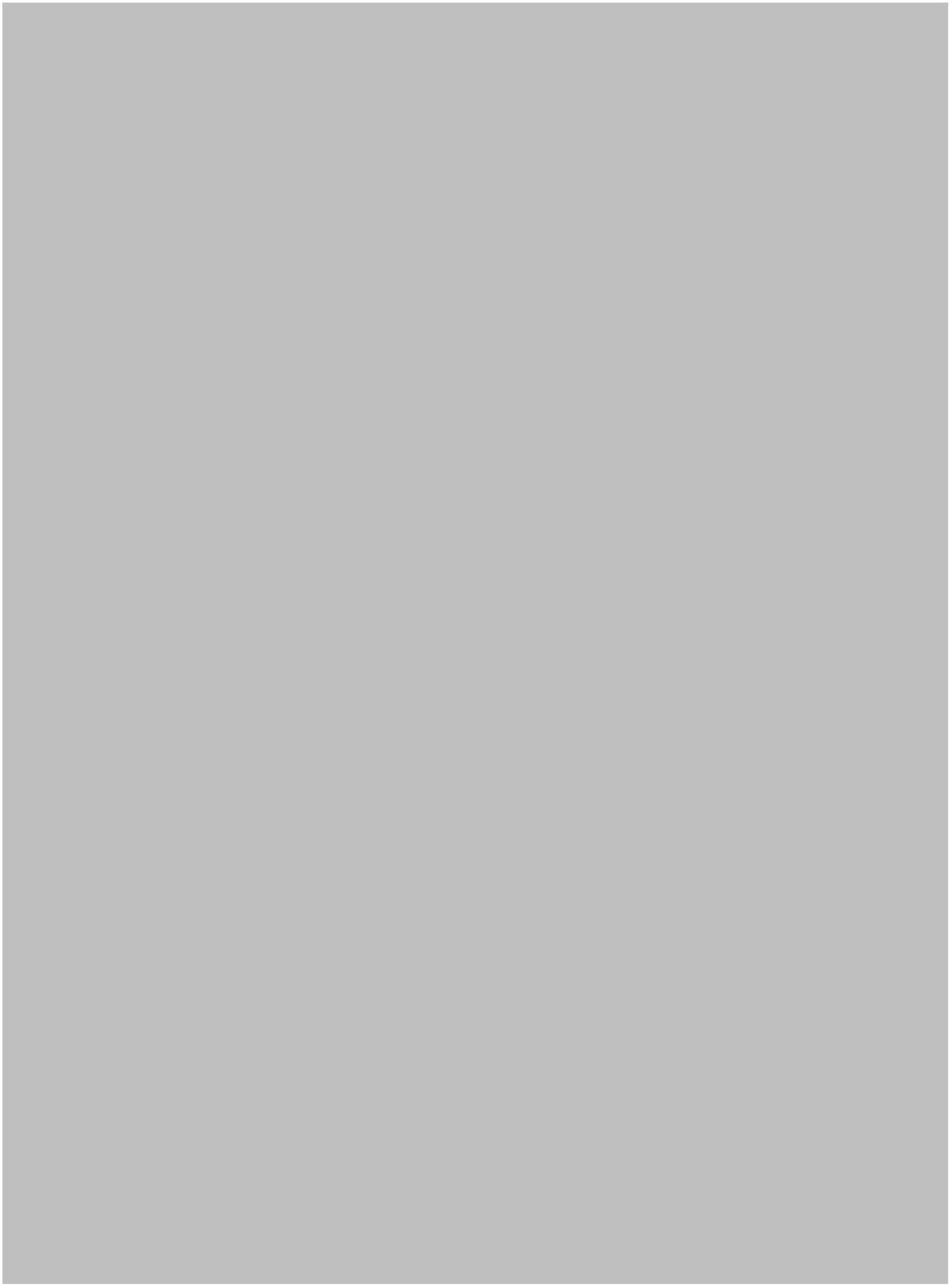


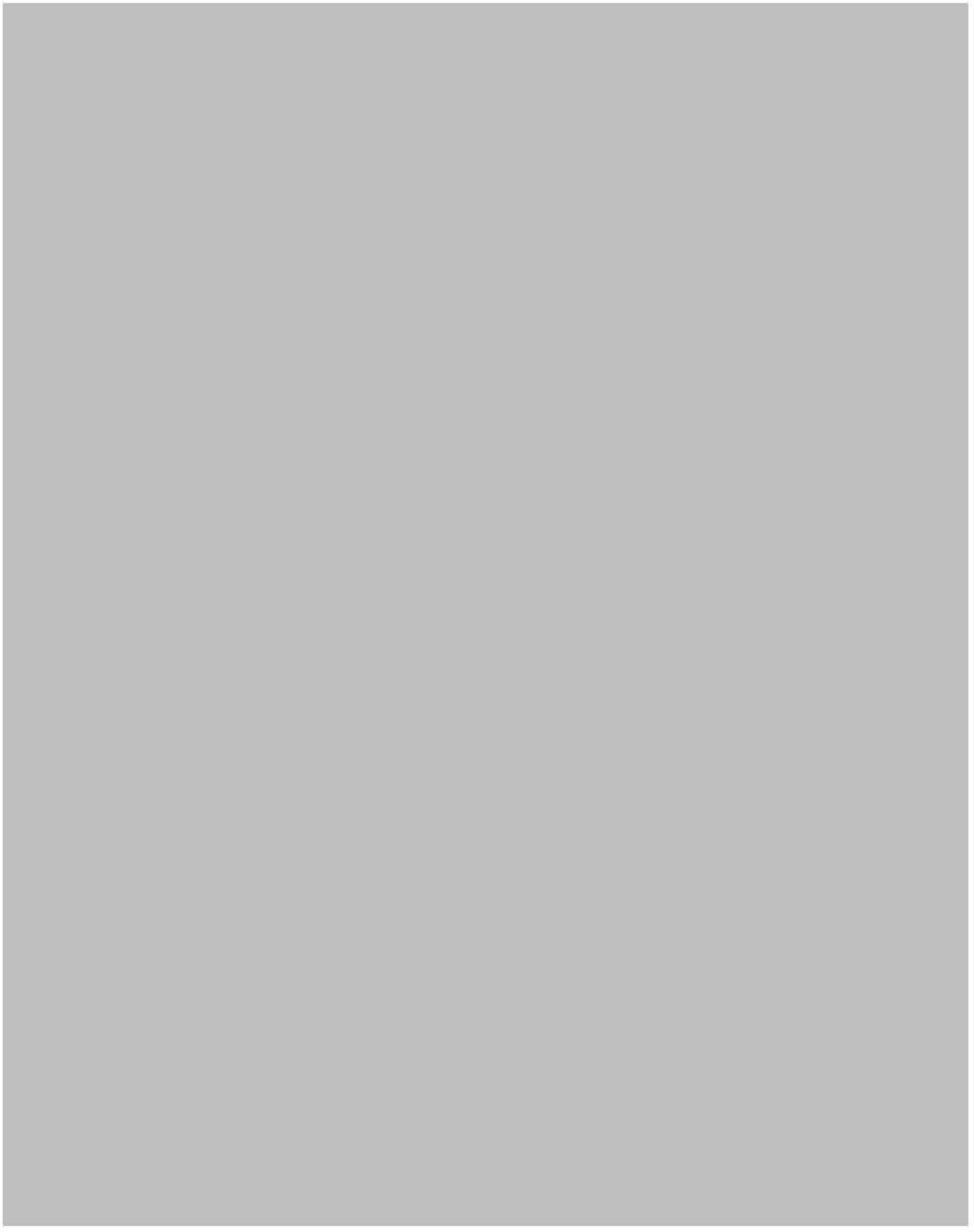


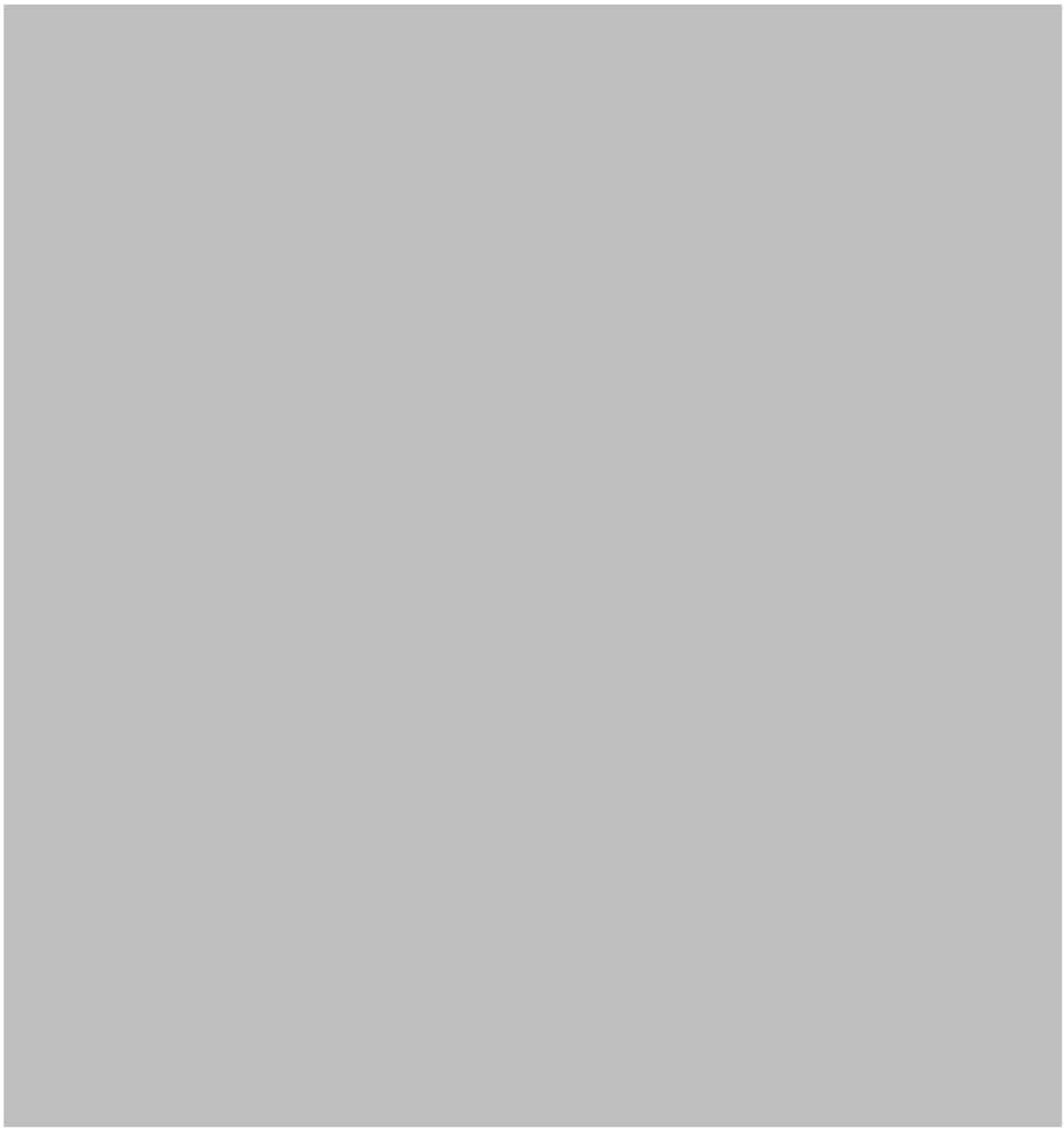


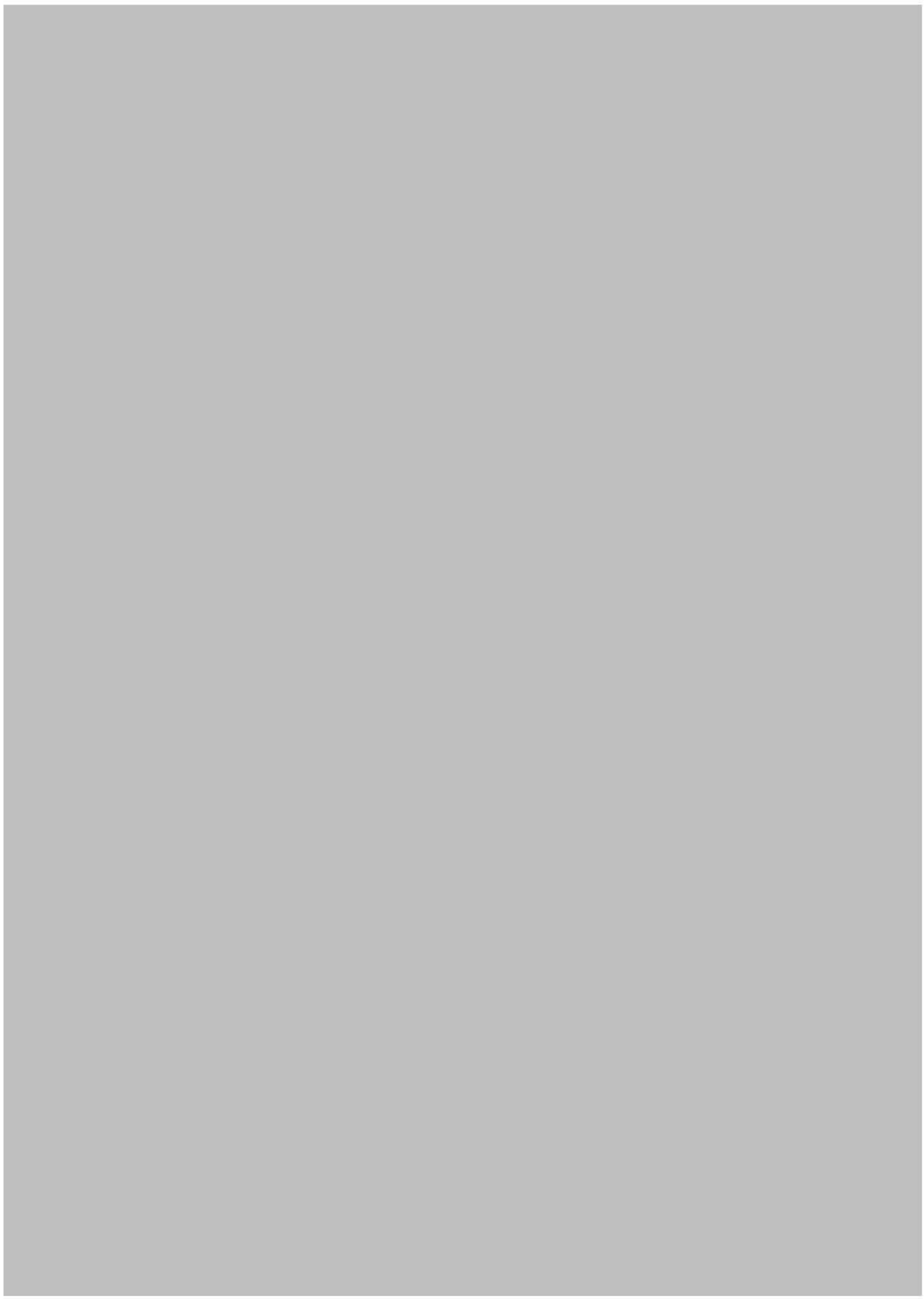


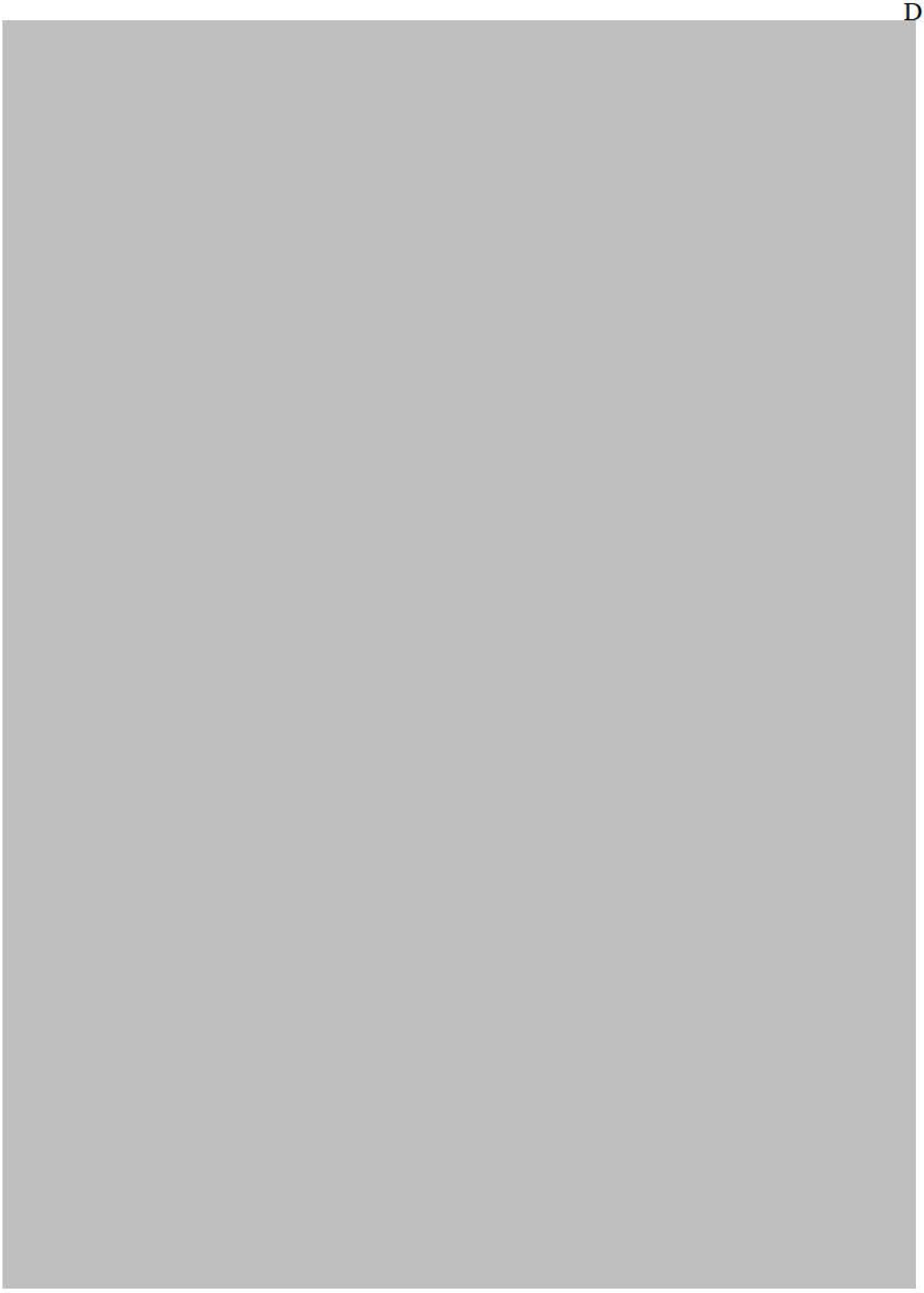


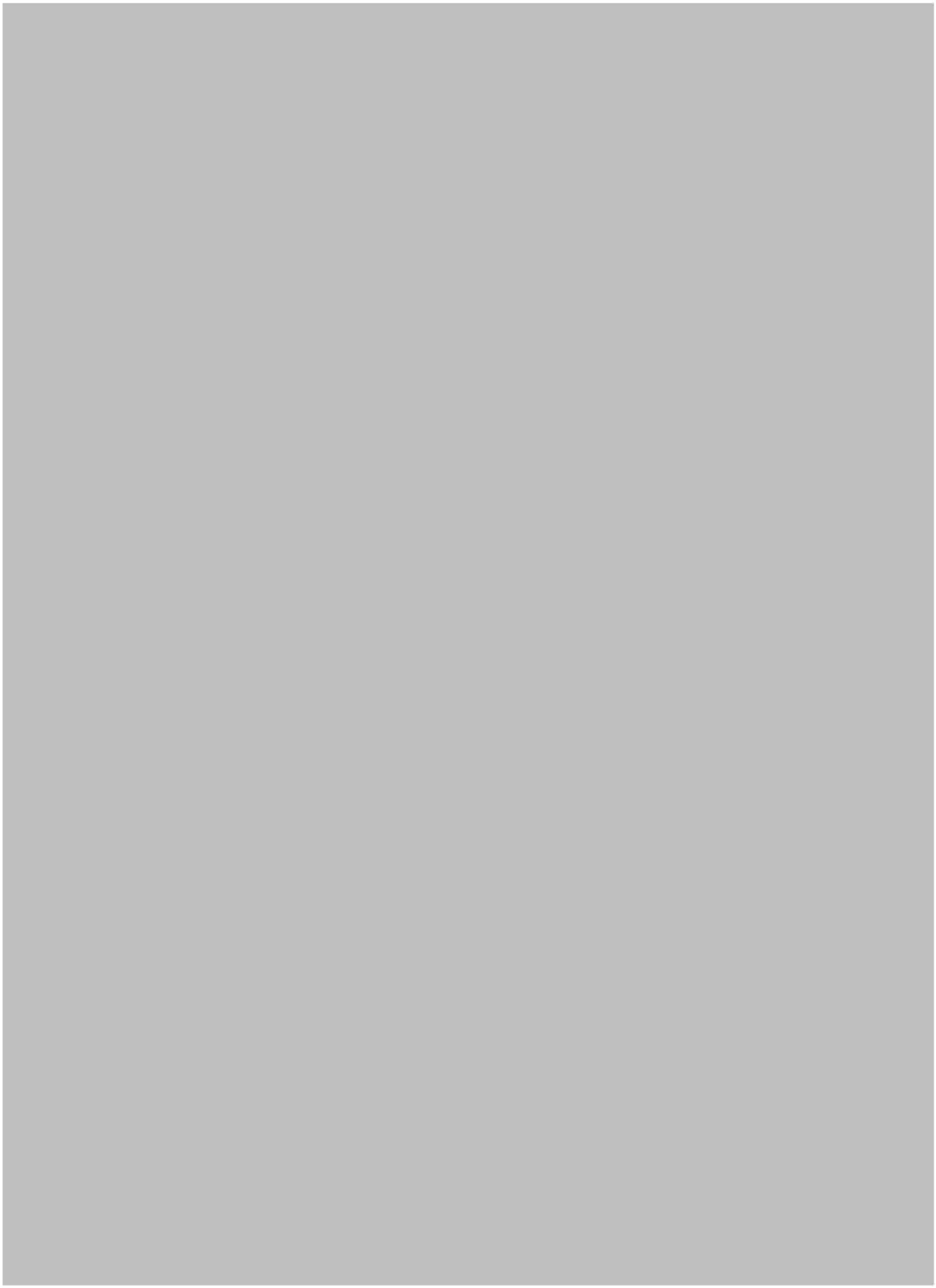


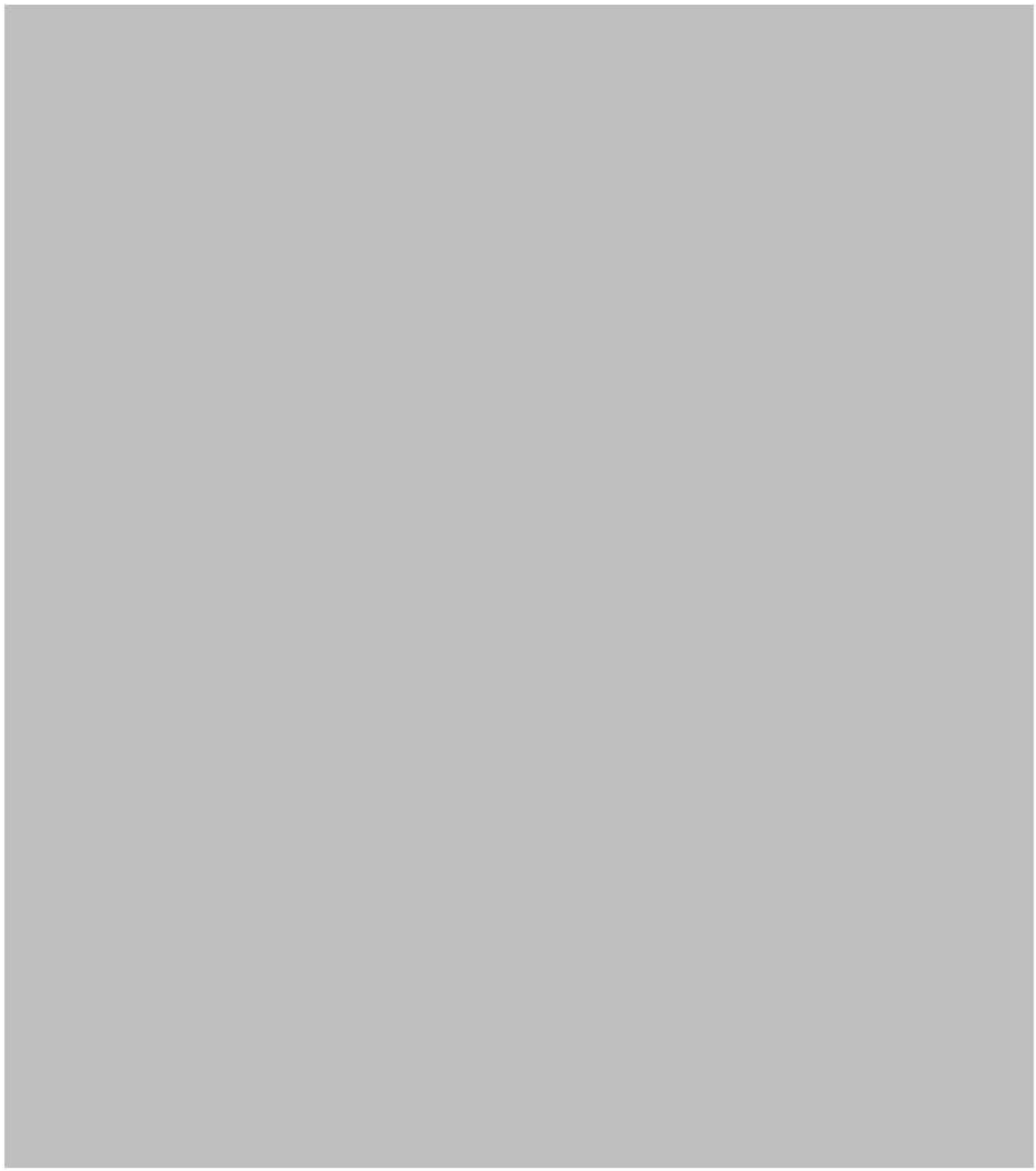


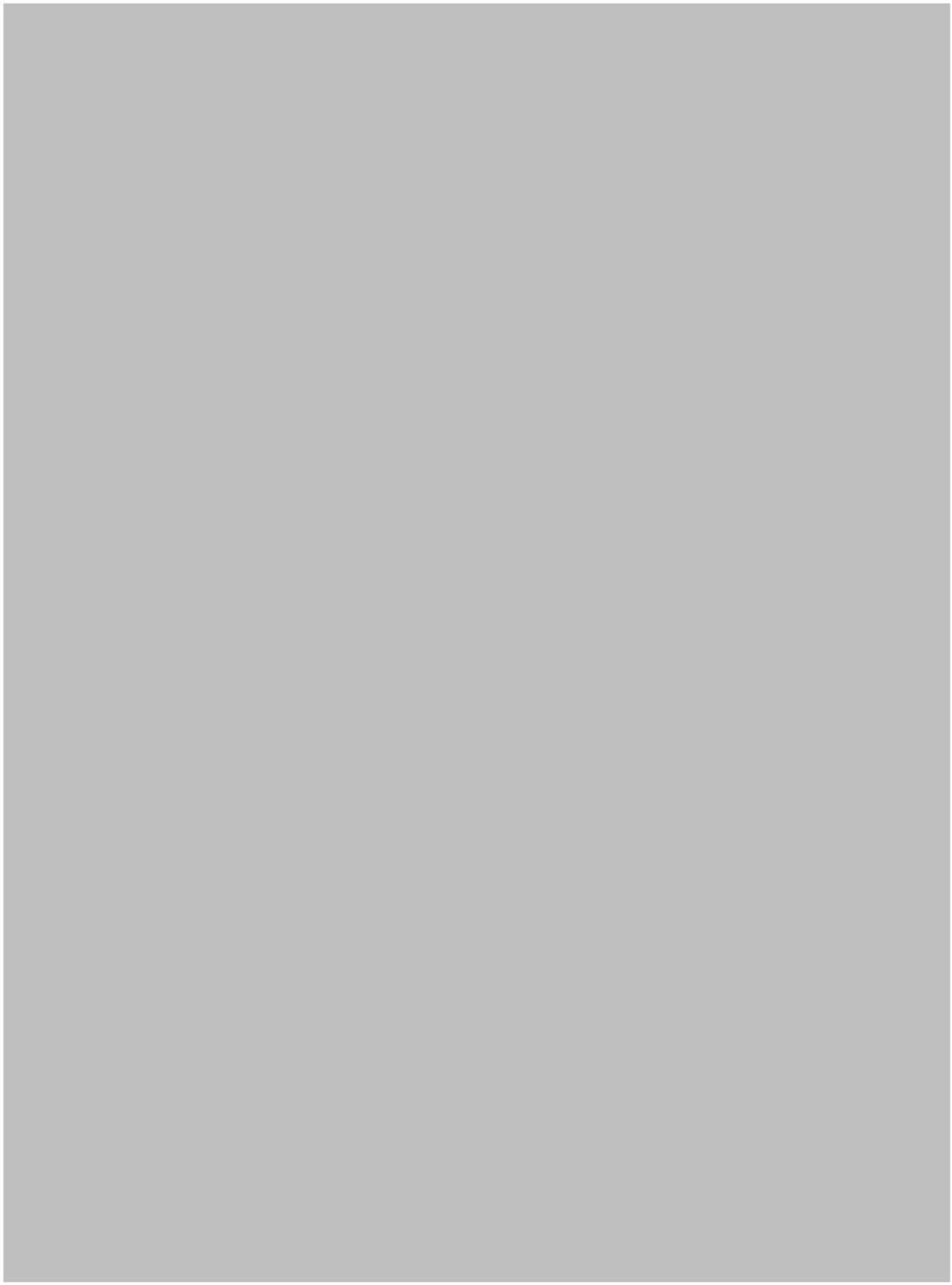


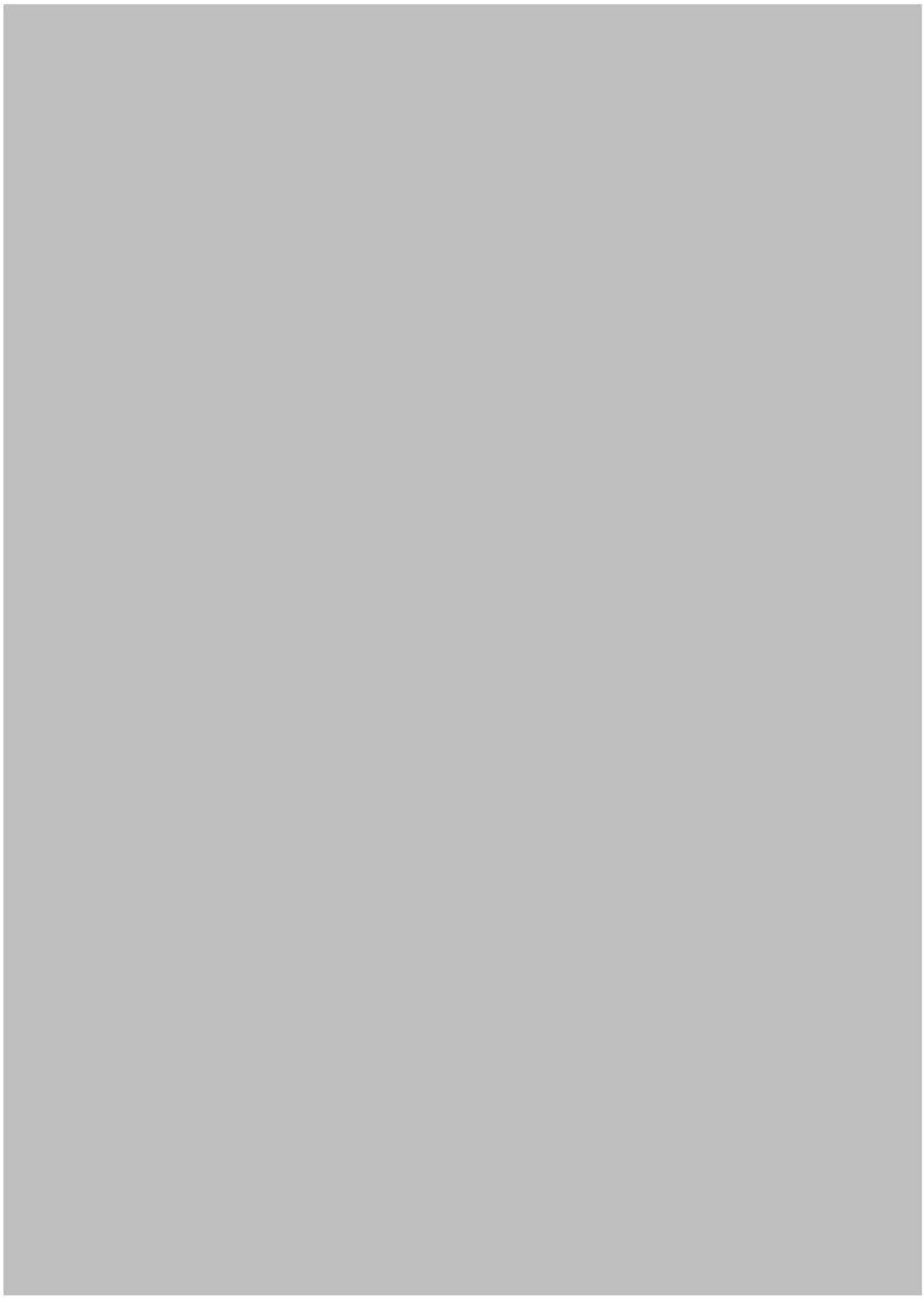


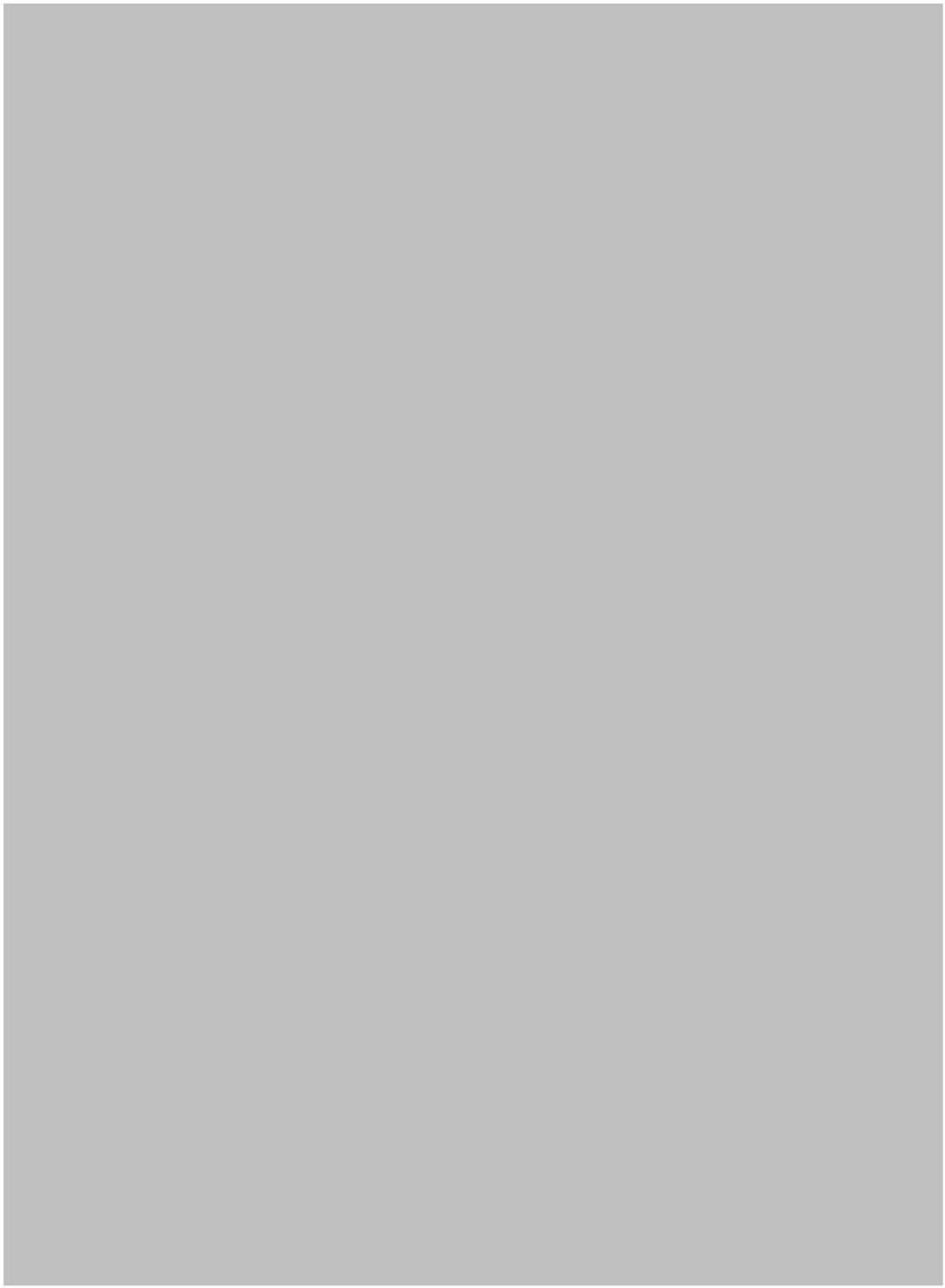


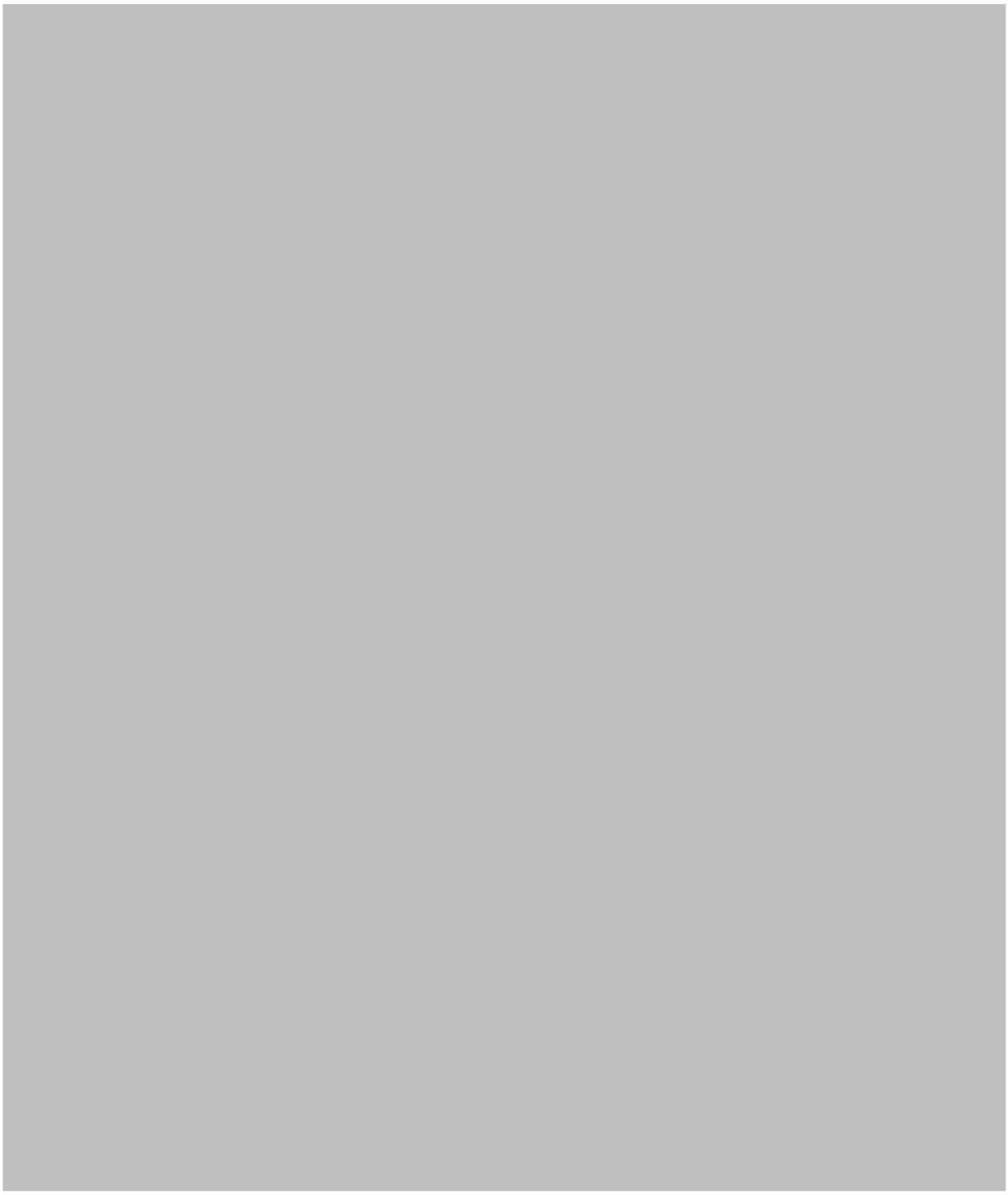


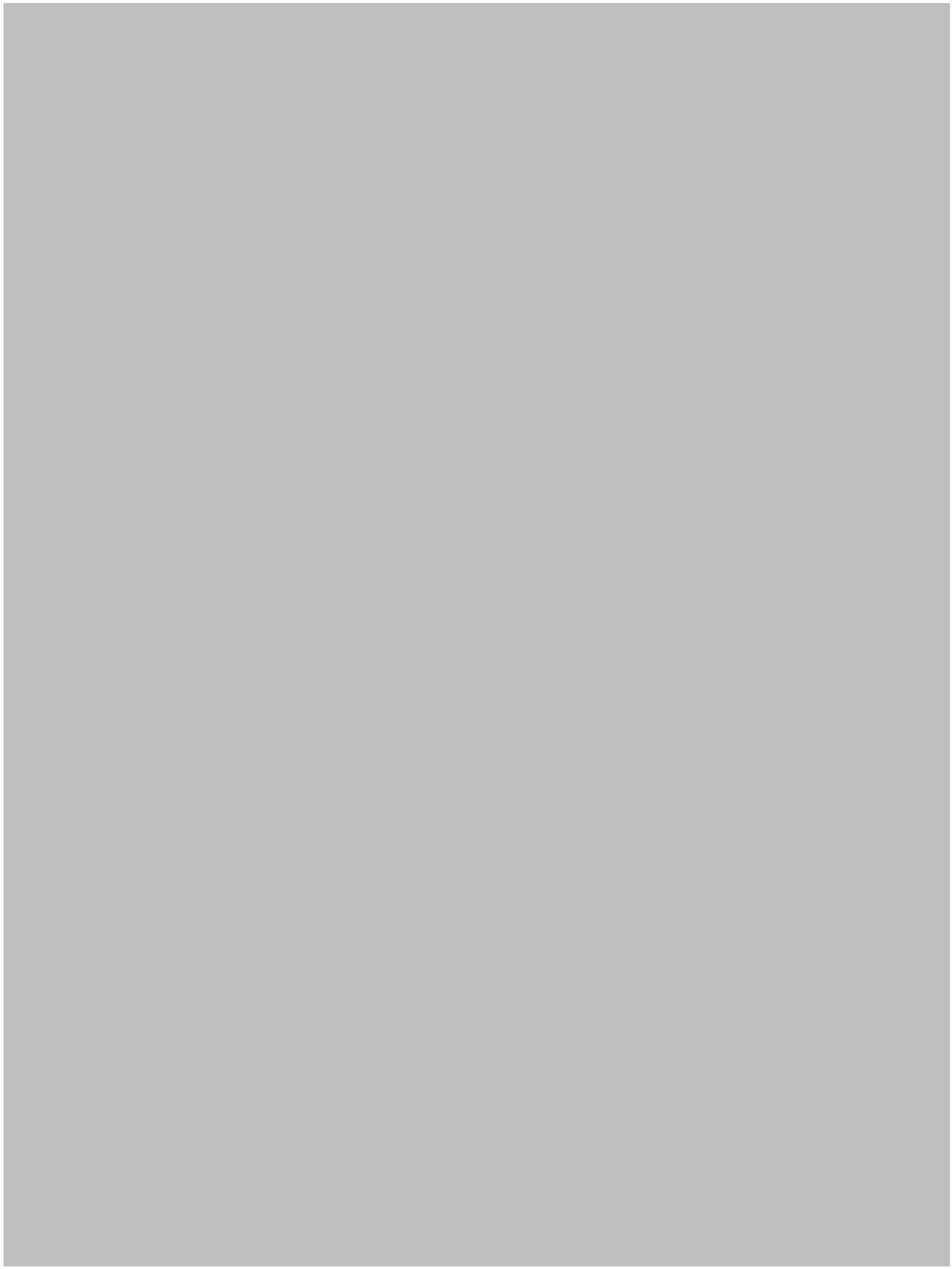


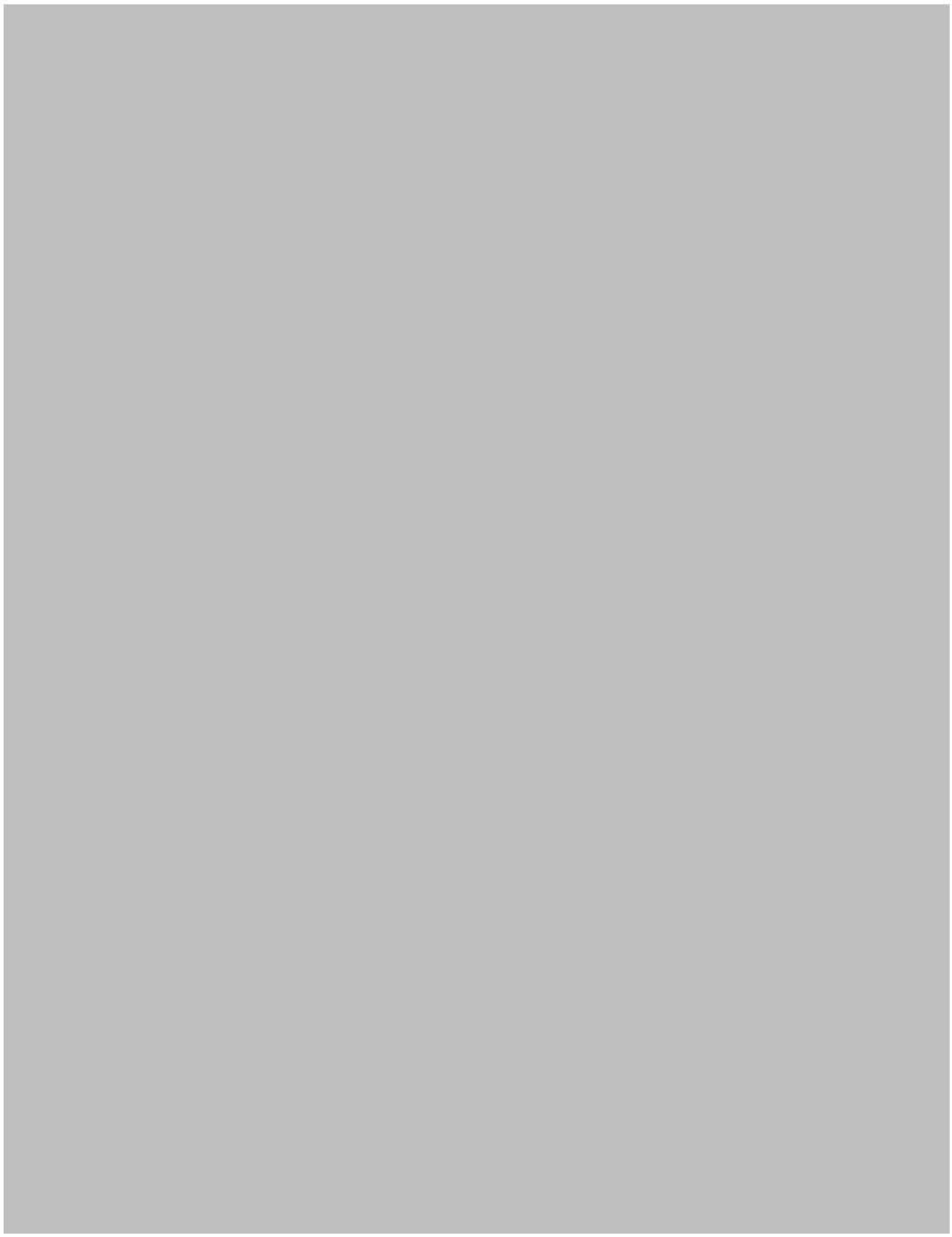


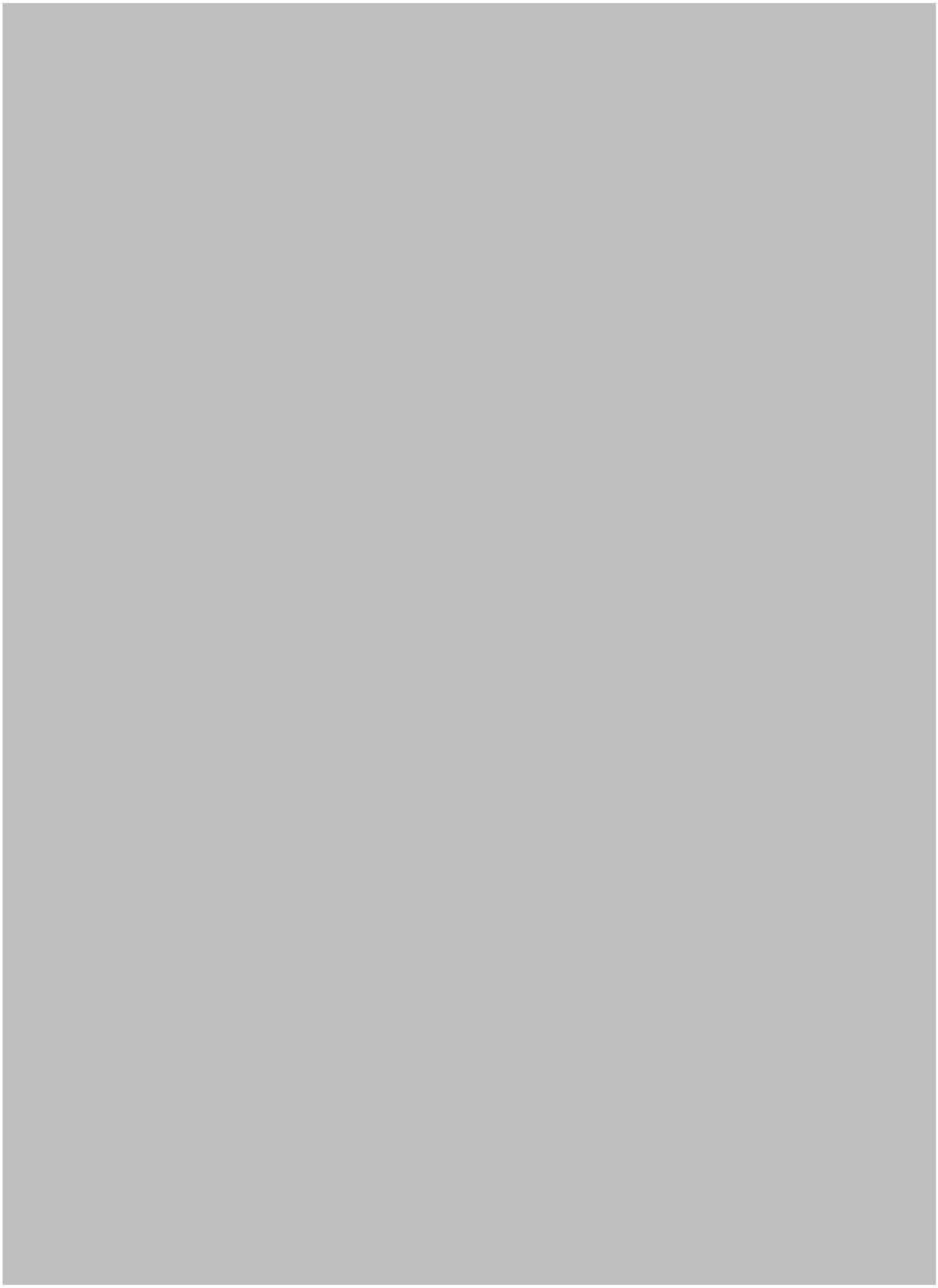


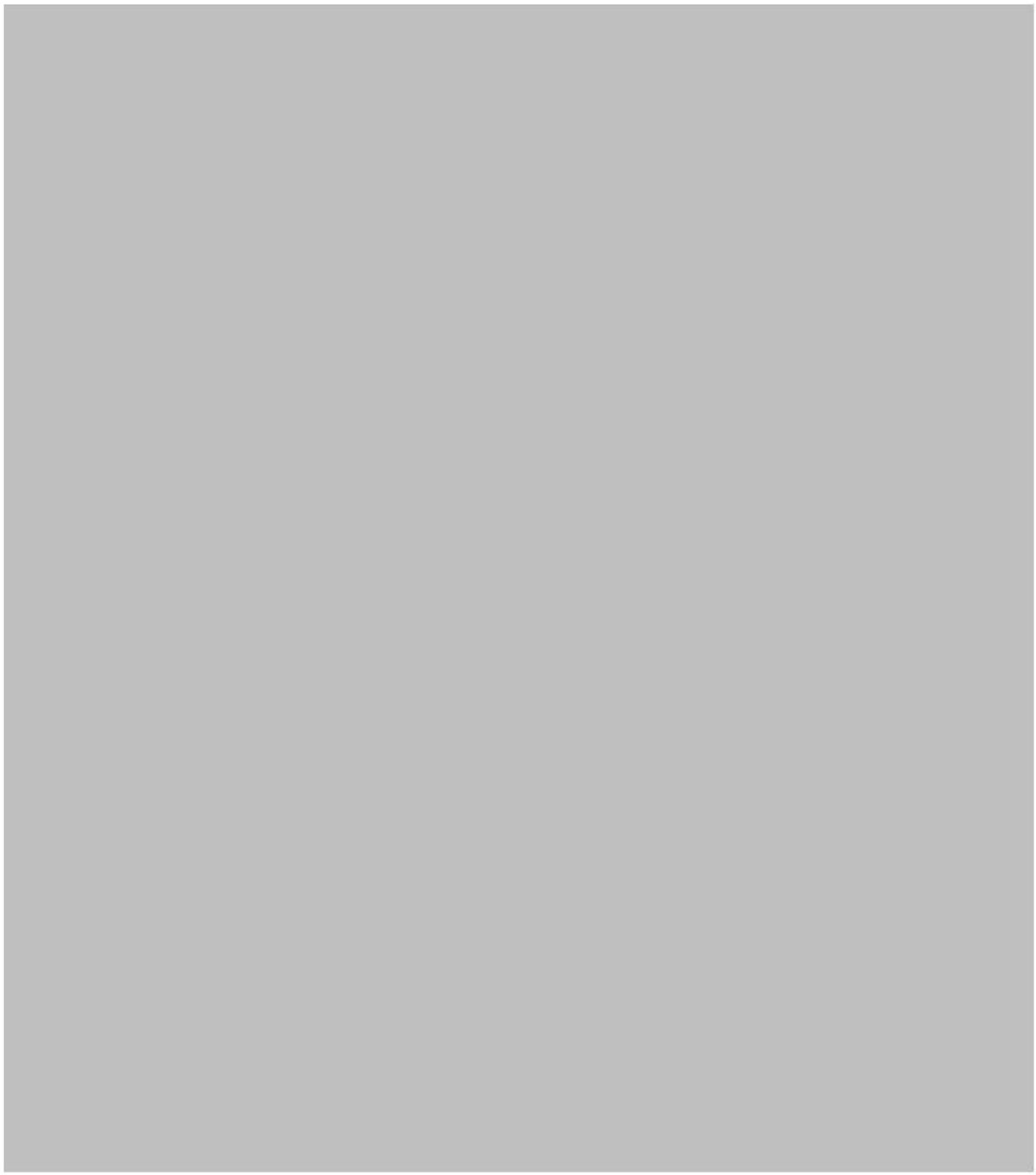


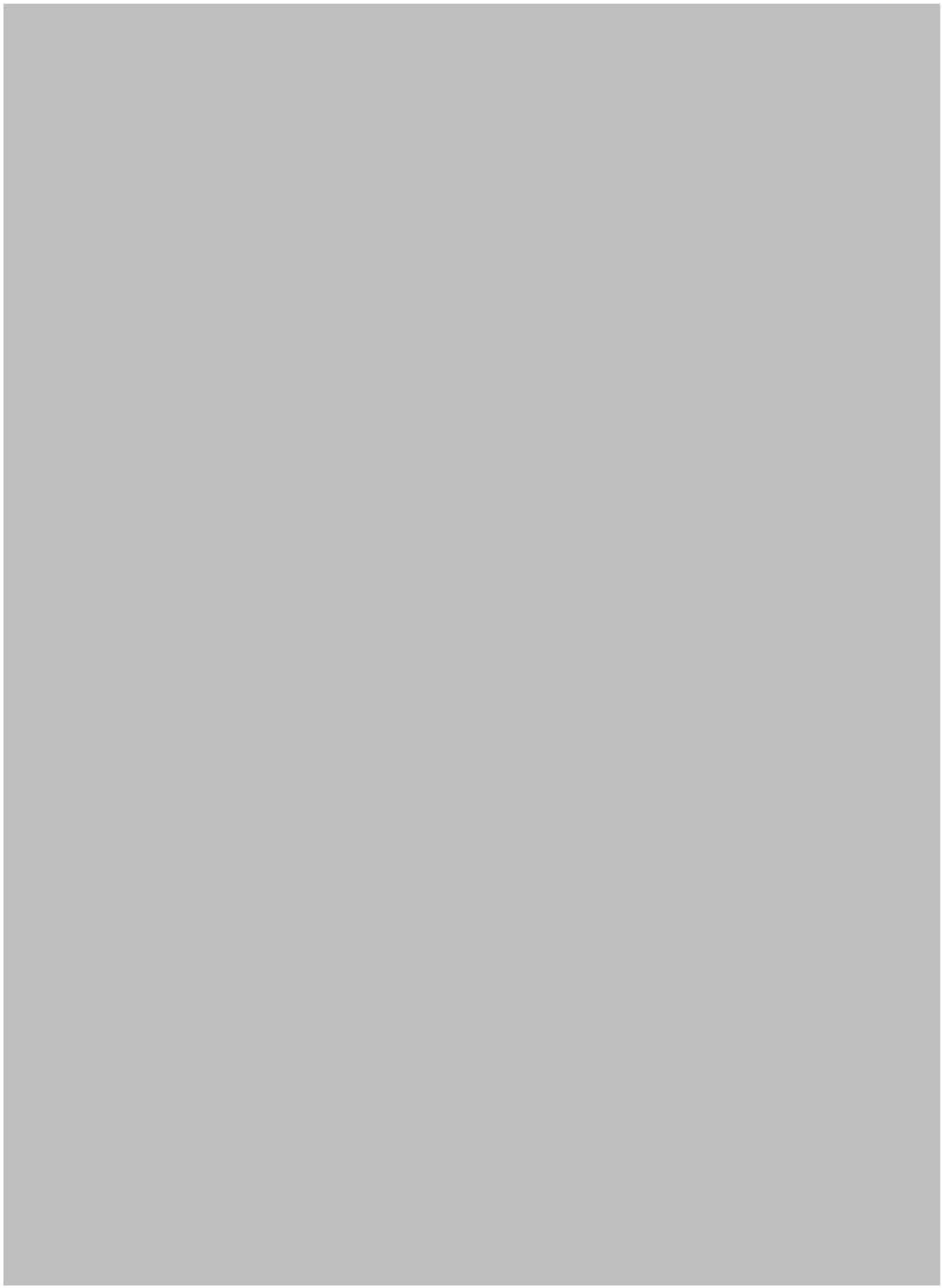


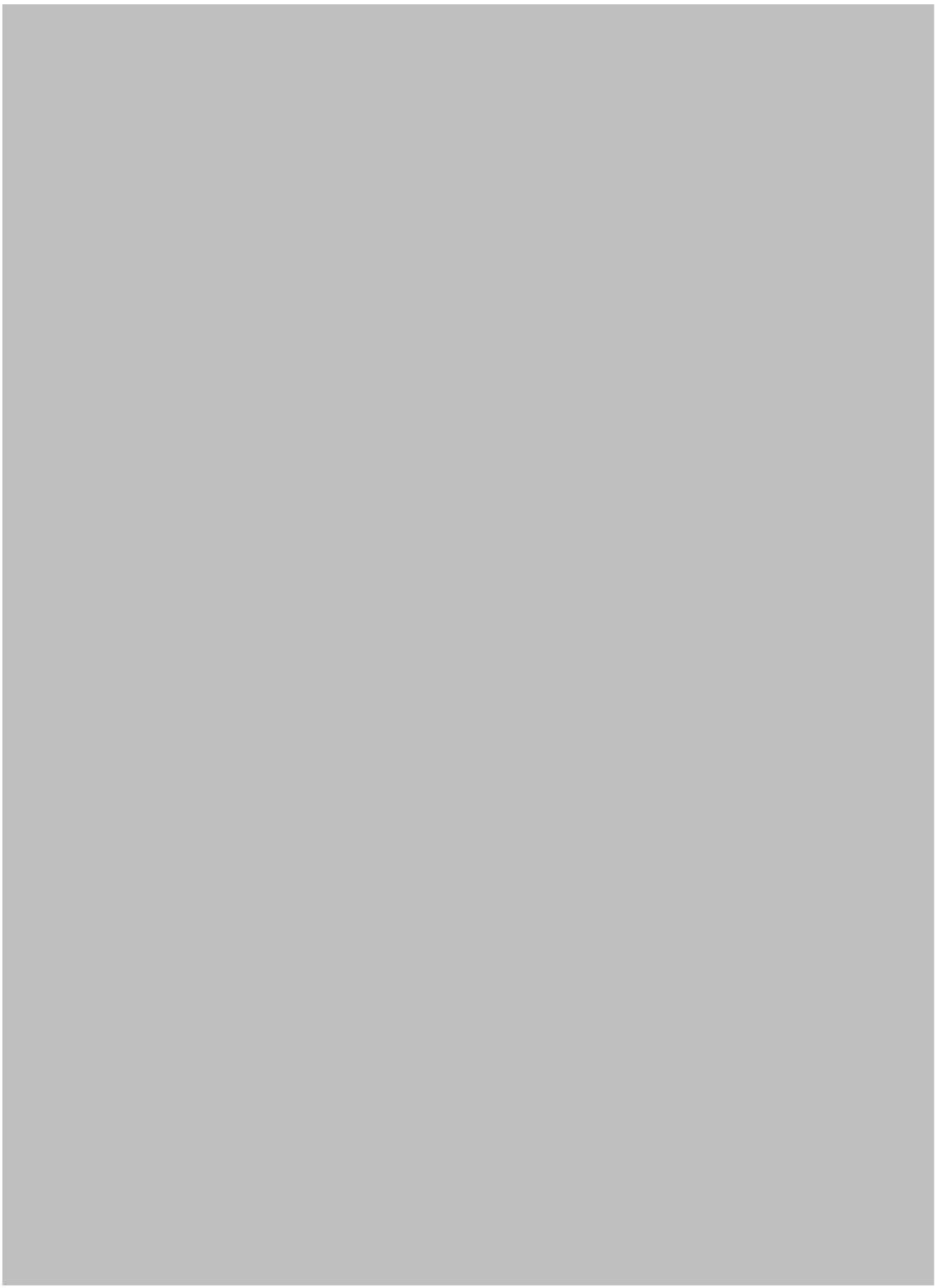


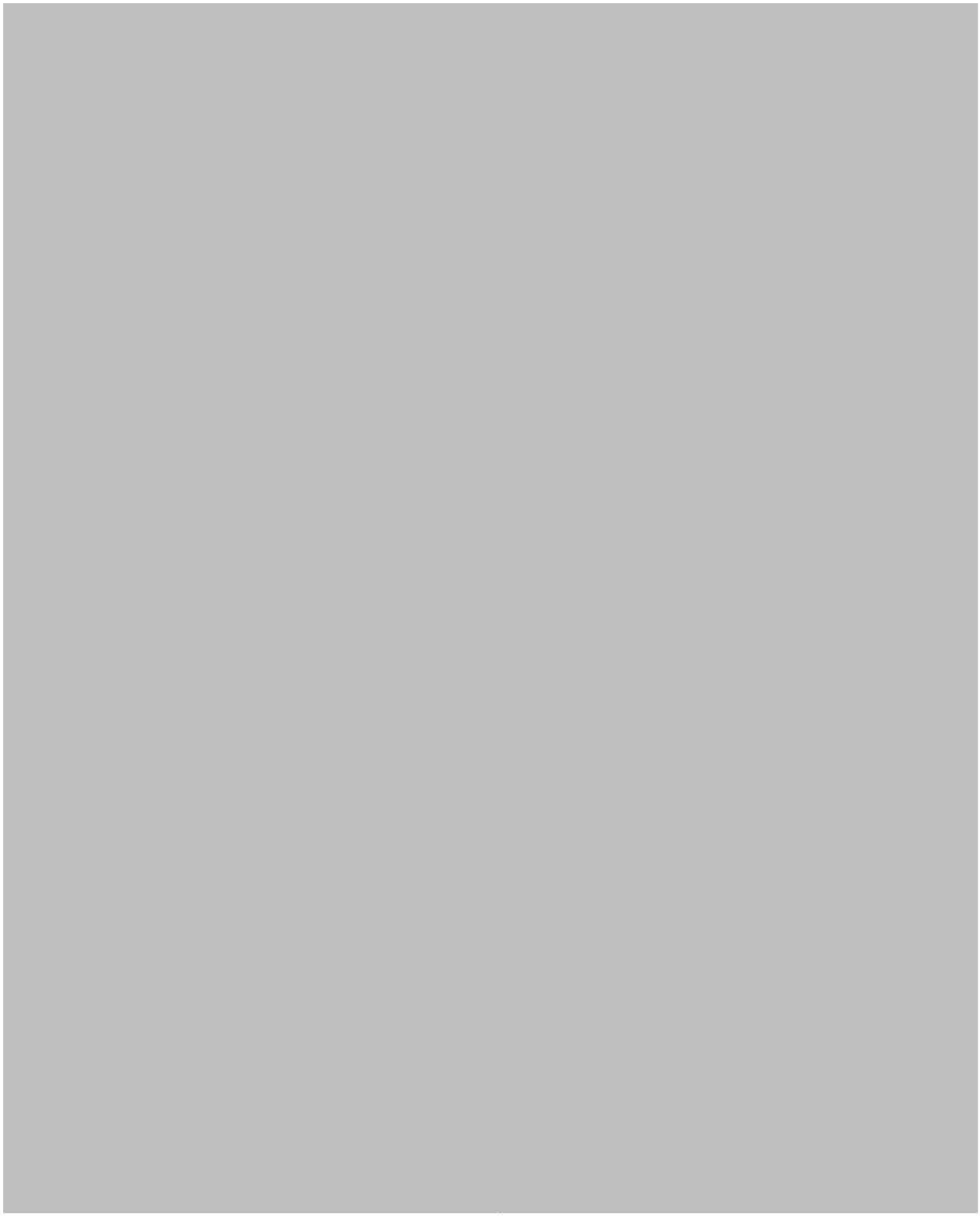


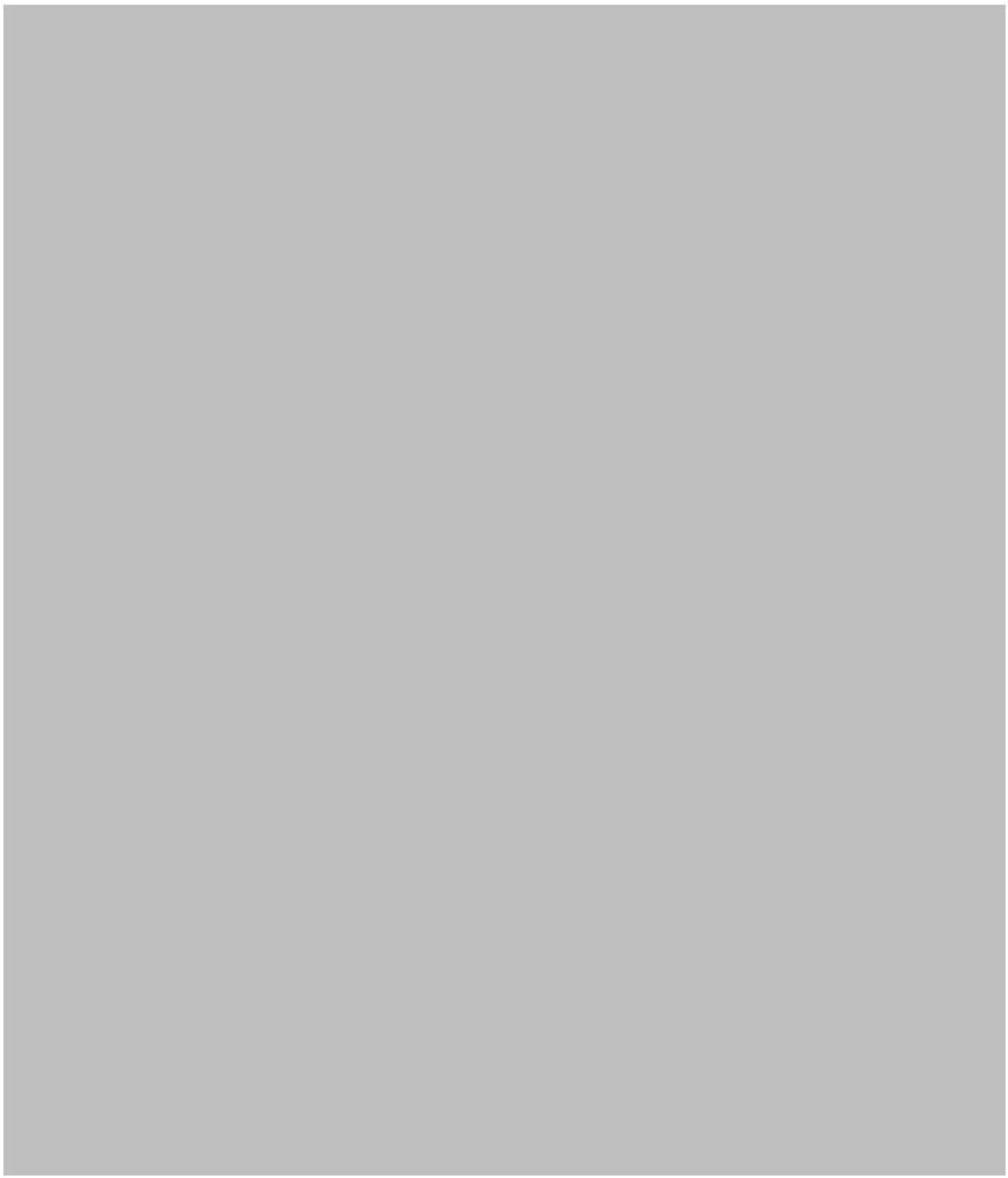


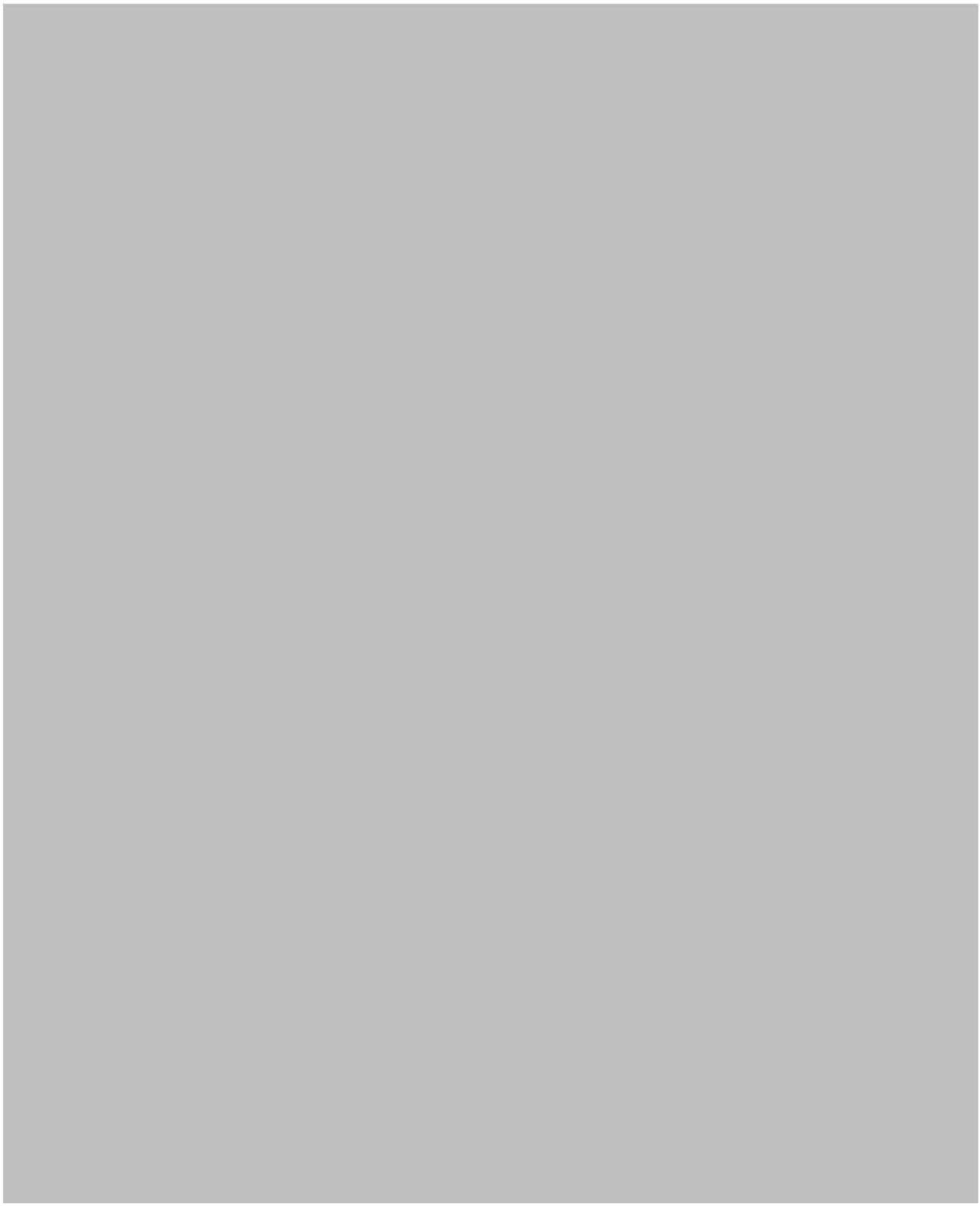


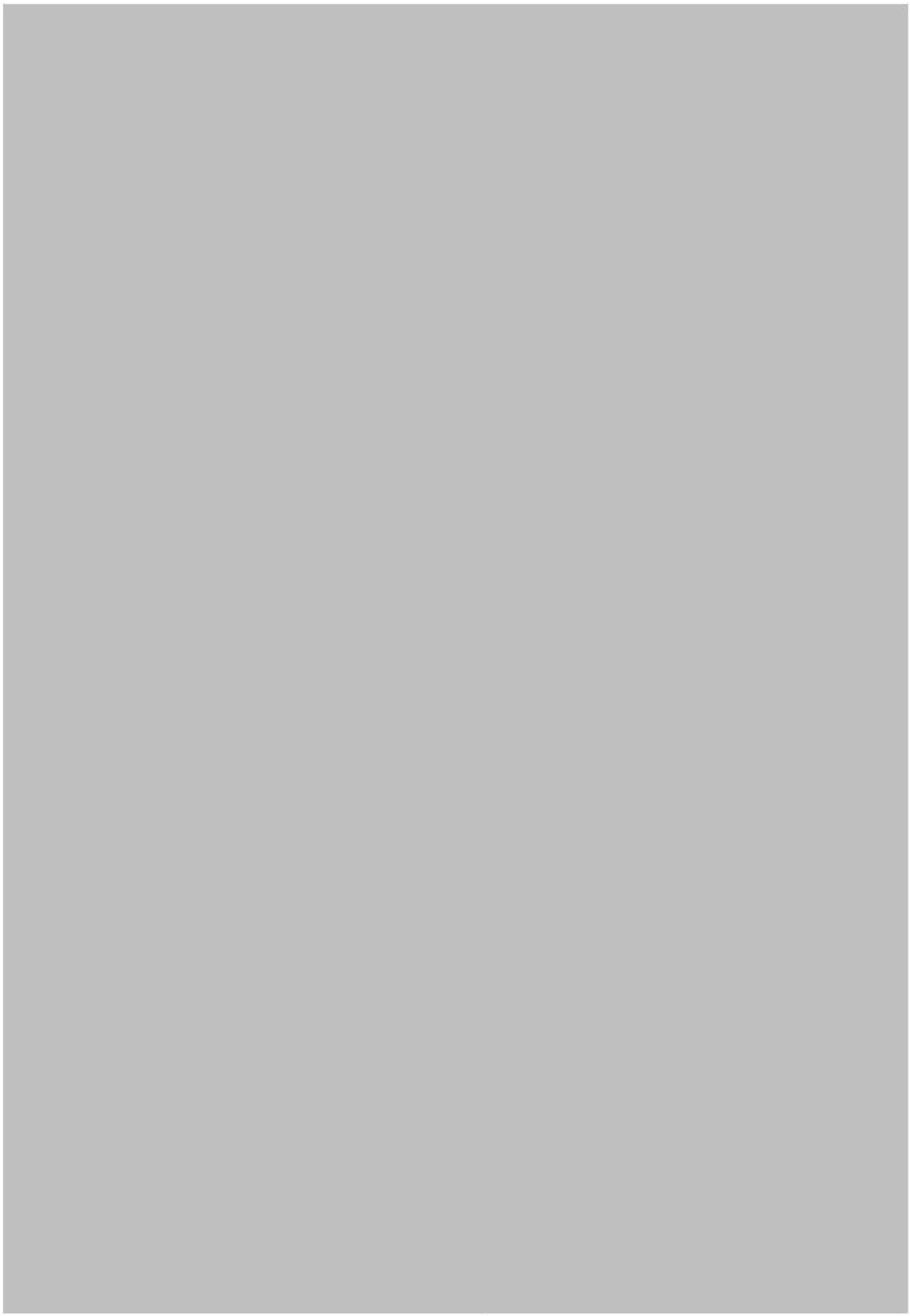


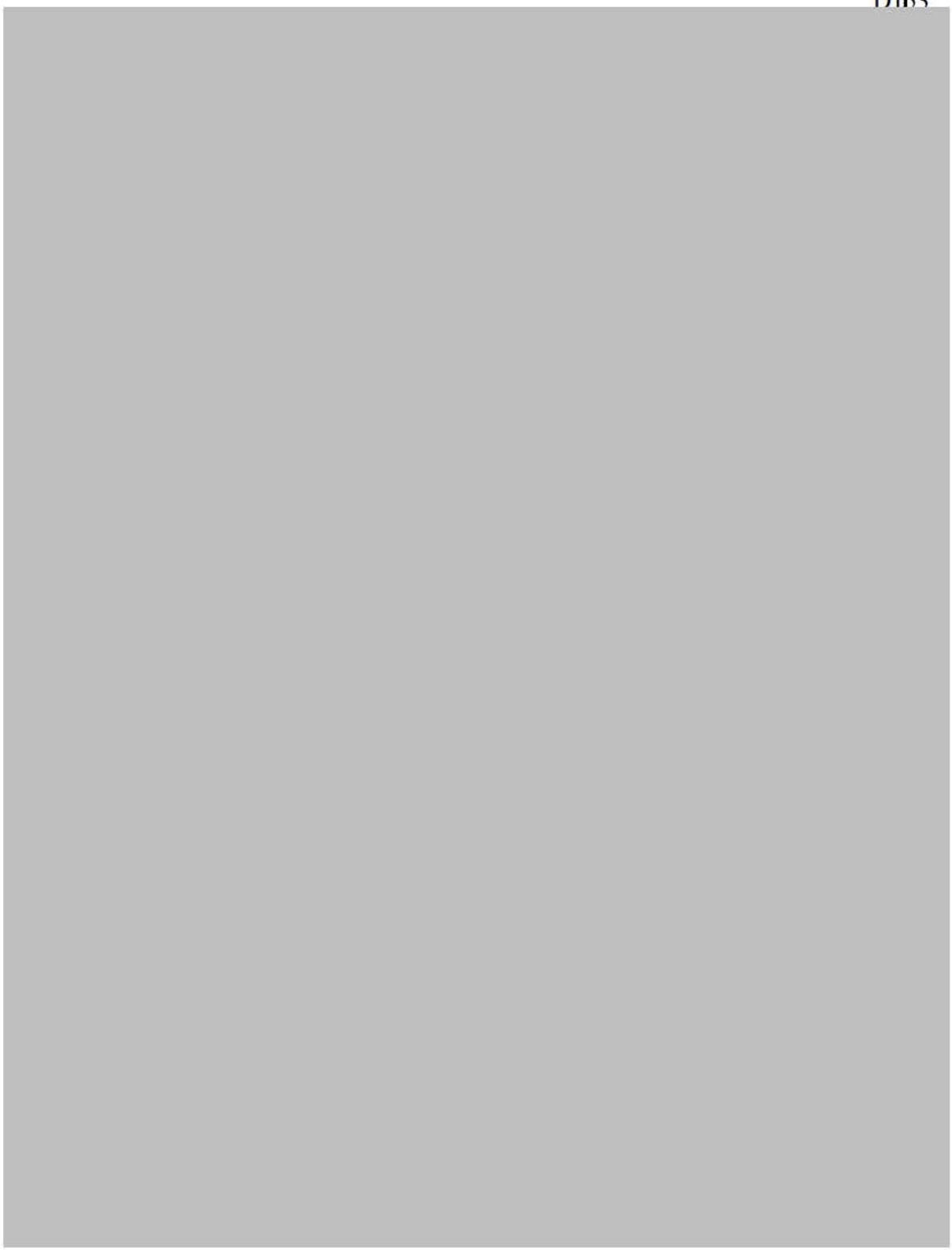


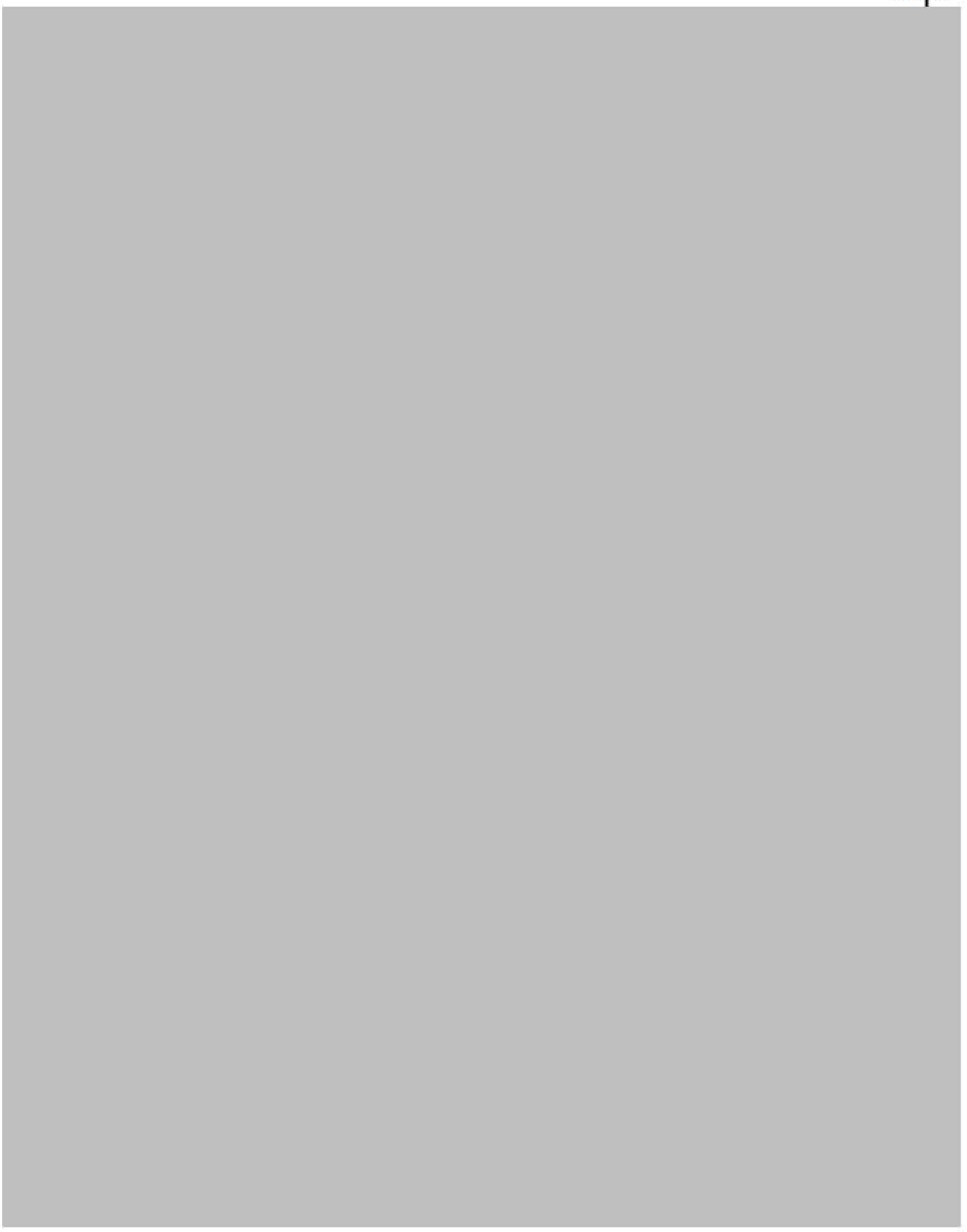


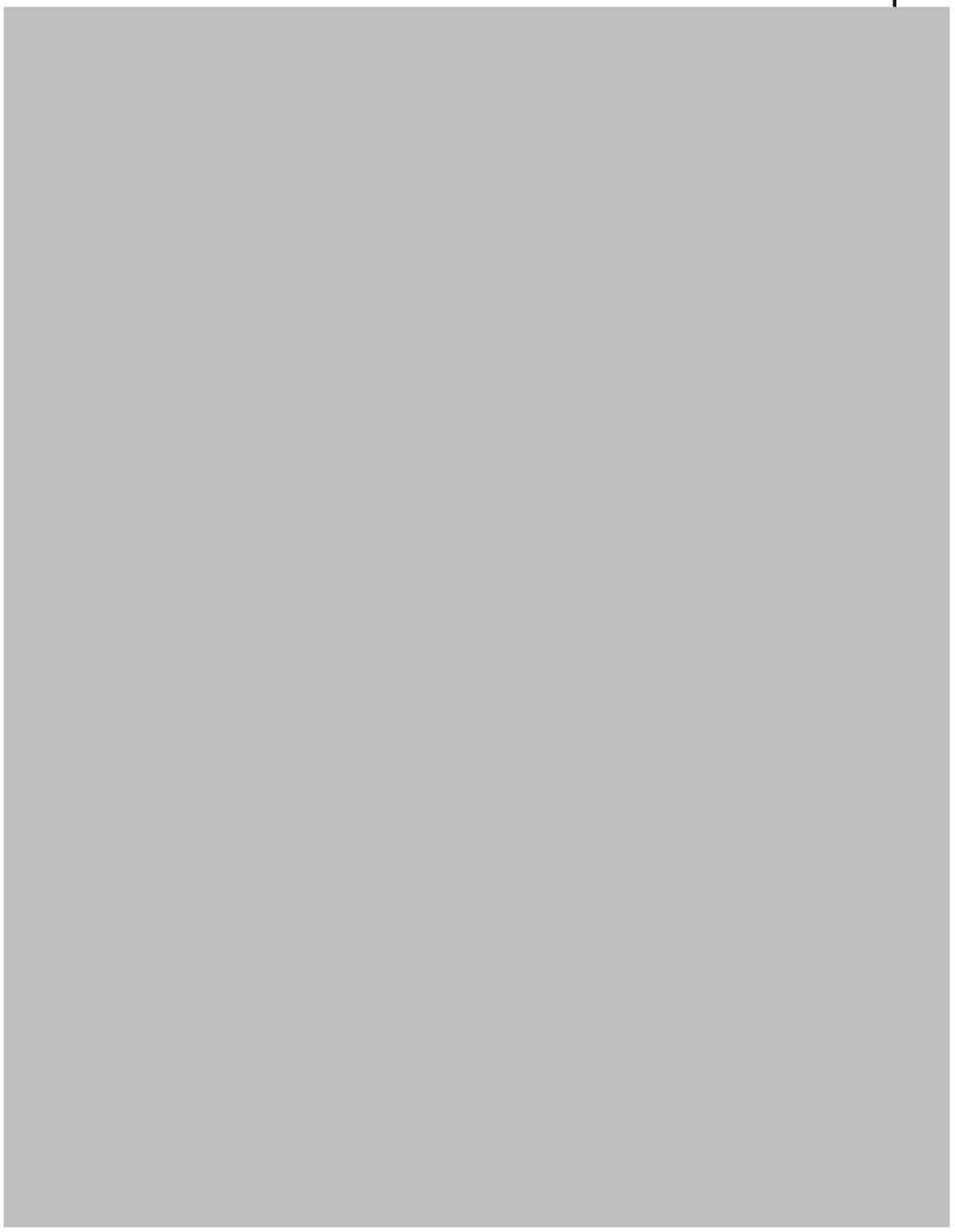


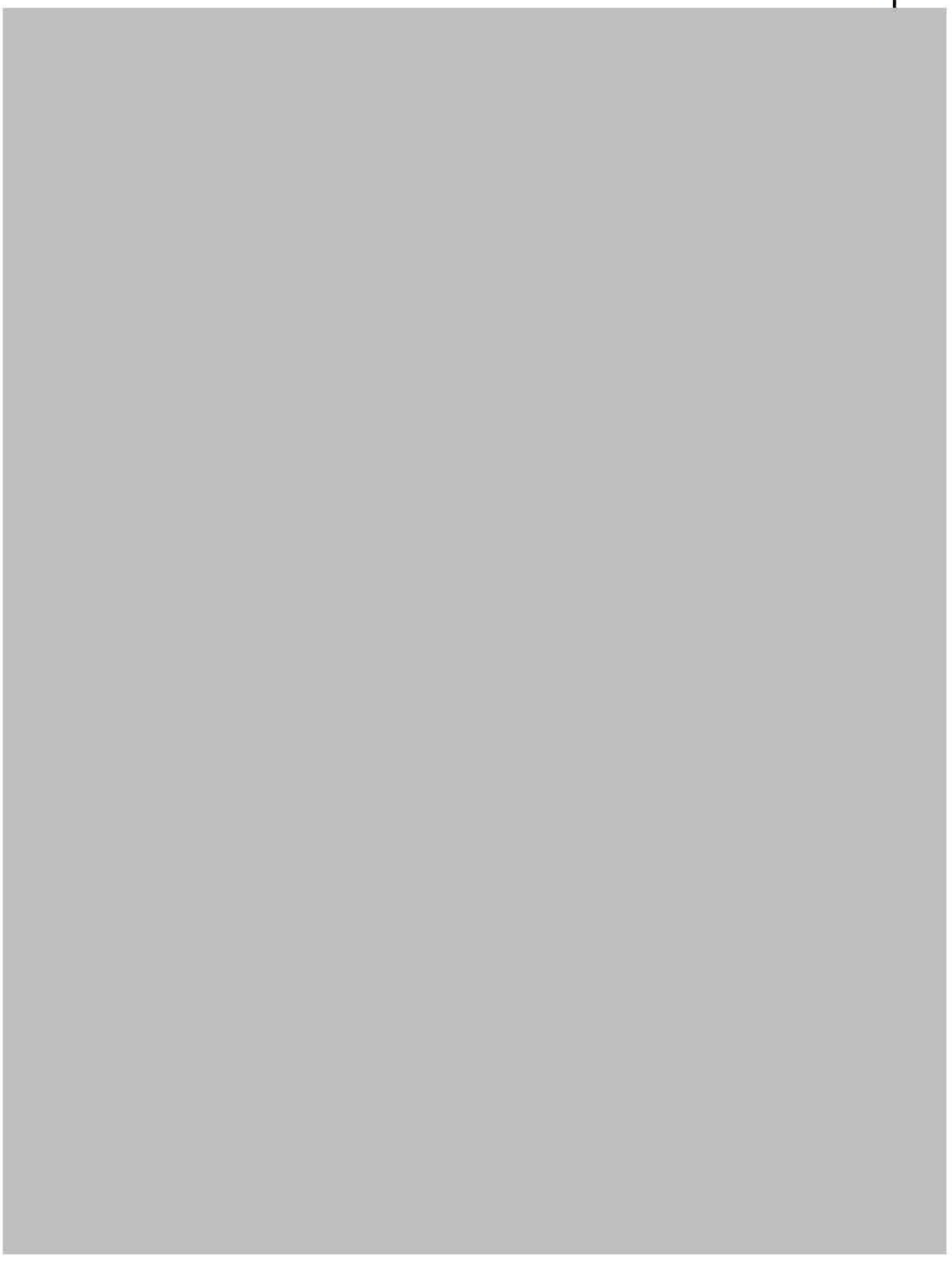


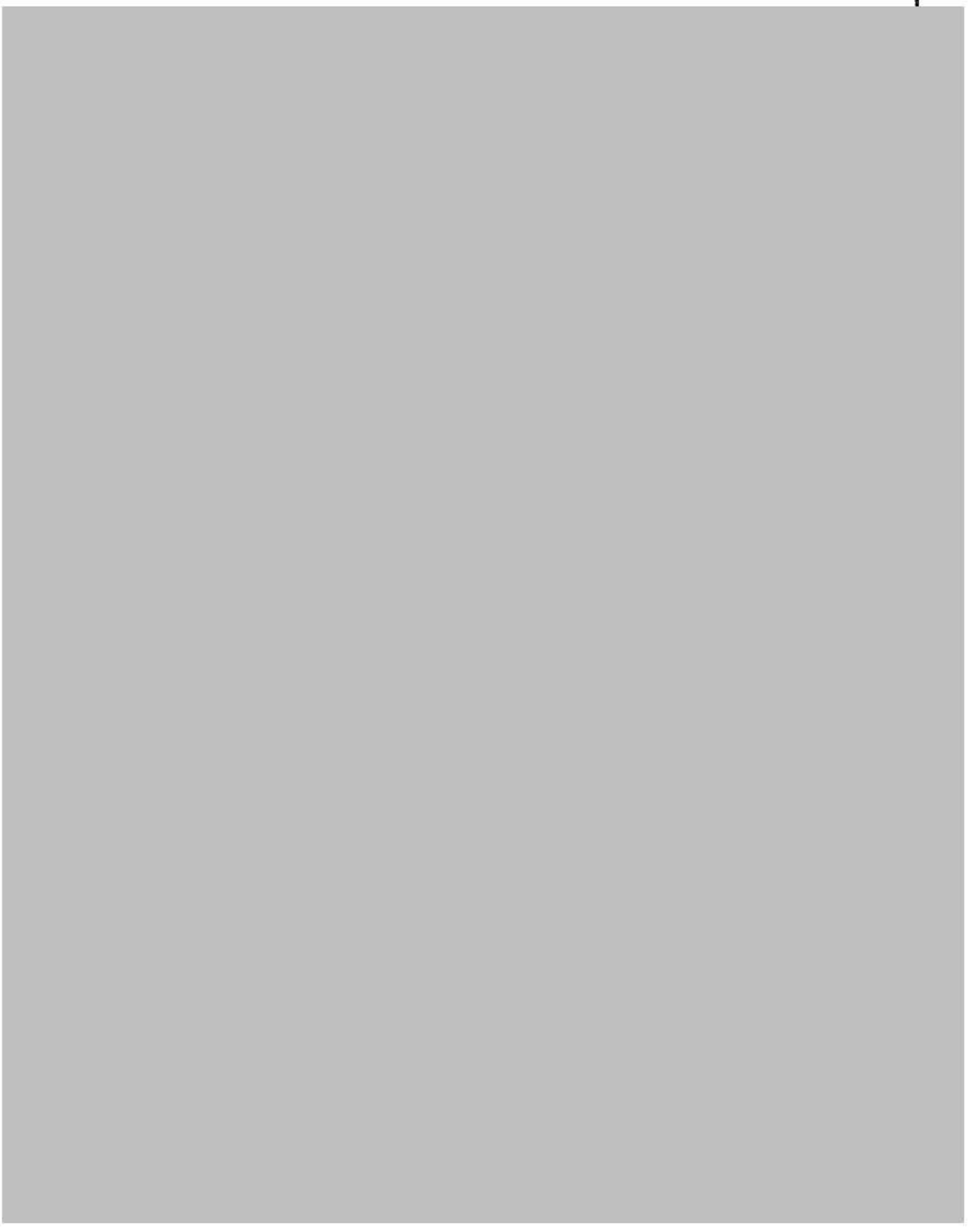








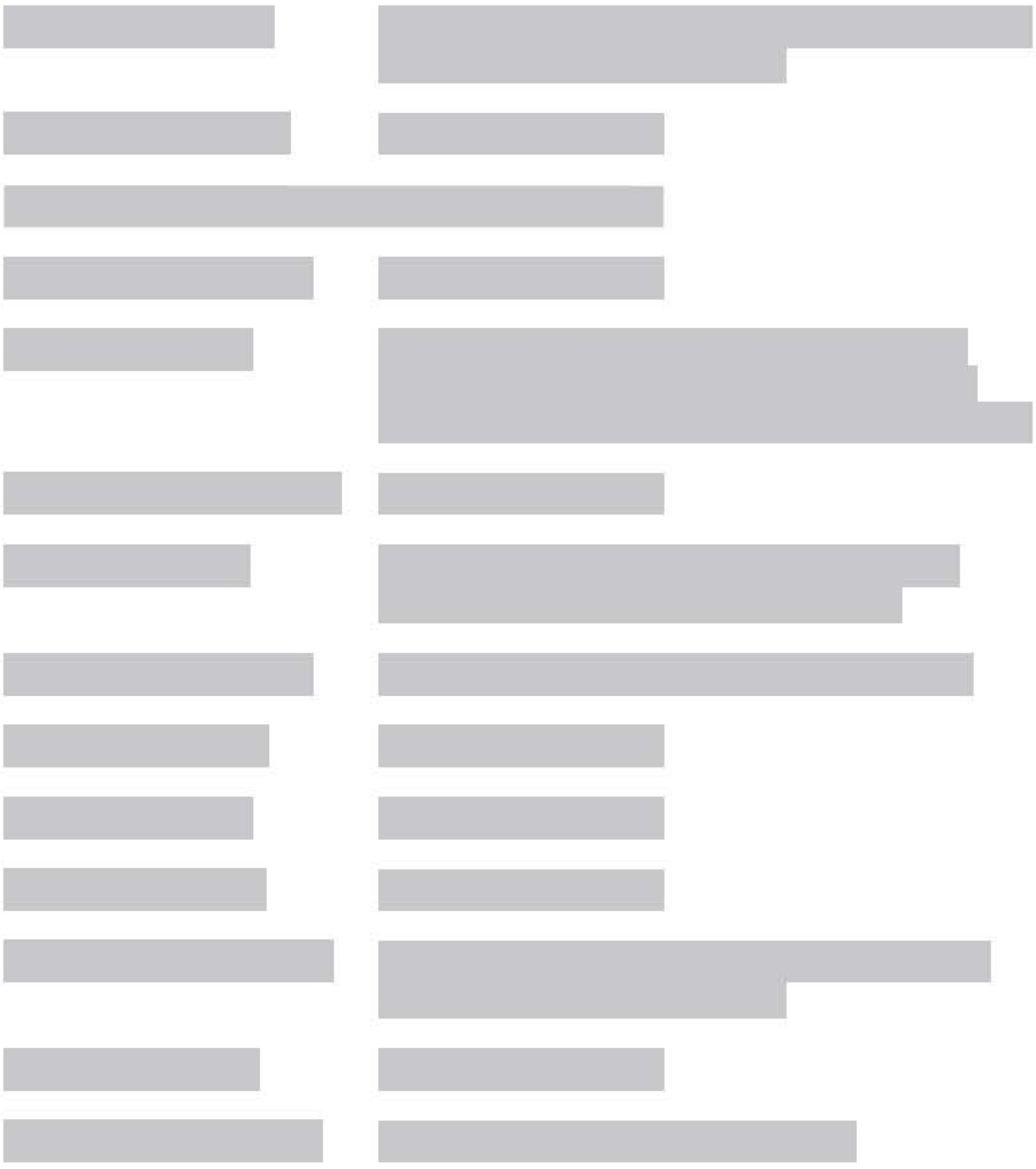




D.5 Criminal History and Civil Litigation

A nationwide criminal background check and nationwide check for civil judgments, liens, and bankruptcies was conducted on 9/22/14, 9/24/14 and 9/30/14 by XG Consultants Group, 20 East 46th Street, Suite 402, New York, NY 10017 on the individuals identified in items, 2, 3, and 4 above. Additionally, also on 9/22/14, 9/24/14 and 9/30/14, criminal and civil court records were checked through the Minnesota Trial Court Public Access system by LeafLine LLC Security Consultant Dag Sohlberg for those same individuals. Also checked on those same dates by Security Consultant Sohlberg were U.S. District Court criminal and civil records in all listed past residence Federal Judicial Districts for these individuals.

All names were checked using dates of birth, social security numbers, and other identifiers, including maiden names where necessary, for the below listed individuals. No felonies were found for any. Civil case information is listed as noted below:



D.6 Description of Indebtedness

LLL does not have and does not expect to have any indebtedness.

D.7 Certified and Pro Forma Financial Statements

LeafLine Labs was formed August 2014. As requested for the application LLL is providing certified financial statements. LLL hired the accounting firm of Berkow, Schechter & Company LLP to certify our financials. *Exhibit D.7.1* is a copy of LeafLine Labs Financial Statements for the period of August 21, 2014 through September 26, 2014. *Exhibit D.7.2* is a management representation letter from LLL's Treasurer, Chris Weidling, confirming all information provided to Berkow, Schechter & Company was accurate.

Since LeafLine Labs was formed within 2014, LeafLine Labs has provided a comprehensive set of pro-forma financials which we used for financial and business planning purposes. These pro-formas, including all assumptions underlying the financial models, can be found at Exhibit A.2.a.1 through A.2.a.15.

LEAFLINE LABS, LLC

FINANCIAL STATEMENTS
FOR THE PERIOD
AUGUST 21, 2014 (Date of Formation) – SEPTEMBER 26, 2014

LEAFLINE LABS, LLC
FINANCIAL STATEMENTS
FOR THE PERIOD AUGUST 21, 2014 - SEPTEMBER 26, 2014

CONTENTS

Berkow,
Schechter
& Company LLP

Certified Public Accountants

350 Bedford Street · Stamford, Connecticut 06901 · Tel (203) 356-1061 · Fax (203) 356-1283

ACCOUNTANT'S REVIEW REPORT

Leafline Labs, LLC
222 2nd Street. South East #1106
Minneapolis, MN 55414

We have reviewed the accompanying balance sheet of Leafline Labs, LLC (the "Company") as of September 26, 2014, and the related statements of operations, changes in unitholders' equity and cash flows for the period August 21, 2014 (date of formation) – September 26, 2014. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

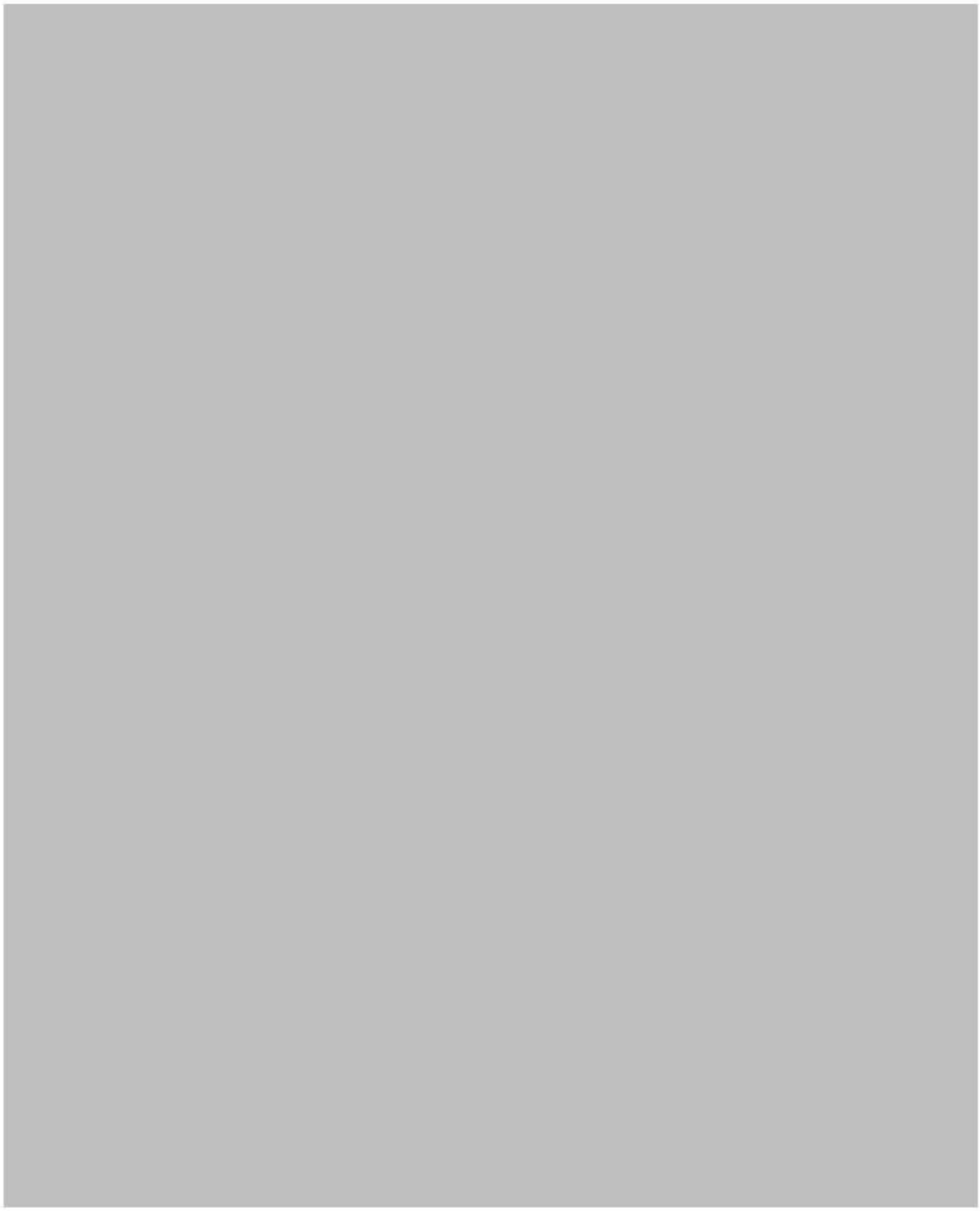
Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Berkow, Schechter & Company LLP

Berkow, Schechter & Company LLP

September 29, 2014



Leafline Labs, LLC
222 2nd St. SE #1106
Minneapolis, MN 55414

September 29, 2014

Berkow, Schechter & Company LLP
350 Bedford Street
Stamford, CT 06901

Gentlemen:

We are providing this letter in connection with your review of the balance sheet of Leafline, LLC as of September 26, 2014 and related statements of operations, changes in equity and cash flows for the period August 21, 2014 (date of formation) – September 26, 2014 for the purpose of obtaining limited assurance that there are no material modifications that should be made to the financial statements in order for the statements to be in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the preparation and fair presentation of the financial statements of the company balance sheet, results of operations, and cash flow in accordance with accounting principles generally accepted in the United States of America and the selection and application of the accounting policies.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person using the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, as of September 26, 2014, the following representations made to you during your review.

1) The financial statements referred to above are fairly presented in accordance with accounting principles generally accepted in the United States of America.
2) We have made available to you all—
   a) Financial records and related data.
   b) Minutes of the meetings of stockholders, directors, and committees of directors, or summaries of actions of recent meetings for which minutes have not yet been prepared.
3) No material transactions exist that have not been properly recorded in the accounting records underlying the financial statements.
4) We acknowledge our responsibility for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.
5) We acknowledge our responsibility to prevent and detect fraud.

6) We have no knowledge of any fraud or suspected fraud affecting the entity involving management or where the fraud could have a material effect on the financial statements, including any communications from employees, former employees, or others.

7) We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.

8) No material losses exist (such as from obsolete inventory or purchase or sales commitments) that have not been properly accrued or disclosed in the financial statements.

9) There are no—

   a) Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.

   b) Unasserted claims or assessments that our lawyer has advised us are probable of assertion that must be disclosed in accordance with FASB ASC 450, Contingencies .

   c) Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB ASC 450, Contingencies .

10) The Company has satisfactory title of all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

11) We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

12) The following have been properly recorded or disclosed in the financial statements:

   a) Related party transactions and related accounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements, and guarantees.

   b) Guarantees, whether written or oral, under which the company is contingently liable.

   c) Significant estimates and material concentrations known to management that are required to be disclosed in accordance with *FASB ASC 275, Risks and Uncertainties.*

13) We are in agreement with the adjusting journal entries, if any, you have recommended, and they have been posted to the company's accounts.

14) To the best of our knowledge and belief, no events have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to, or disclosure in, the financial statements.

15) We have responded fully and truthfully to all inquiries made us by you during your review.

Very truly yours,

Chris Weidling

9/30/14

D.8 List of Owners and Investors

LeafLine Labs, LLC provides this financial summary to establish to the Minnesota Department of Health: (i), the transparency of the information relating to our investors, who are our sole source of funding; and (ii) our financial stability in the context of our proposed business plan and expected expense rate; particularly with respect to the first year of operations, during which we project the production of medical marijuana to be modest. Without qualification or restriction, LeafLine Labs currently has [redacted] to purchase and operate a production facility if awarded a registration to manufacture medical cannabis and will have [redacted] to deploy by the time we would prospectively begin operations in December of 2014. Due to the structure of how LLL raised its existing capital, the [redacted] cannot be used unless and until LeafLine Labs is registered by the MDH. The amount of capital currently on our balance sheet and [redacted] we expect to have by December 1 will allow us to operate in a manner consistent with our high standards and build a state of the art medical cannabis cultivation facility with cutting edge research, extraction and packaging sections.

We aim to be transparent in all of our funding transactions and have created simplified charts showing the 2 separate tranches of investment we have secured. The initial round of capital was for the RFA. The Series A Round was raised strictly for operating capital if LeafLine Labs is approved by the MDH to operate a manufacturing facility and distribution locations. .

Founders Round

LeafLine Lab's first tranche of capital investment raised [redacted] to pay for research, due diligence, and the cost of building out the LeafLine Labs team and expenses related to completing the RFA response herewith. LeafLine Labs raised this money solely from members of Family Pharm, LLC who are primarily Bachman family members who will also be heavily involved with leading LeafLine Labs. *Exhibit D.8.1* includes Family Pharm and the 9 original Founders who were granted equity in return for their initial contribution to LeafLine Lab's build out and application.

As the visionary behind Theraplant and a key member of LeafLine Lab's Board of Governors, Ethan Ruby is a large minority shareholder. The other Founders comprise the core operating

team and Board of Governors with deep experience in operating a medical marijuana facility, finance and compliance, all of who share Ethan's vision relating the positive impact medical cannabis can have on the lives of Minnesota patients.

Due to the meticulous nature of our approach to the operation of a world-class production facility, LeafLine Labs spent the Founders Round capital solely on RFA expenses. This capital was spent on general work needed for the application, engineering and design plans associated with our purchase of the Cottage Grove land, consulting fees, legal fees and the costs to hire subject matter experts to support the management team, as well as to ensure that LeafLine Labs has a top notch advisory board of scientific and pharmaceutical experts.

The chart of Founders Round investors can be seen in *Exhibit D.8.1* below. The Member Control Agreement associated with the Founders Round is previously attached at *Exhibit D.1.2*. If LLL is awarded a registration by the MDH, the Founder's Round Member Control Agreement will be replaced by the Member Control Agreement detailed in the Series A Round below, which is already prospectively agreed to by each Series A investor in the form of a Joinder. As described below, all Series A investors have already committed their capital to an Escrow and are fully committed pending the decision of the MDH.

Exhibit D.8.1: LeafLine Labs Founder's Round of Investment in LeafLine Labs, LLC

Founders	Units	%	Cash investment
Family Pharm, LLC	65,000	59.09%	
Ethan Ruby	13,250	12.05%	
Family Pharm Angels, LLC	10,000	9.09%	
Drishti Consulting, LLC	4,500	4.09%	
Mitchell Baruchowitz	4,000	3.64%	
Dan Emmans	2,500	2.27%	
Jon Lane	2,500	2.27%	
Scott Turner	2,500	2.27%	
Glenn Taylor	2,000	1.82%	
Dan Fung	1,500	1.36%	
Chris Weidling	1,500	1.36%	
Jon Rappoport	750	0.68%	
	110,000	100.00%	

Series A Round

The second tranche of capital is round *(the "Series A Round," see Exhibit 8.d.2 for full Series A Table)* that may only be used by LeafLine Labs to run its operations if the Department of Health approves our application. is currently in escrow and we have had overwhelming interest in the remainder of our available units. The primary reason we do not have all capital escrowed is simply the timeframes under which potential investors have had to act. As this is a truly Minnesota effort, we have spoken with and presented materials to dozens of interested local investors who at the time of this submission are in some form of due diligence on both the law and the industry.

At present, when fully subscribed, we do not see the need for additional capital, due to our conservative financial approach to the build out of our operation, together with the fact that LeafLine Labs has already paid for the majority of the costs for building design and engineering. We have also already paid to secure our operating team out of our Founders Round equity, and we will not need to expend additional capital on planning. In addition, many of the costs we consider "fixed" can be deferred like legal expenses, certain elements of capital improvements, and executive compensation to further reduce our expense burn. This puts the Company on solid

financial and operational footing to produce medical cannabis and extracted medicine from Day 1 and should obviate the need for additional capital above the [redacted] we projected. LeafLine Labs investors are all accredited and many are high net worth individuals who can expend additional capital into LeafLine Labs should the need arise, something we believe to be improbable, as explained above. The LeafLine Labs team has spent substantial time with financial experts modeling a variety of scenarios related to its proposed operation and draw heavily from our team's expertise in every financial aspect of a cannabis cultivation and distribution operation. This is expertise that cannot be learned in any way other than operating a company in the space.

Based on this analysis, we strongly believe that [redacted] is more than sufficient to run the company prior to the first harvest, and to provide adequate capital reserves in the event that revenues or harvests are delayed or are smaller than expected. Such a large capital buffer ensures that LLL will be run from a position of stability, and will also be able to deliver a continuous supply of pharmaceutical grade medical marijuana, while allowing us to expend capital where needed, in order to improve our operation and to respond to regulatory changes.

LeafLine Labs investors are primarily from Minnesota, with some investors coming from Illinois, Connecticut and New York, as detailed in the Founders Round Chart above and the Series A Chart below. LeafLine Labs has also secured significant support from the City of Cottage Grove *(See Exhibit B.2.g.1, Approval Letter from Cottage Grove Community Director),* where our proposed facility will be, and has all required approvals to move forward if approved by the MDH, which greatly reduces the possibility of significant legal expenses or one-time costs associated with planning and zoning, which further adds to our confidence in our expense projections which are contained in our comprehensive pro-formas. *(See Exhibit A.2.a.1-A.2.a.15)*

The [redacted] in escrow from the Series A investors is detailed below. [redacted]

[redacted]

Exhibit D.8.2: LeafLine Labs Series A Round

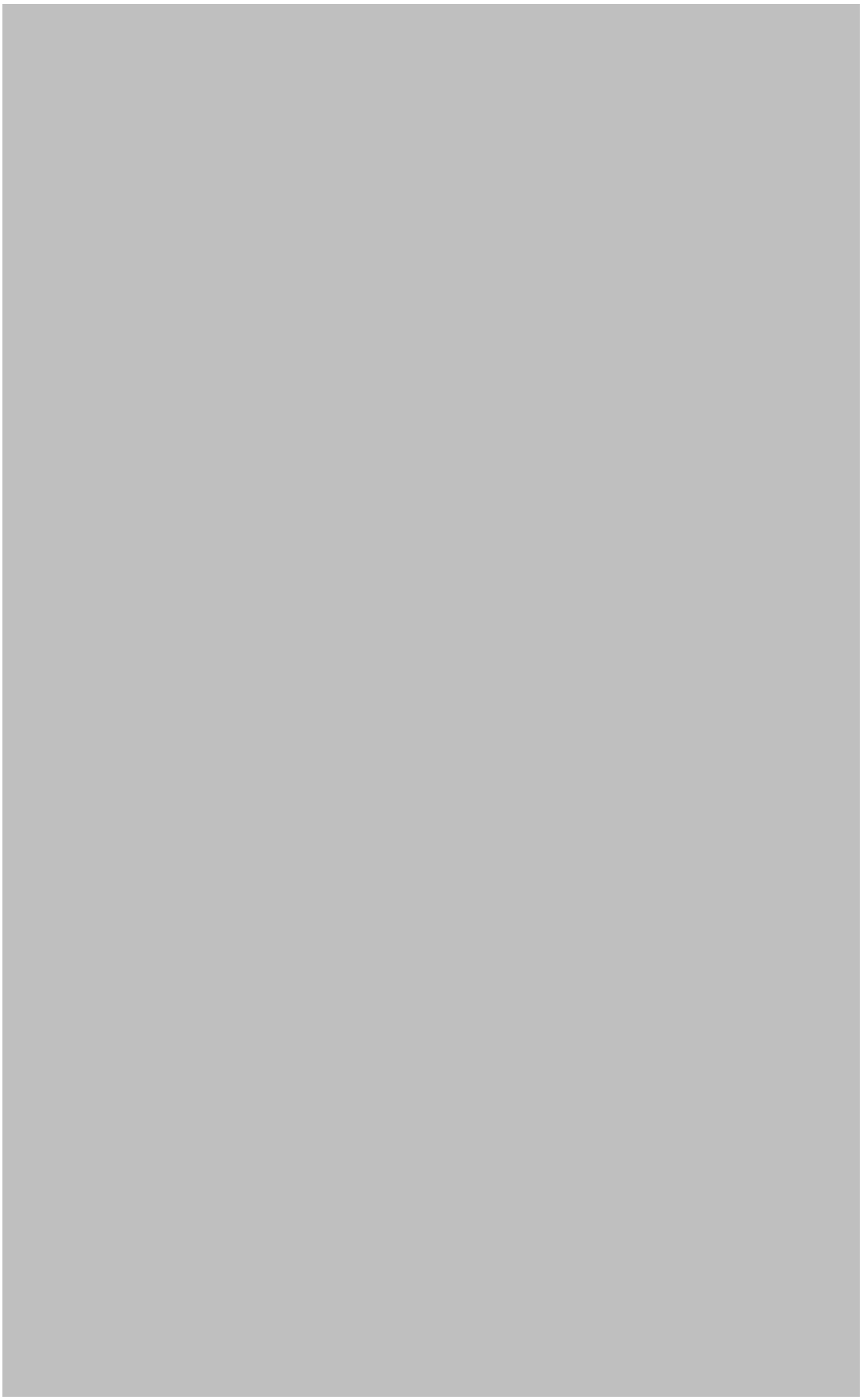


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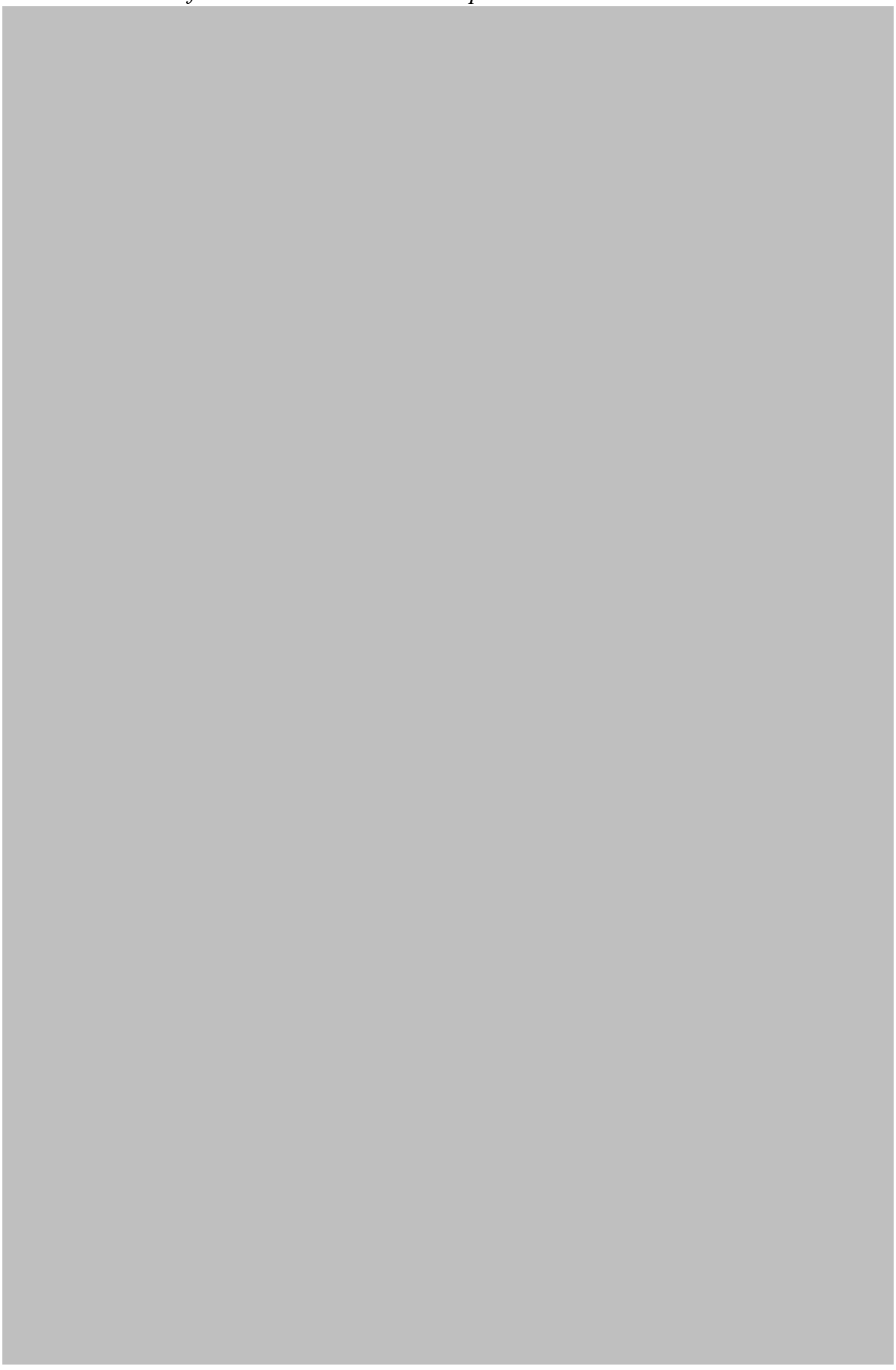
Exhibit D.8.3: LeafLine Labs Consolidated Capitalization Table



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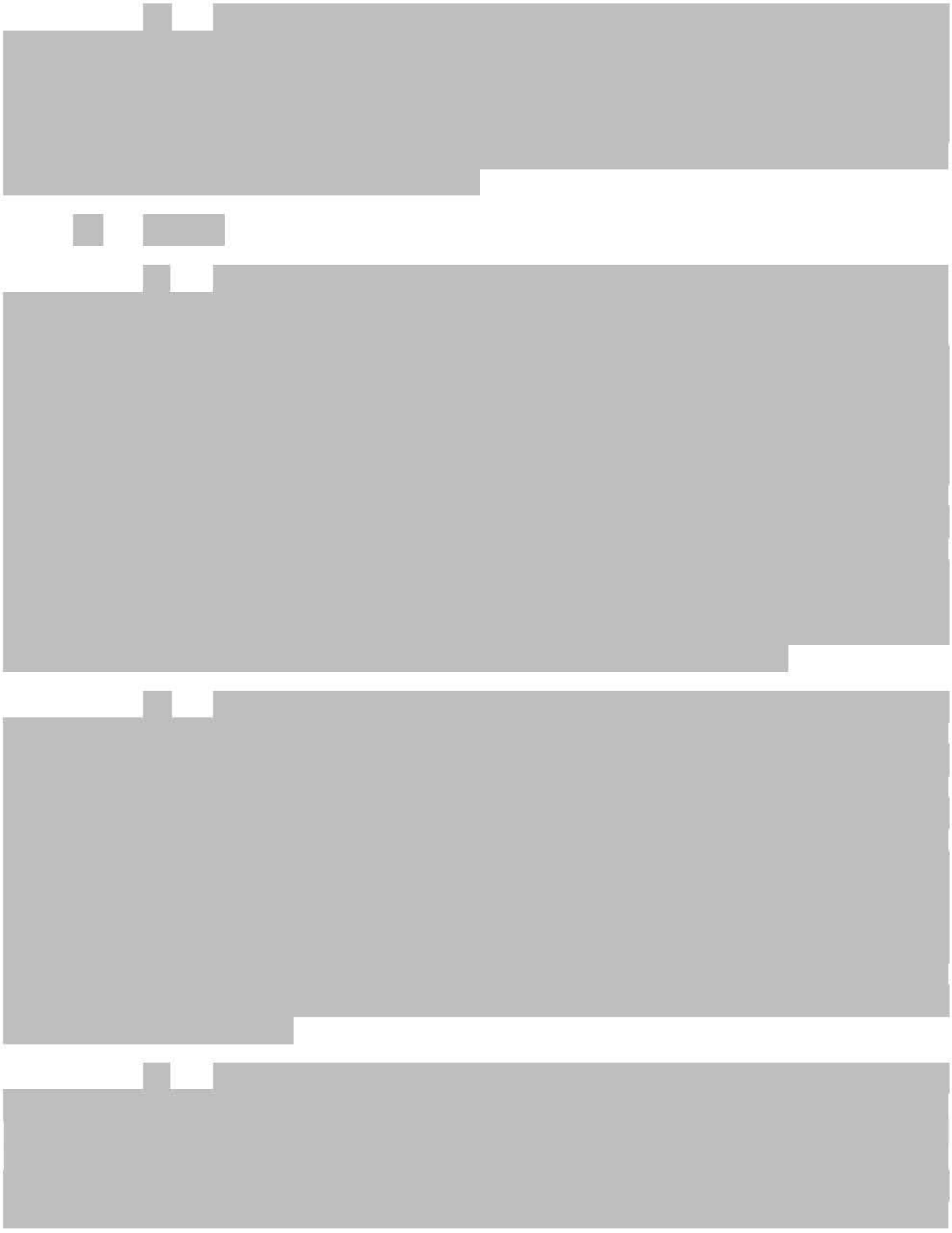

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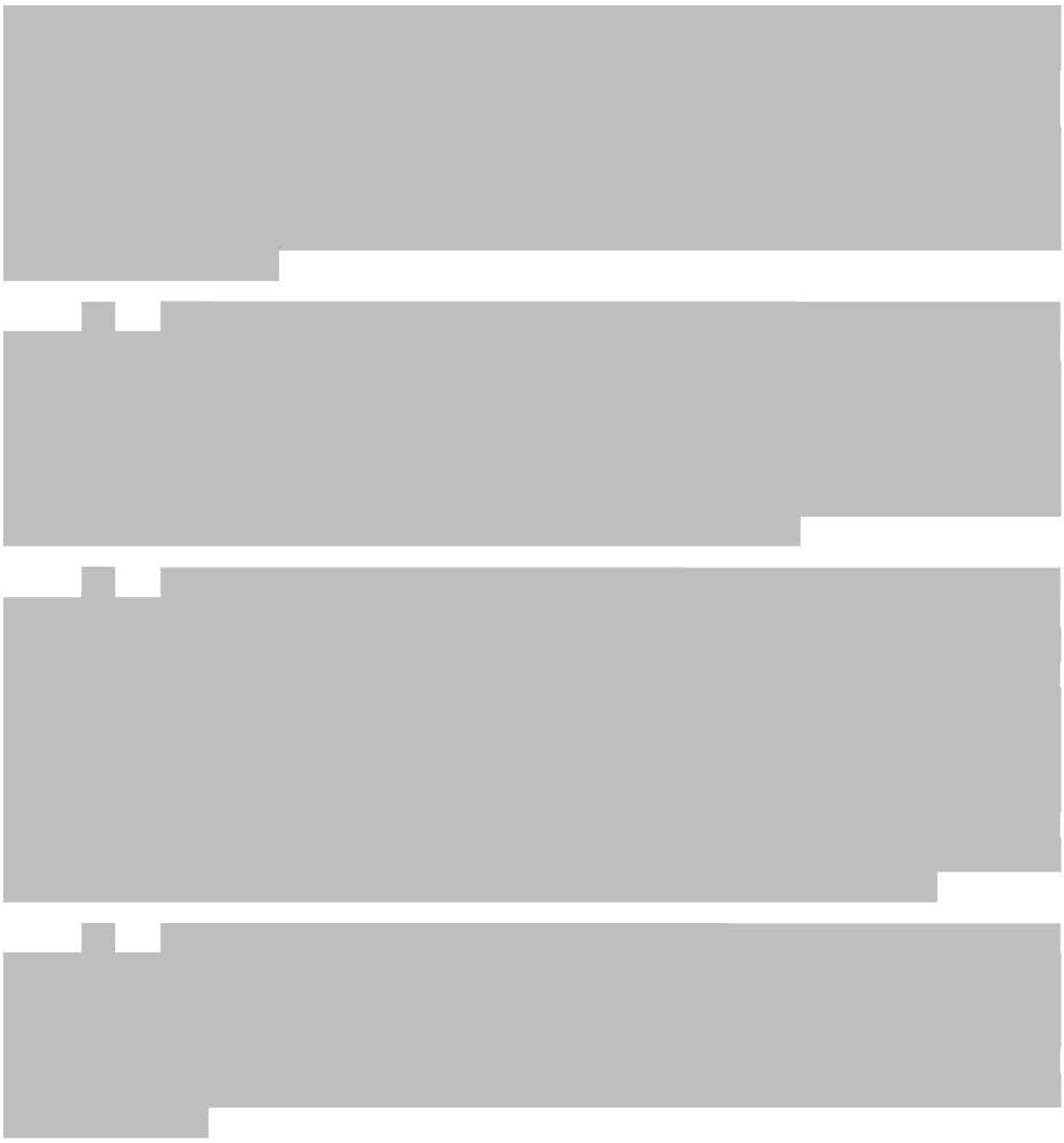

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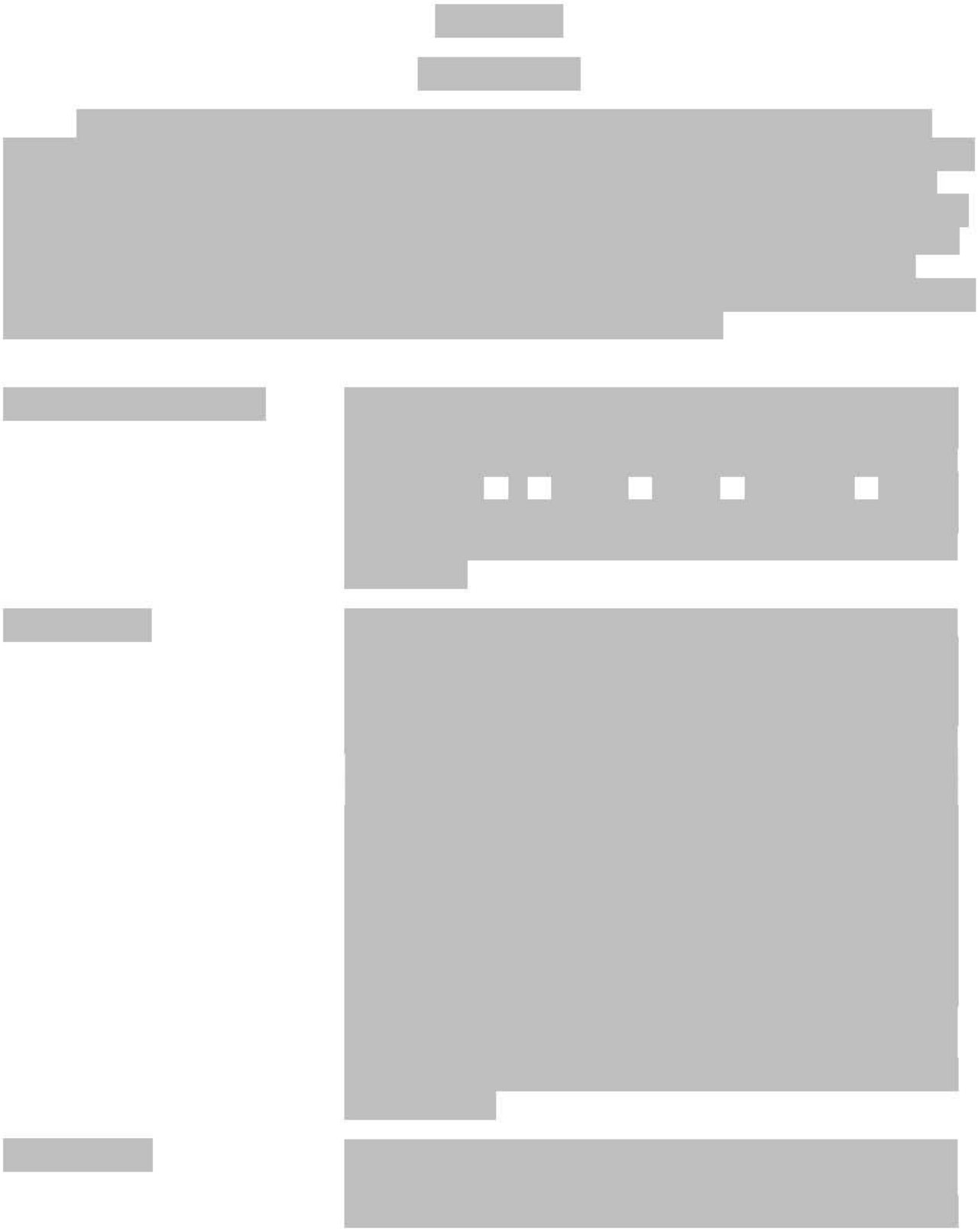

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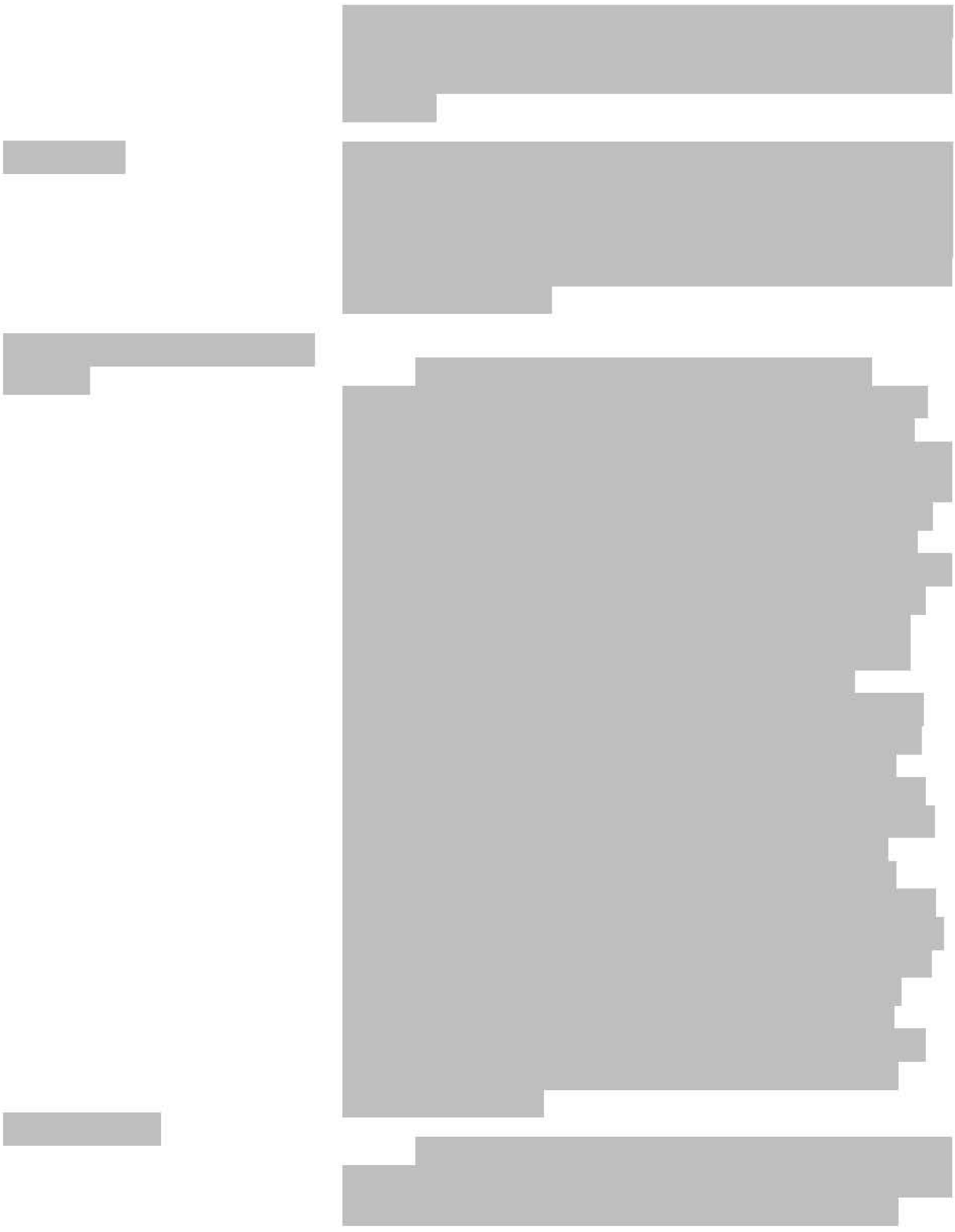

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EXHIBIT C

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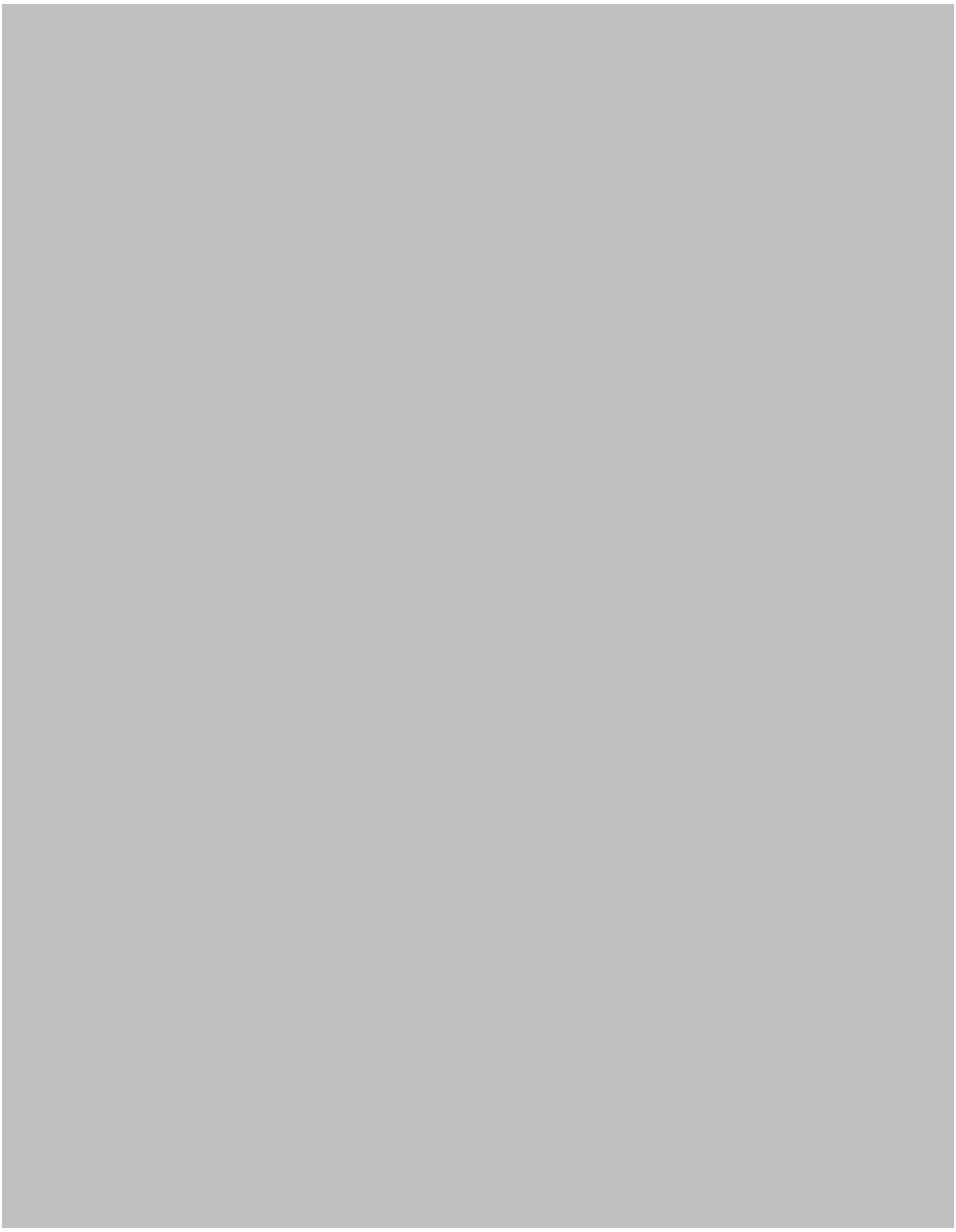

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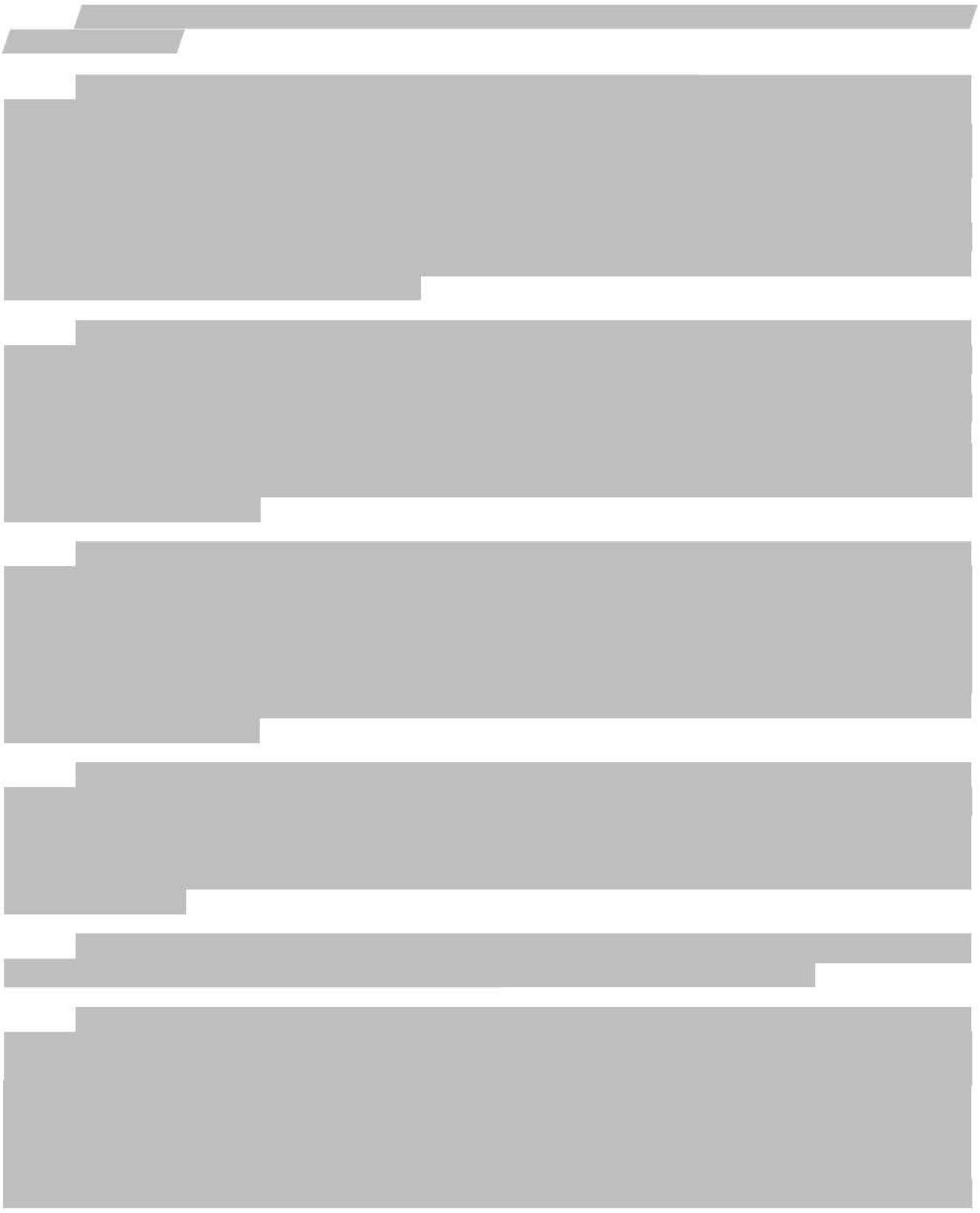

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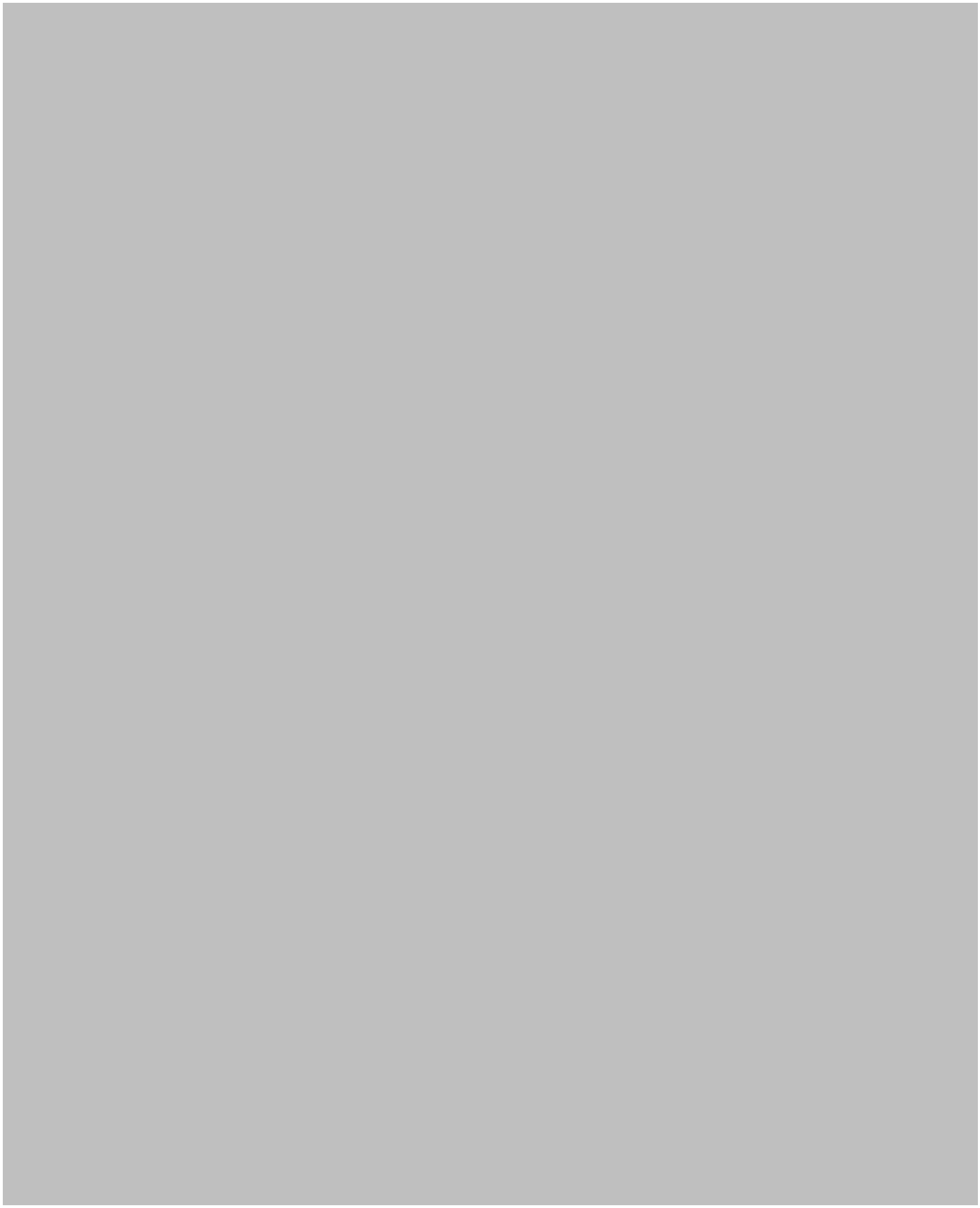

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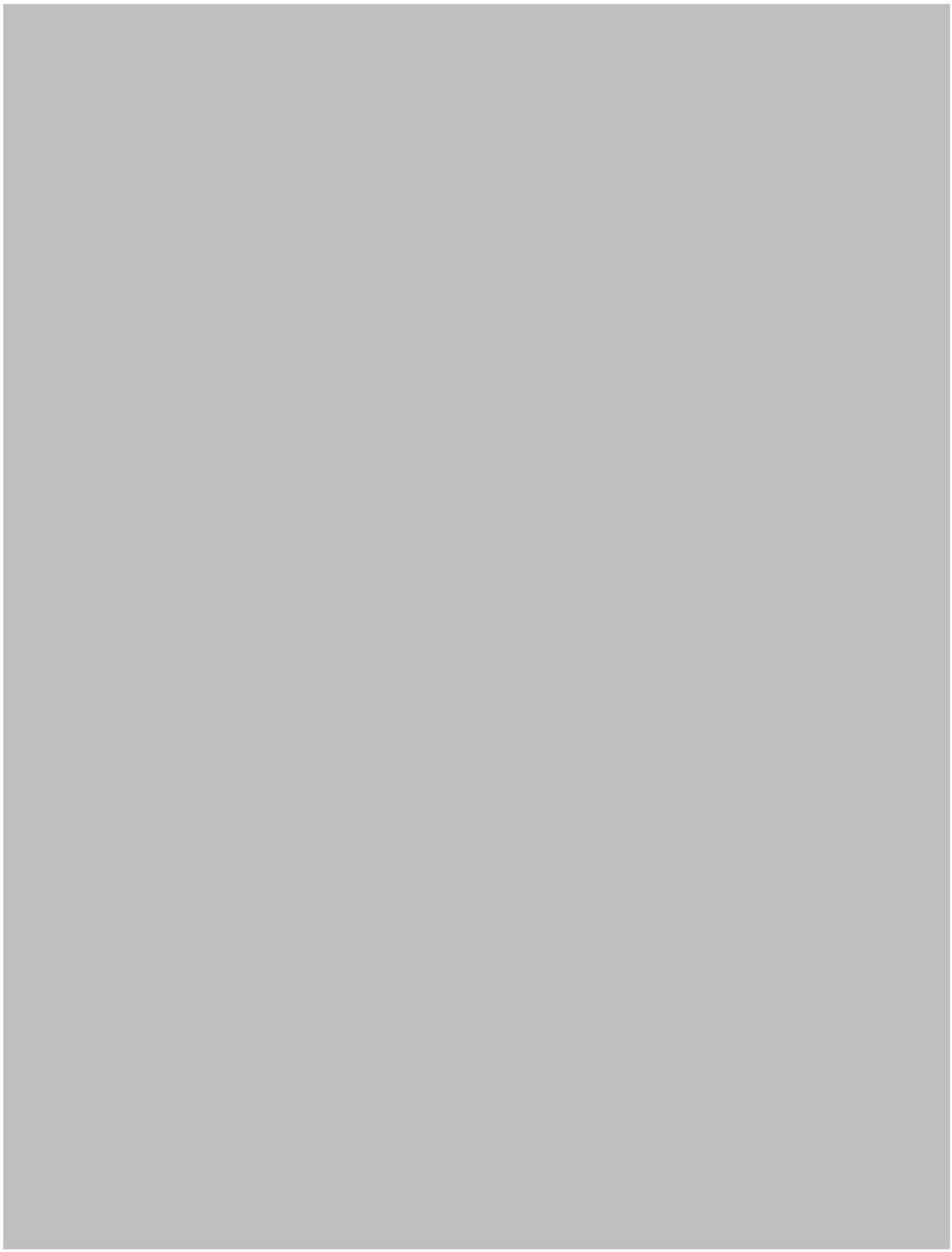

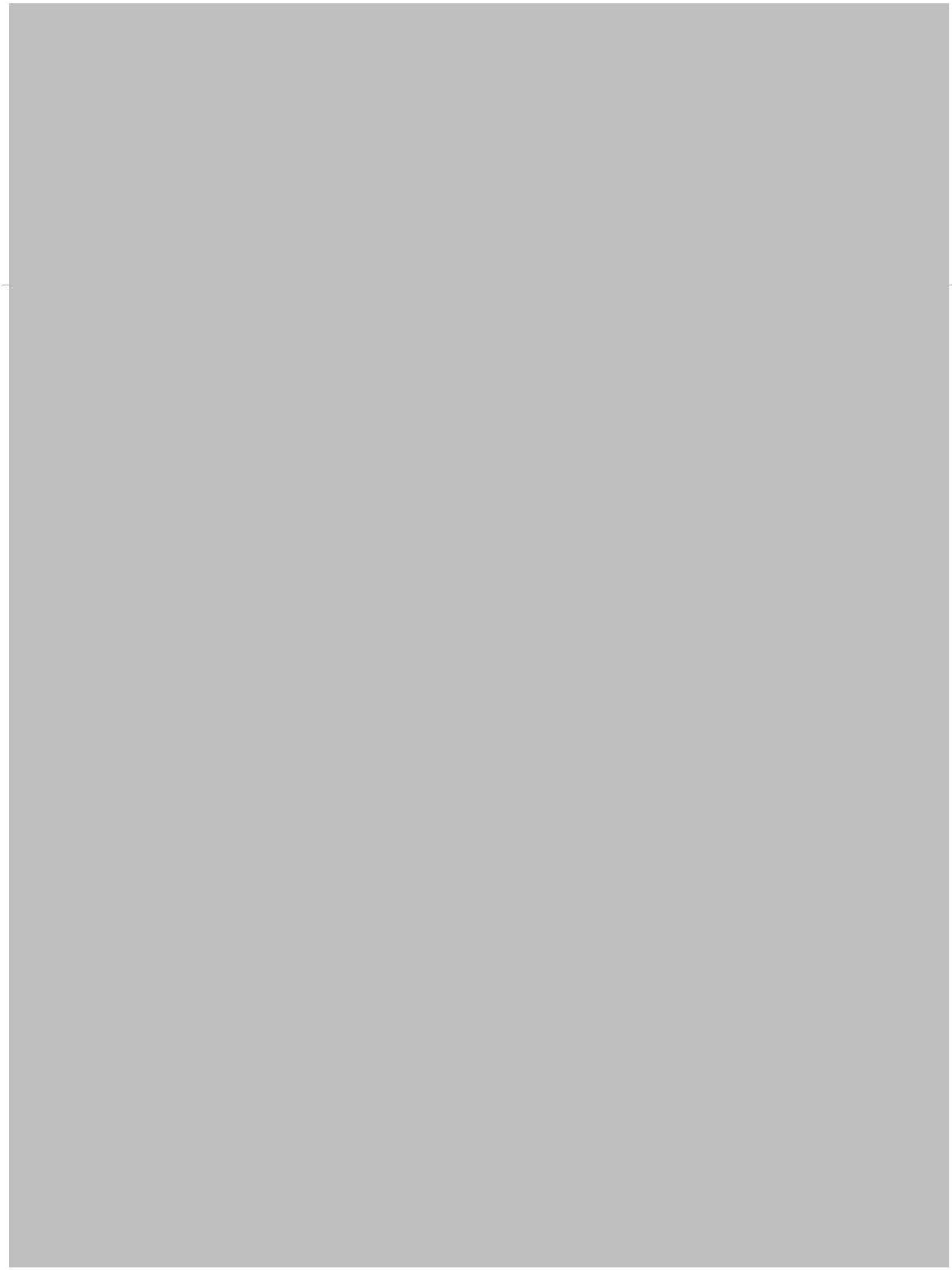

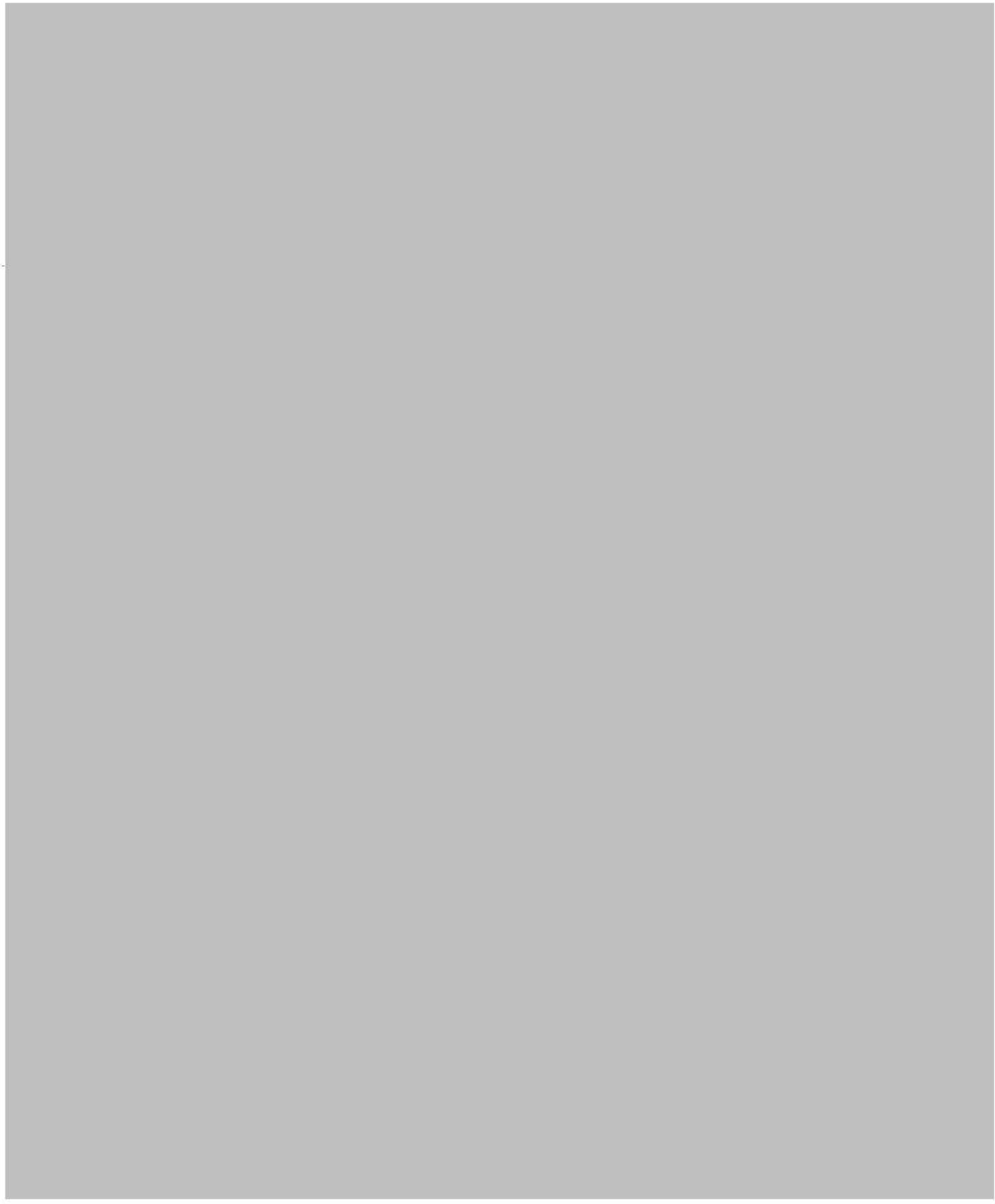

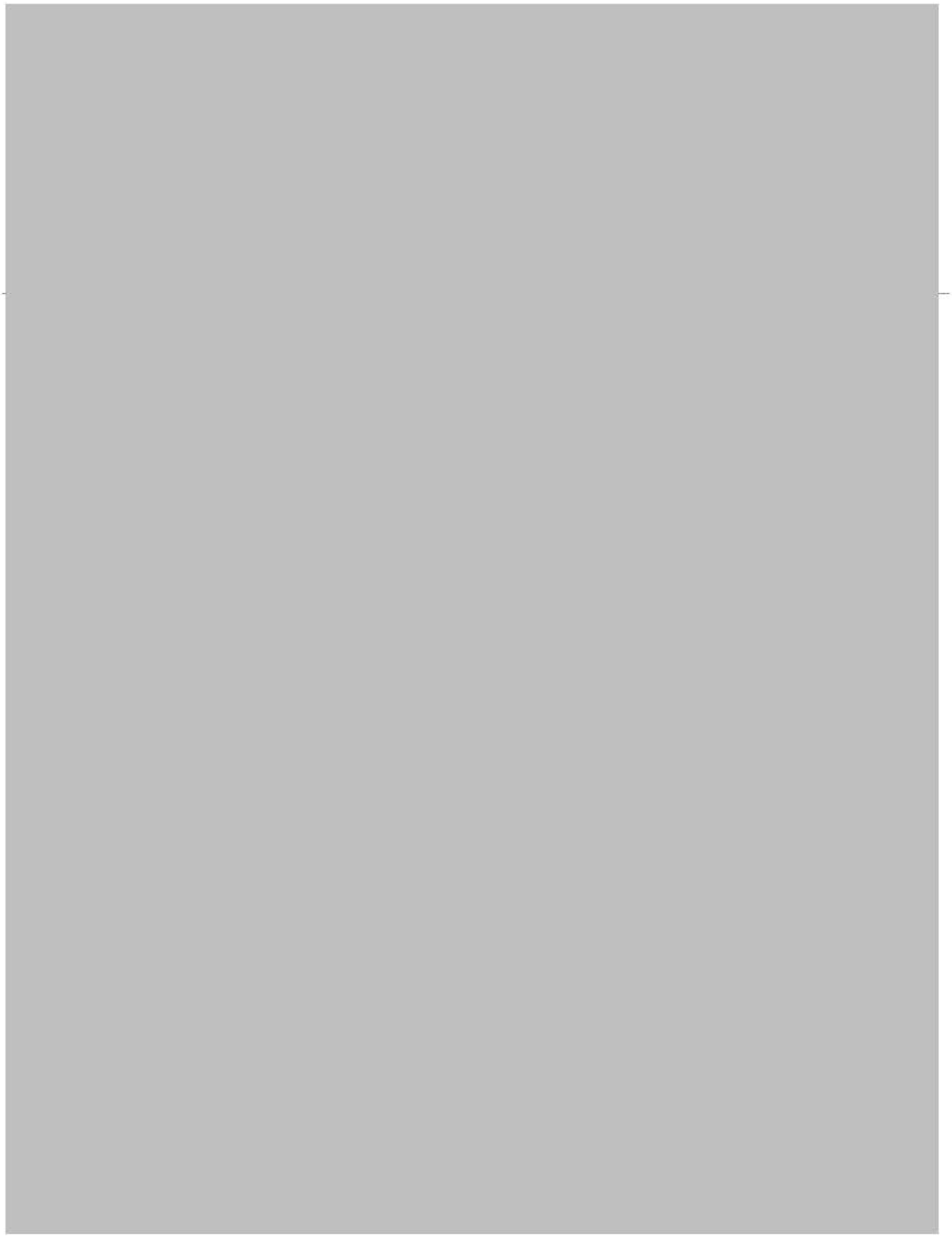

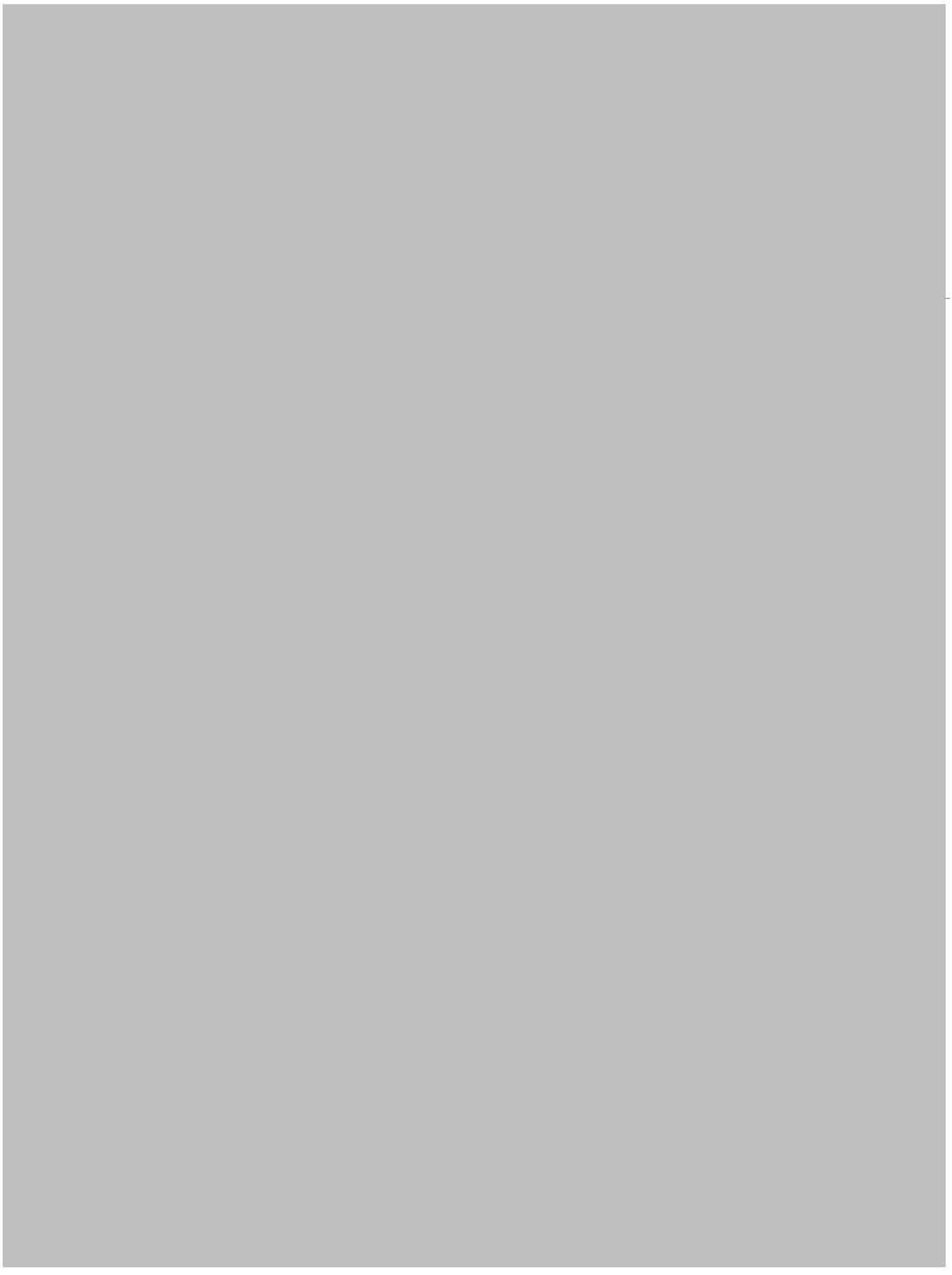

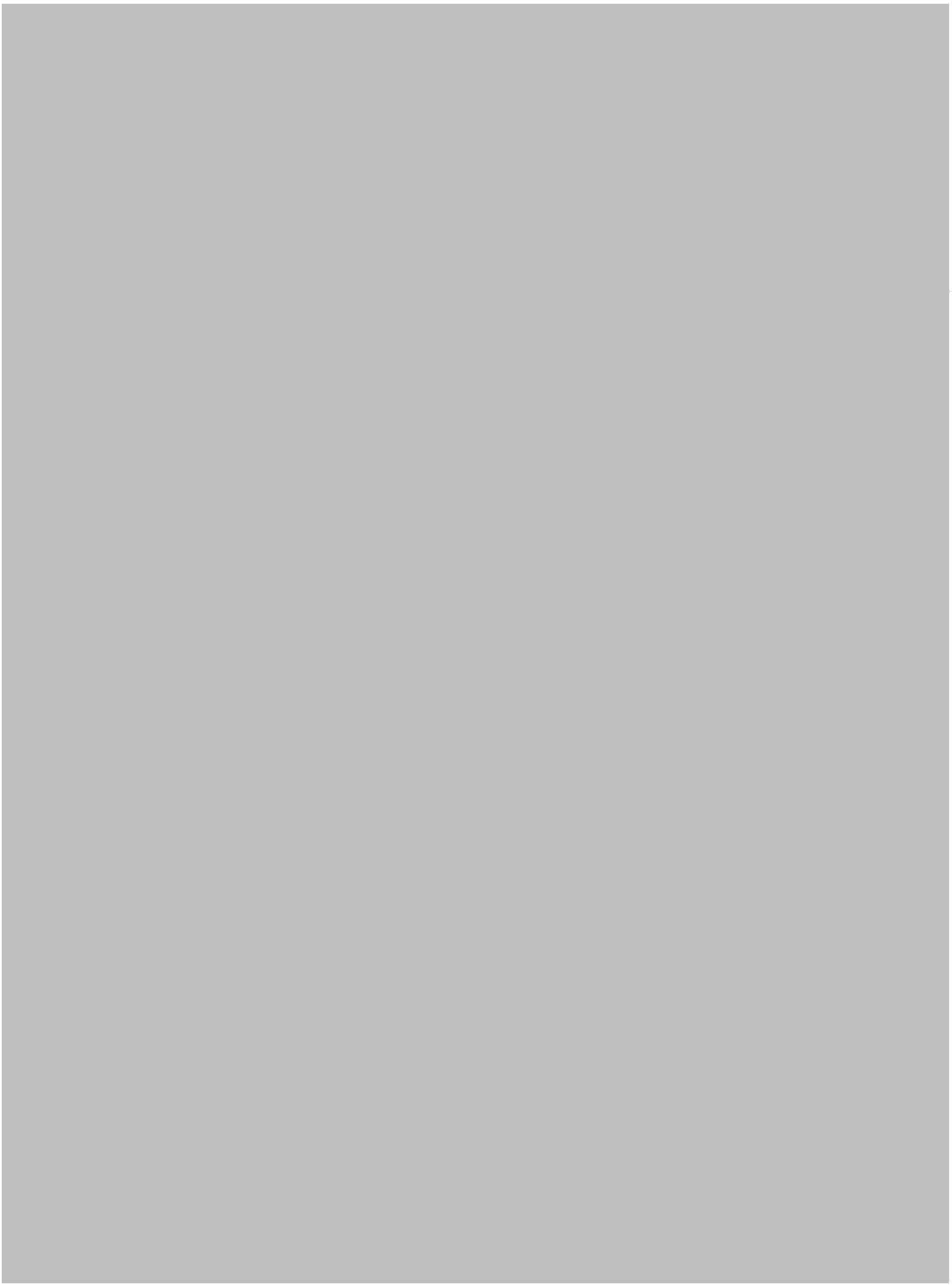

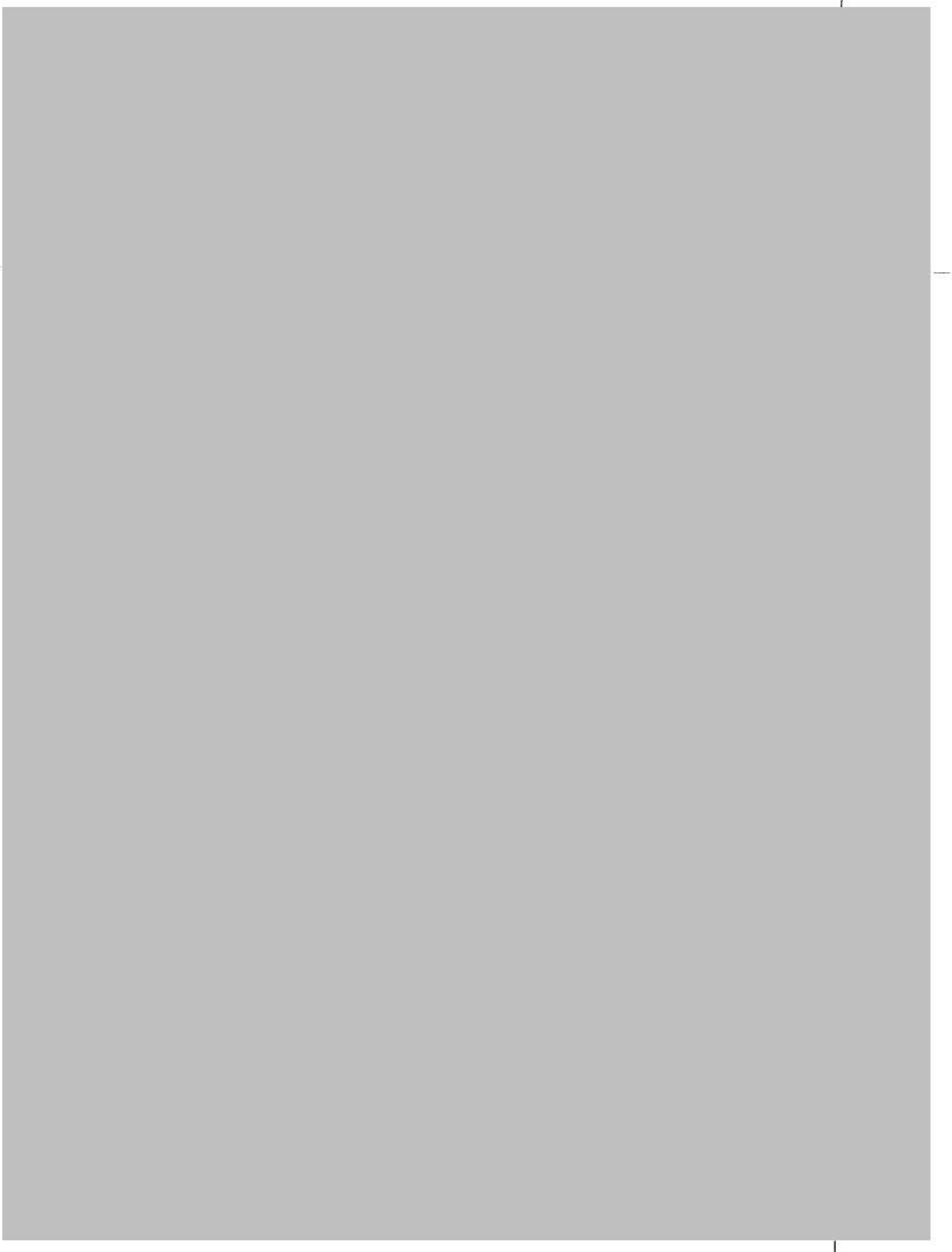

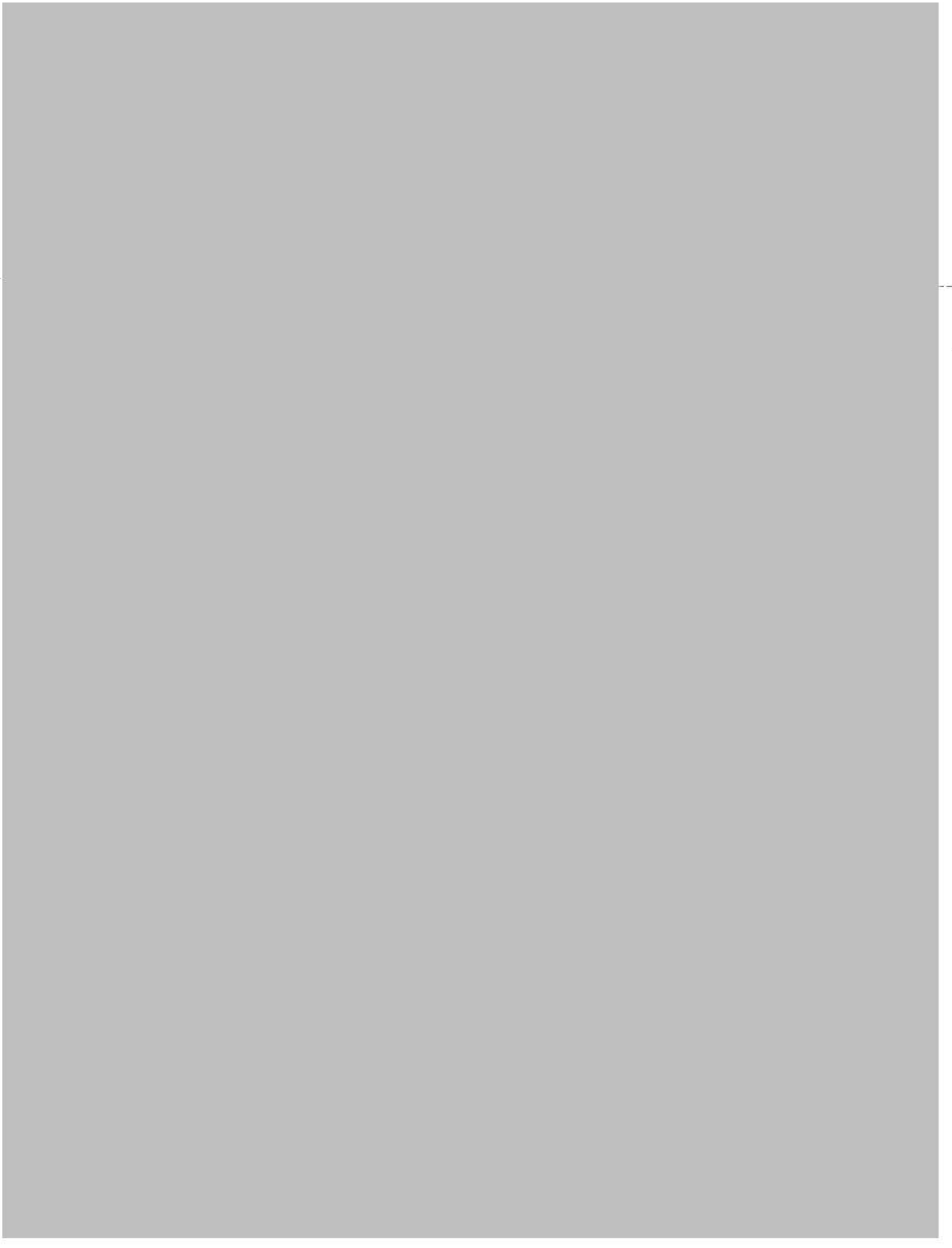

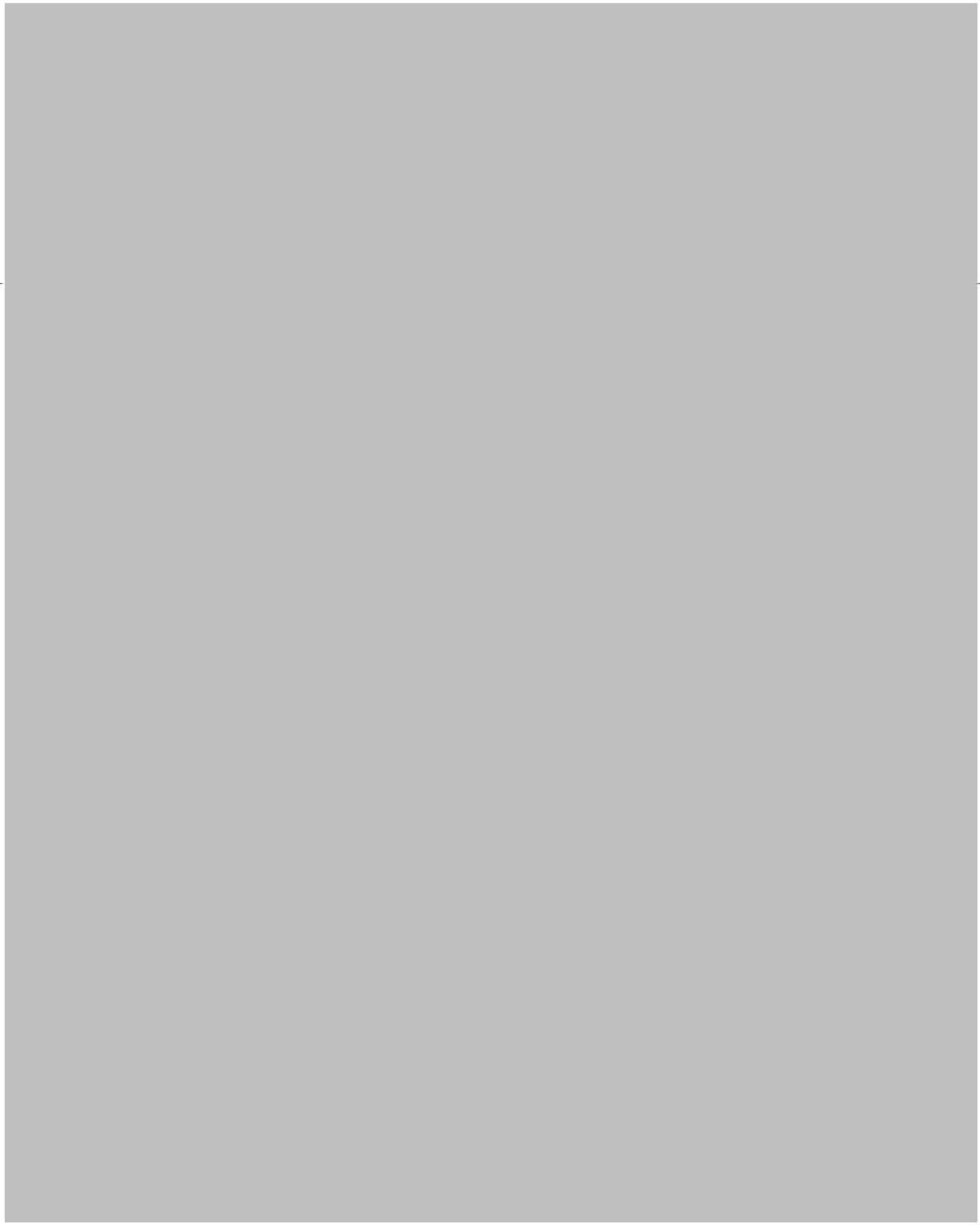

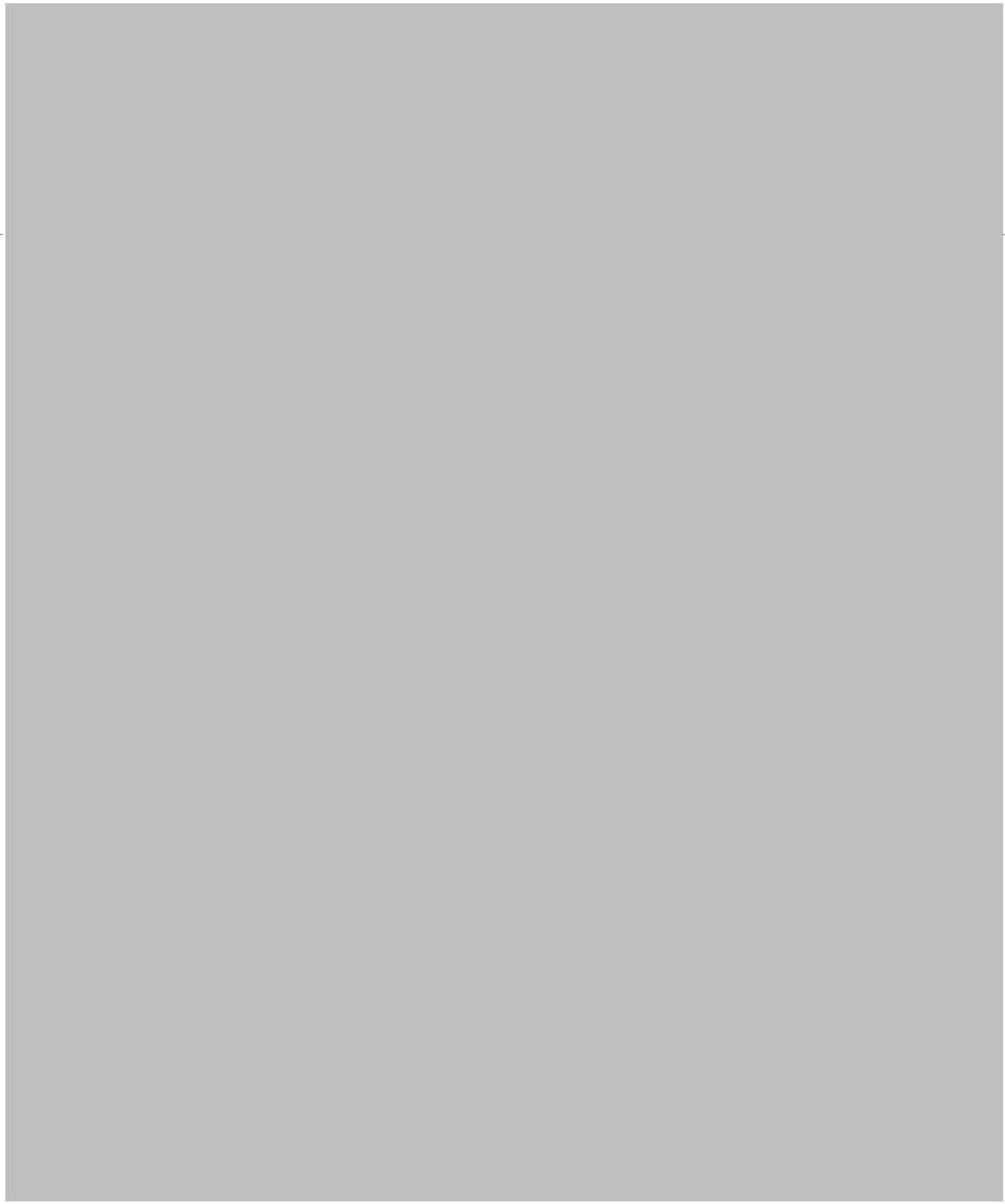

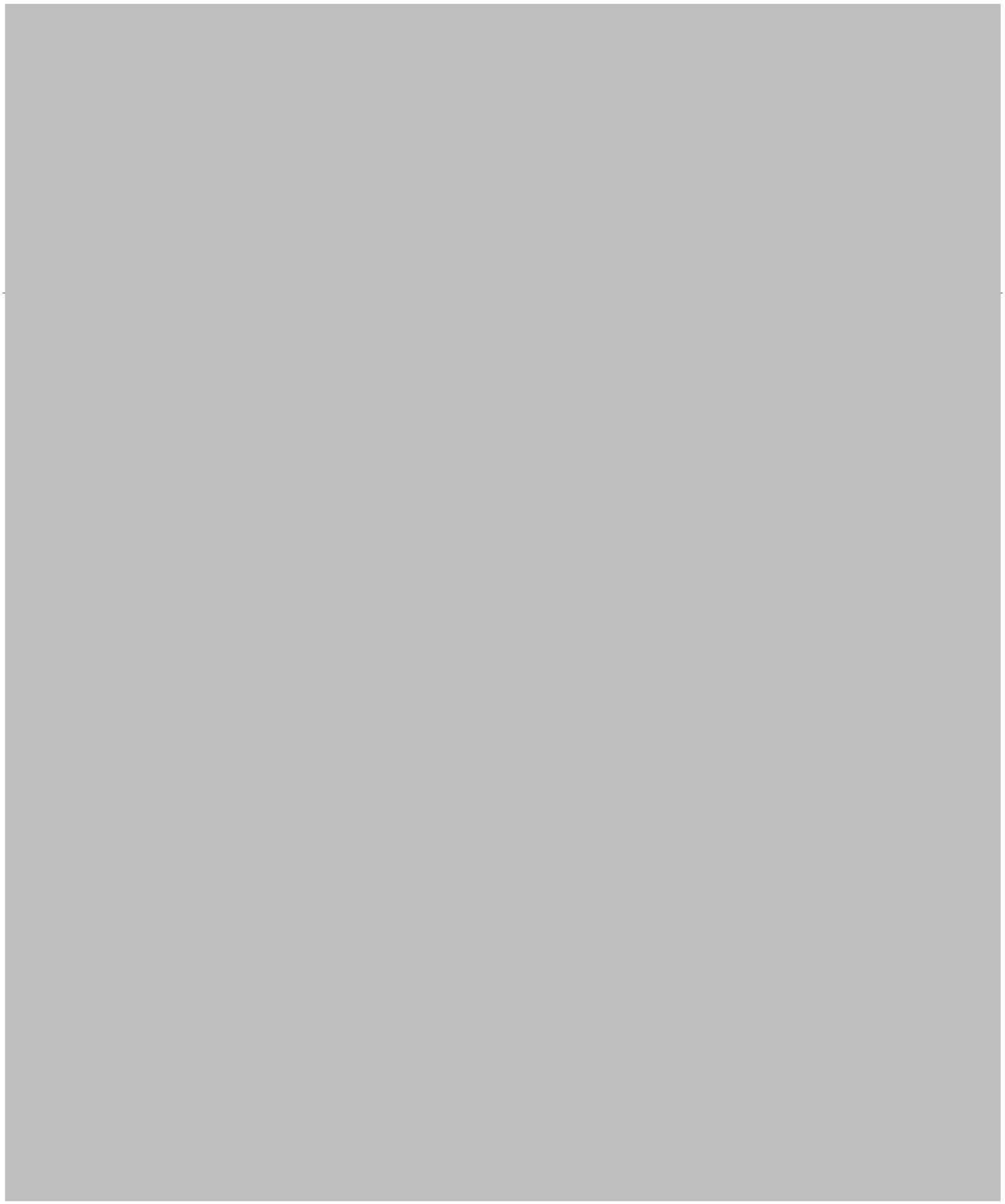

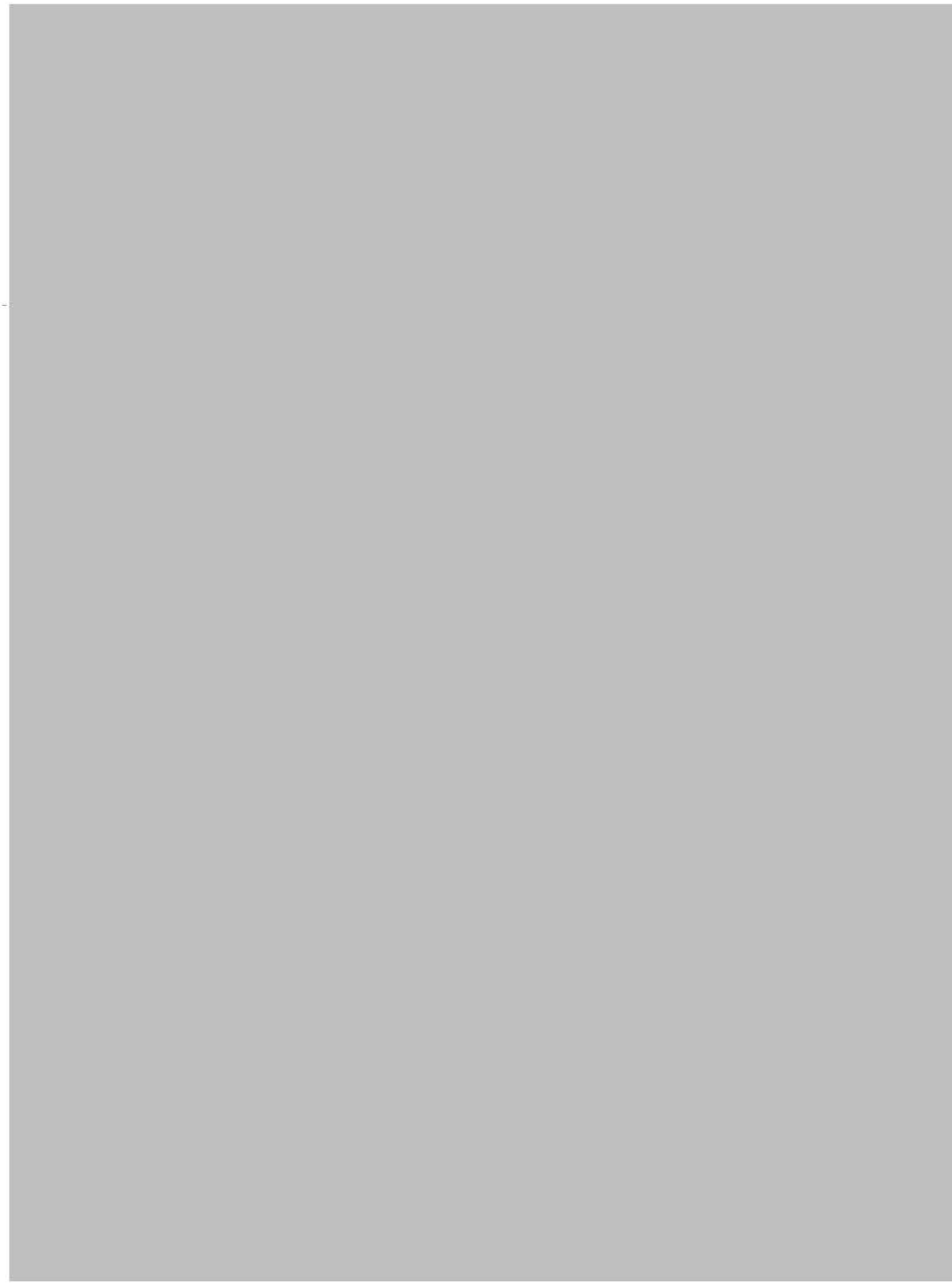

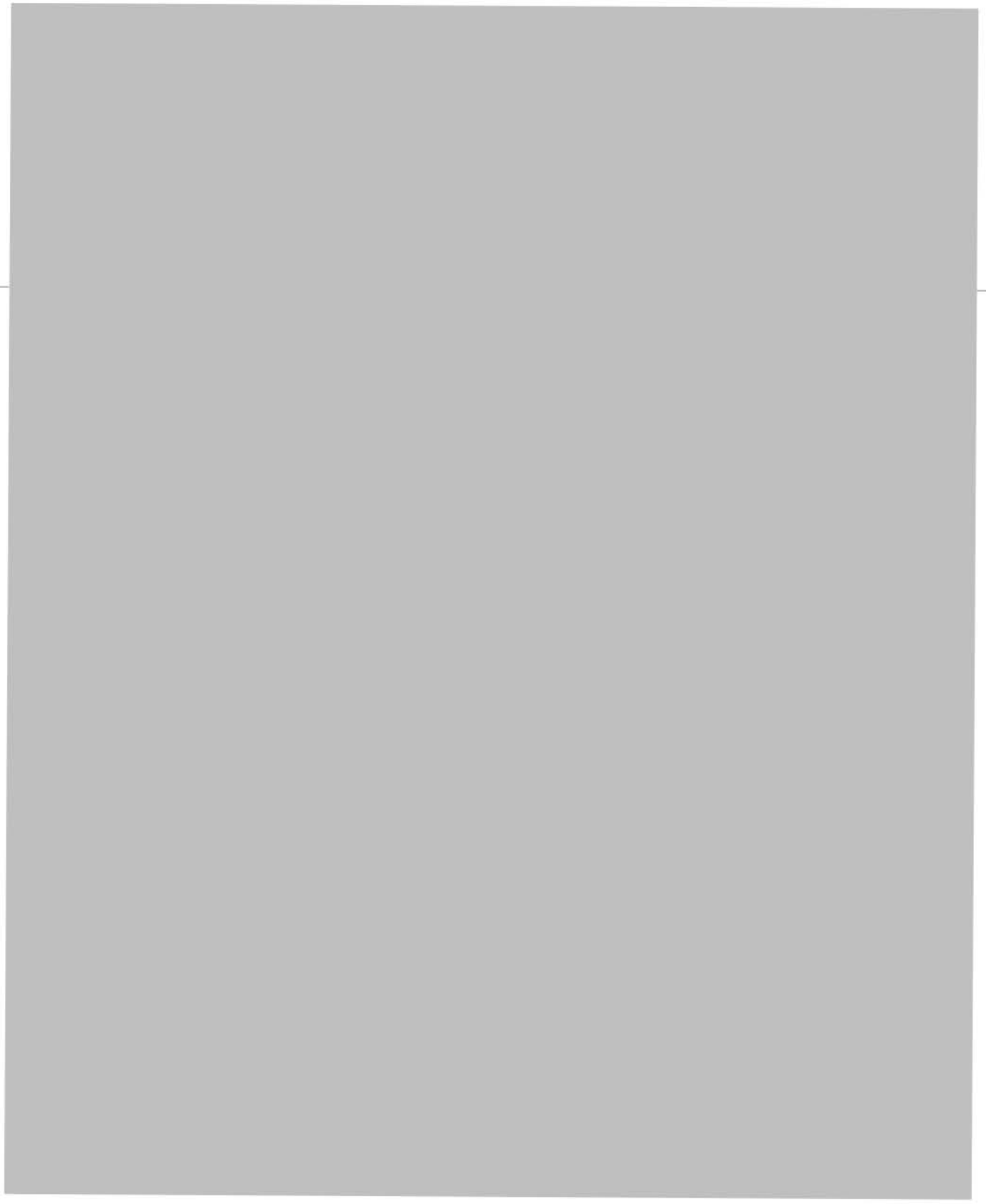

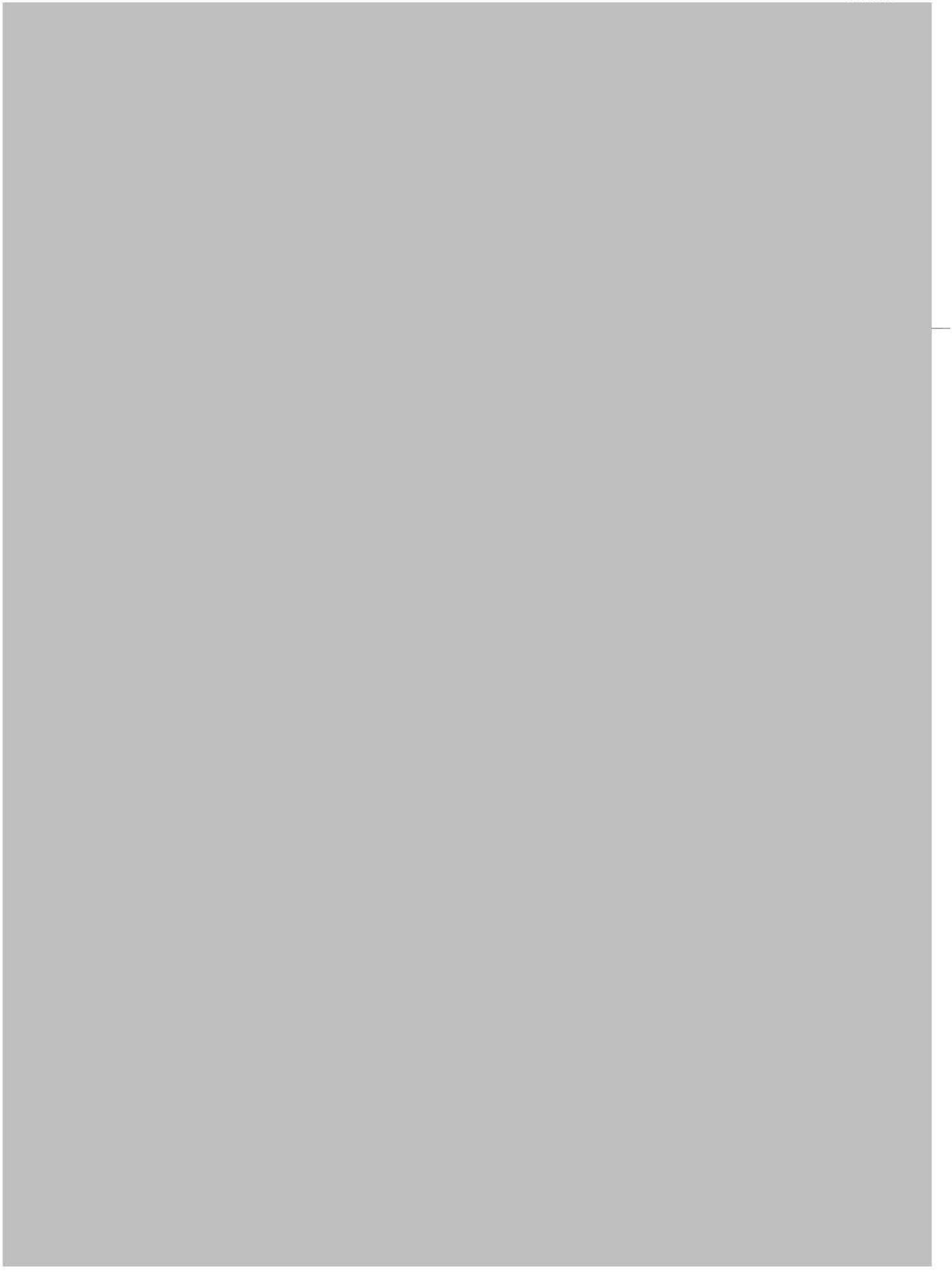

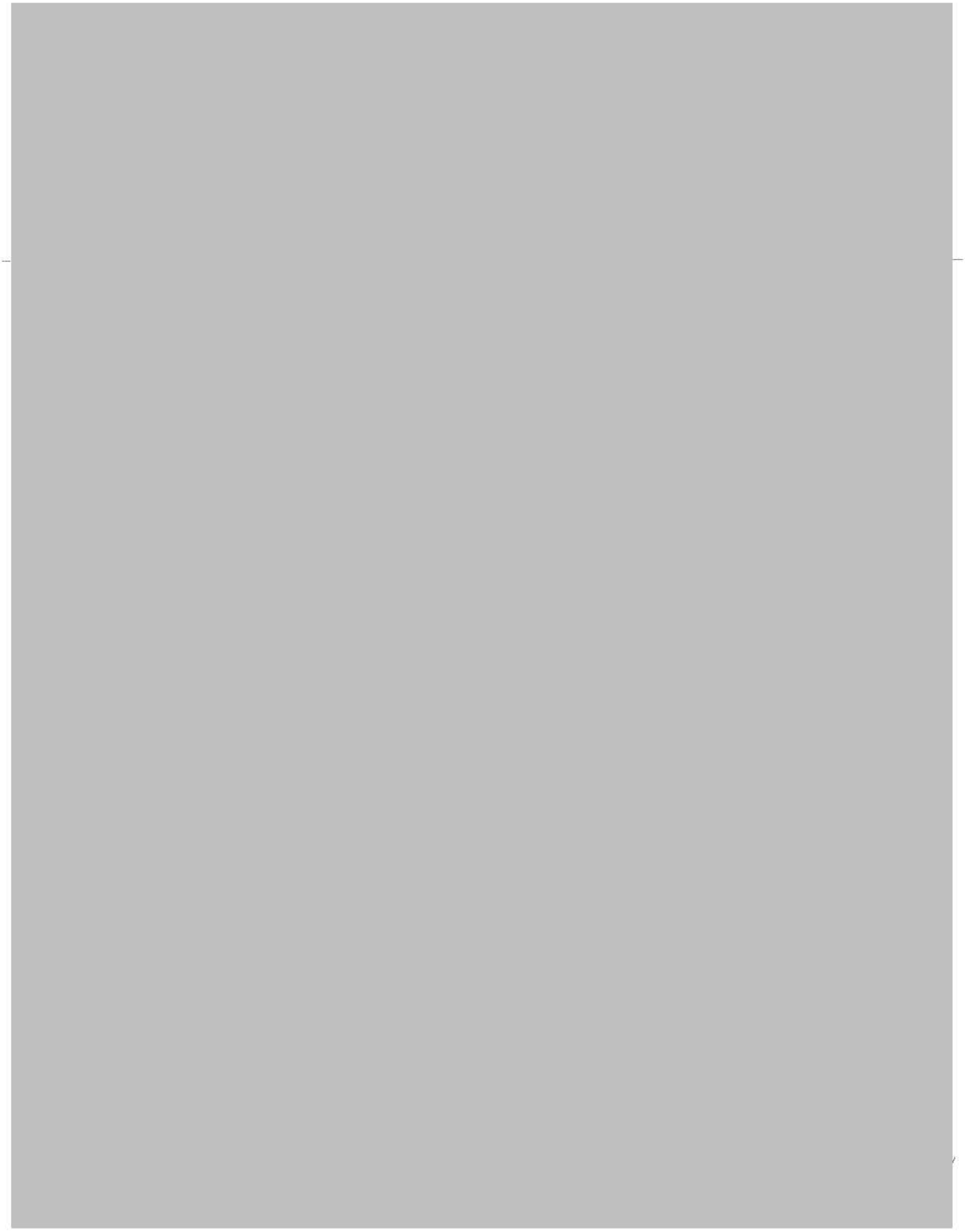

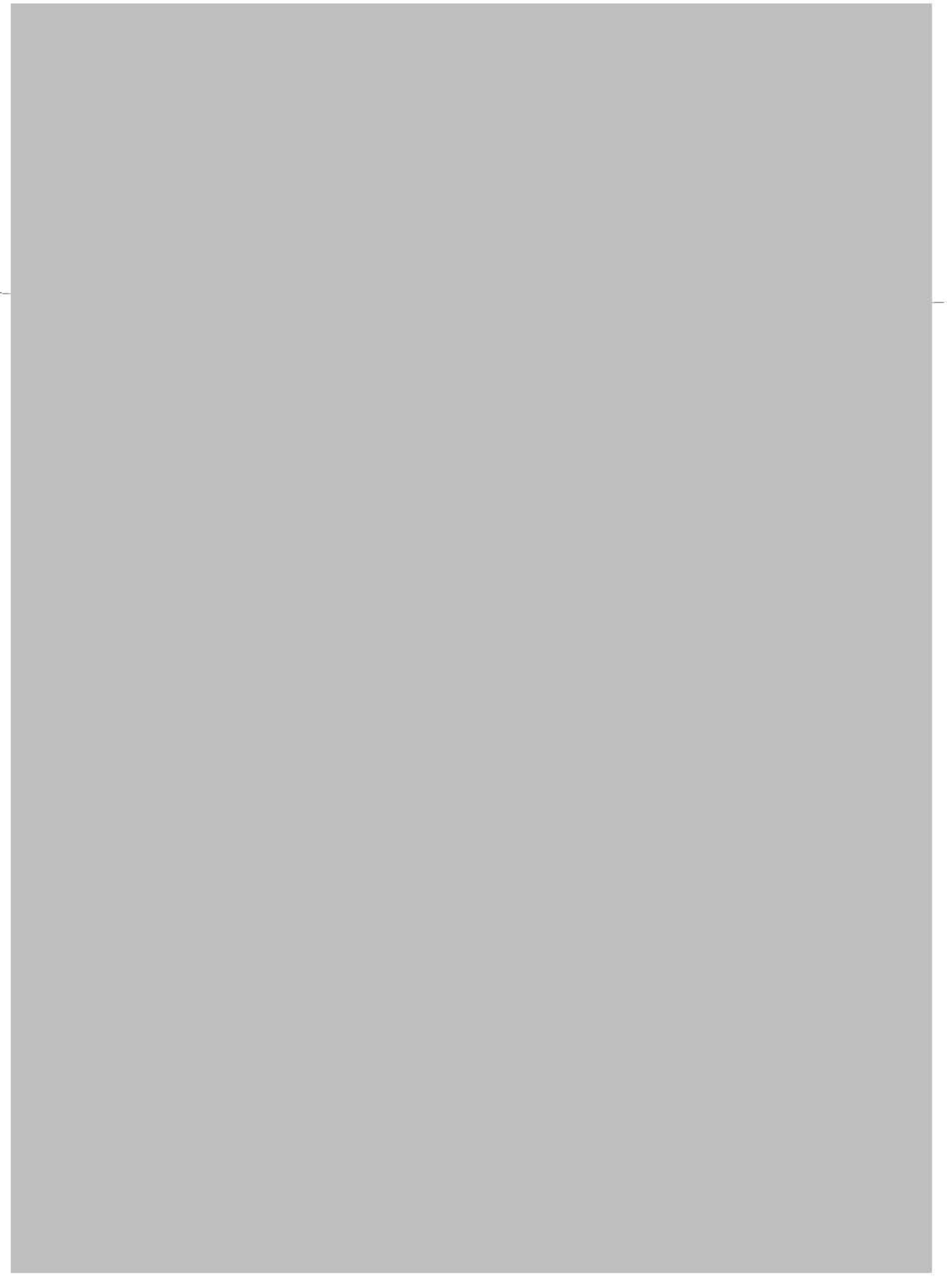

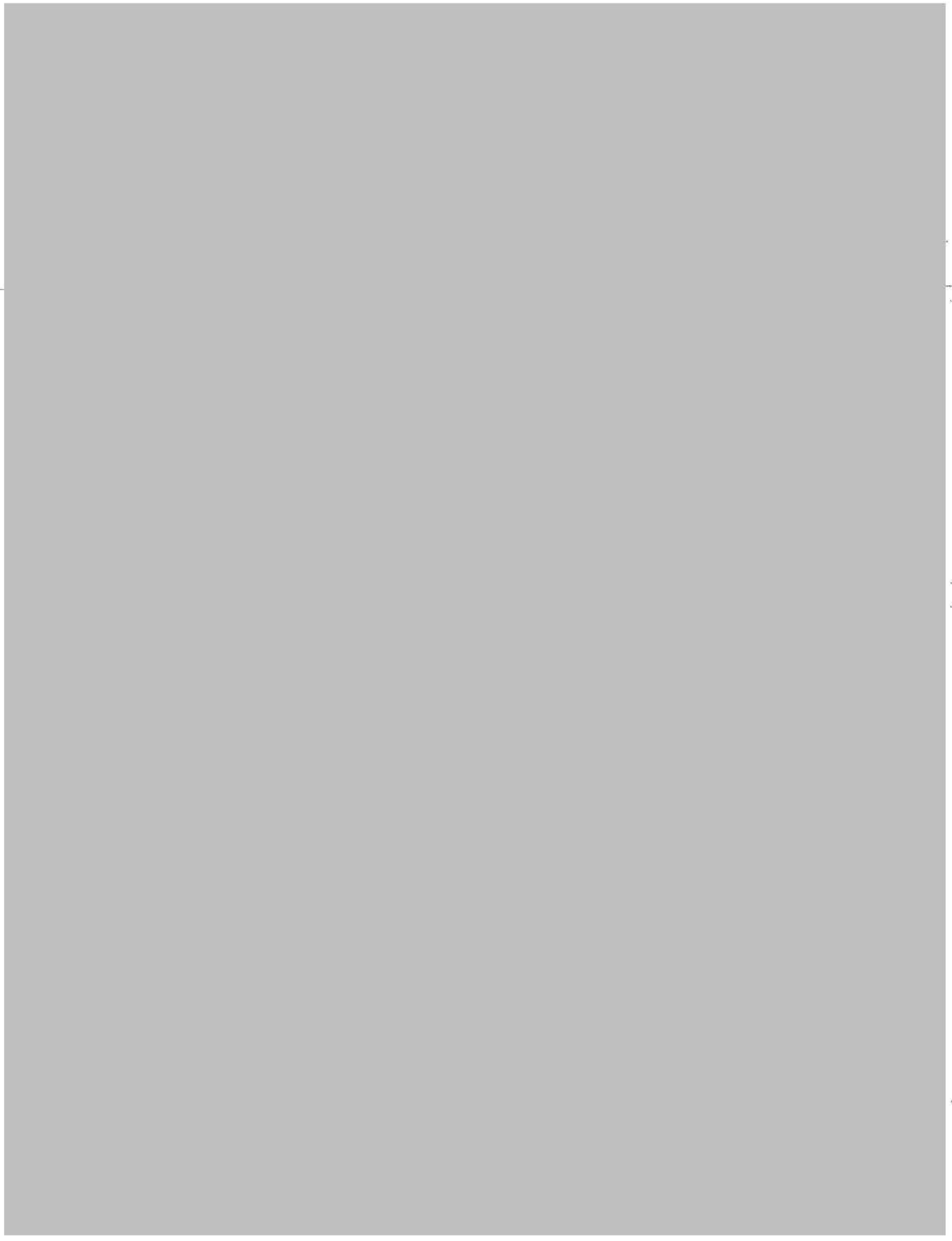

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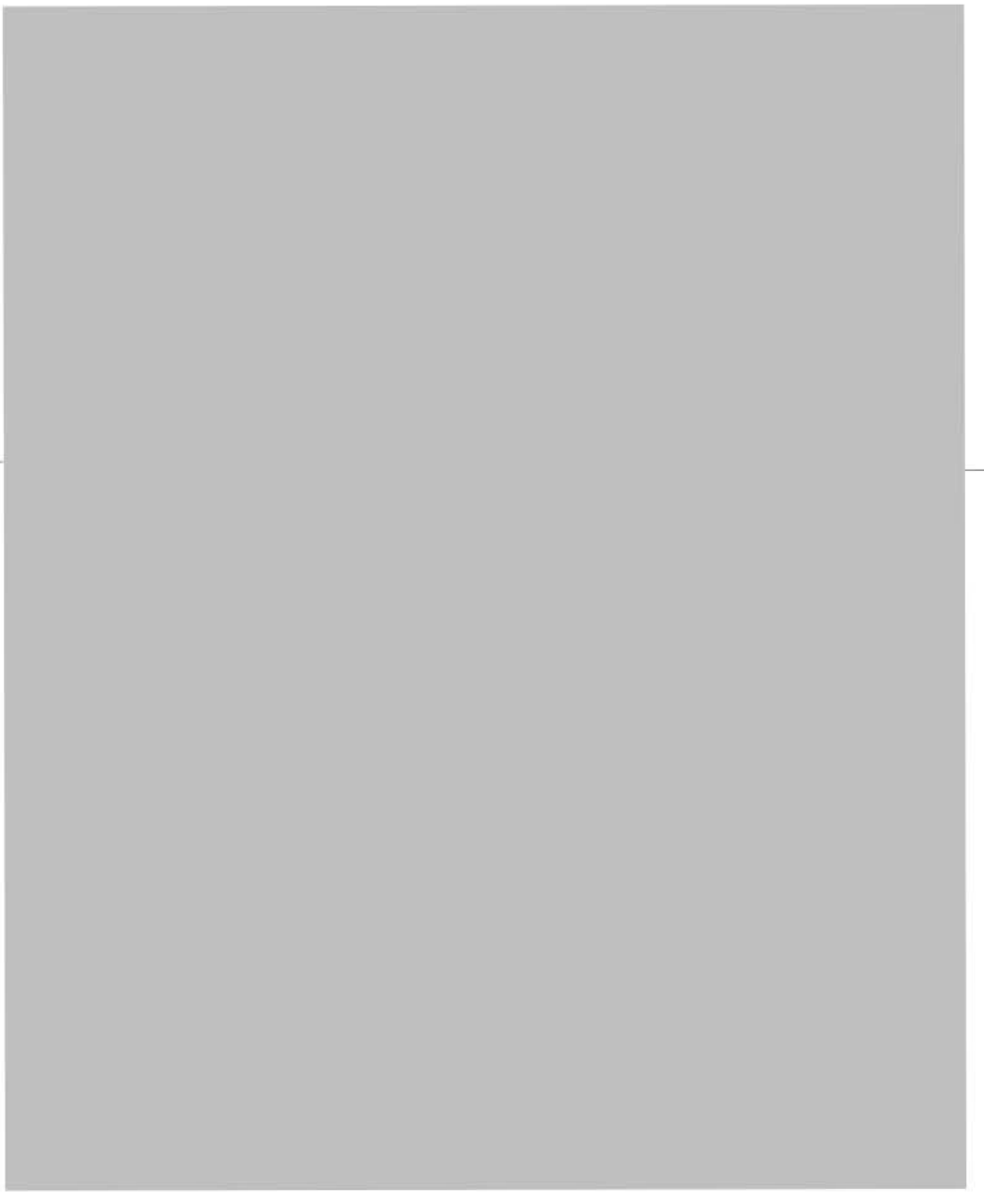

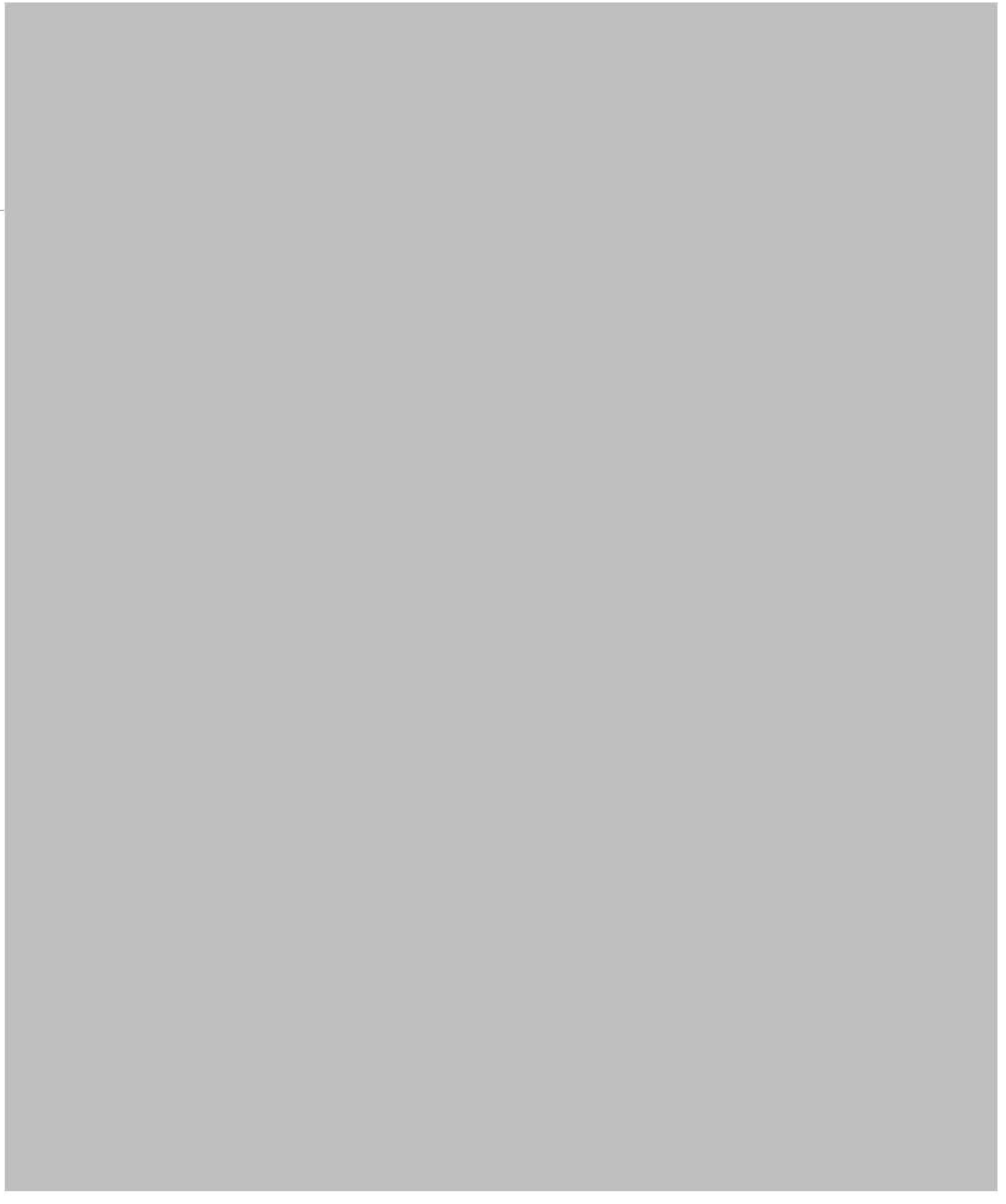

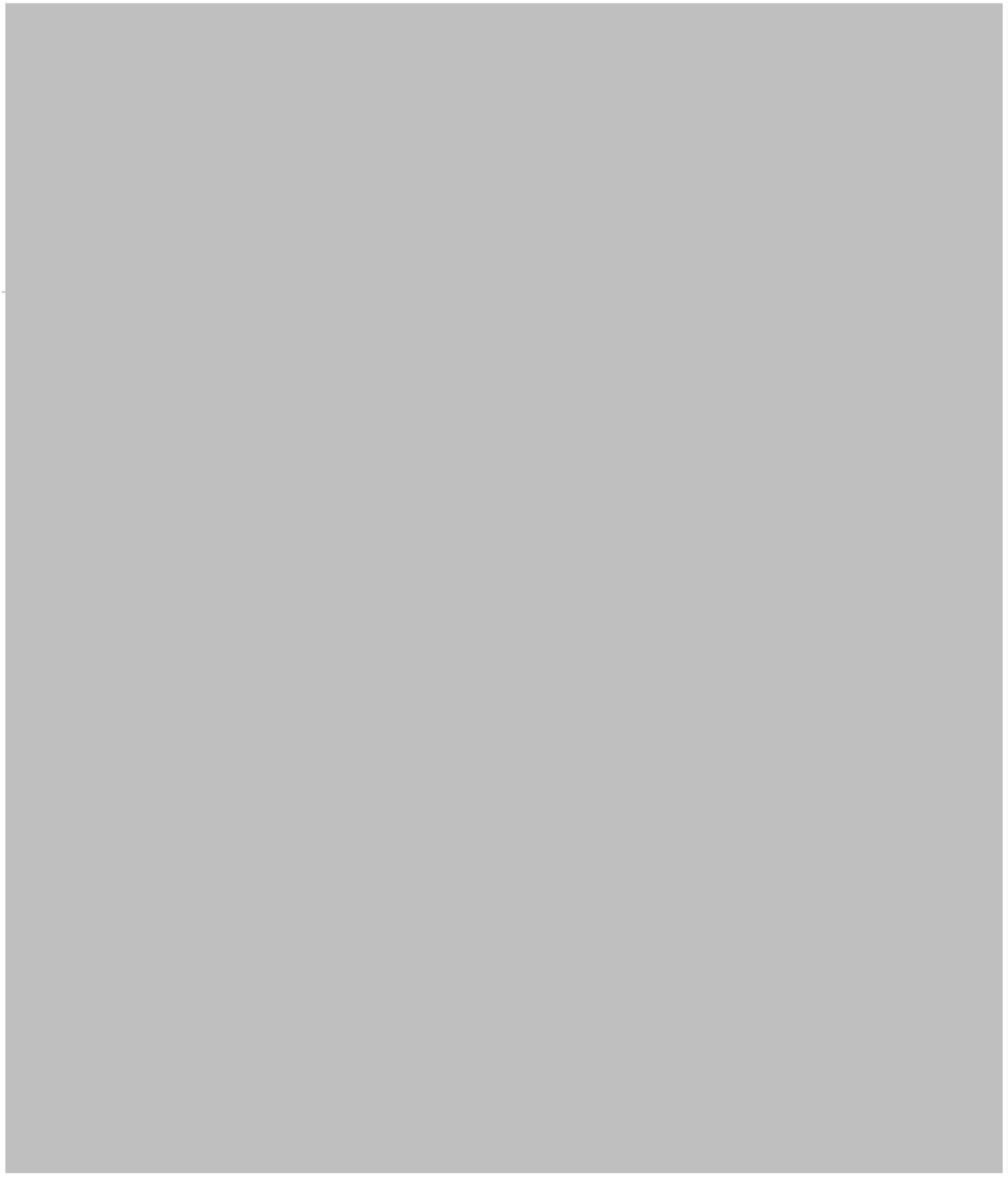

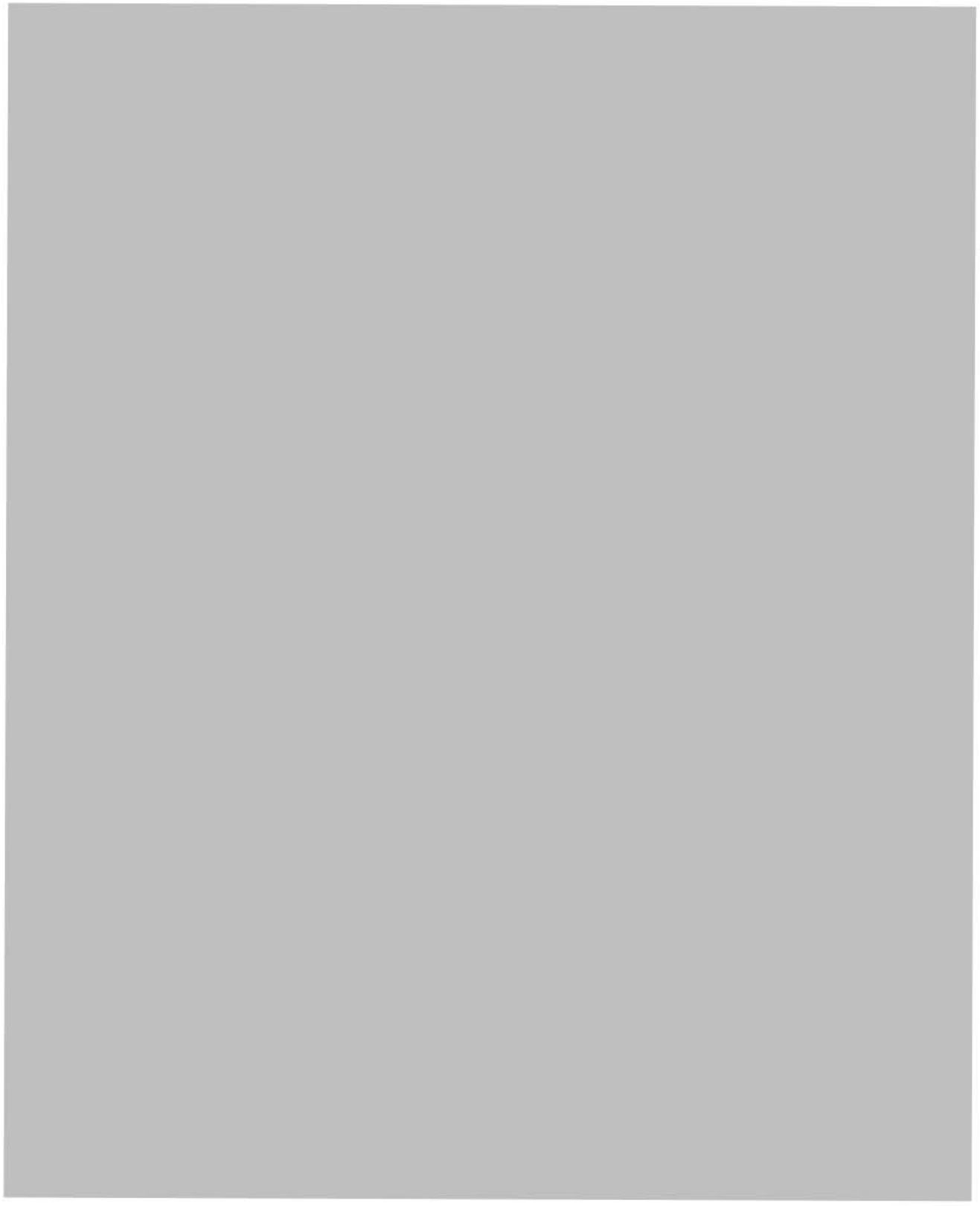

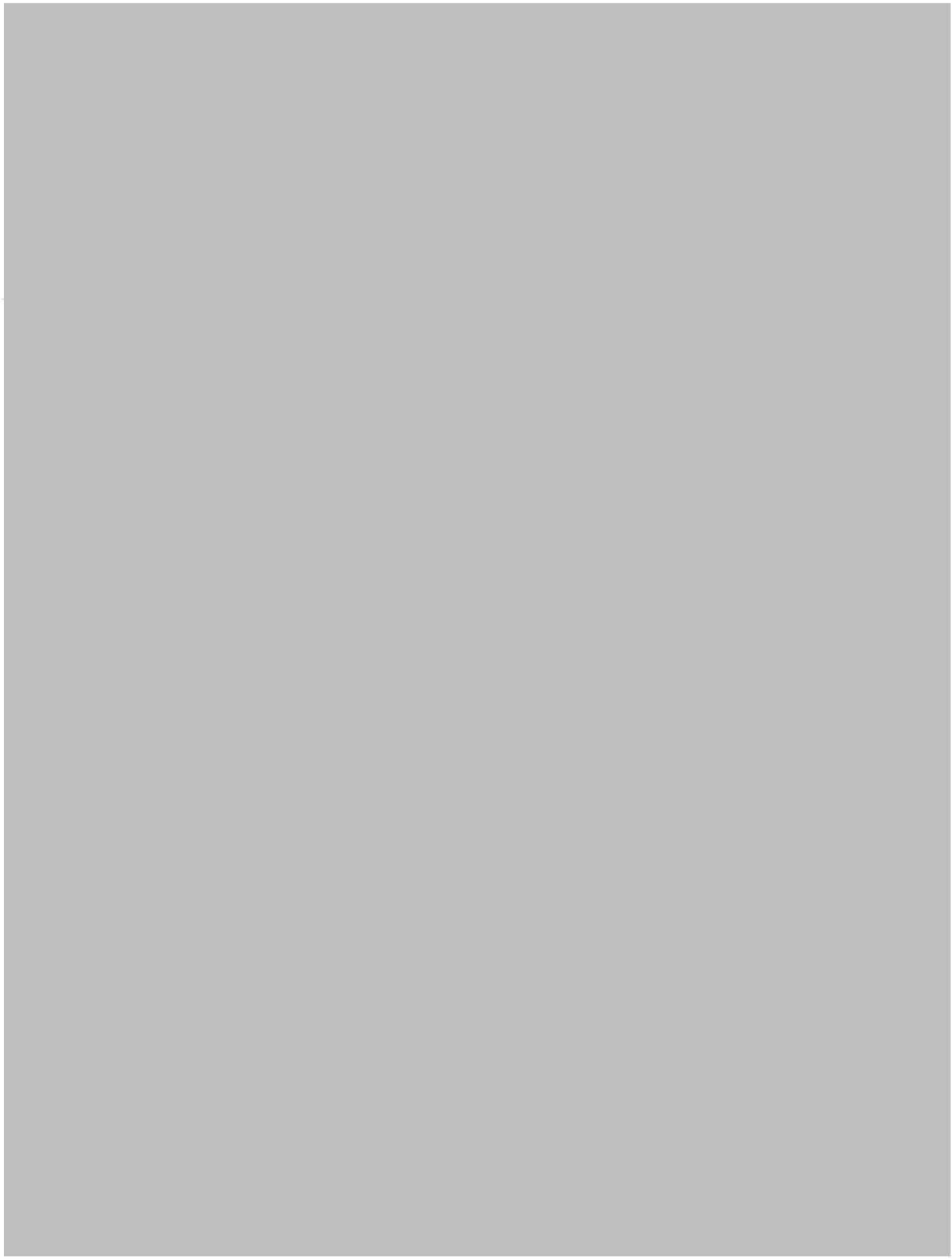

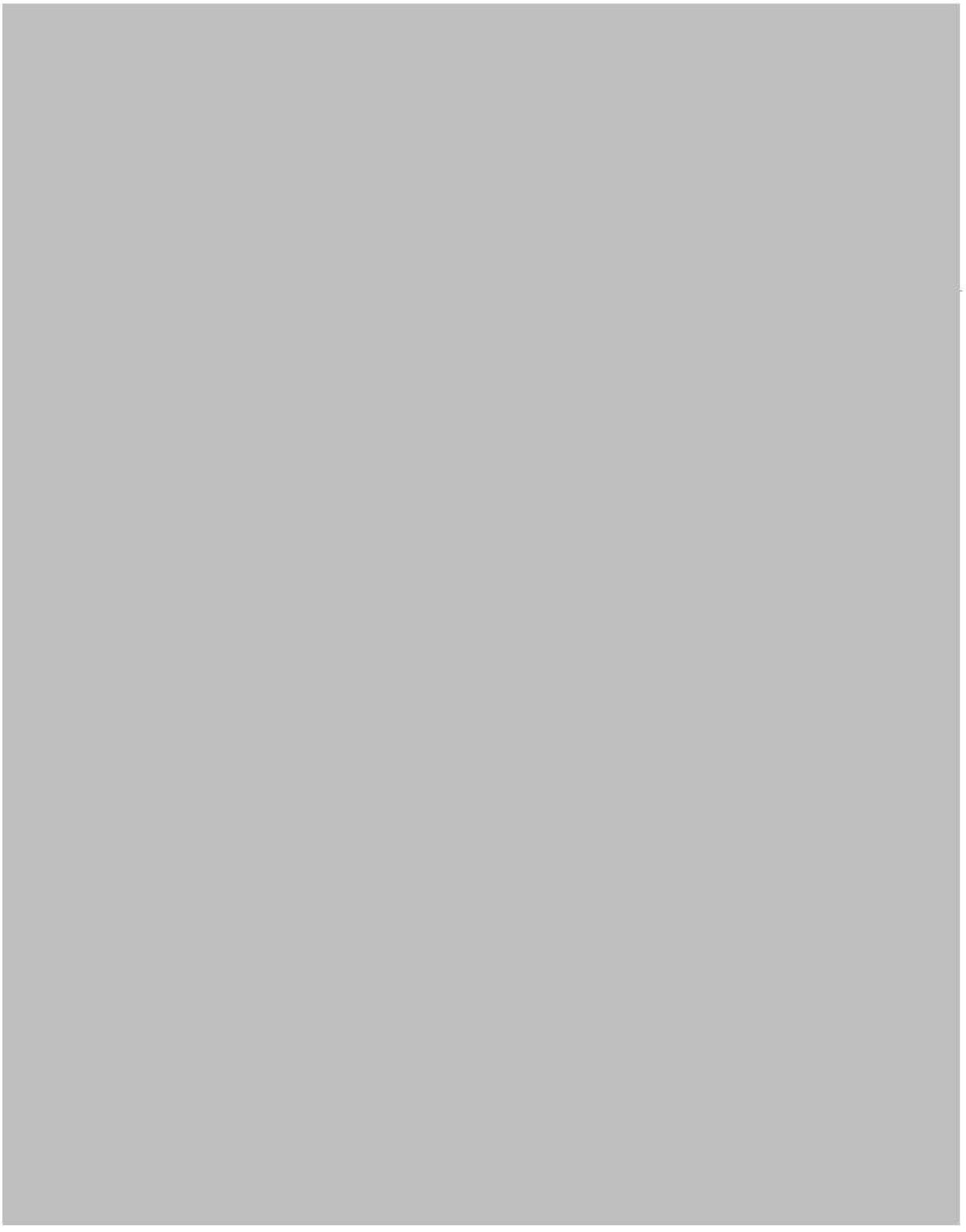

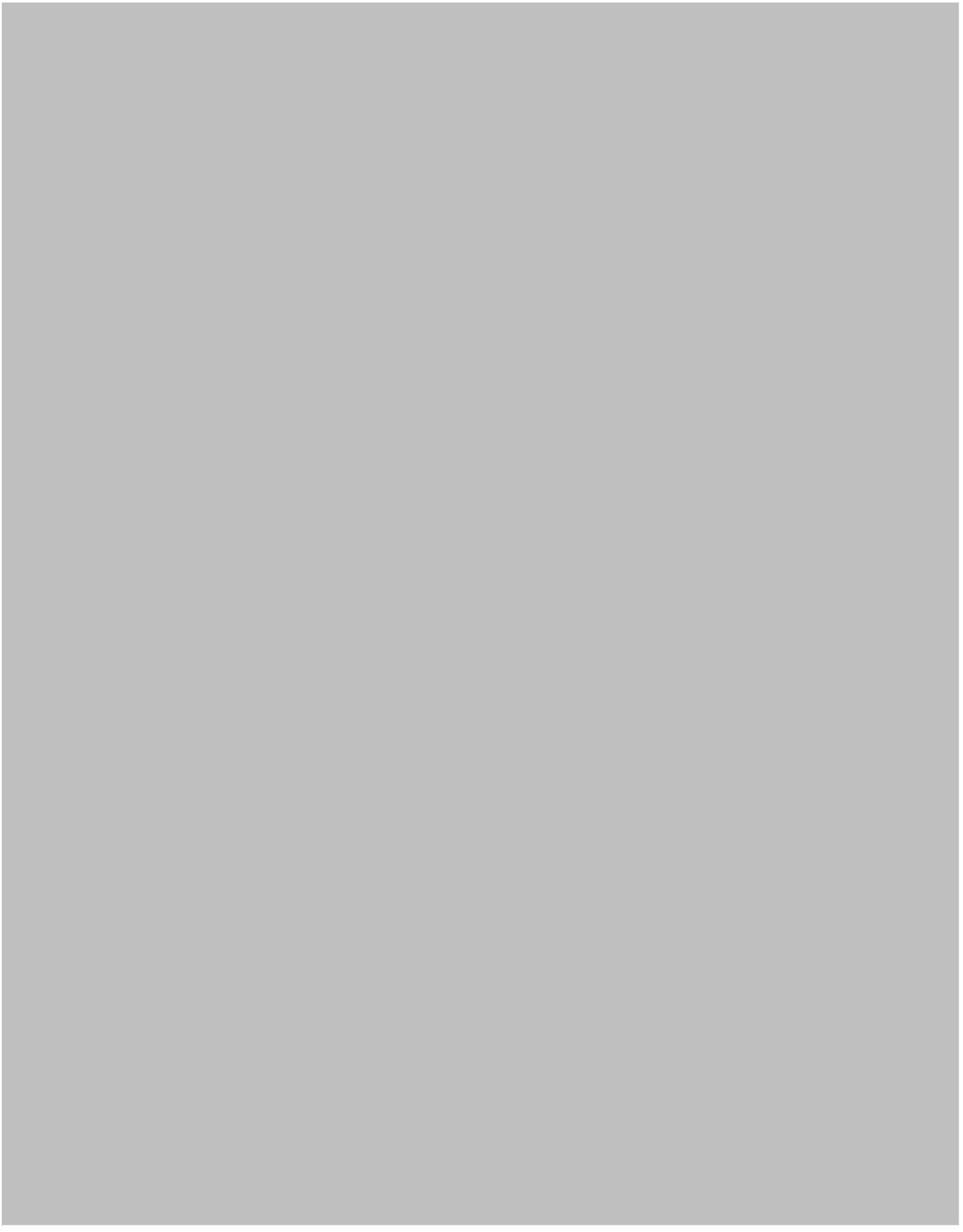

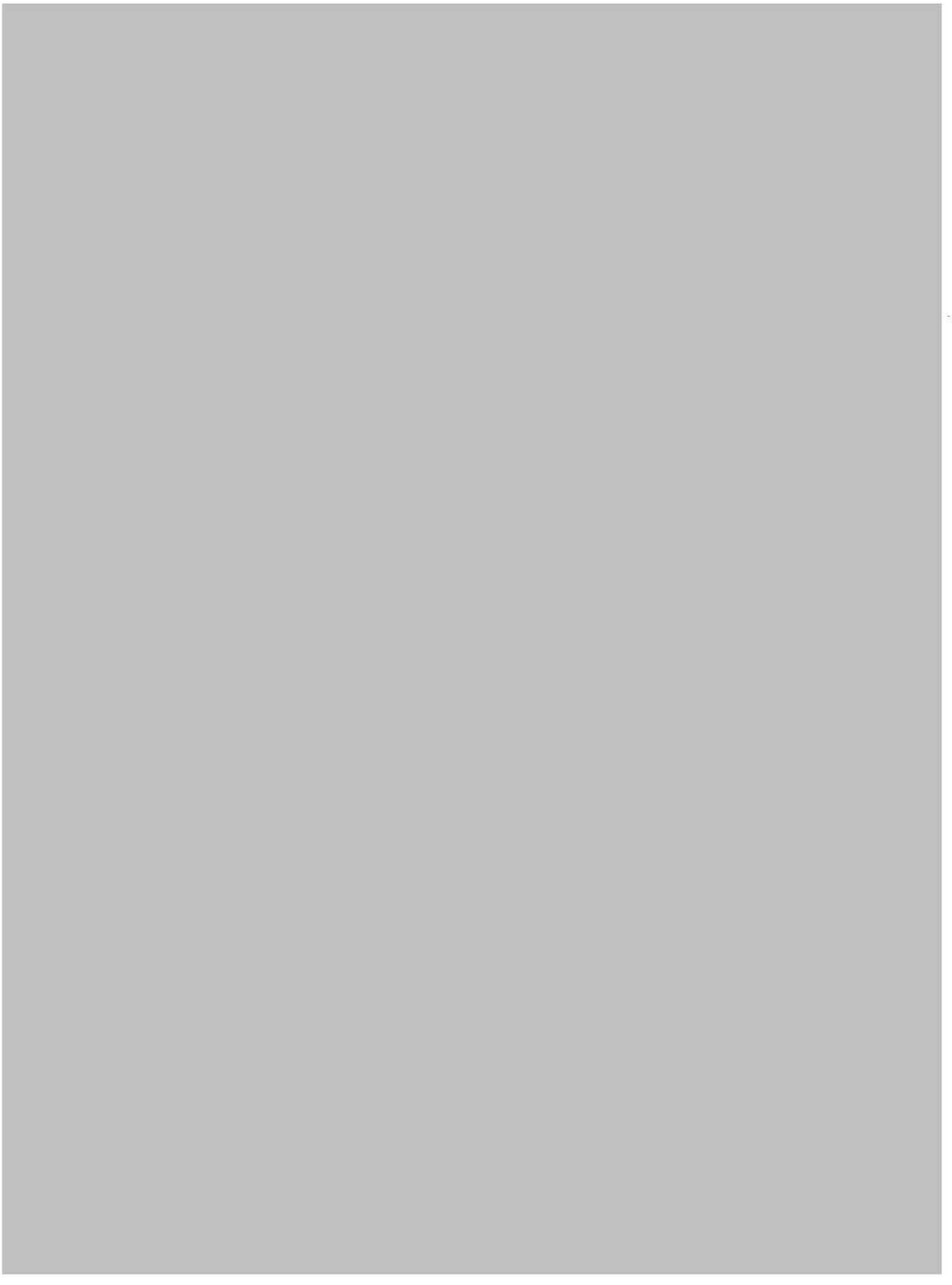

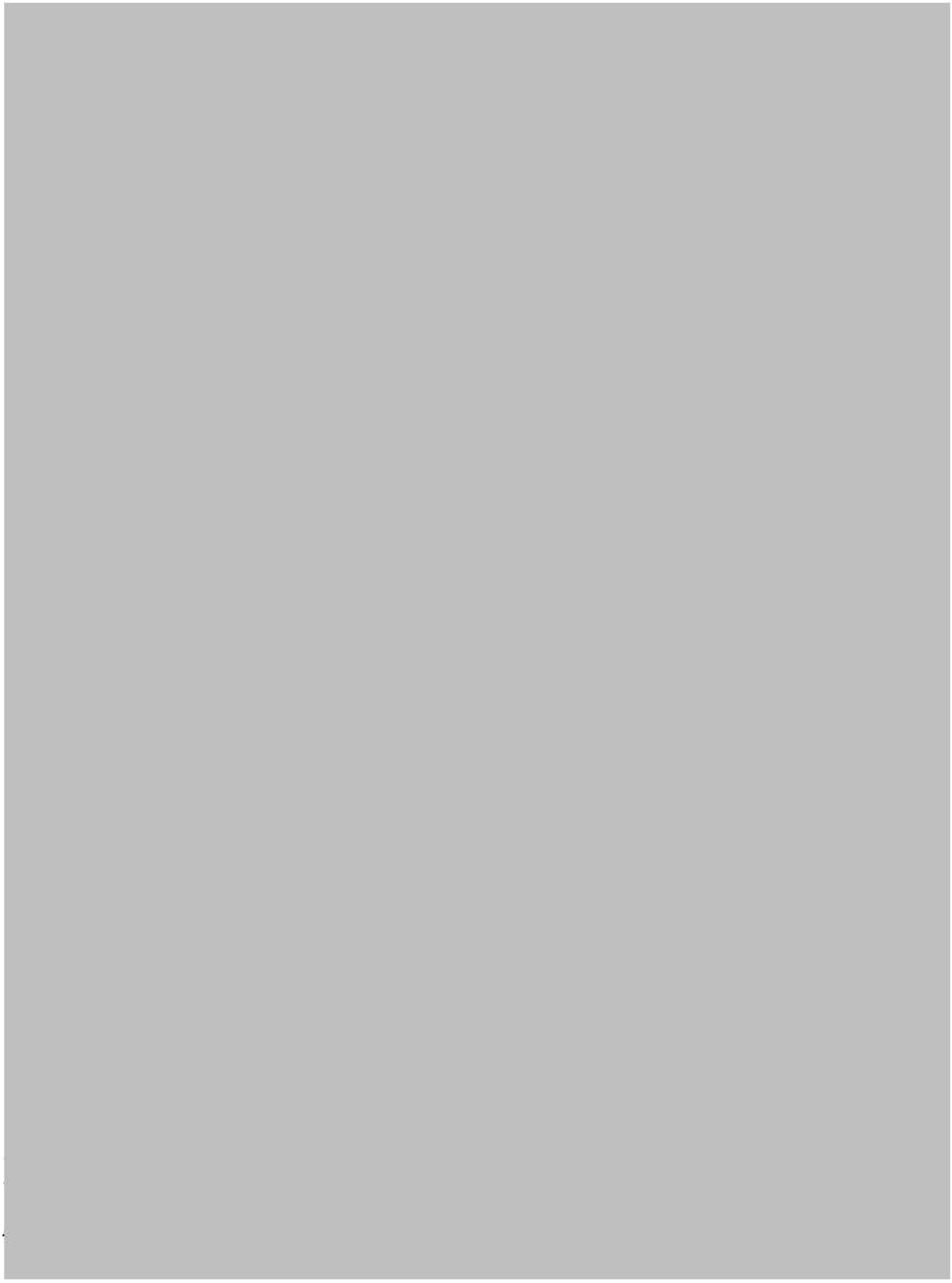

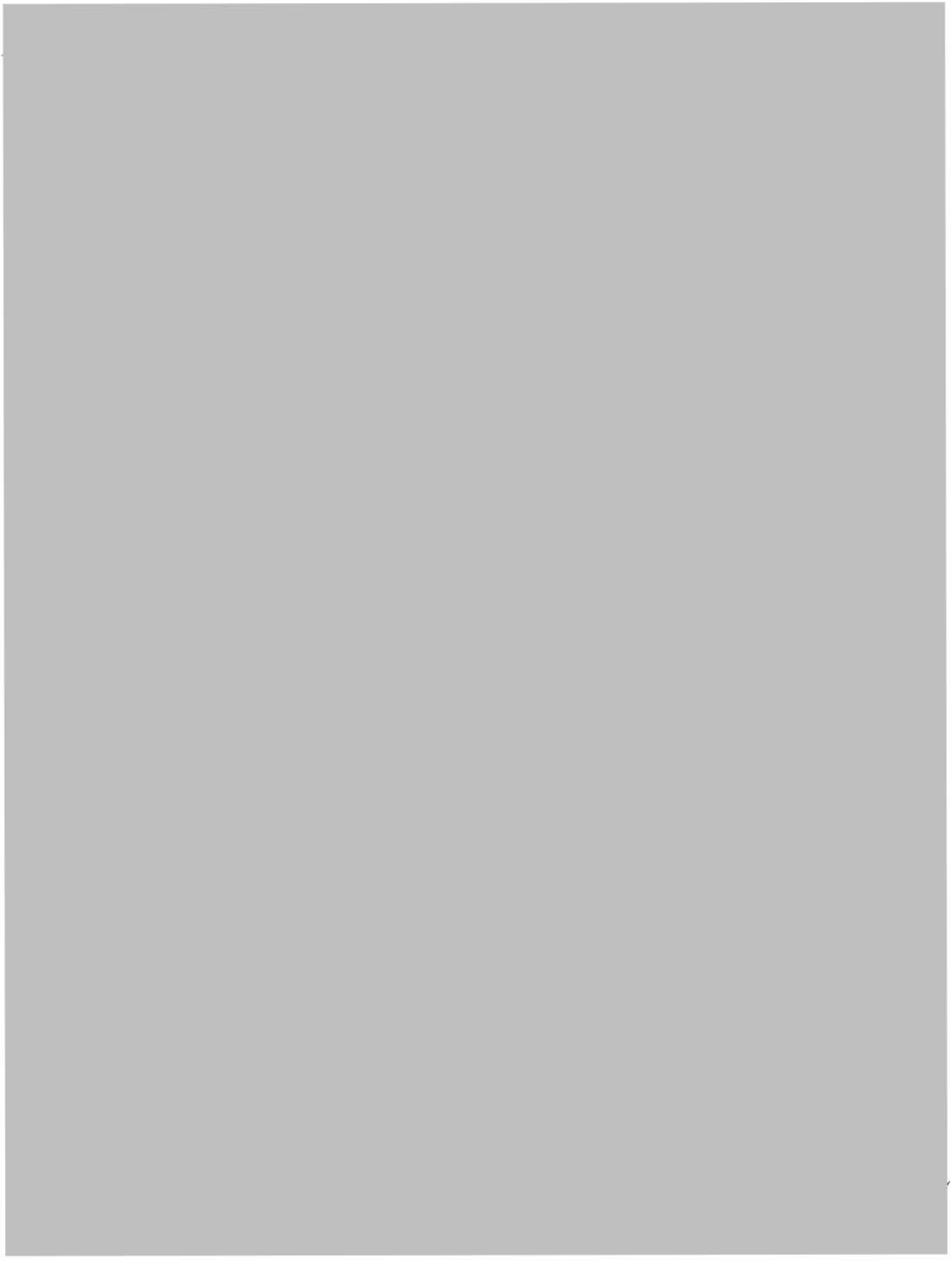

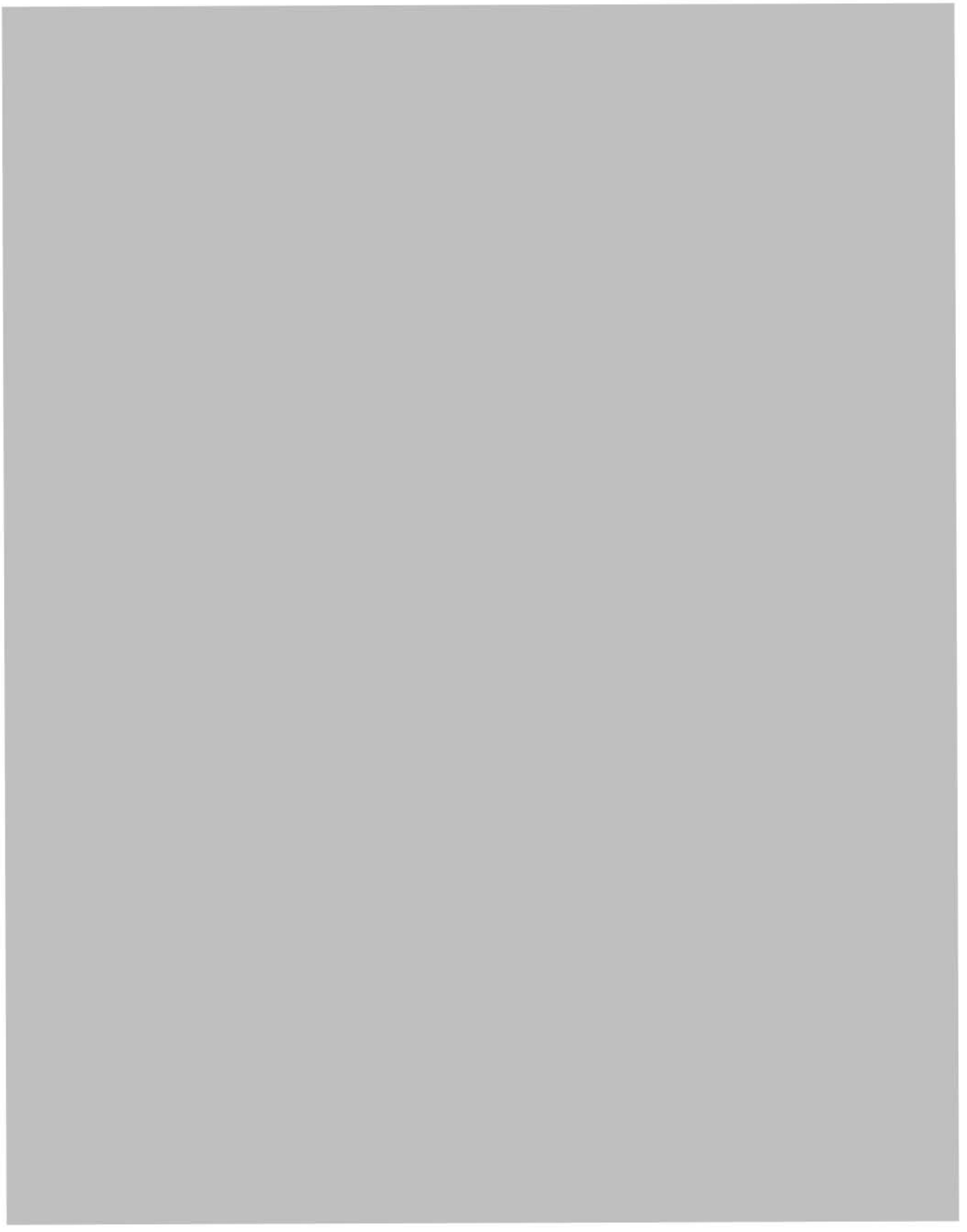

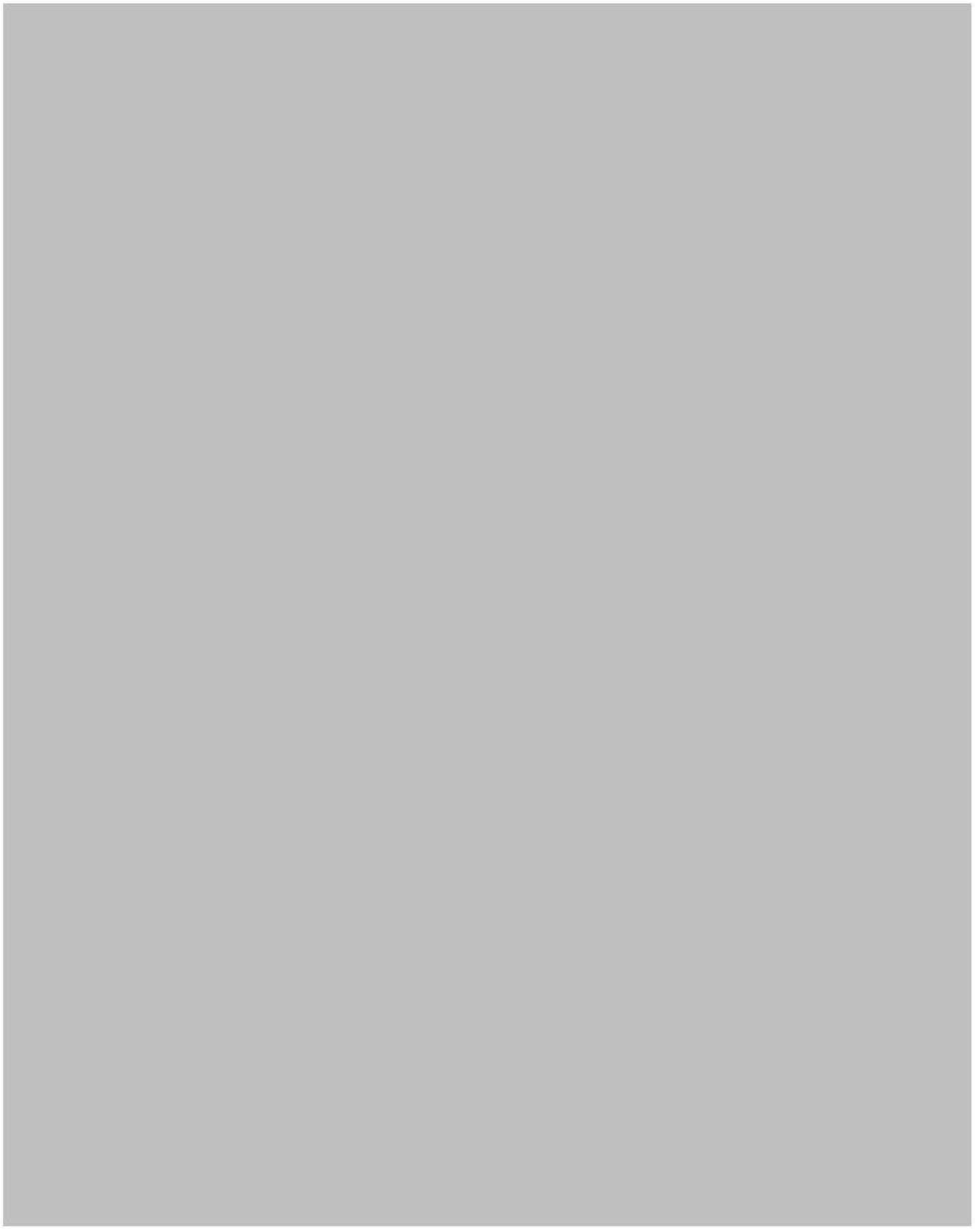

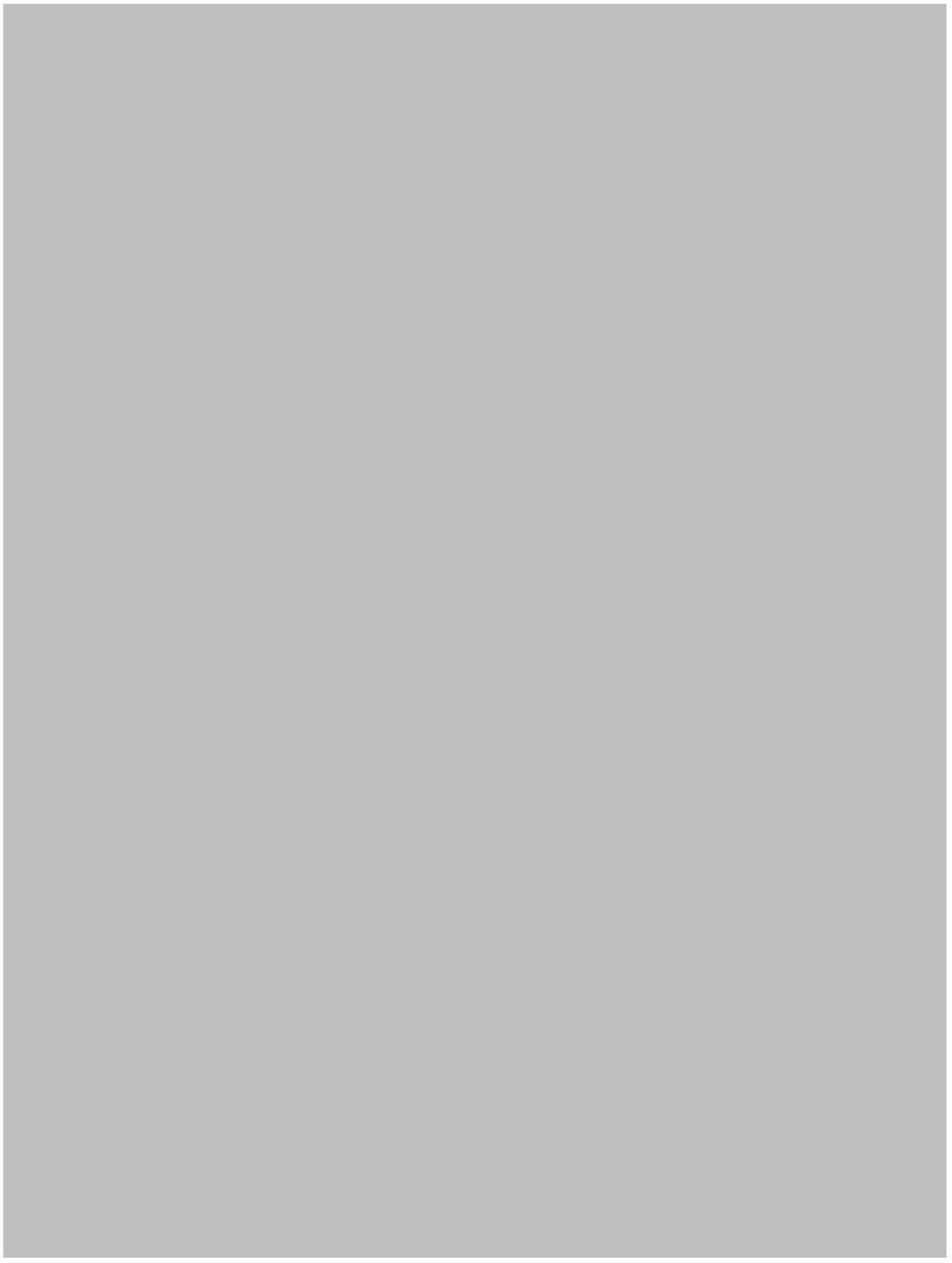

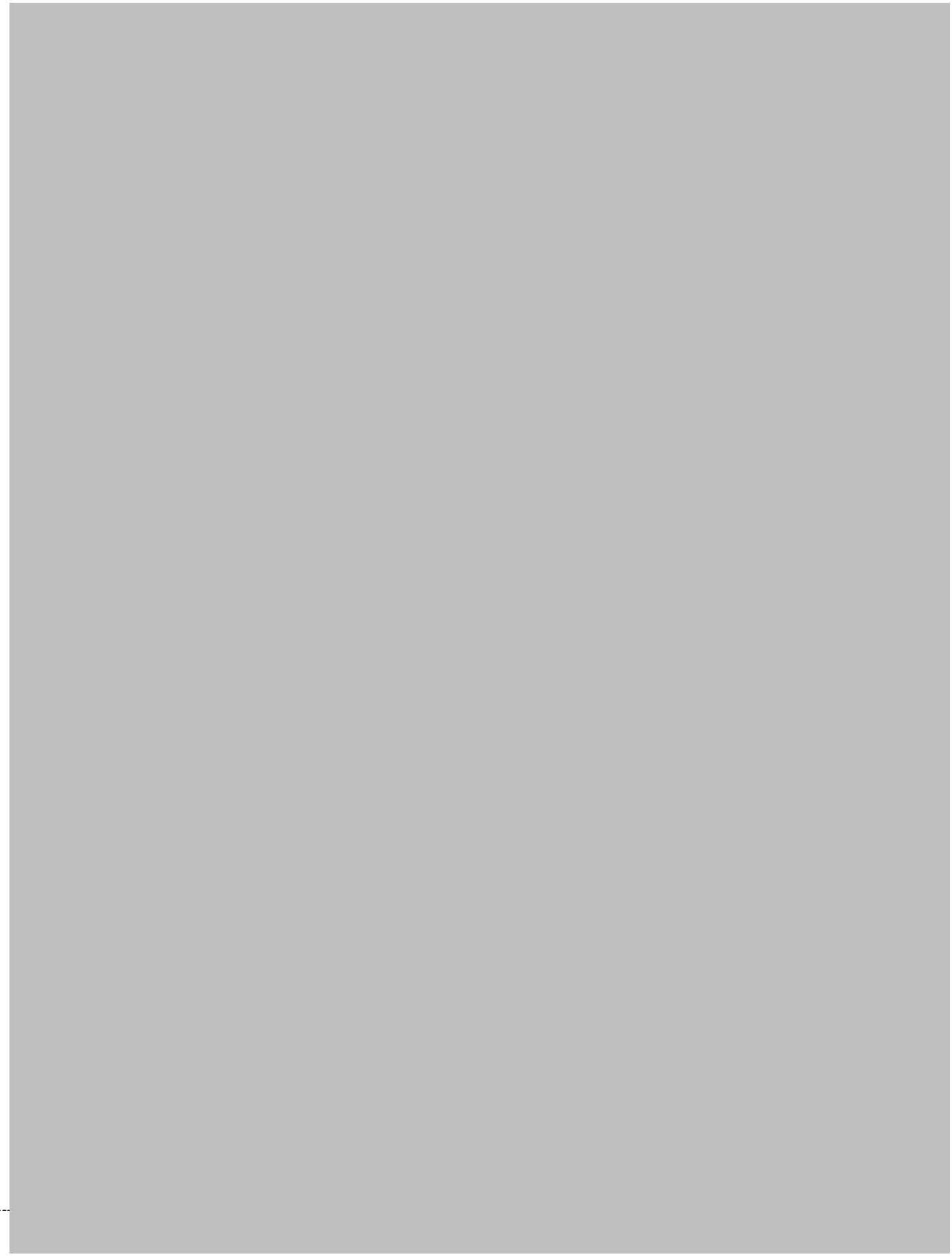

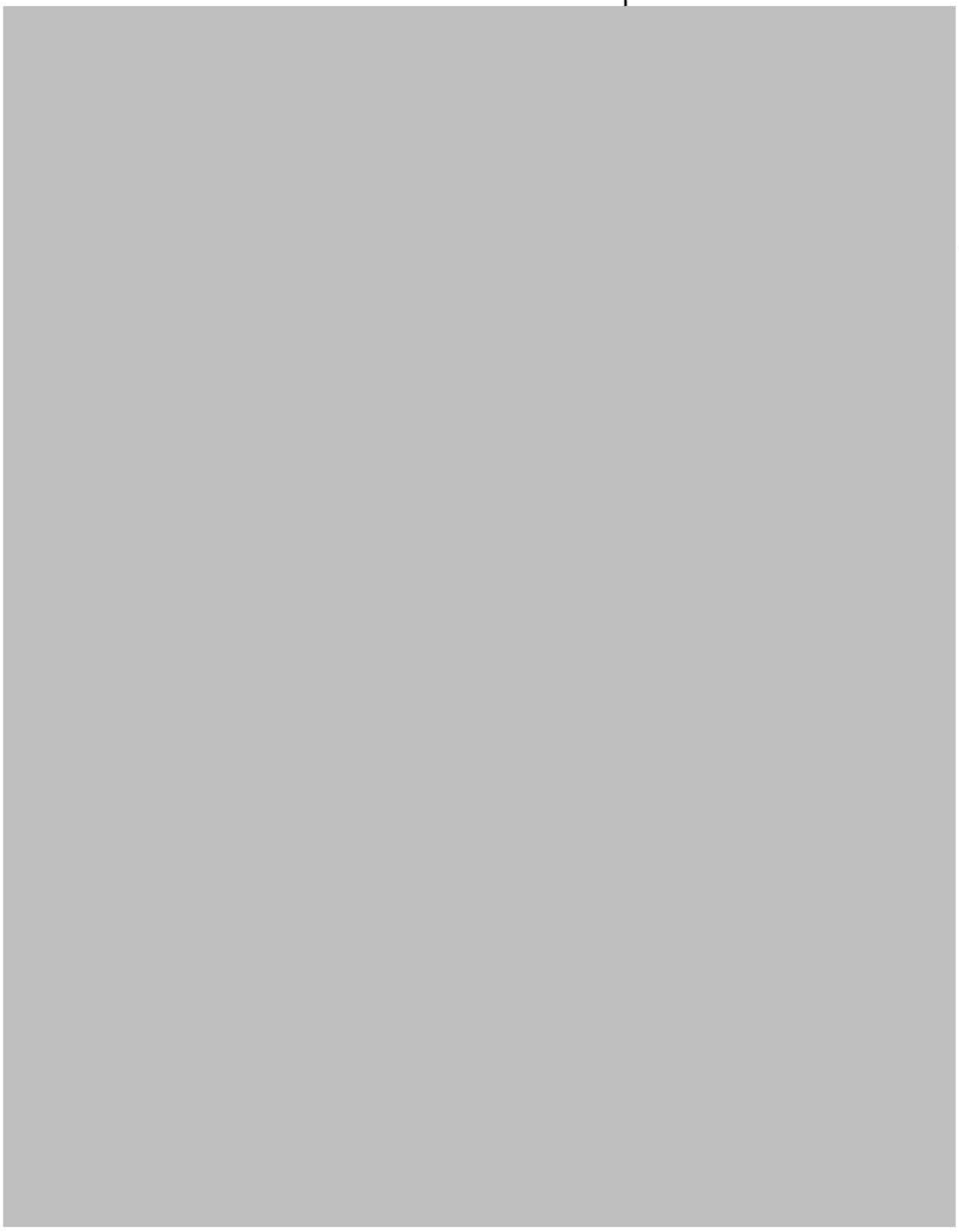

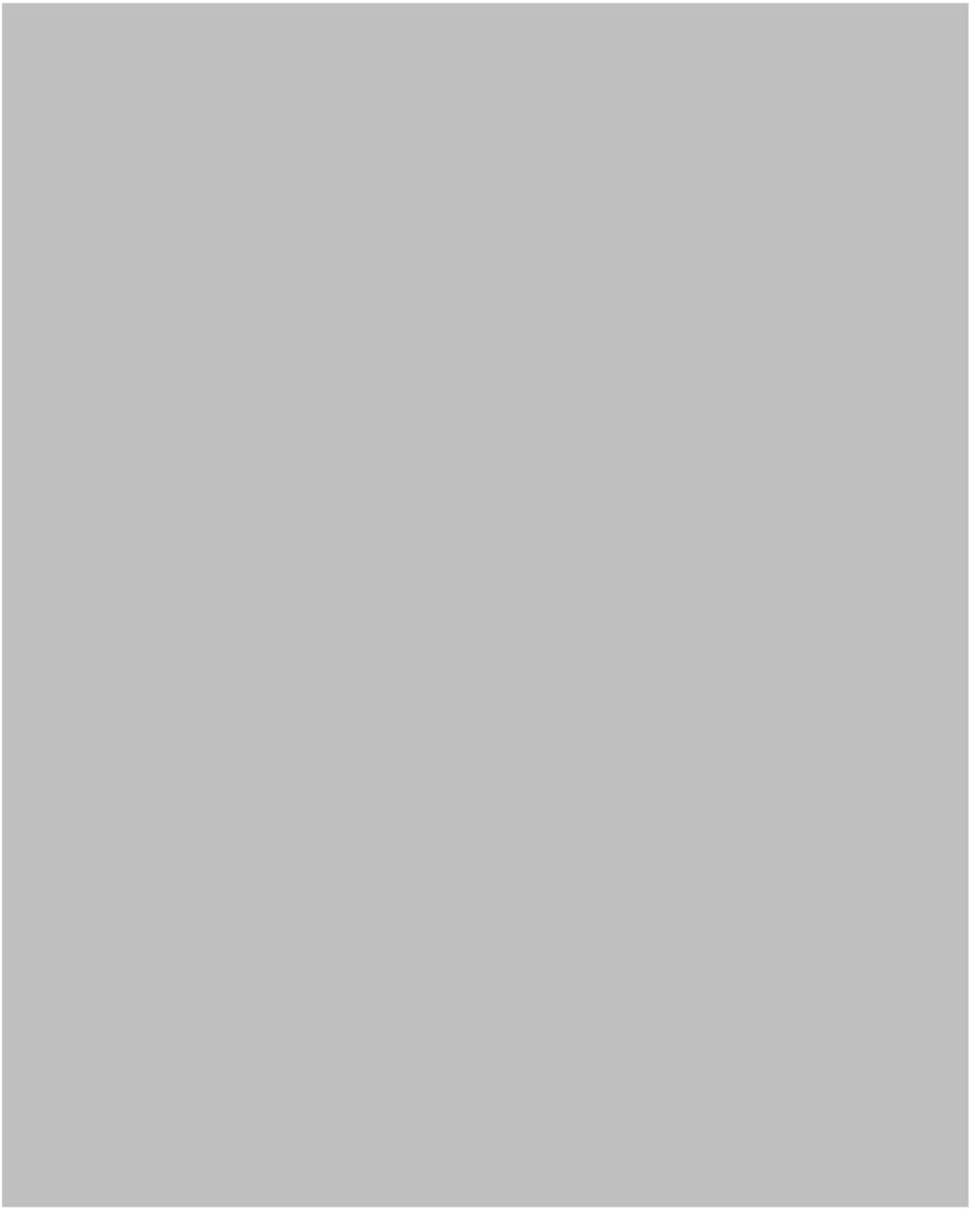

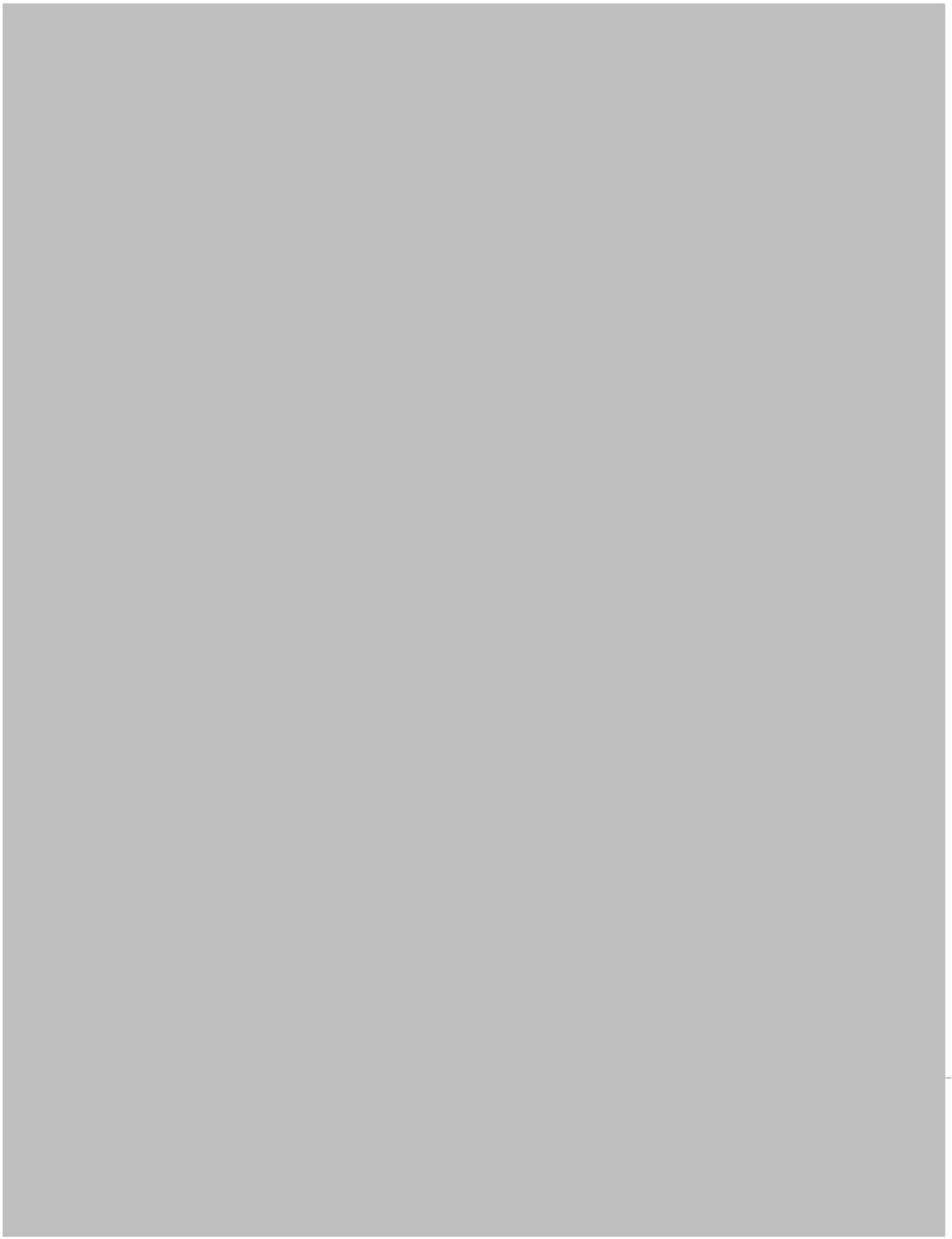

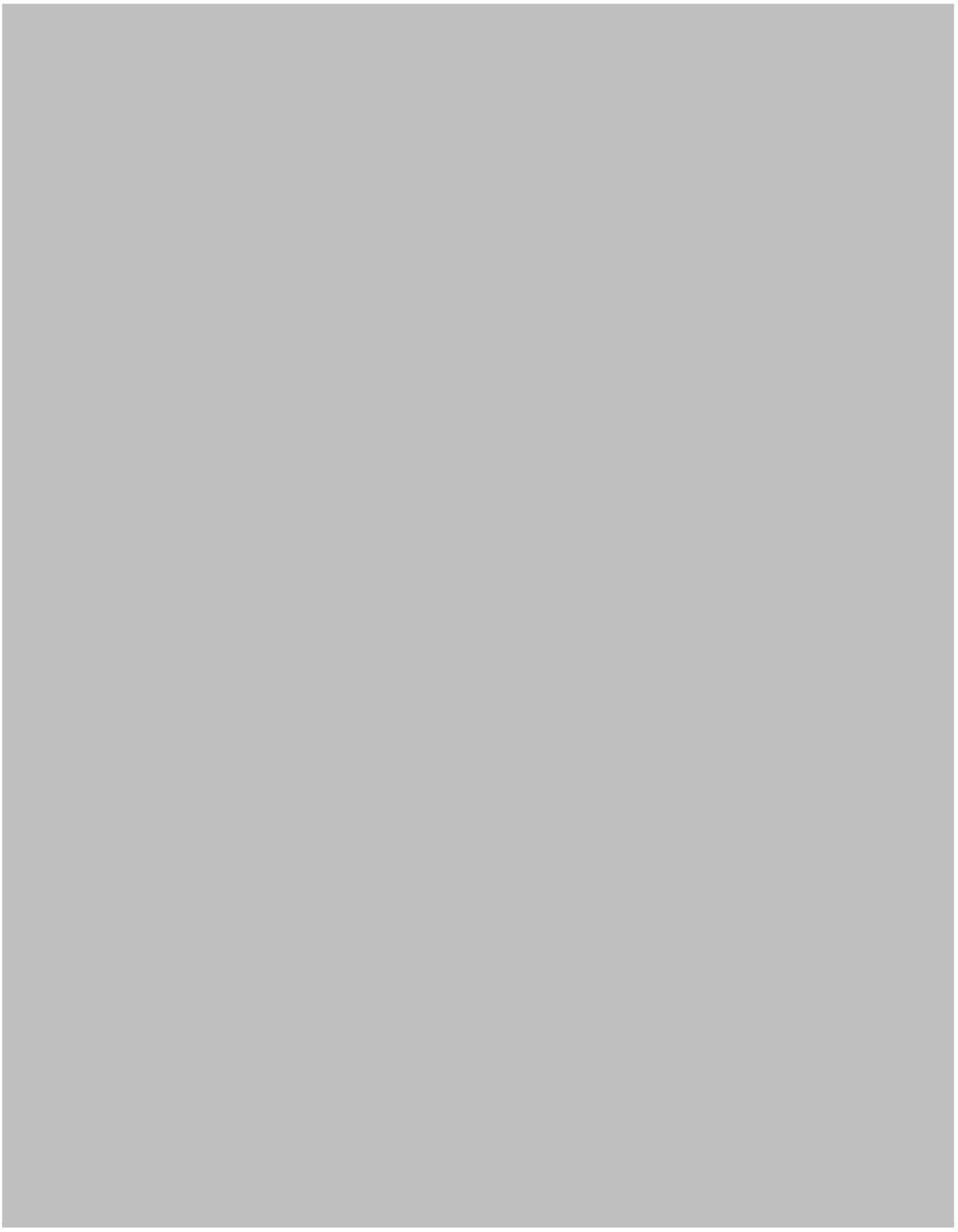

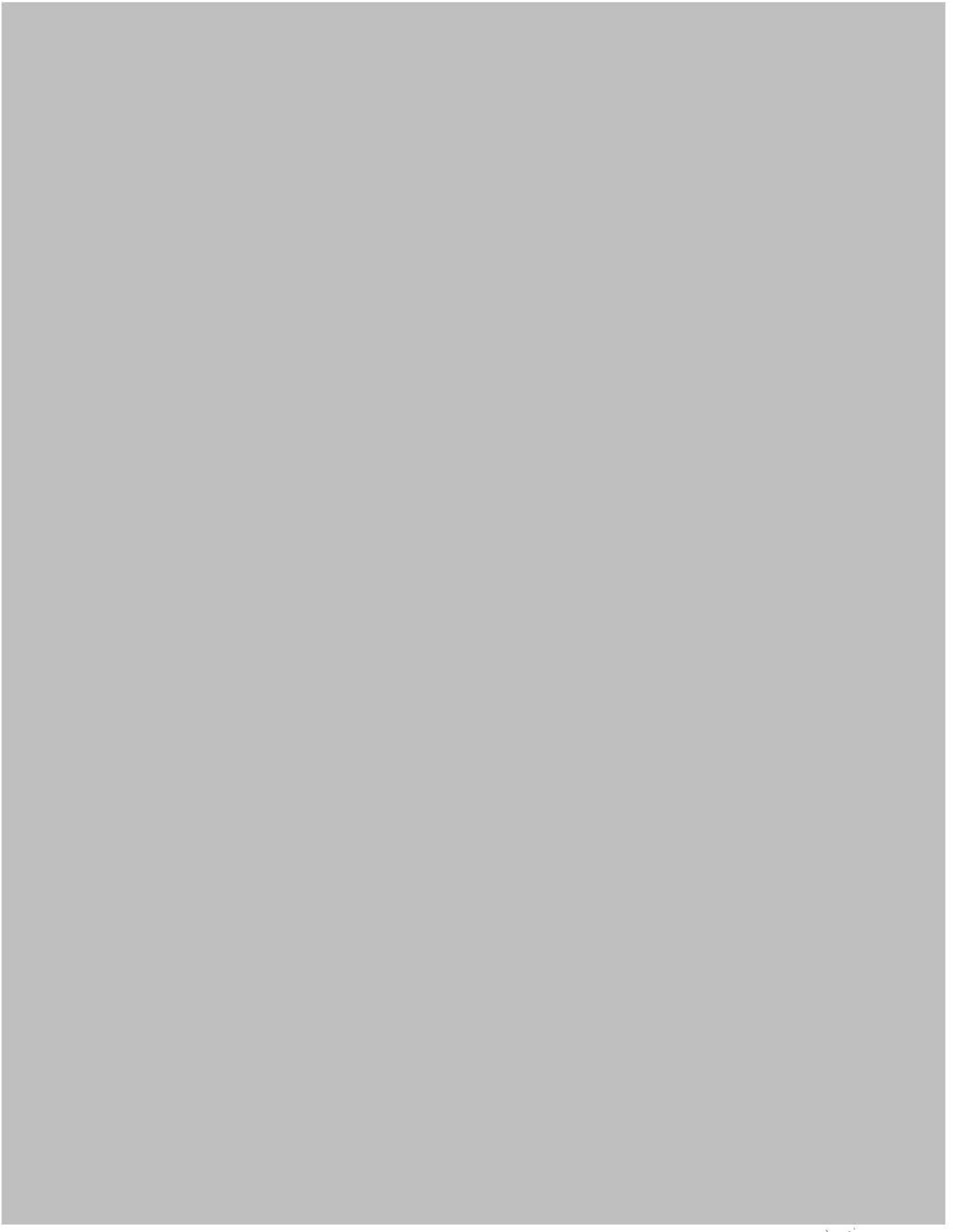

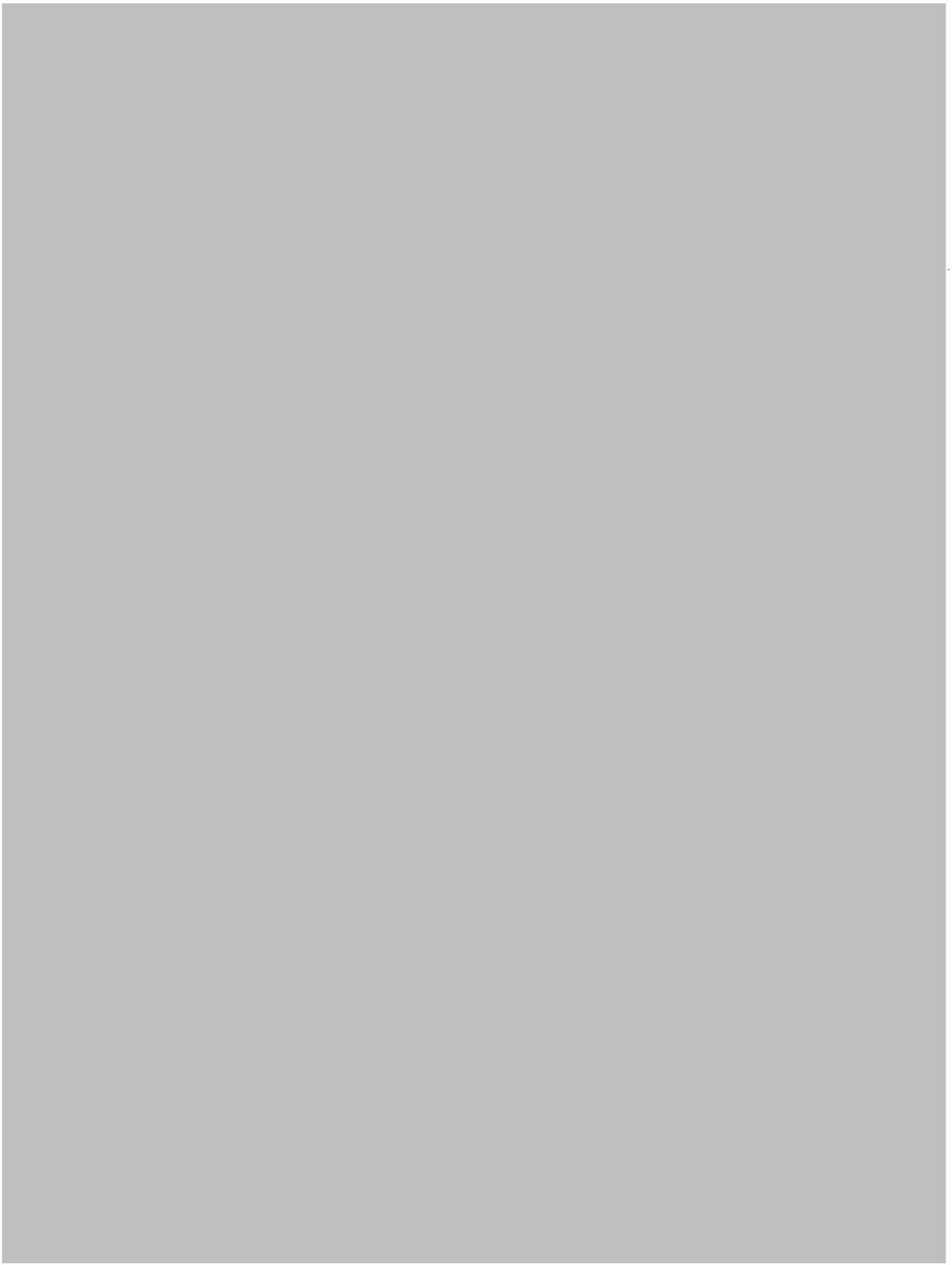

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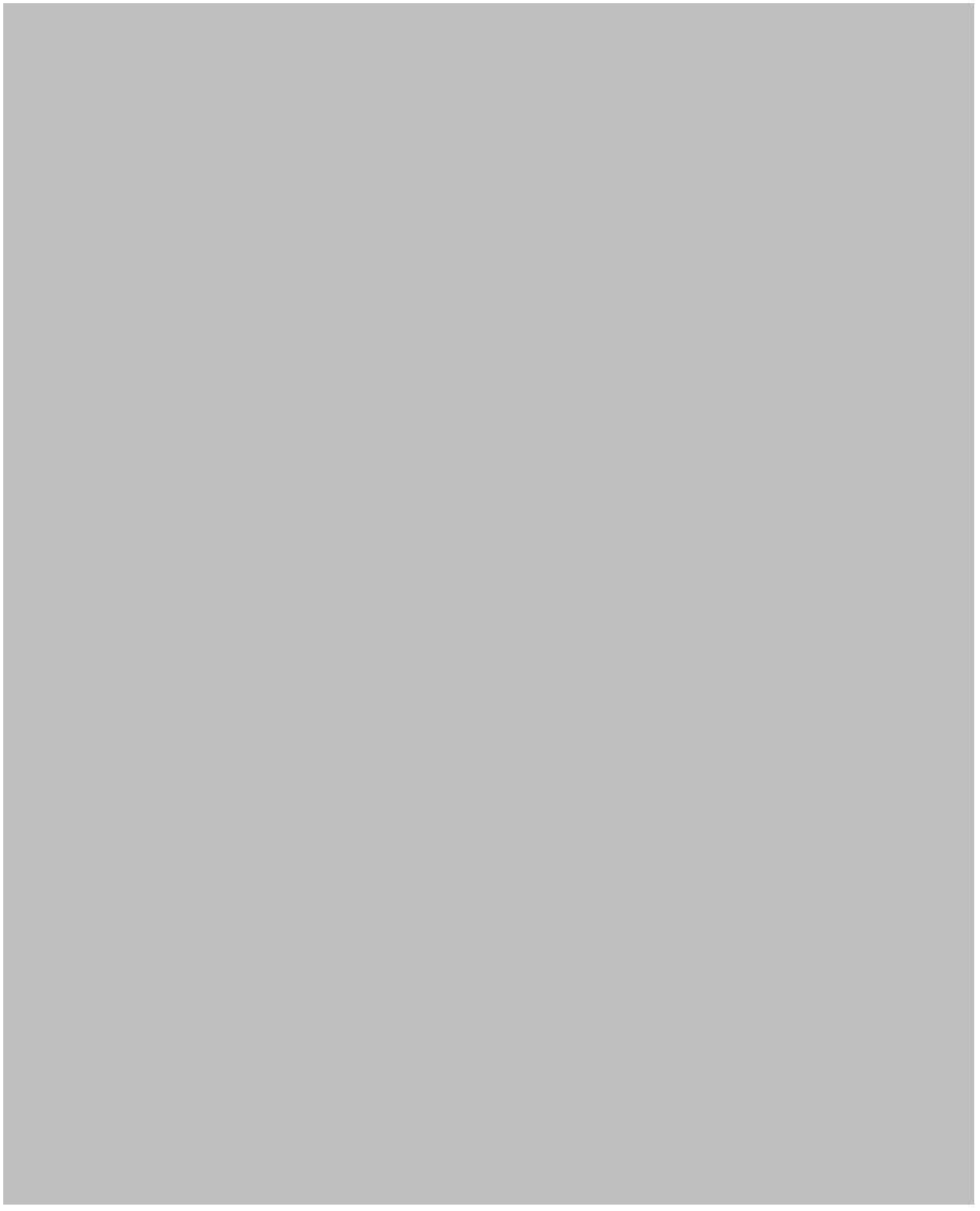

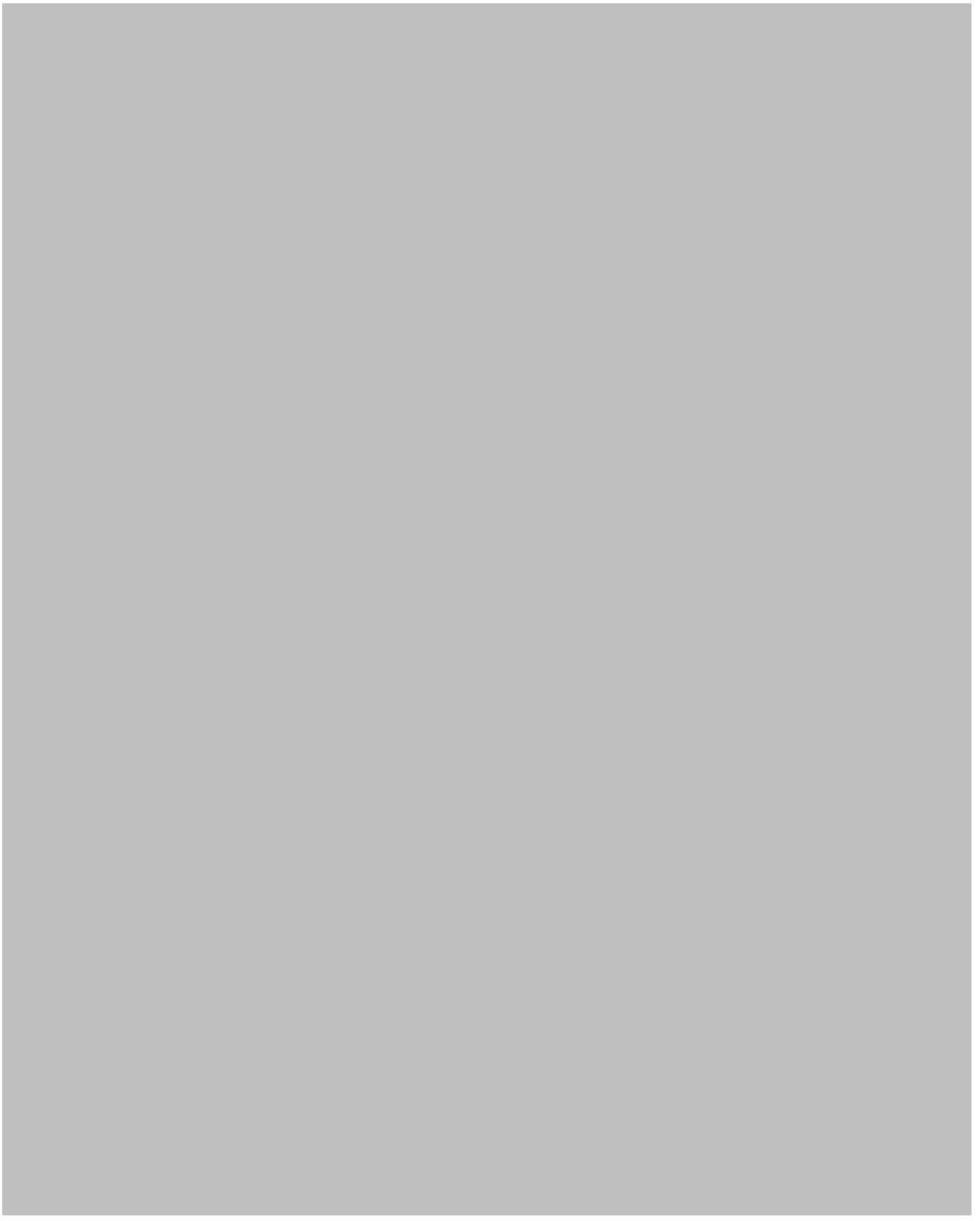

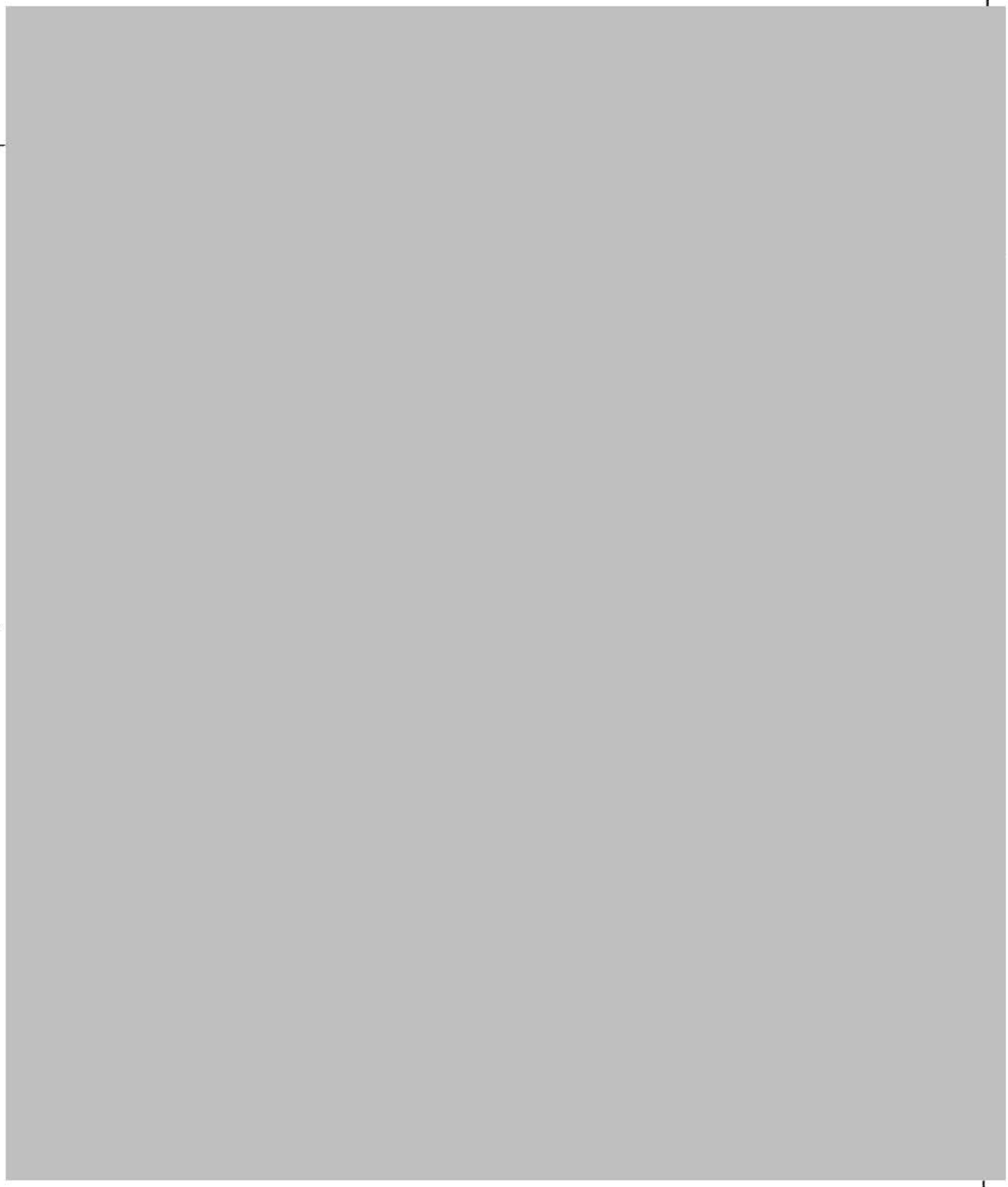

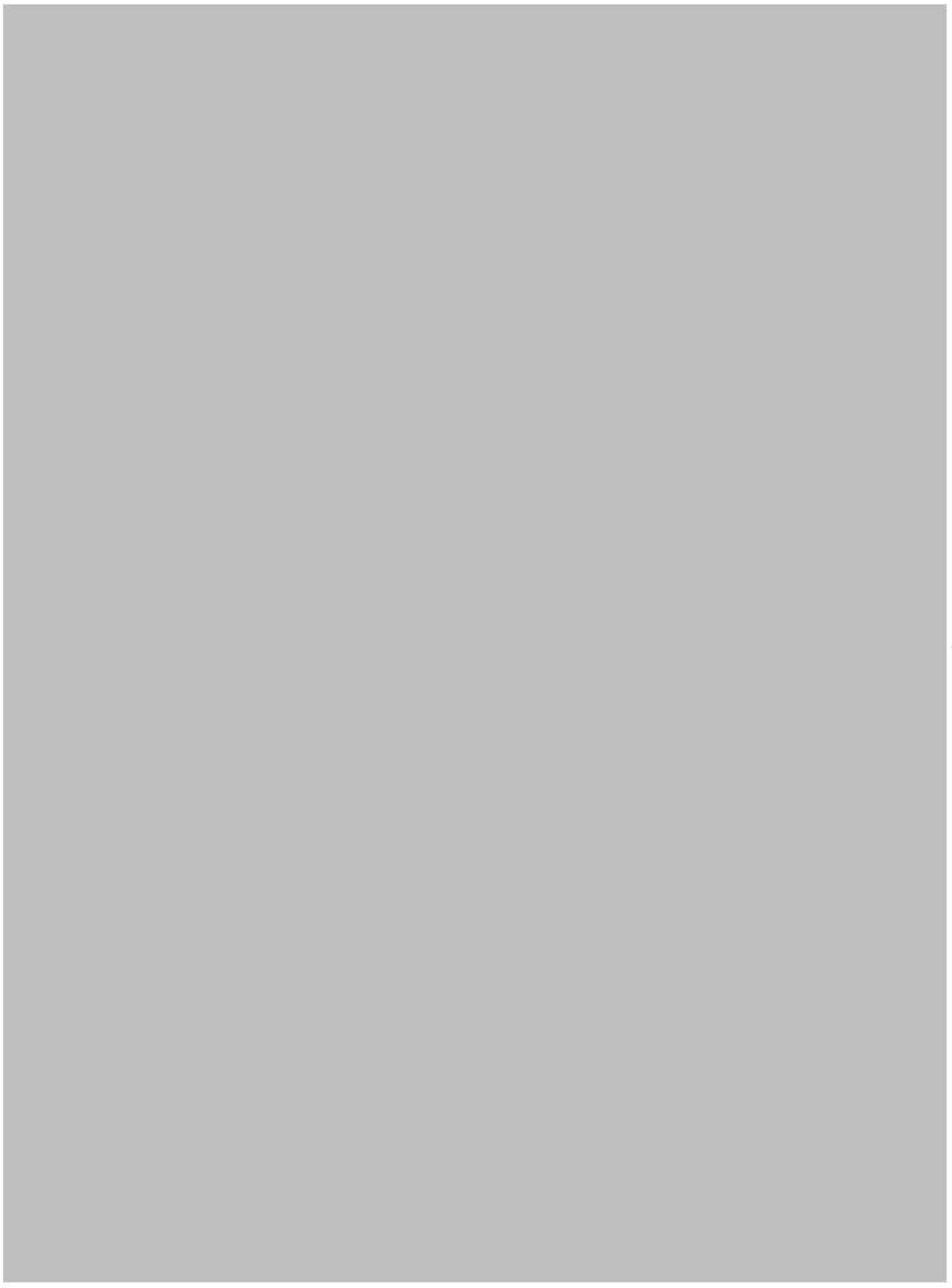

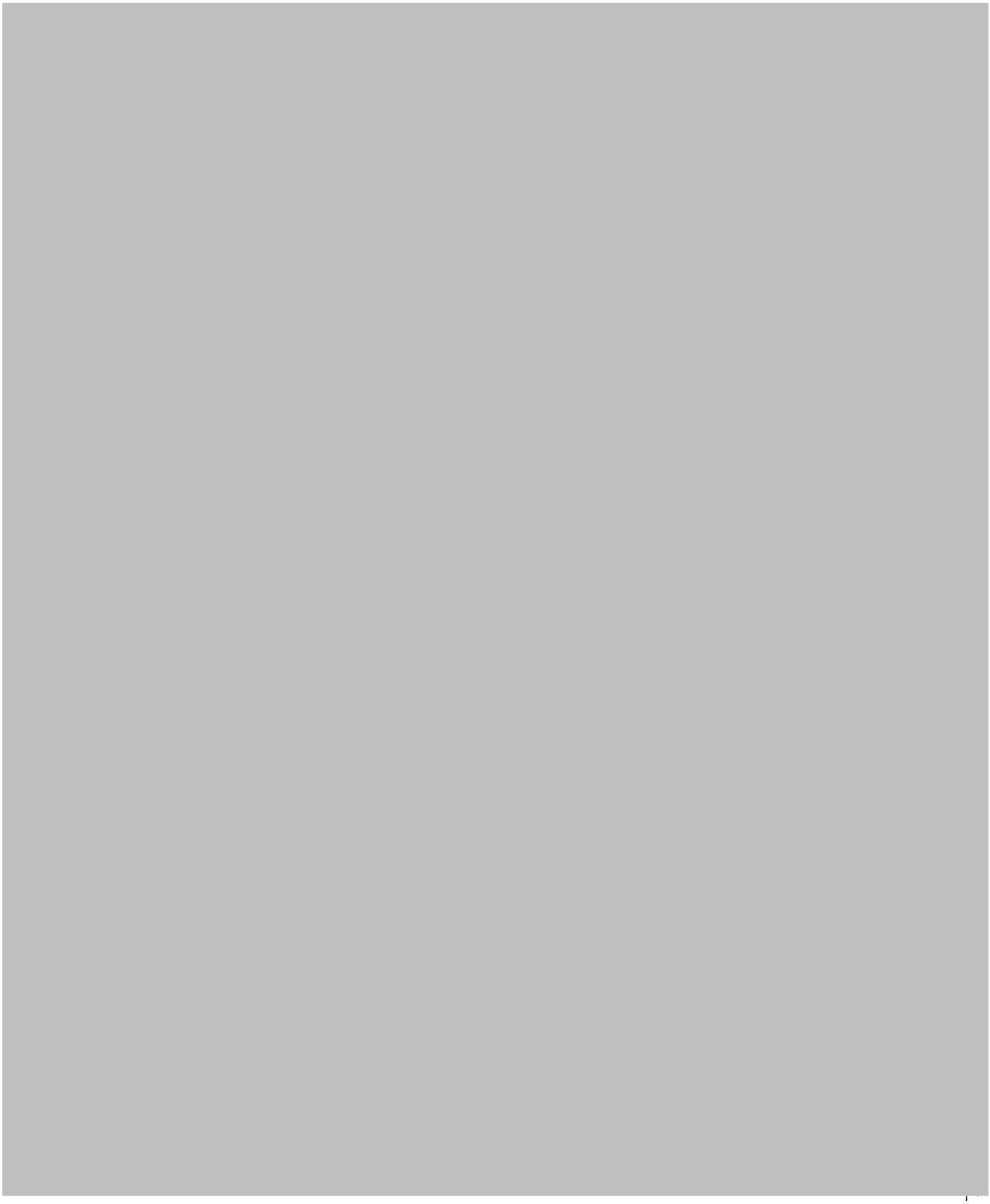

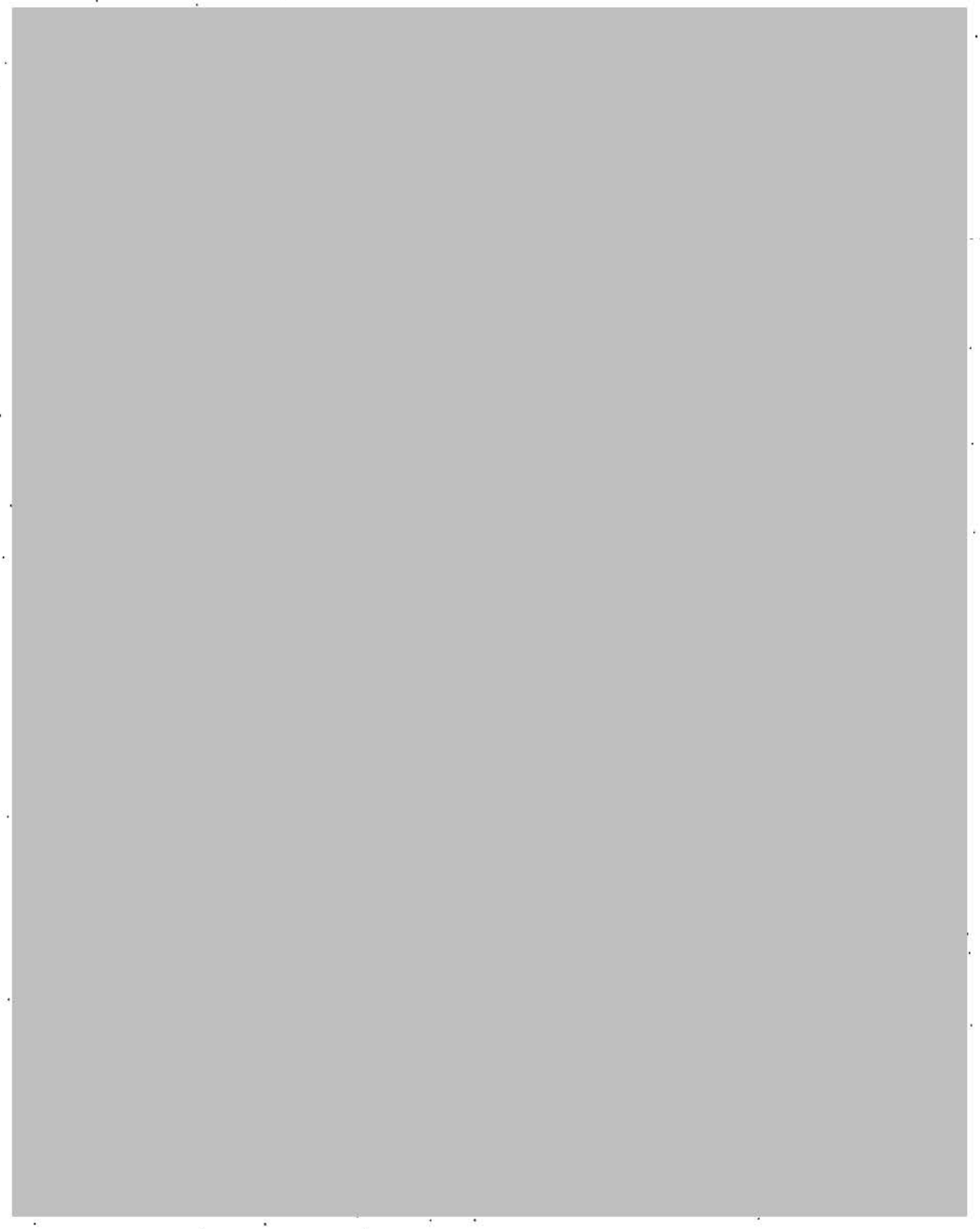

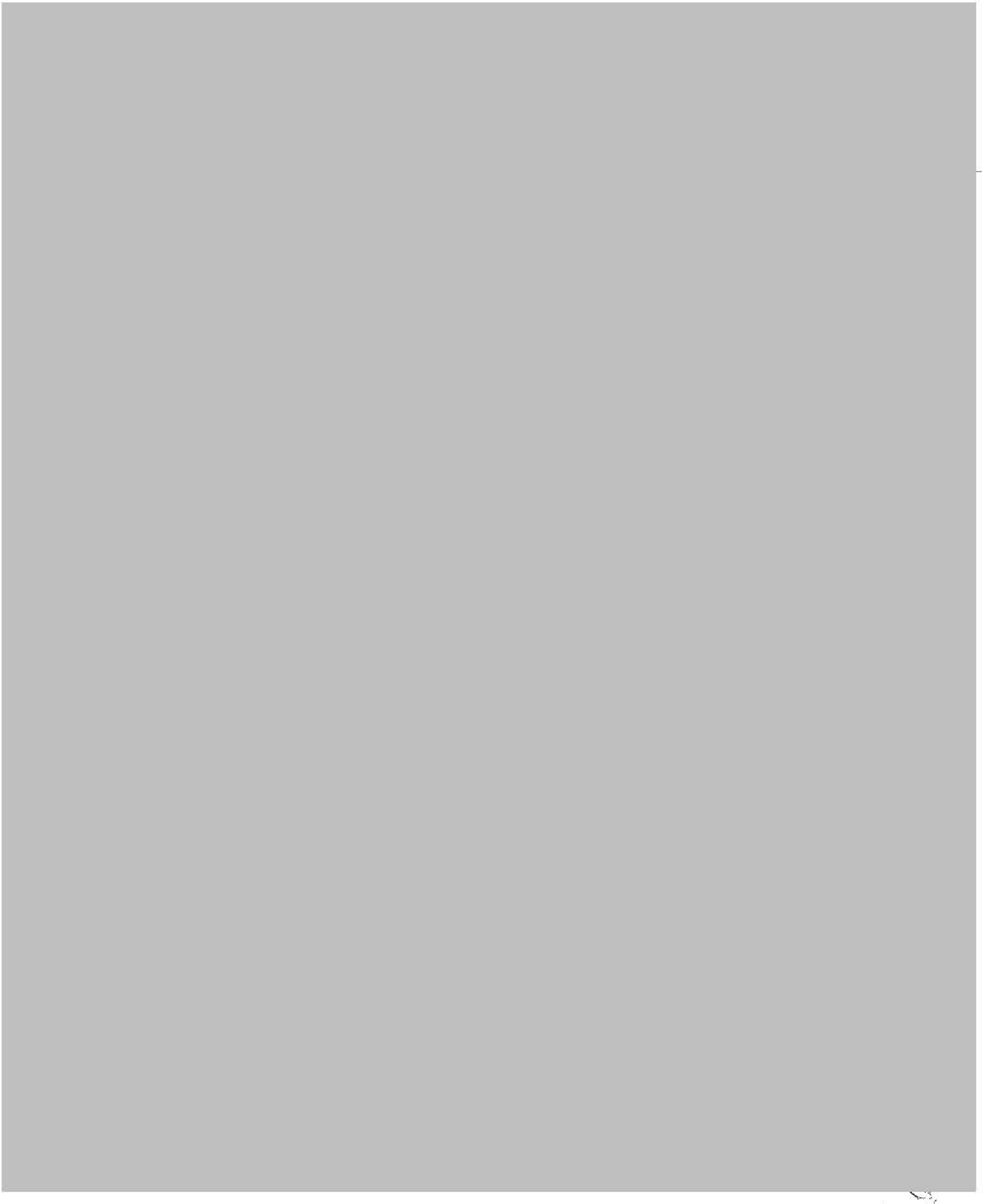

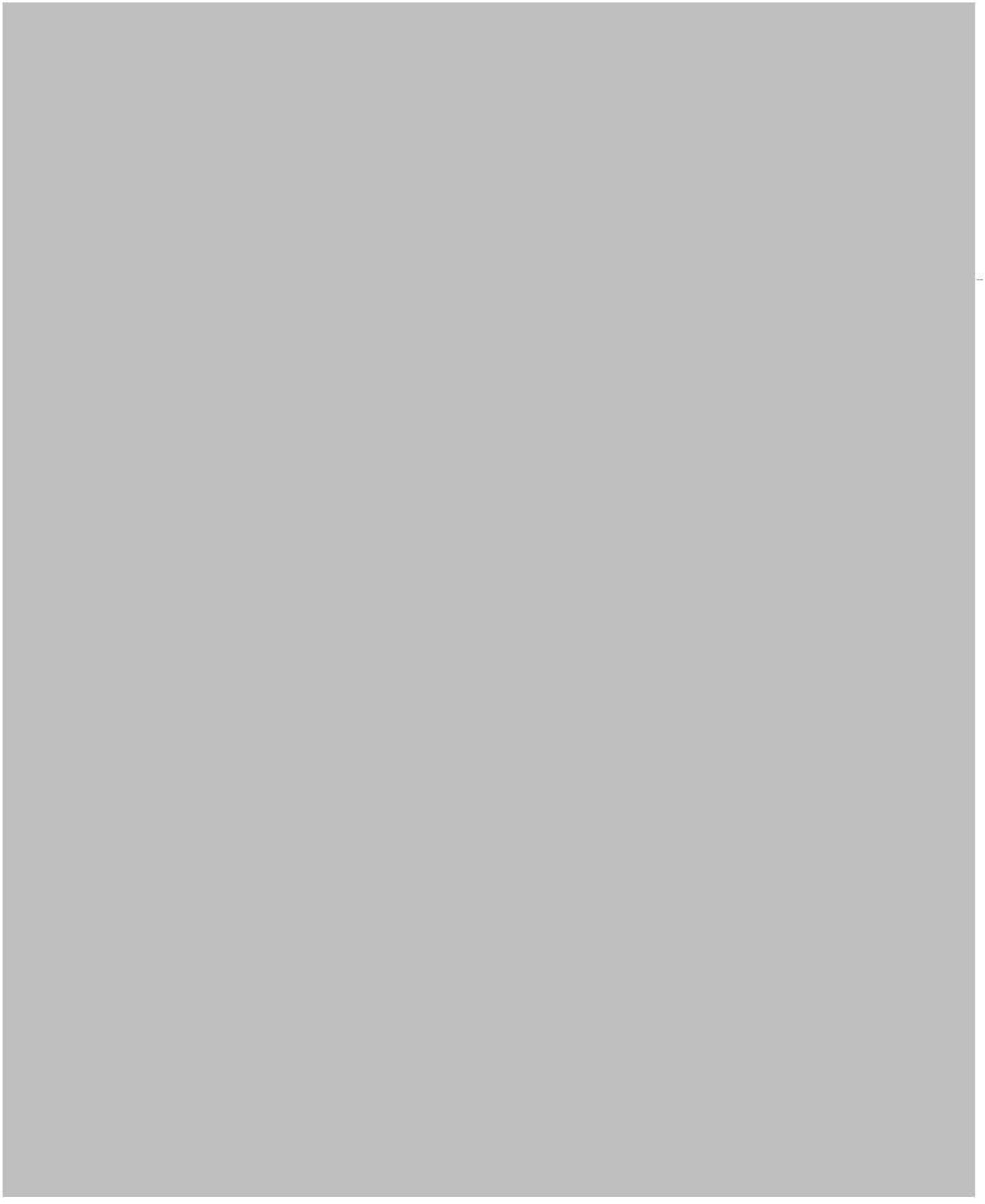

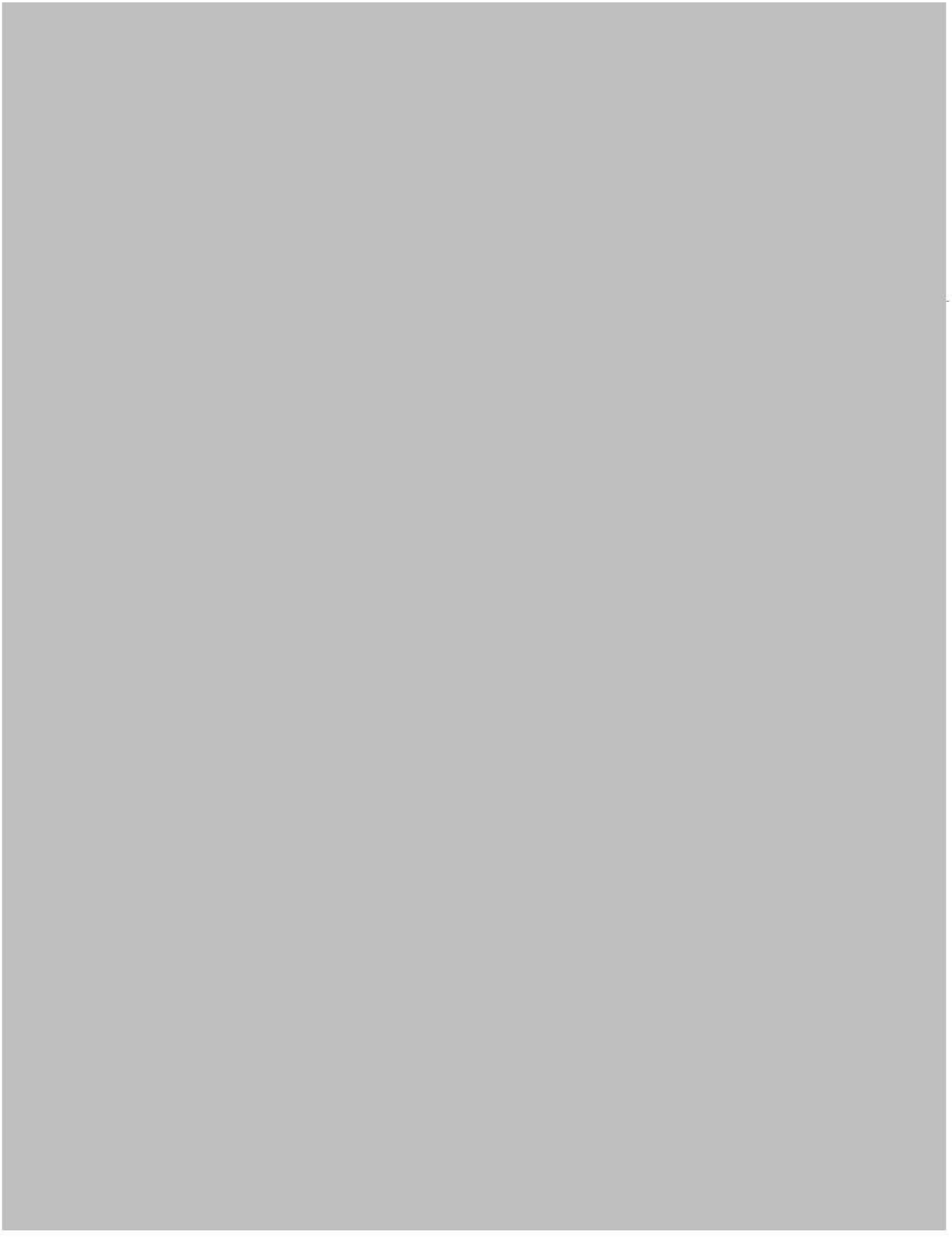

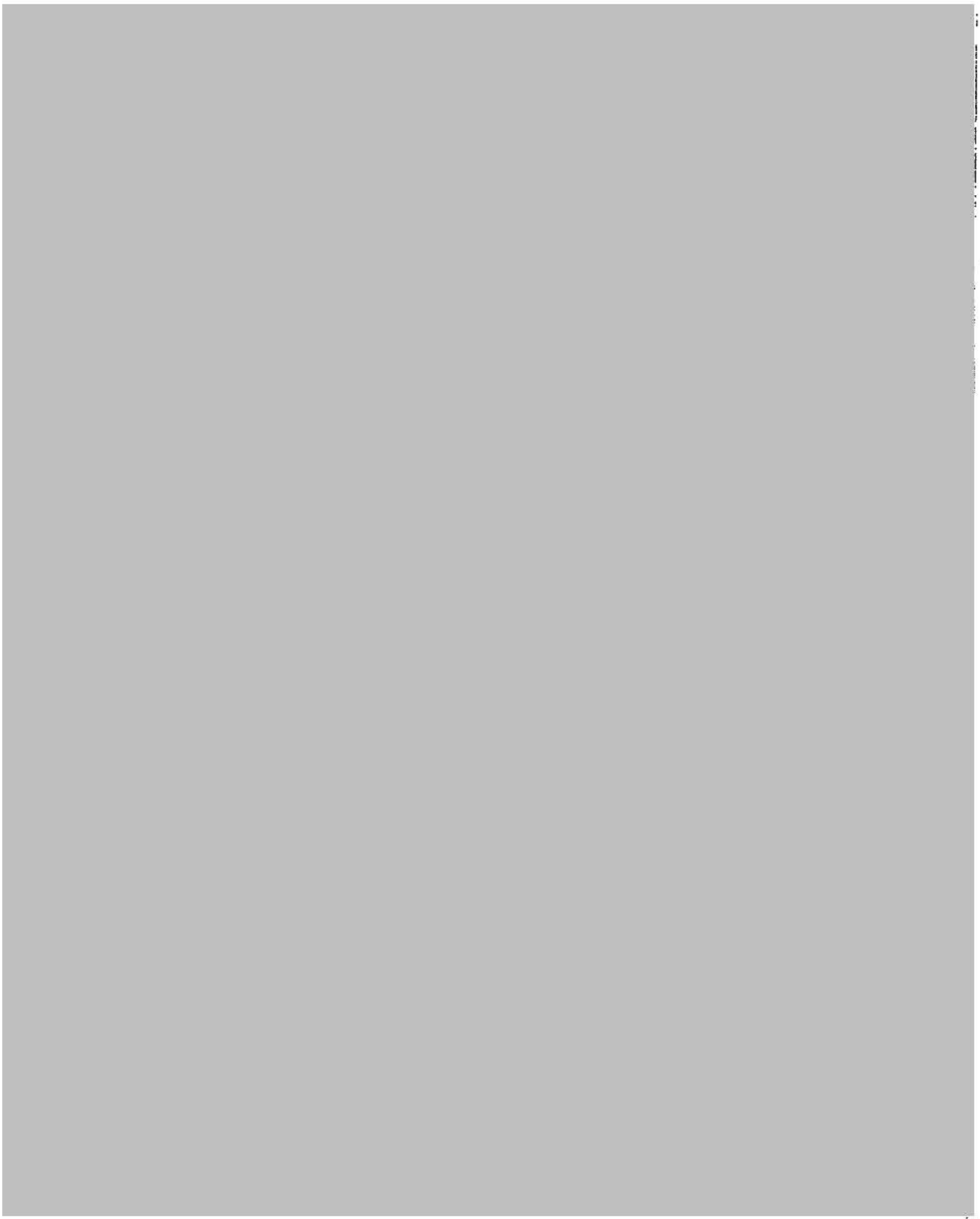

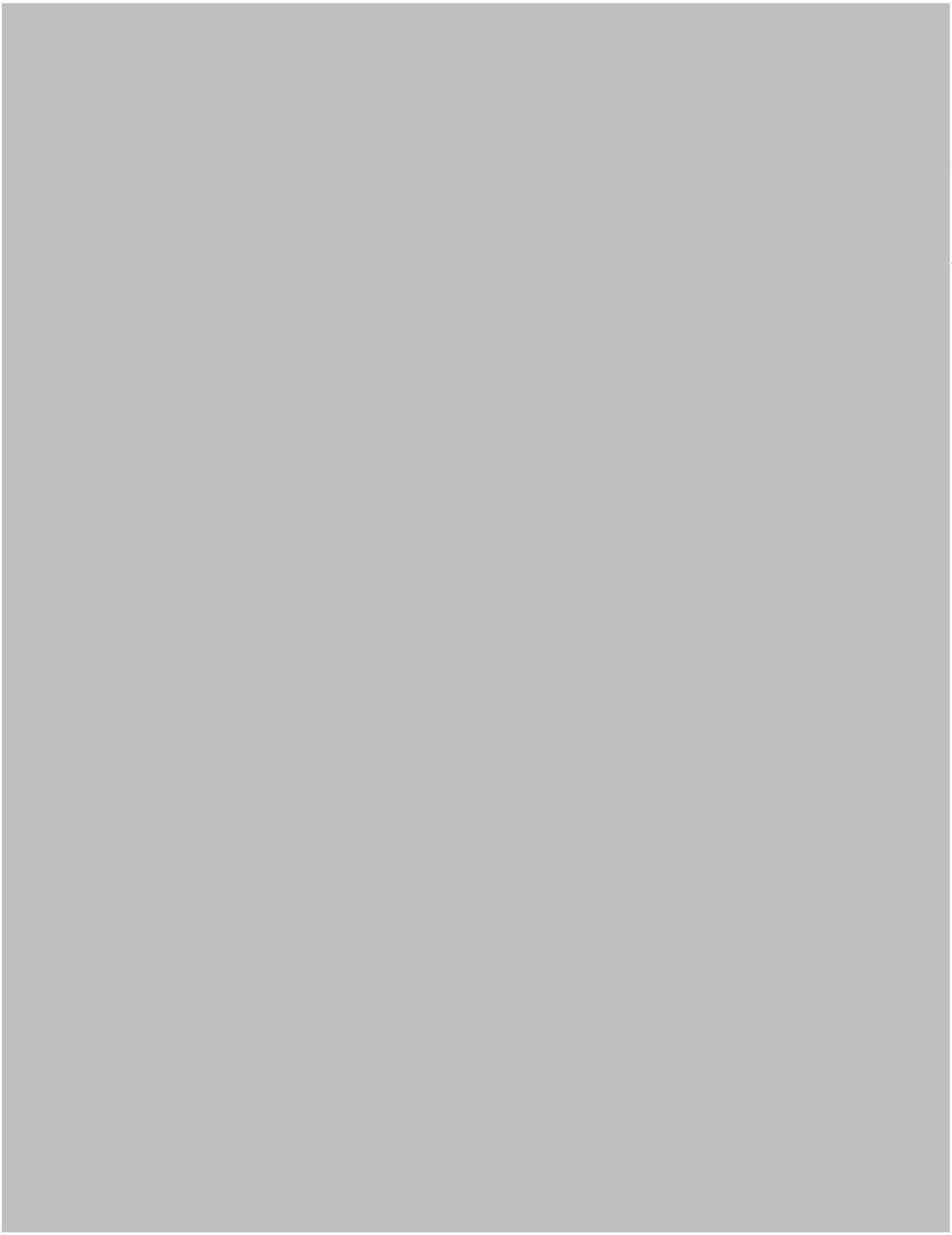

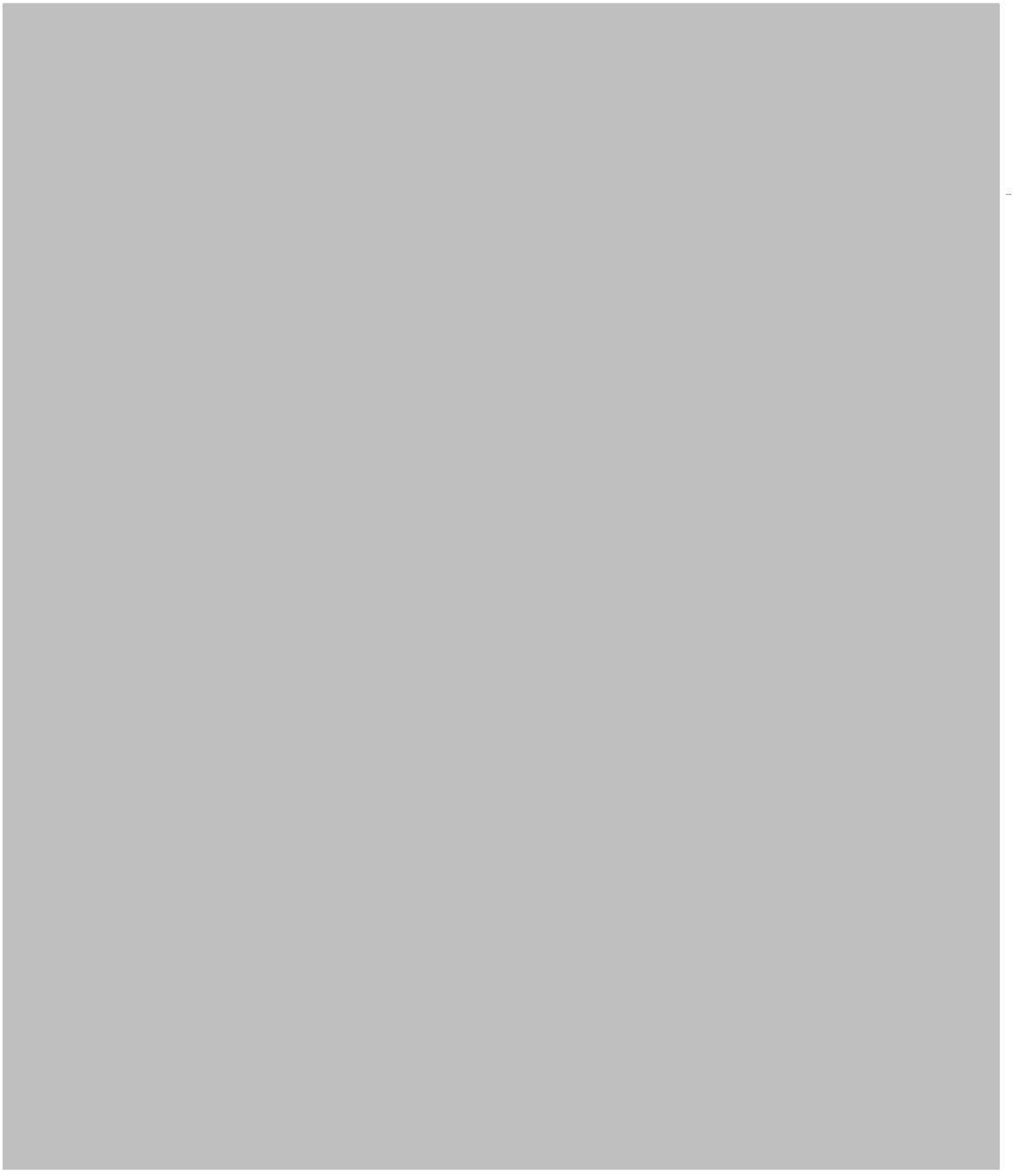

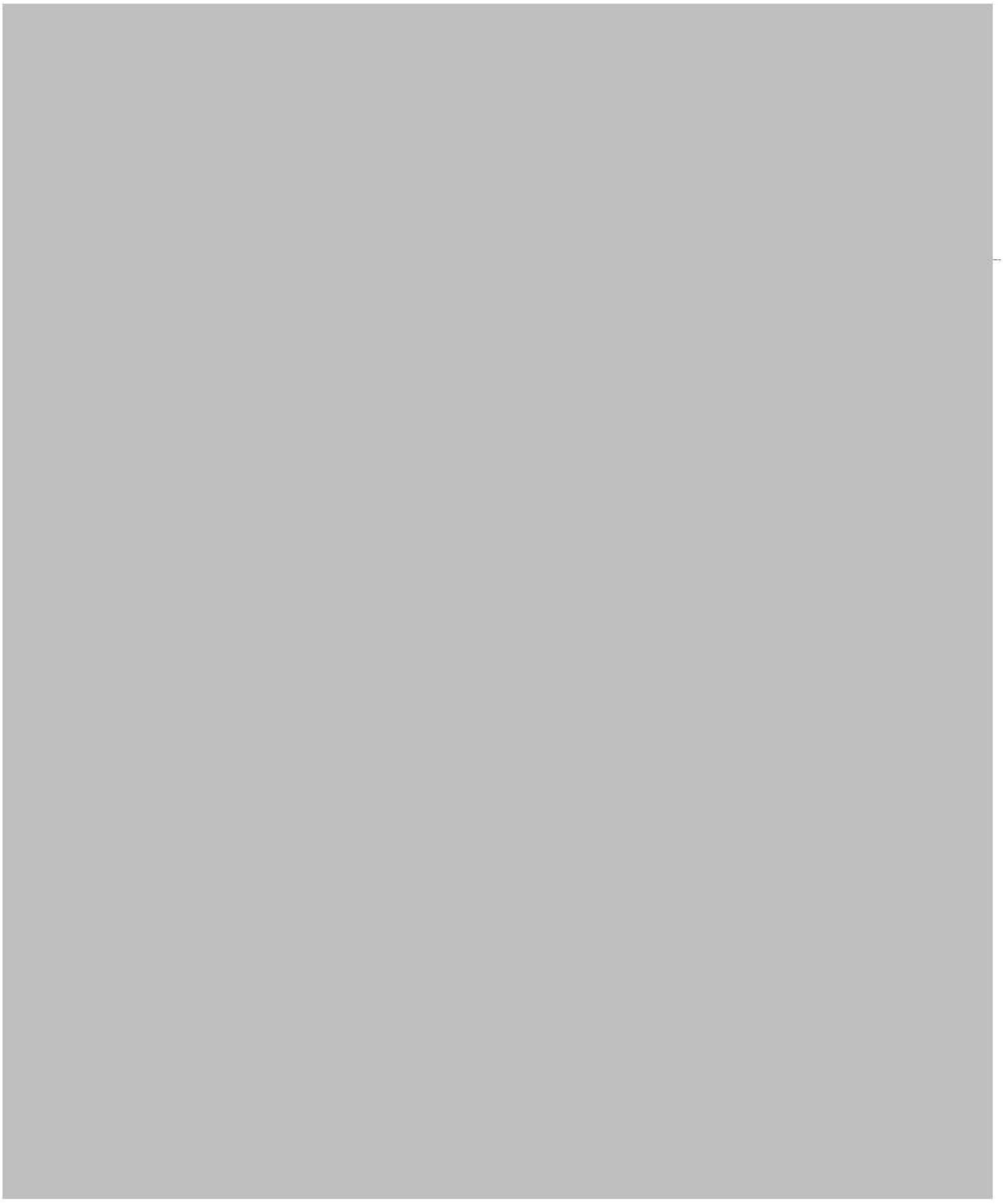

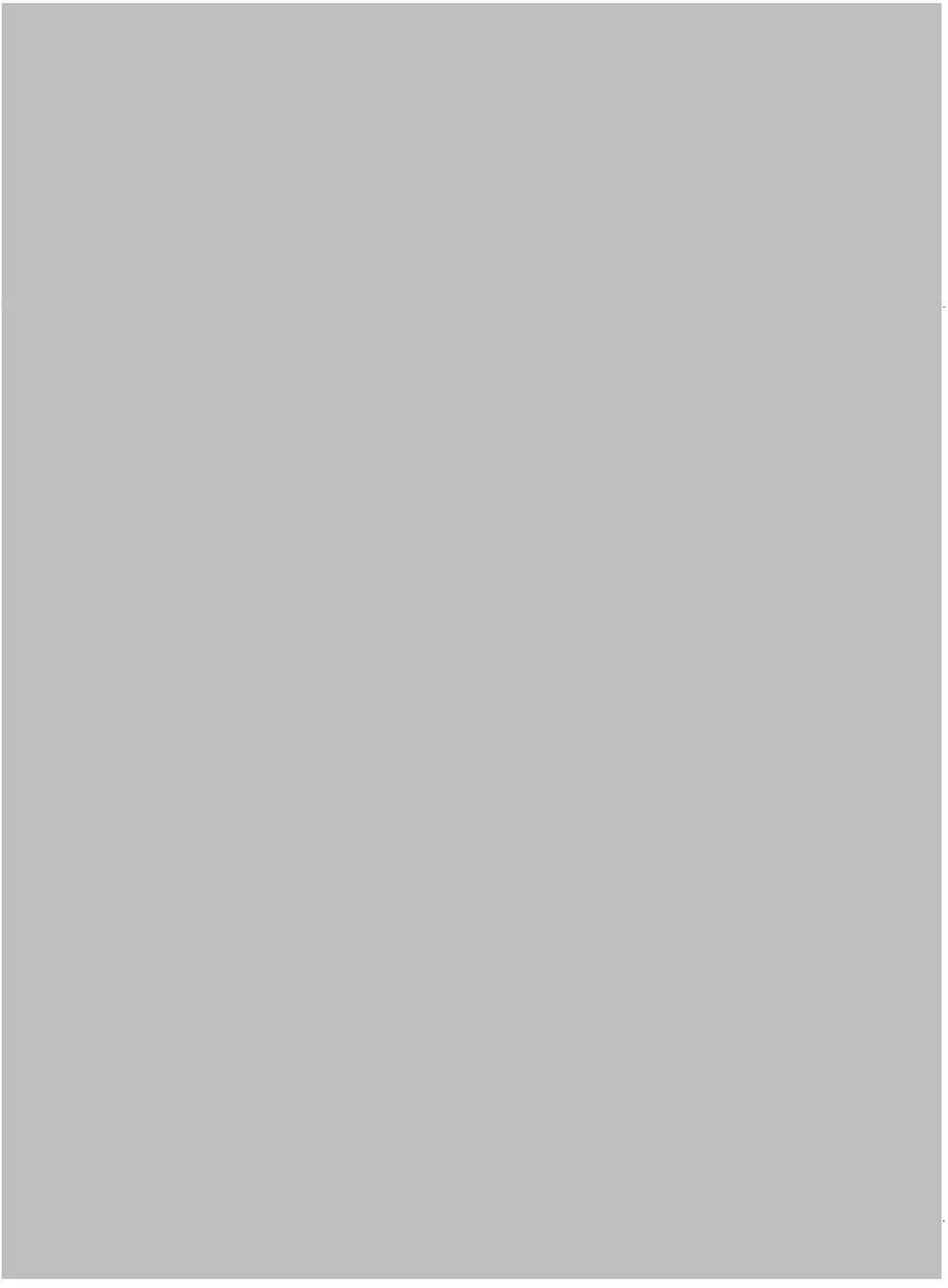

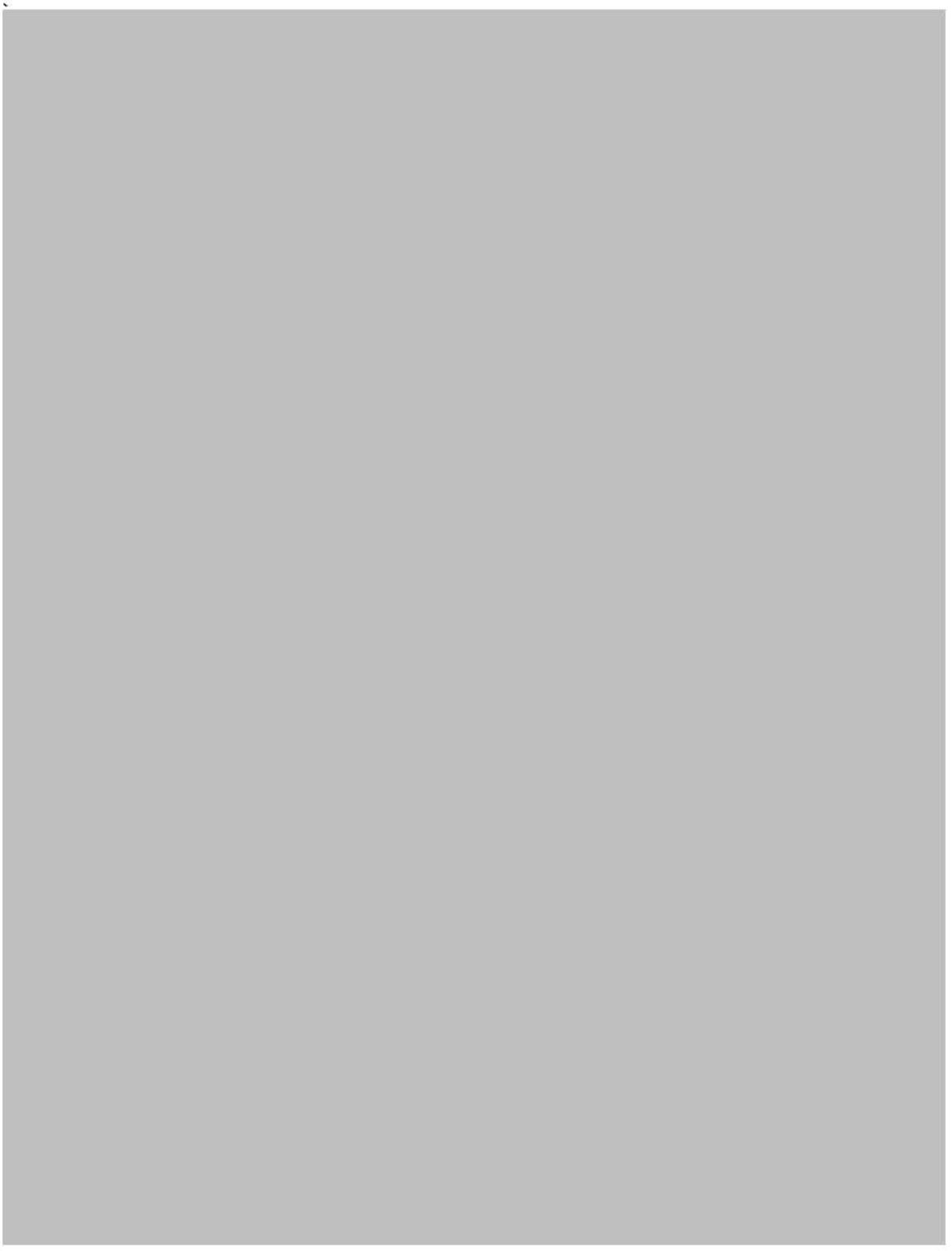

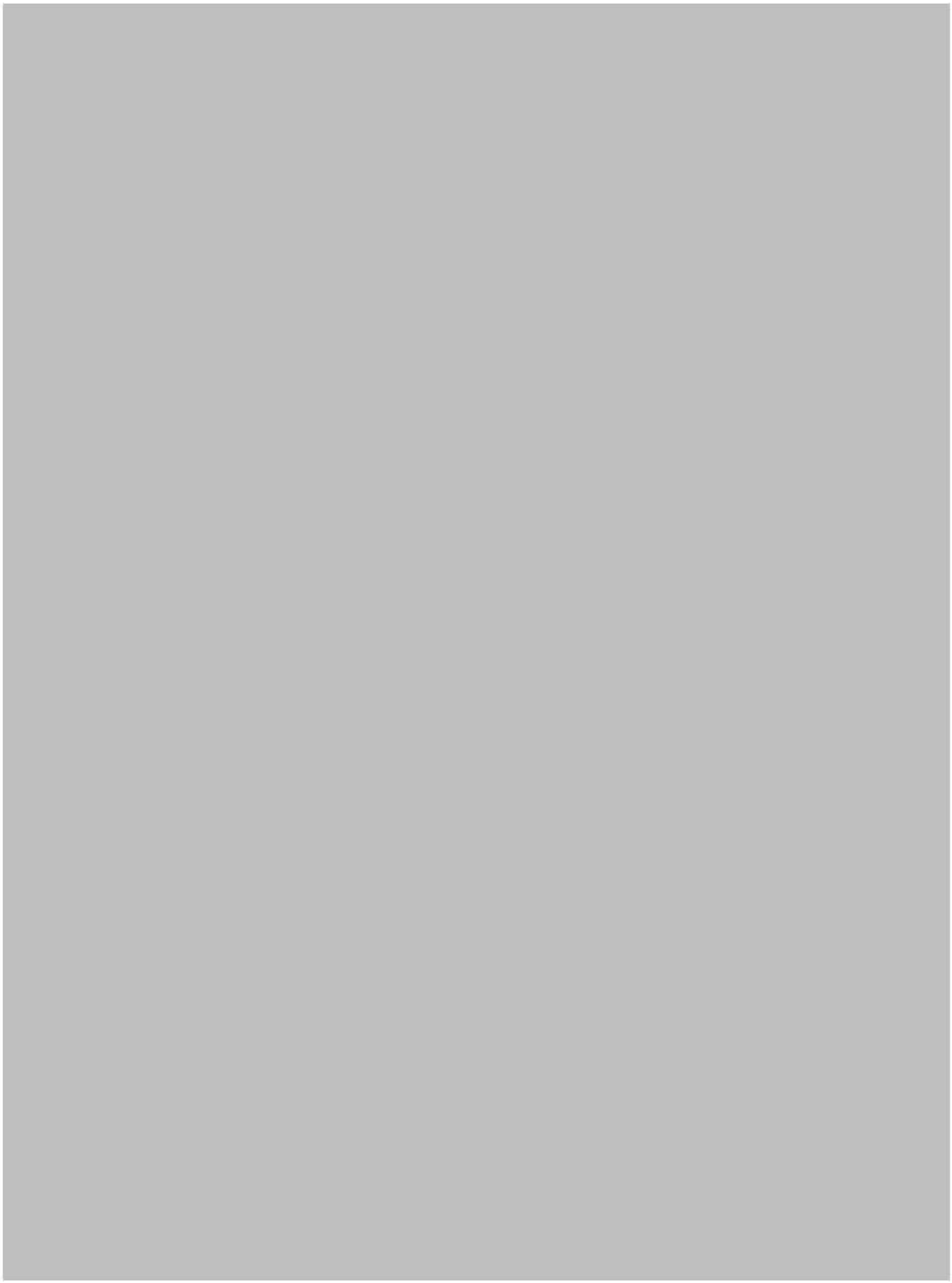

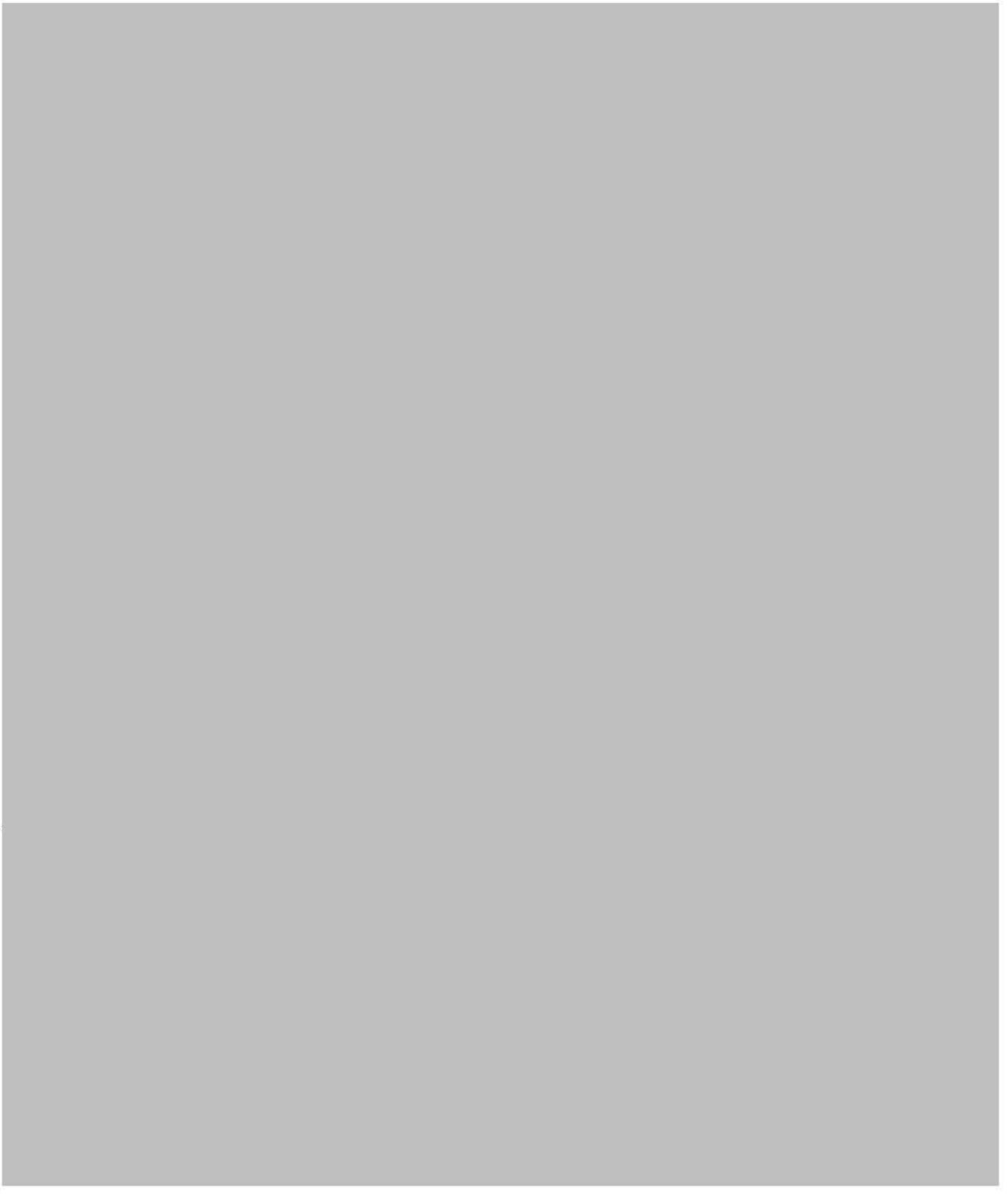

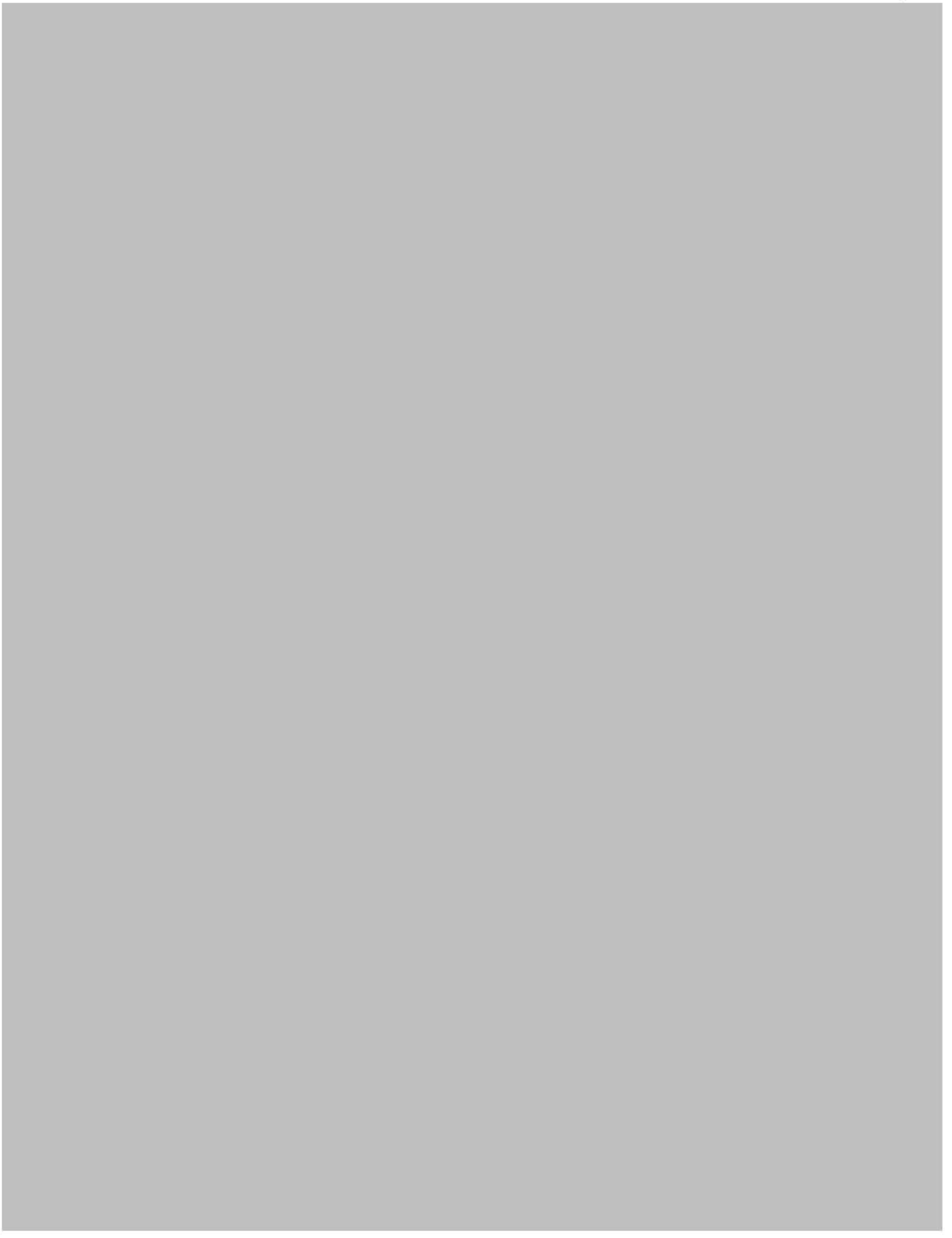

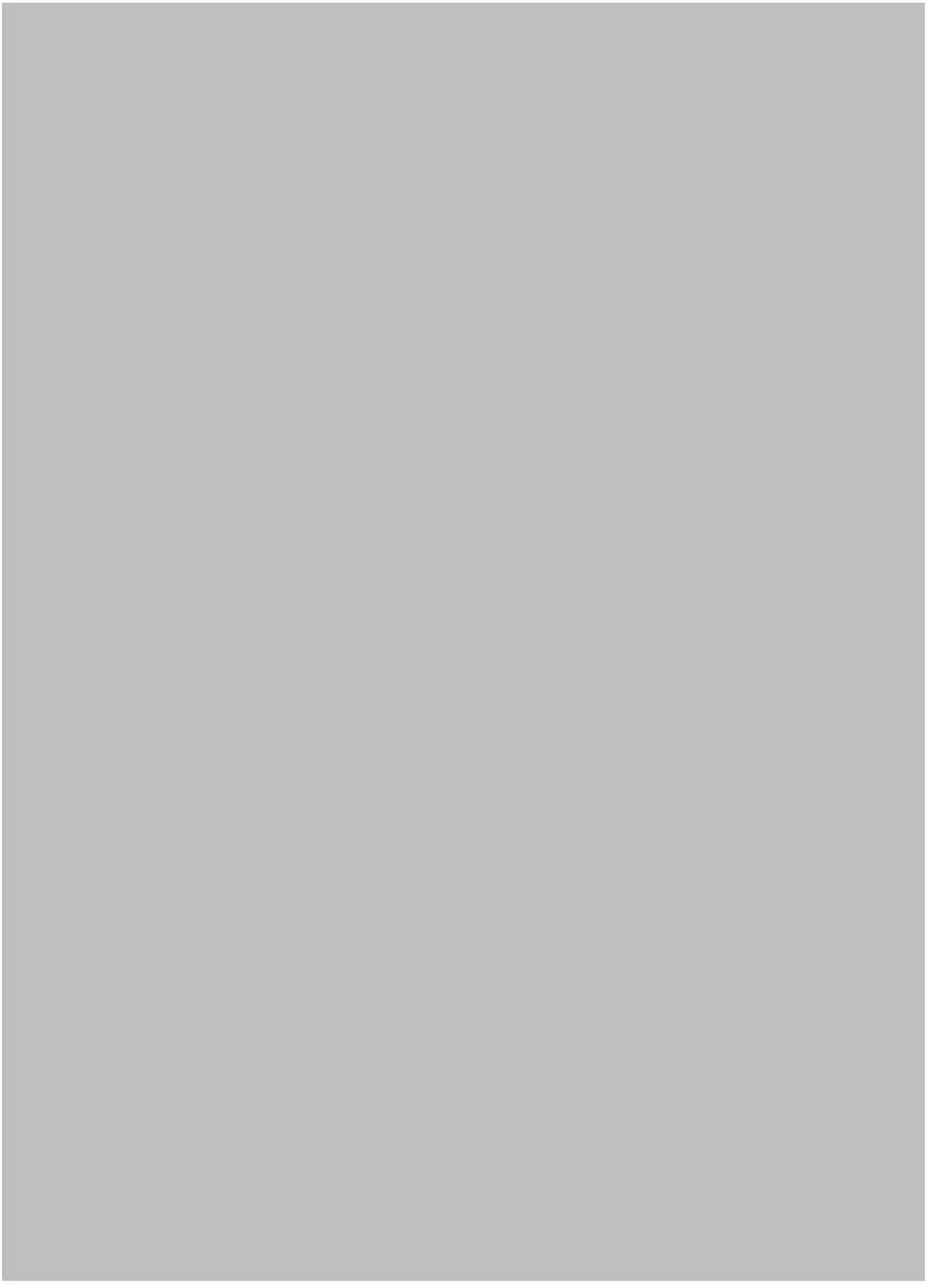

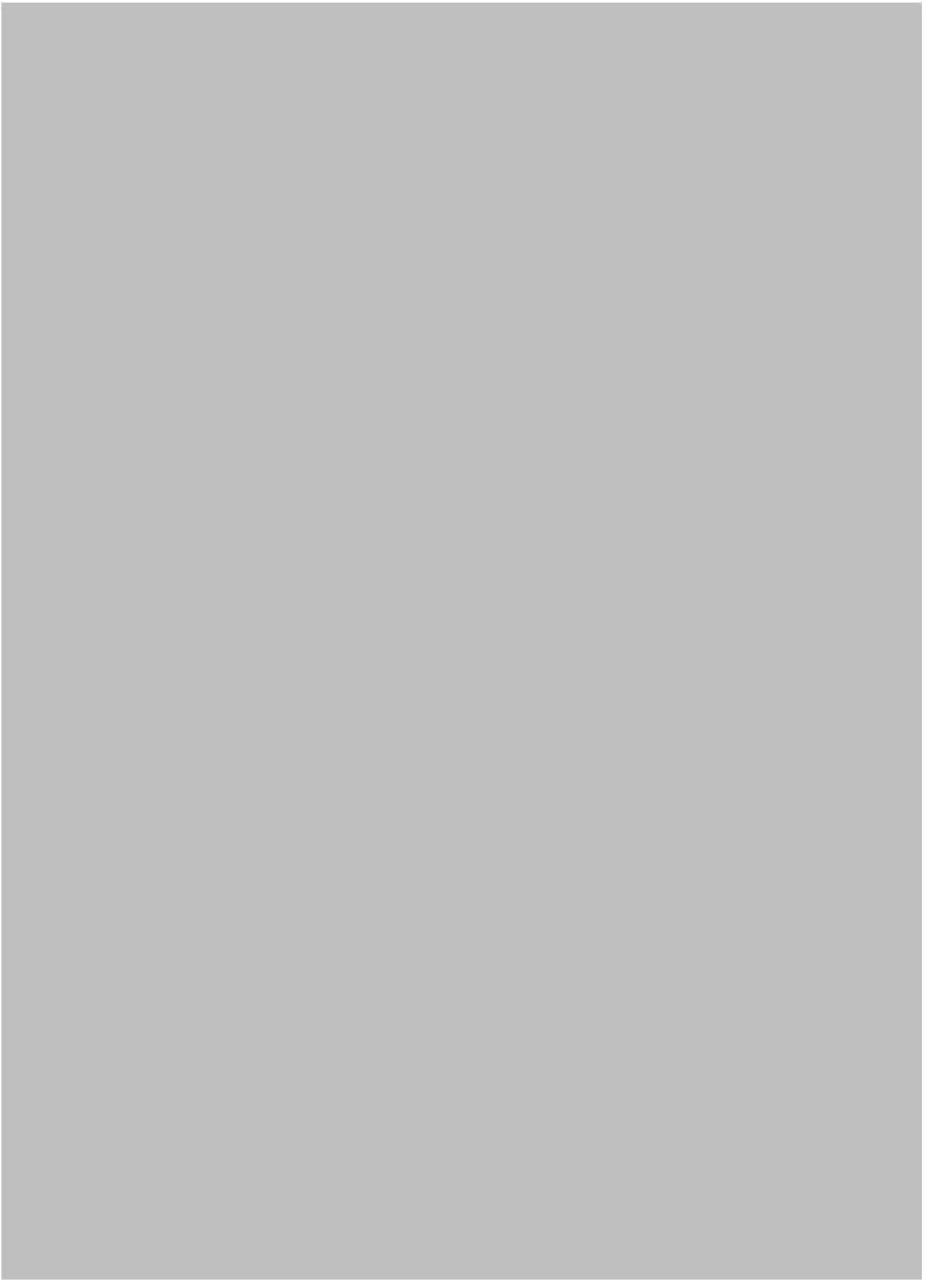

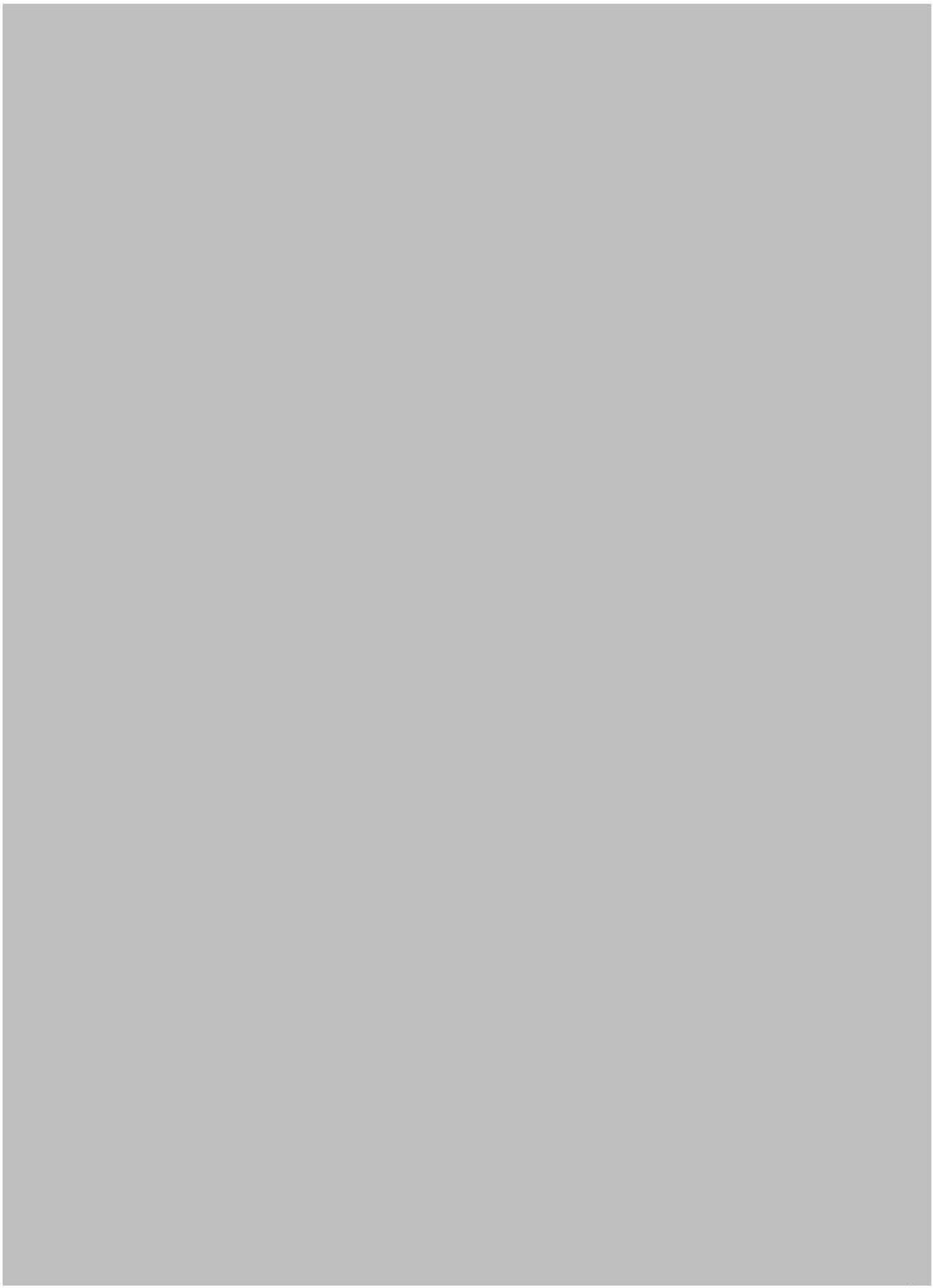

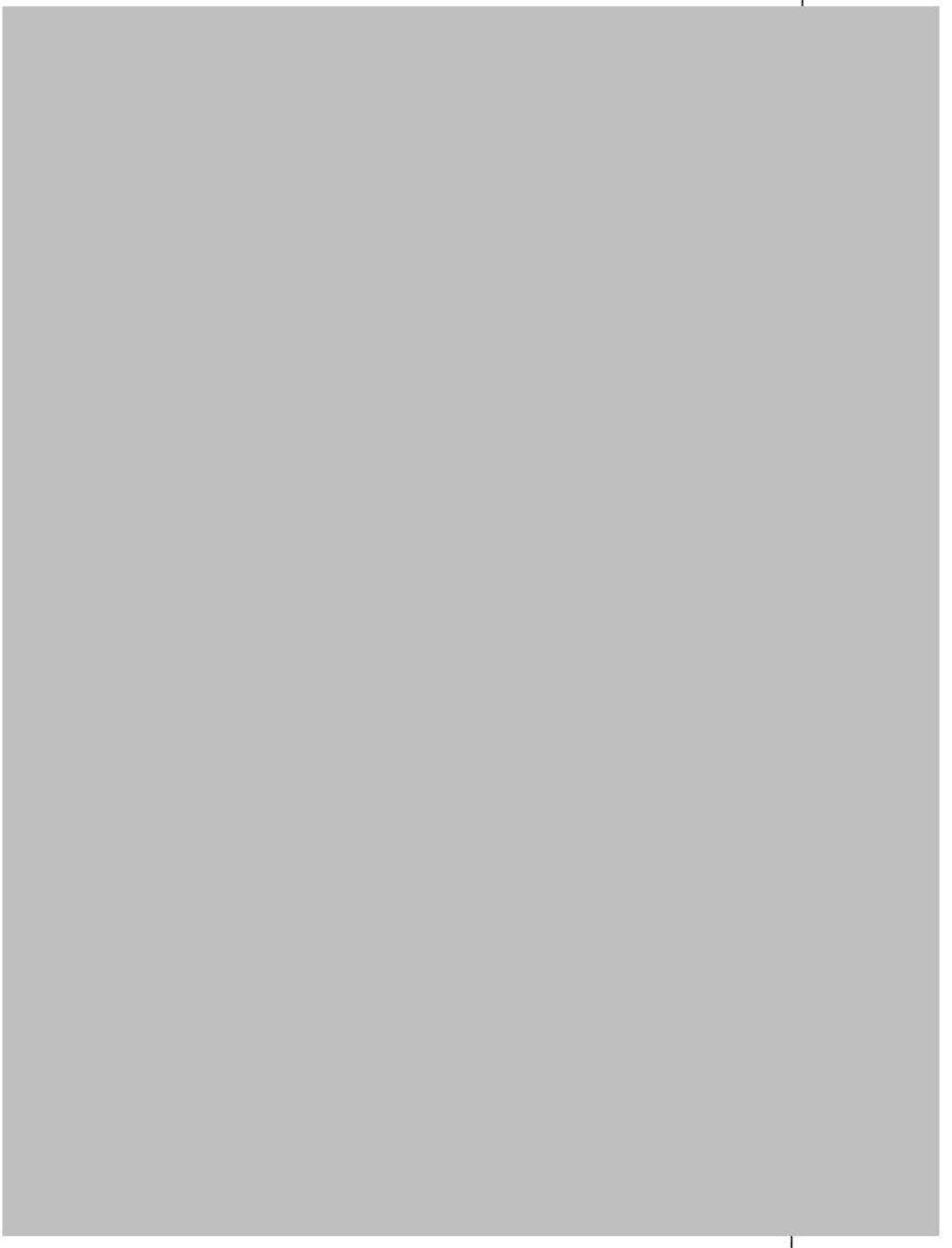

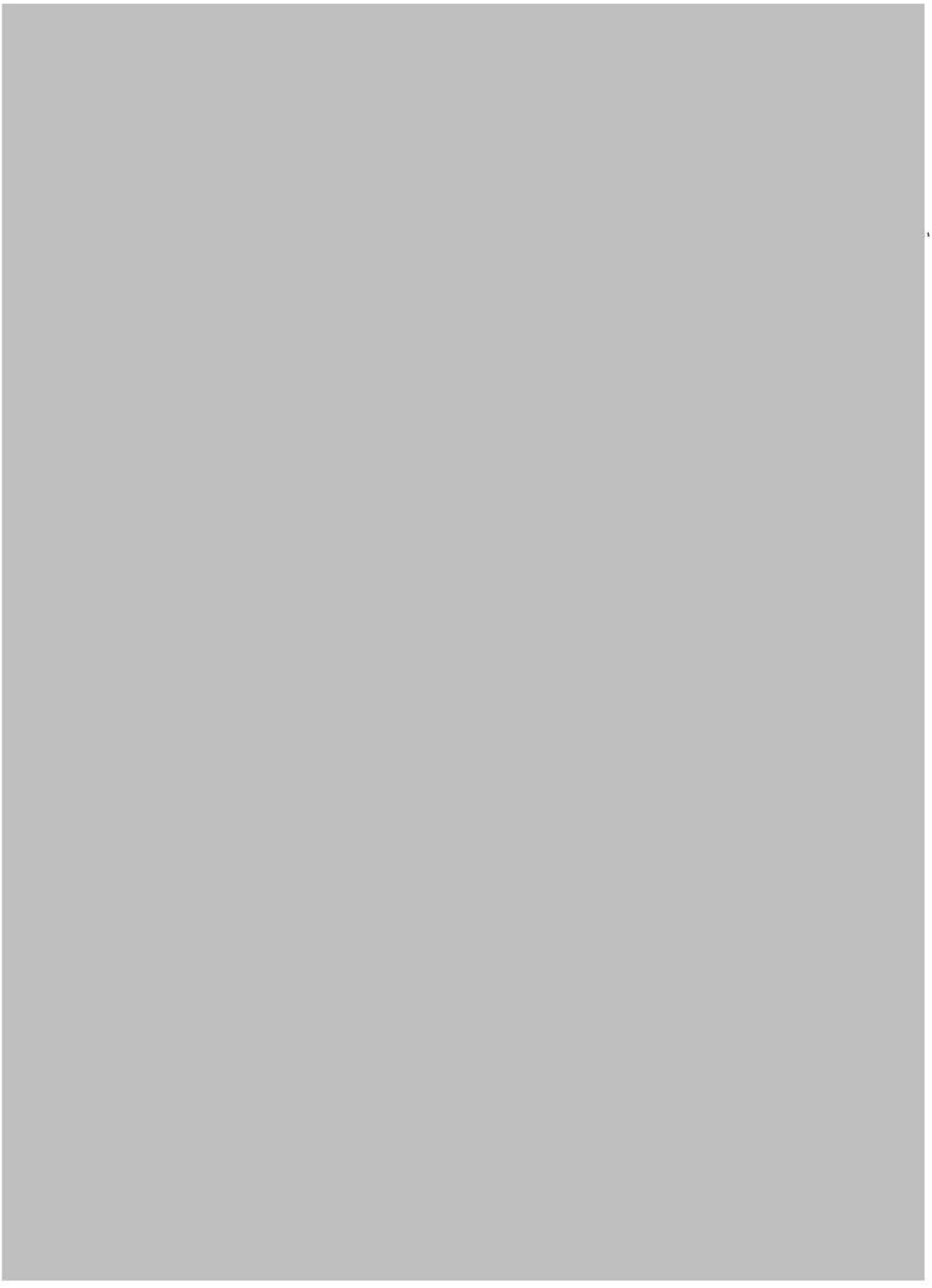

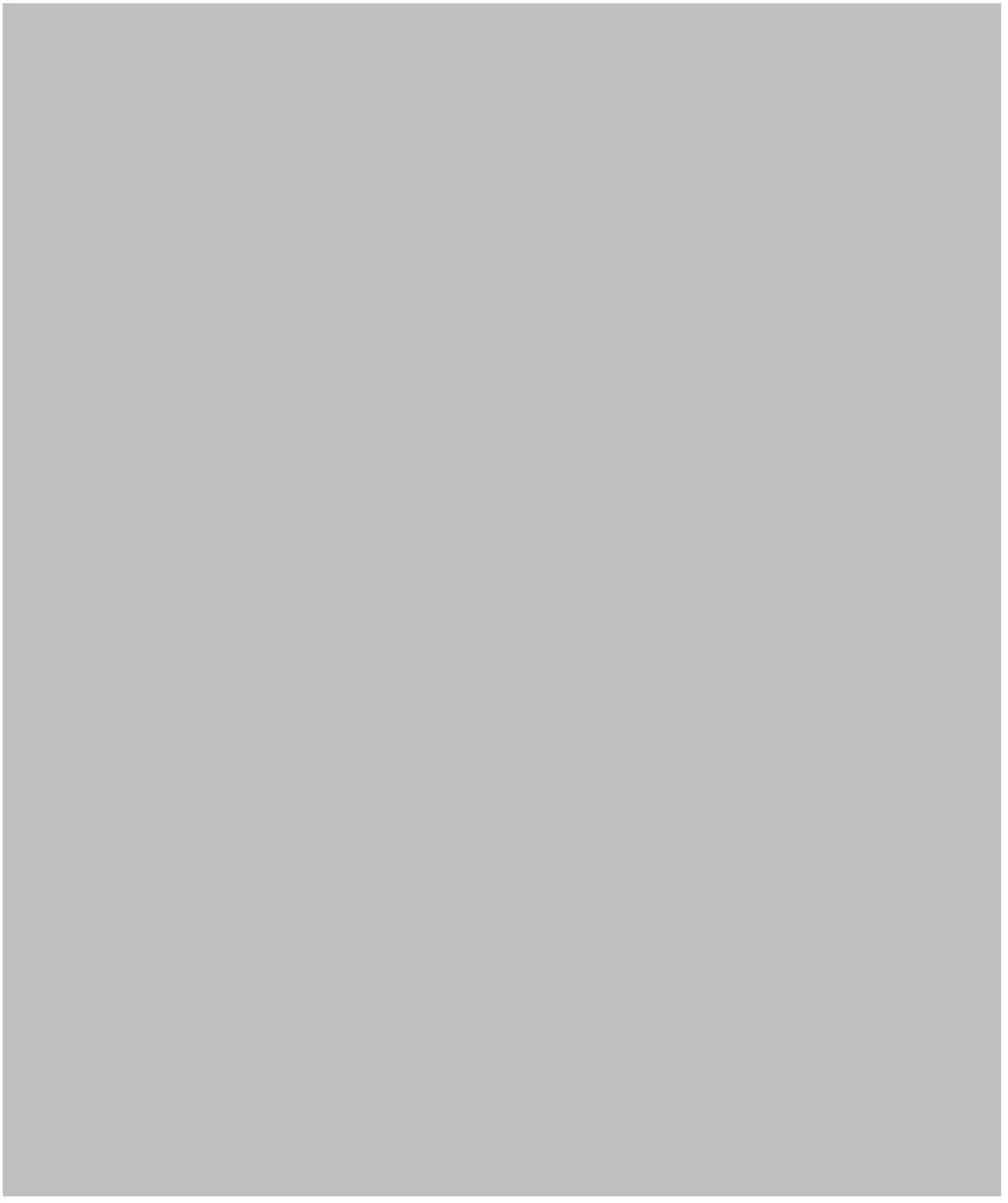

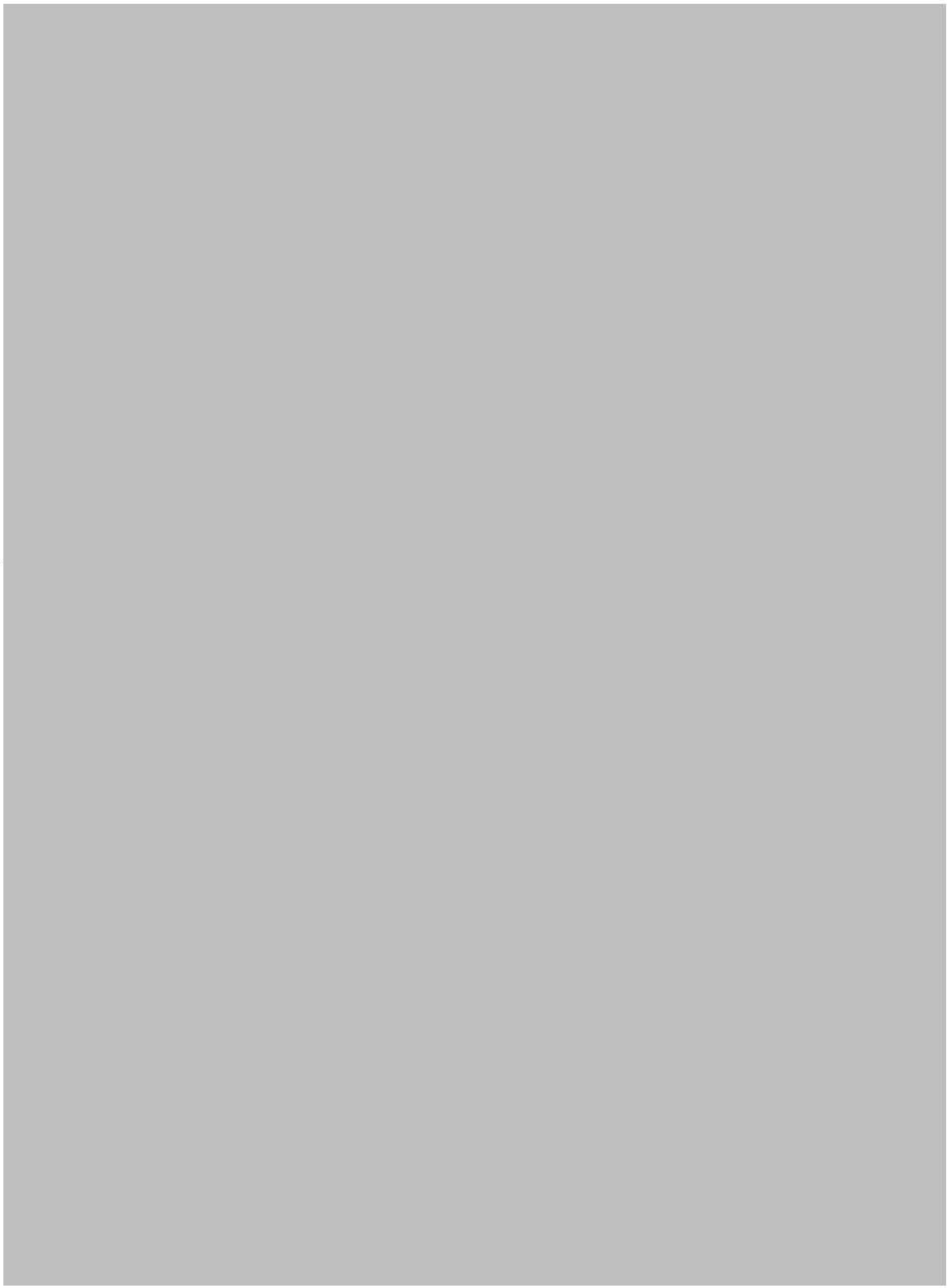

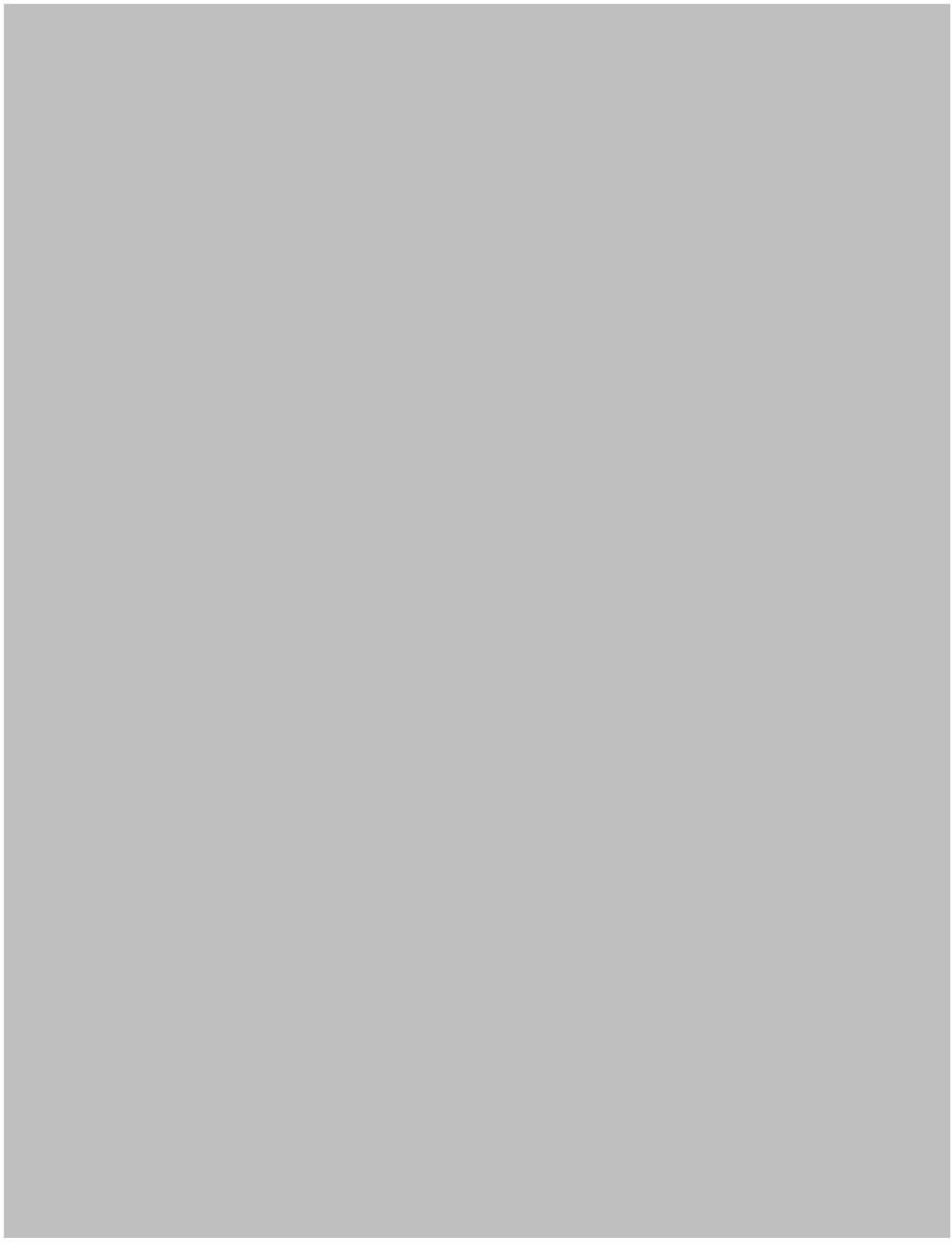

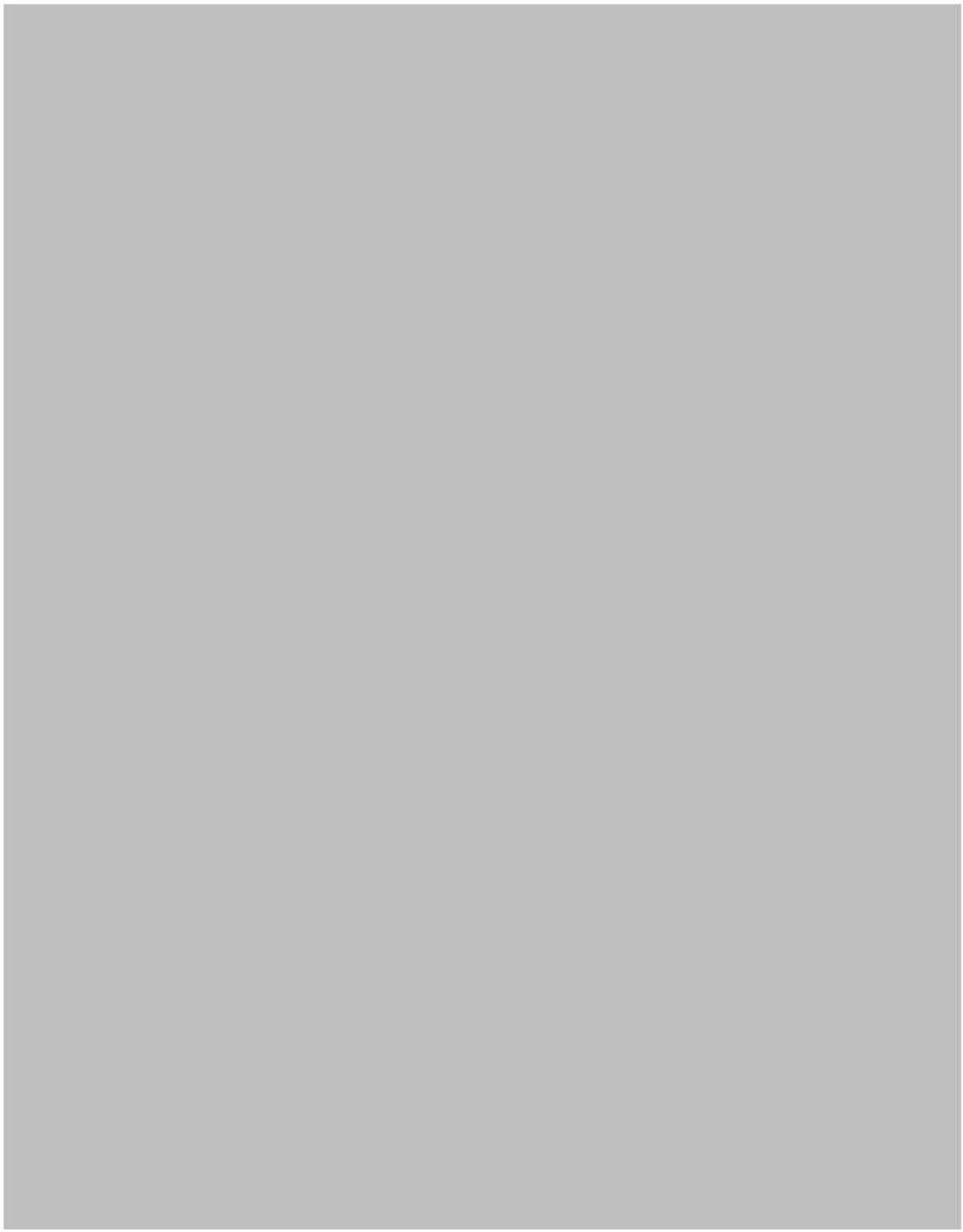

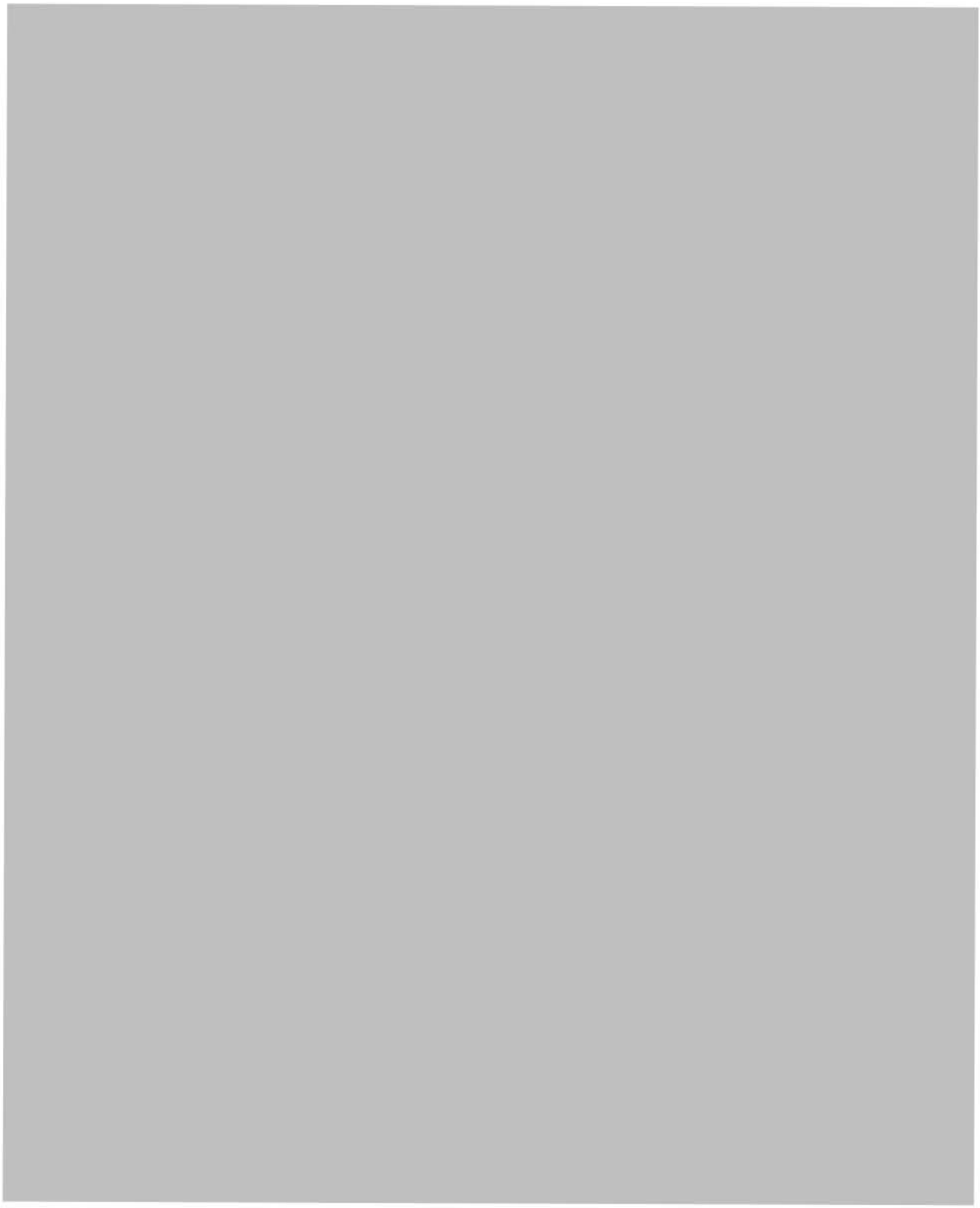

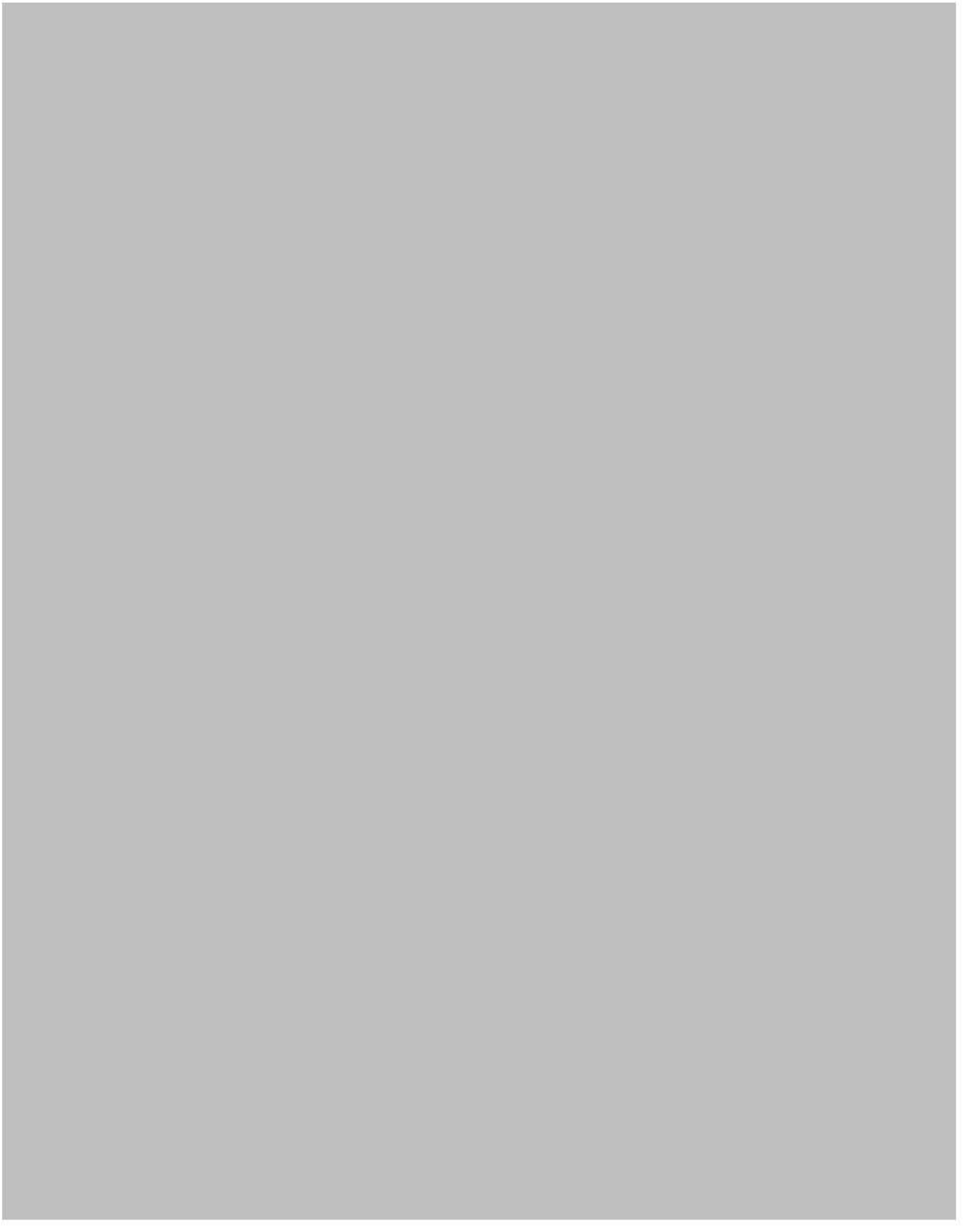

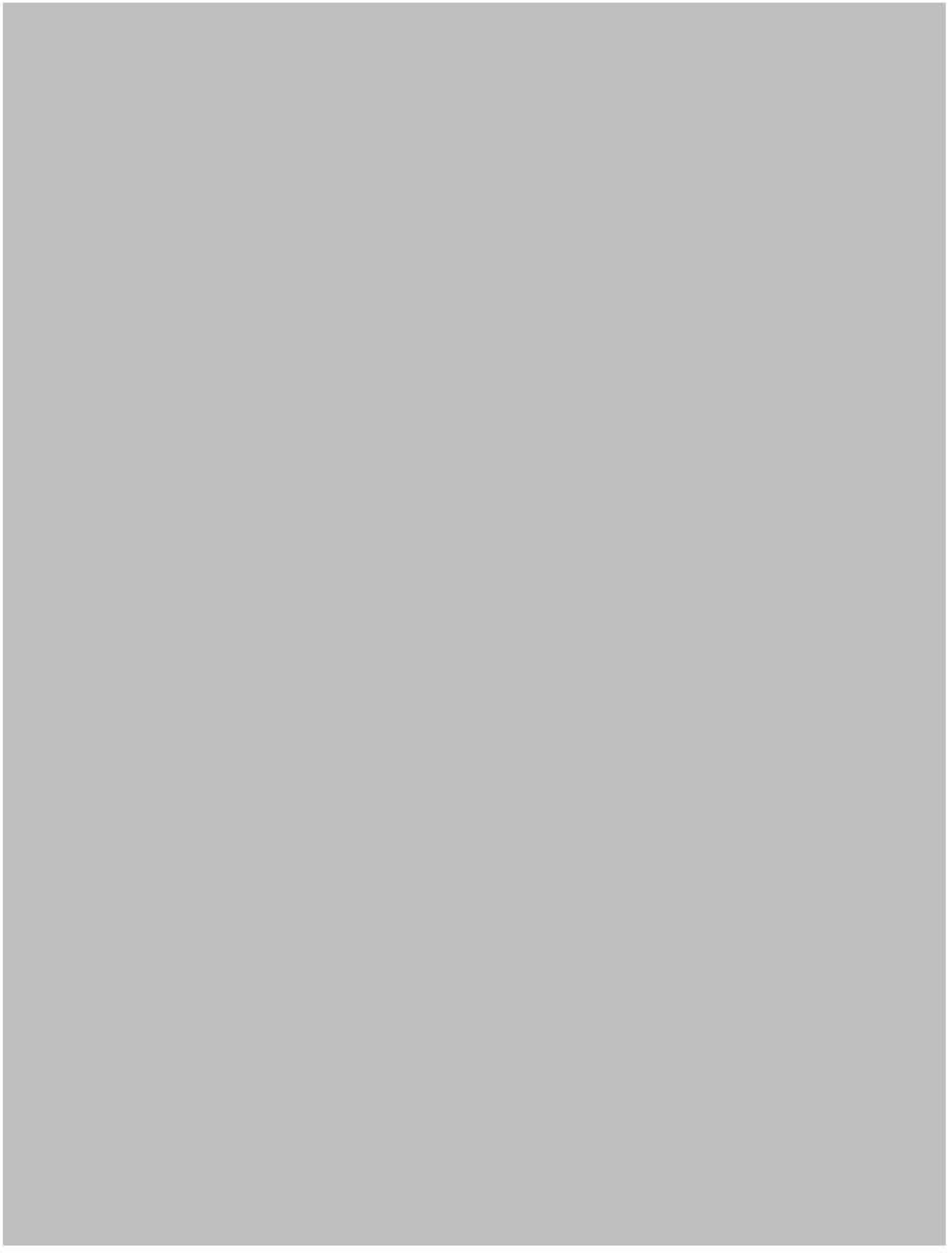

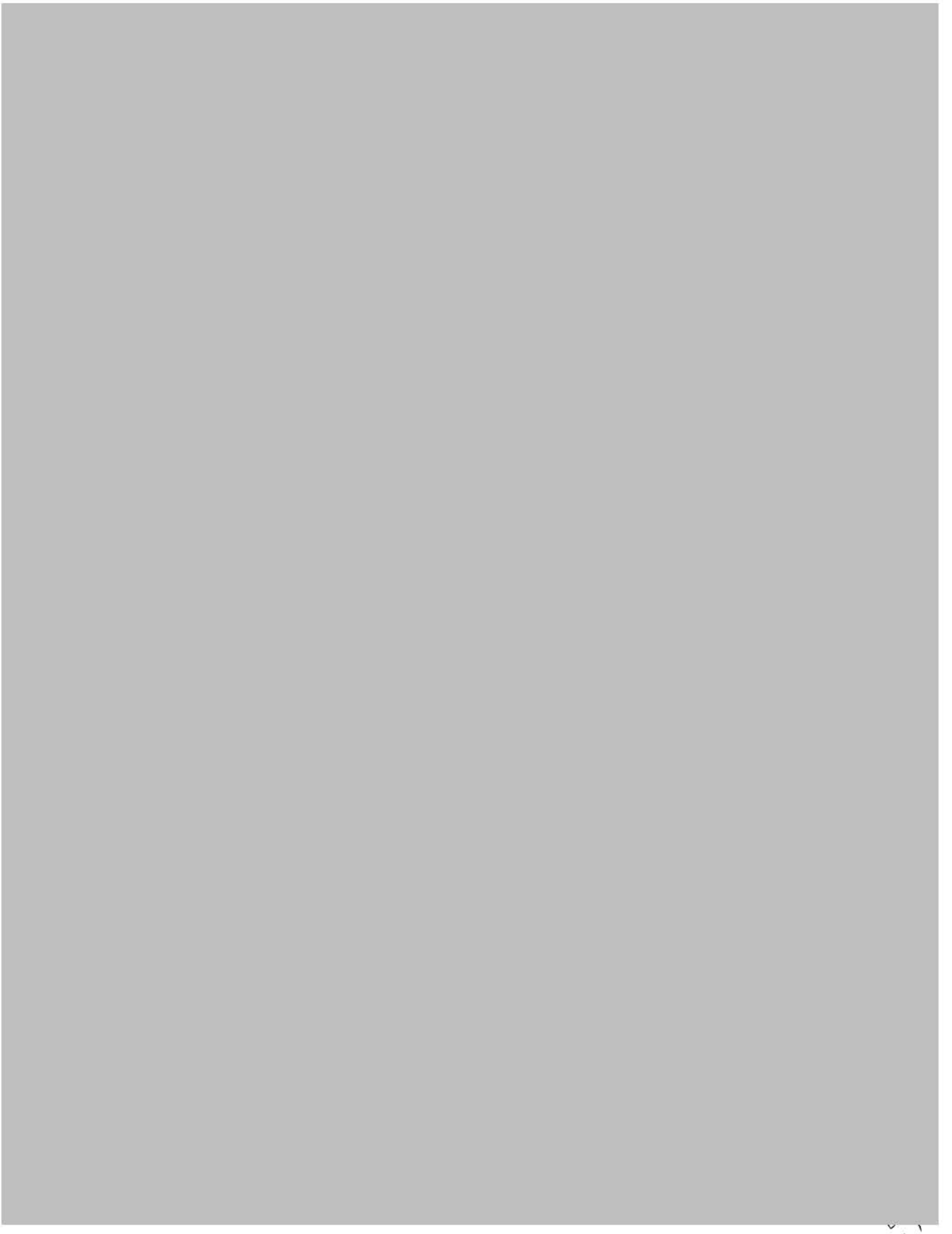

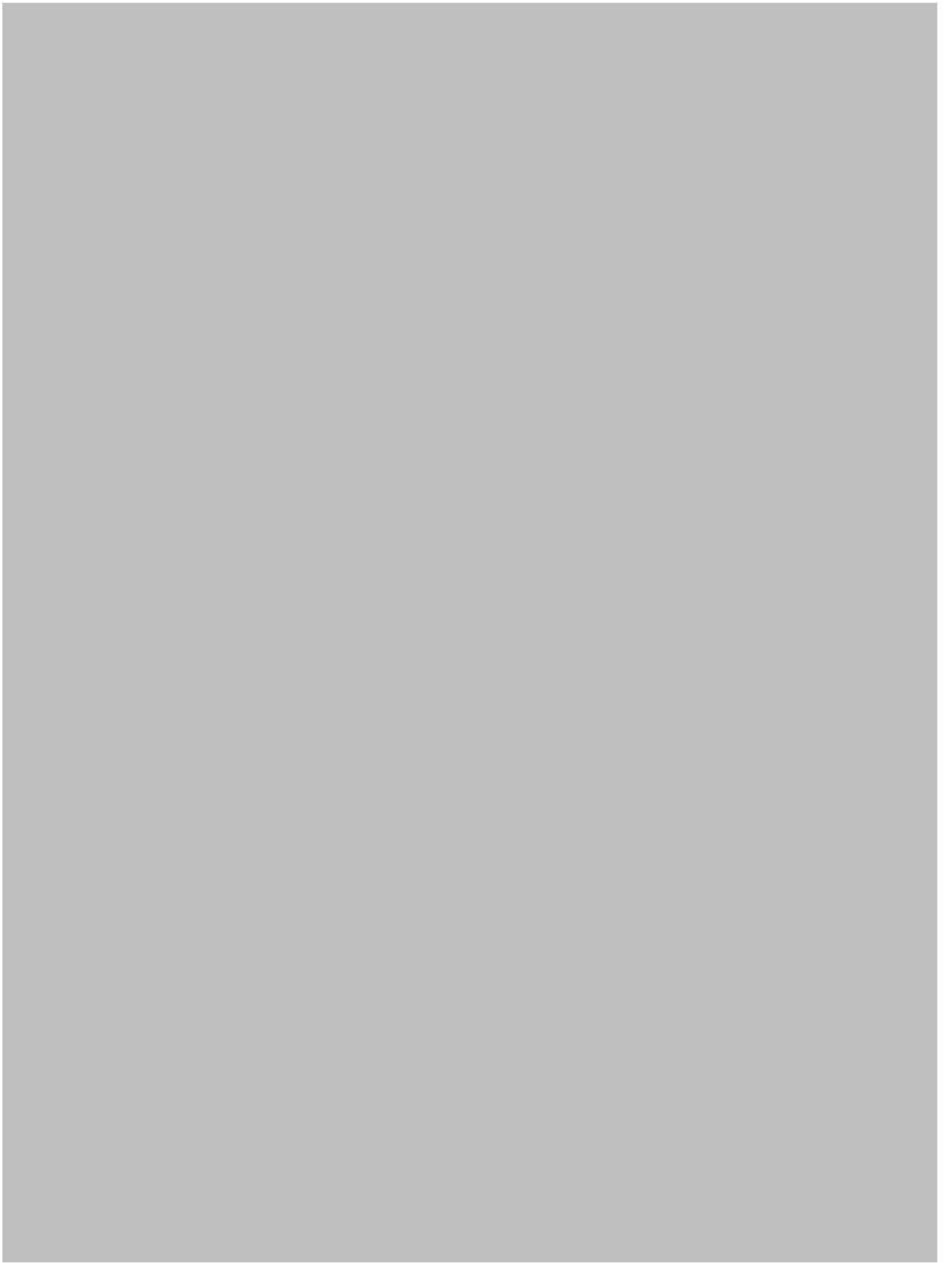

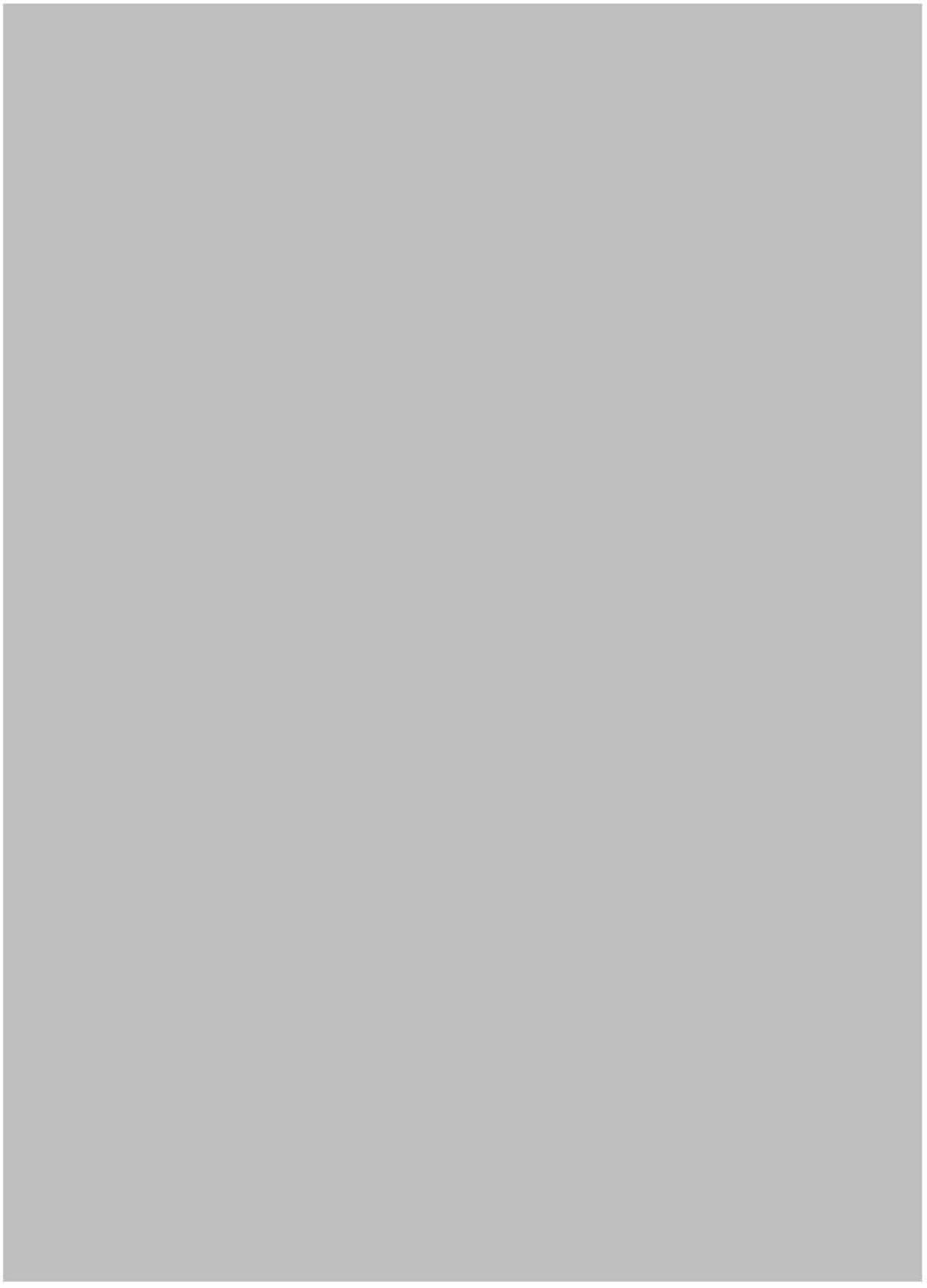

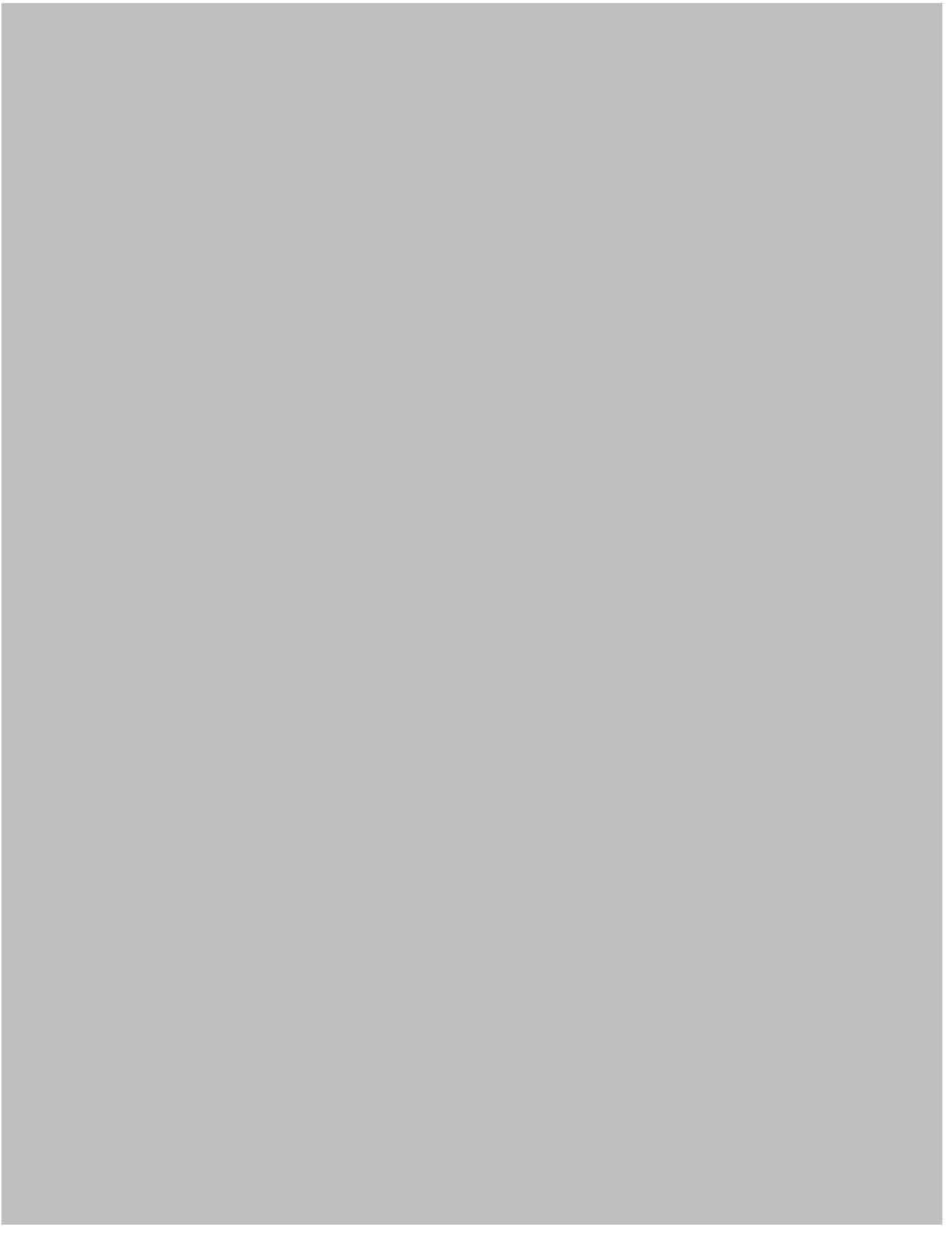

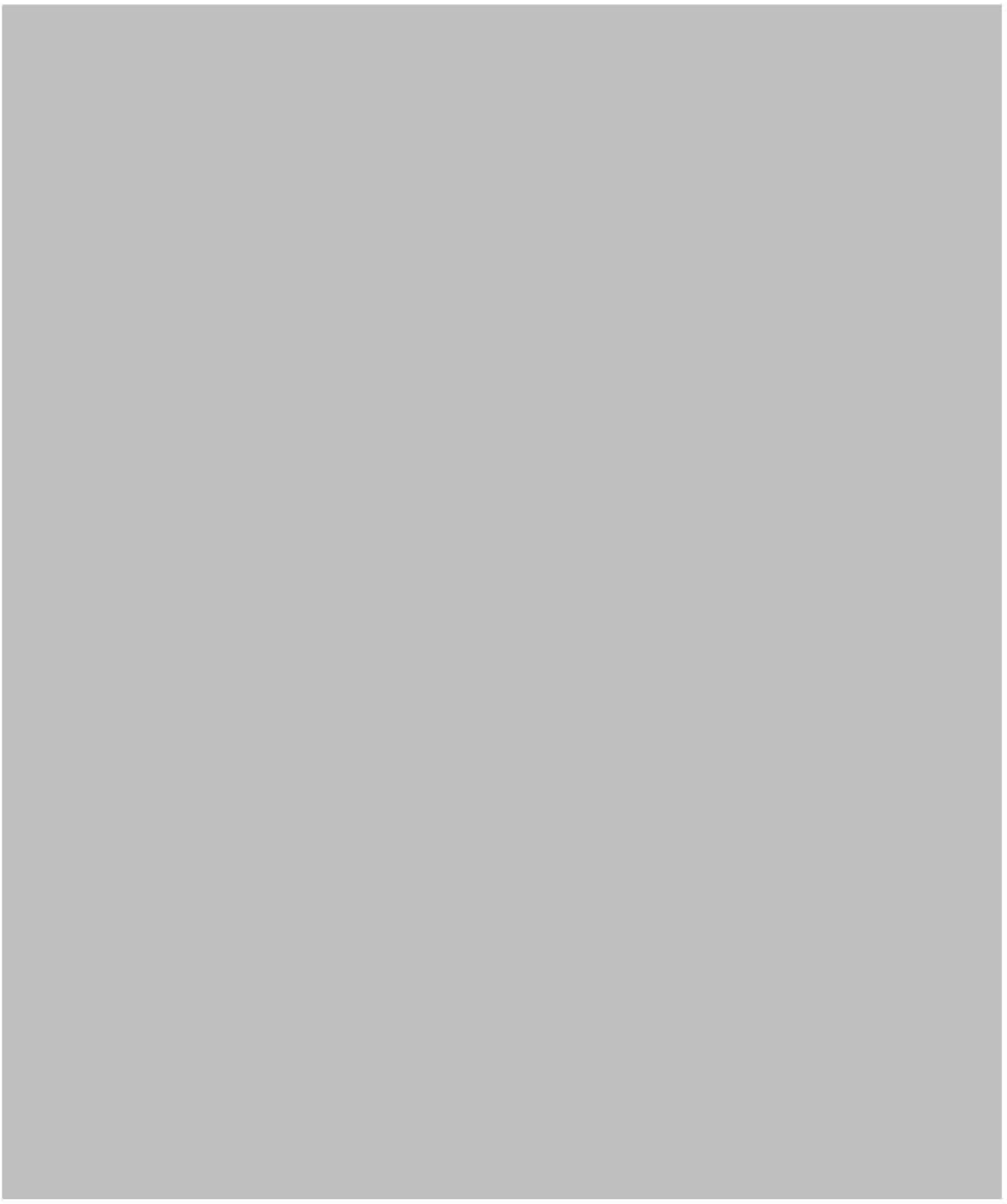

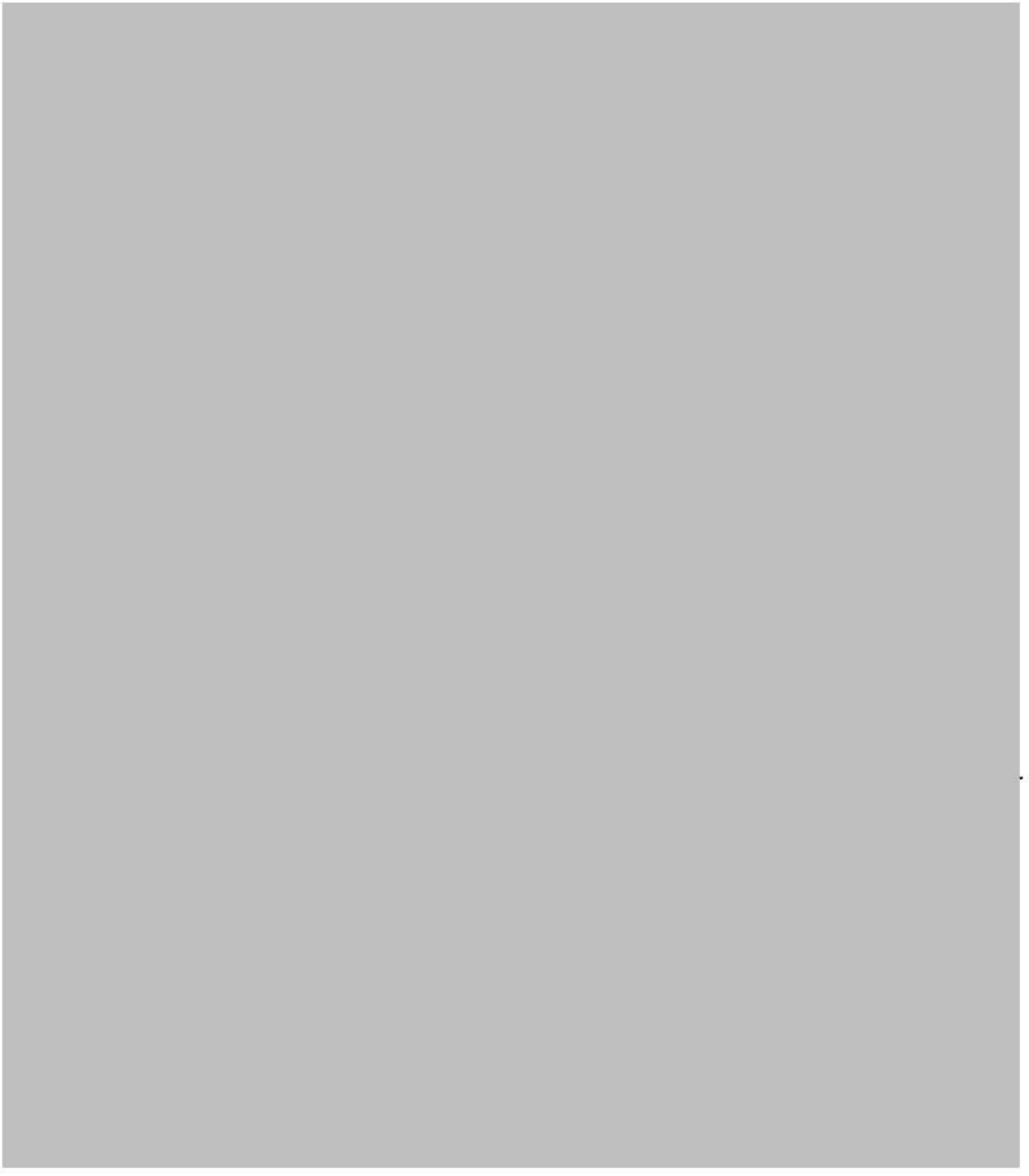

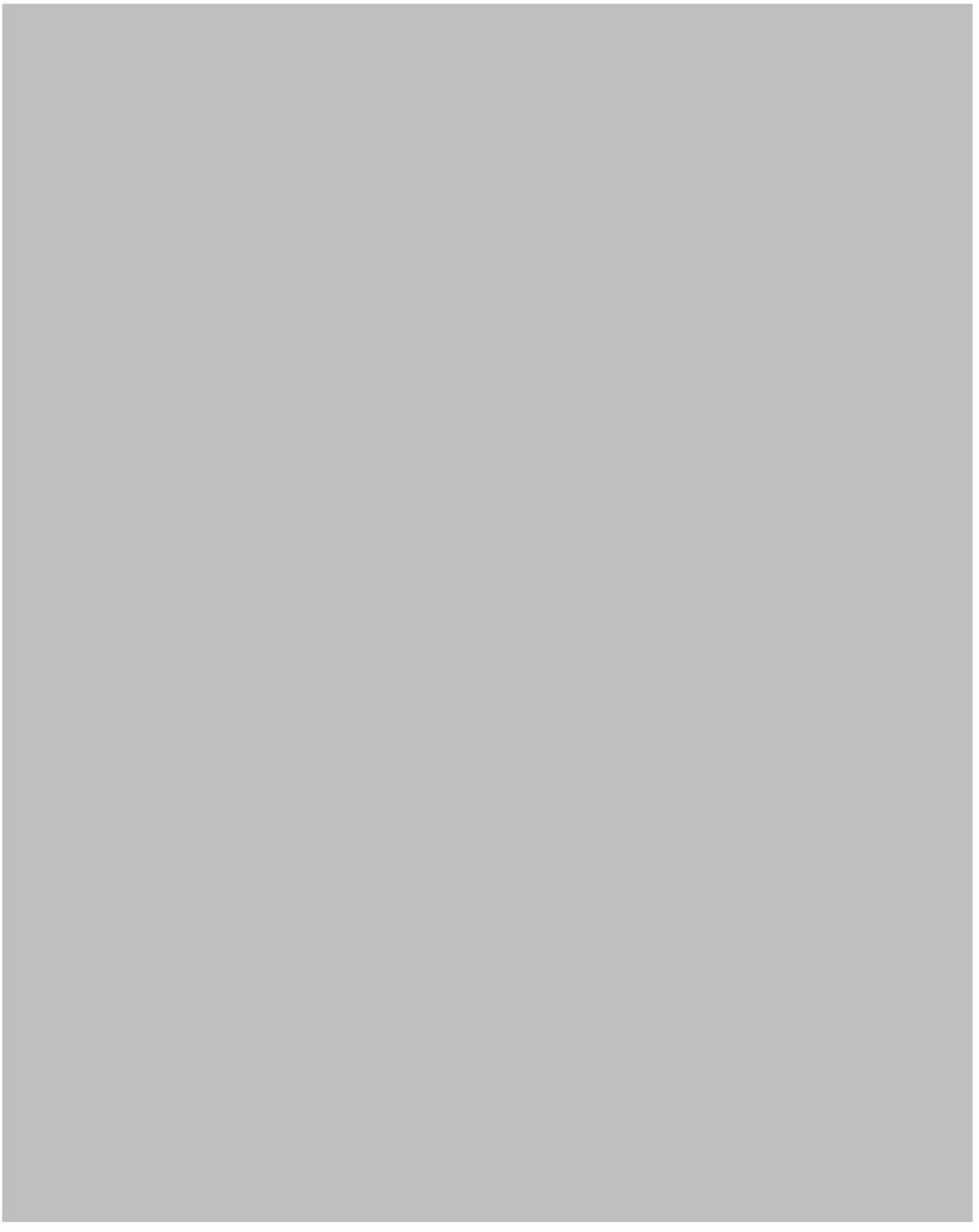

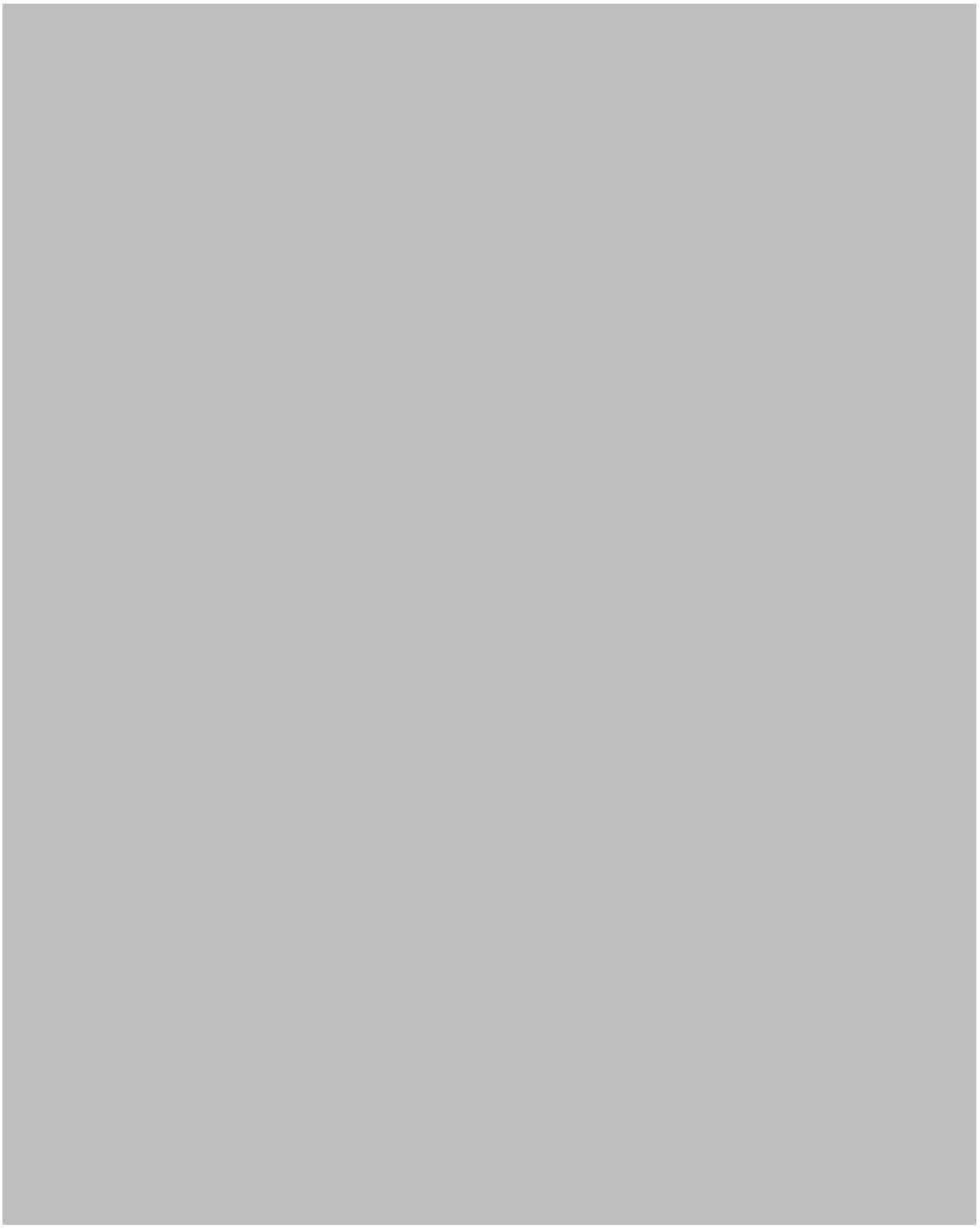

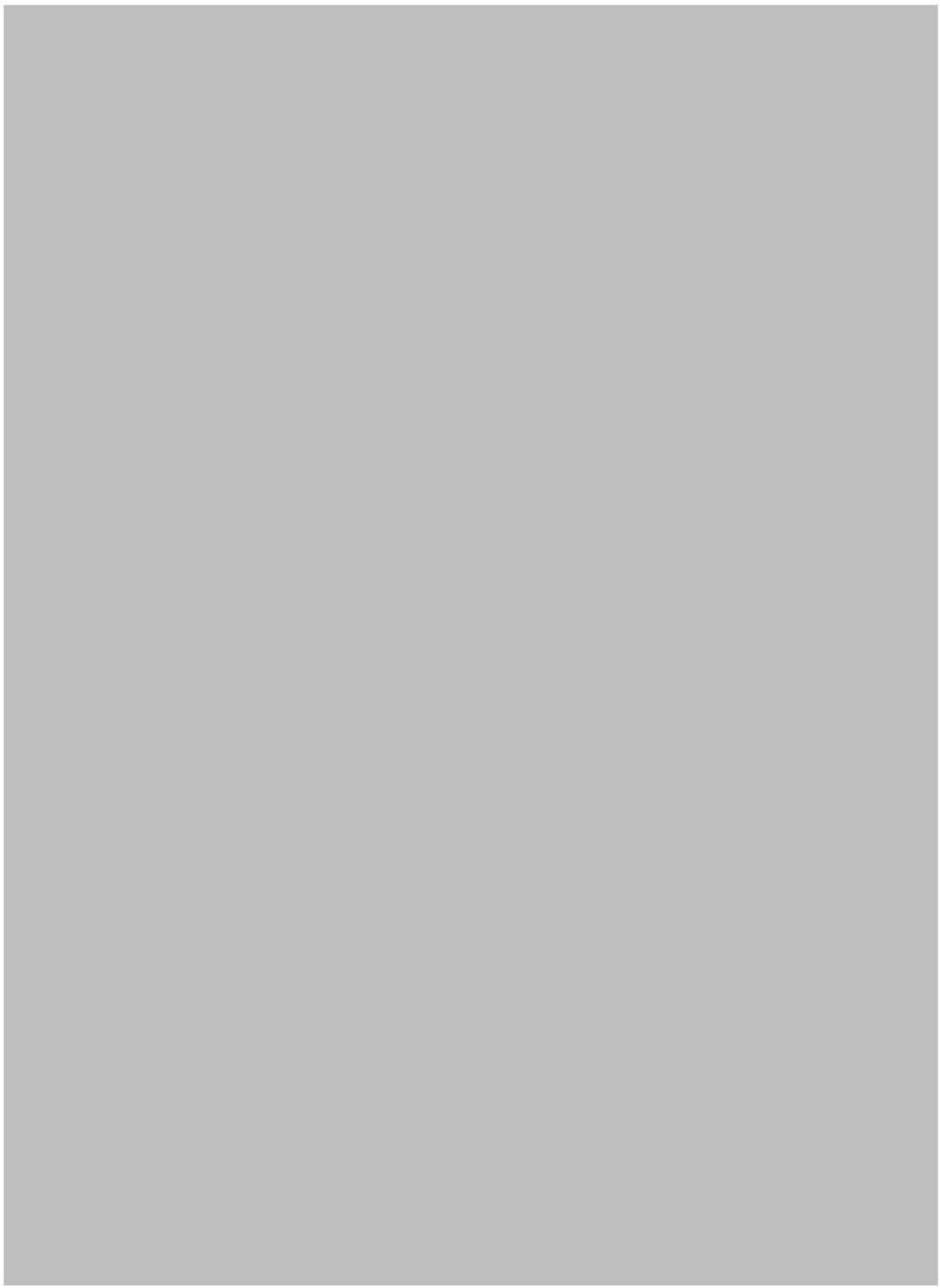

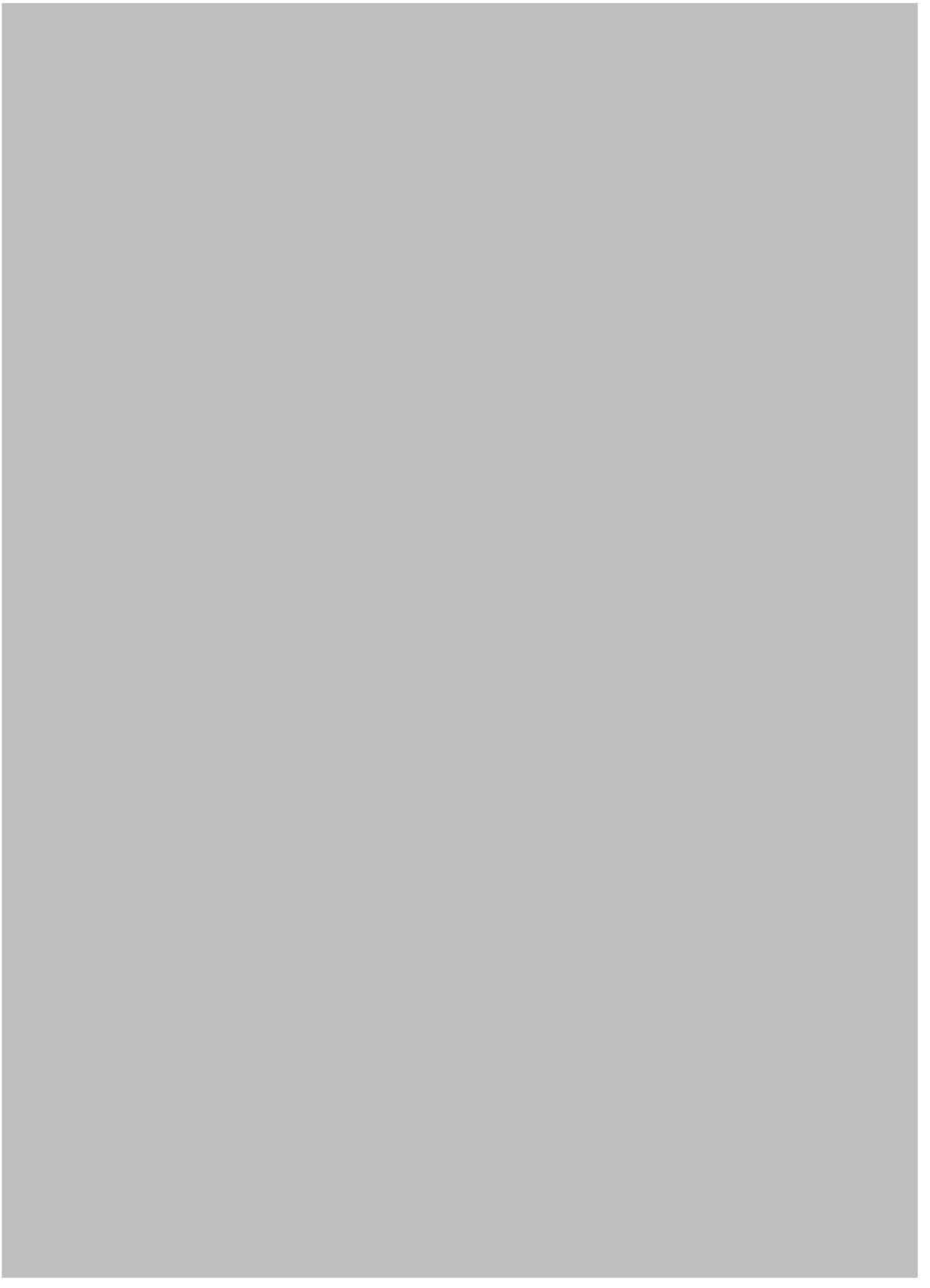

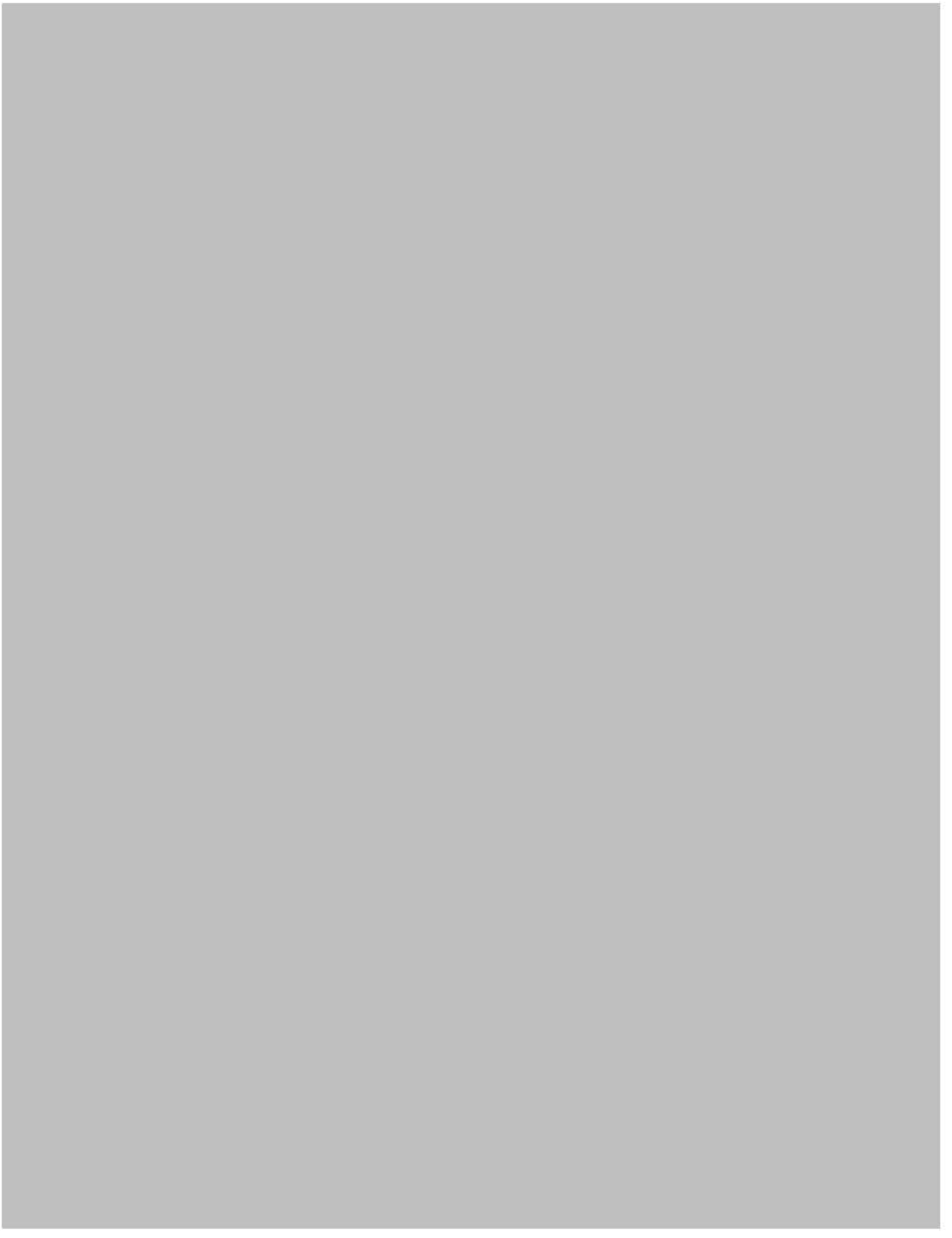

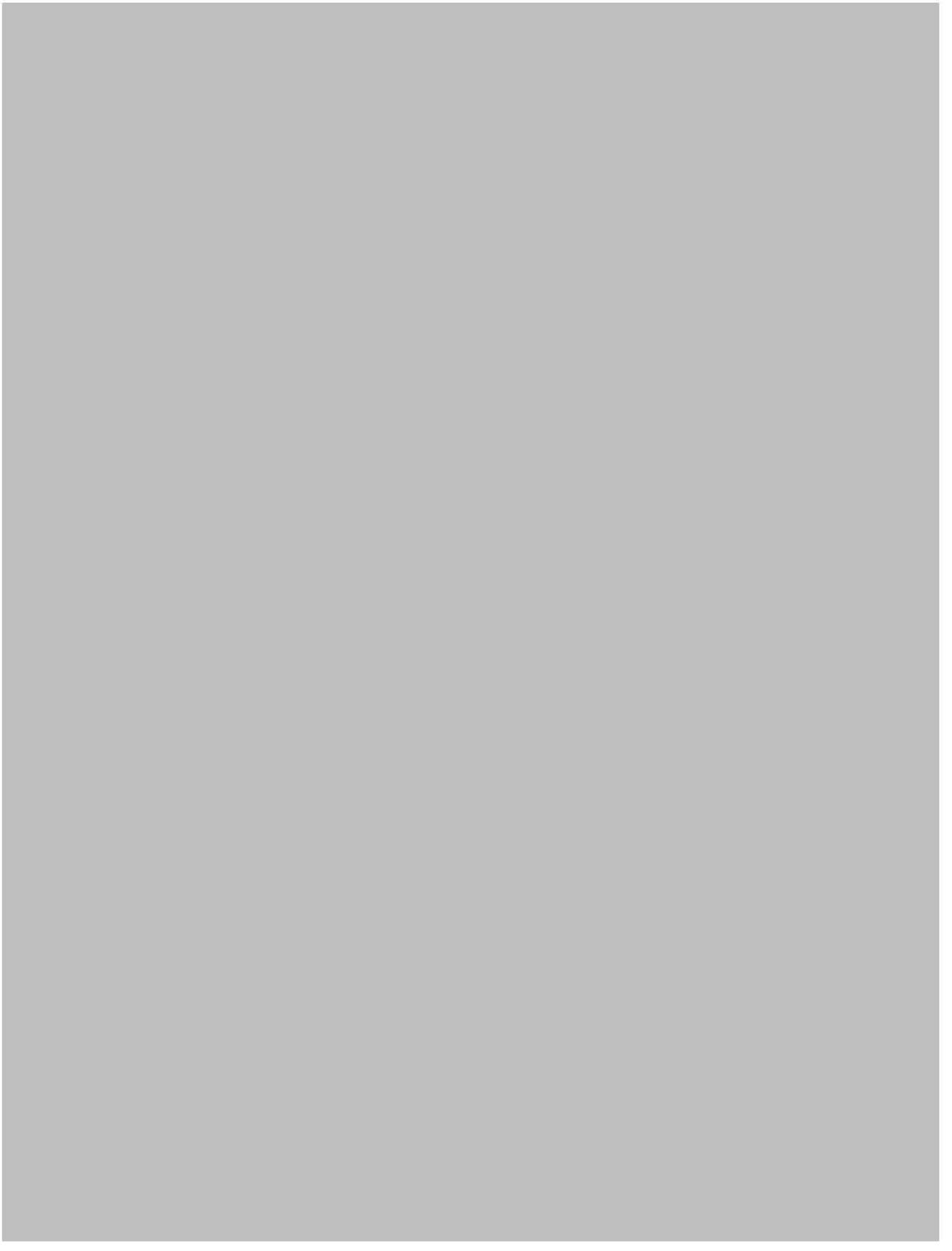

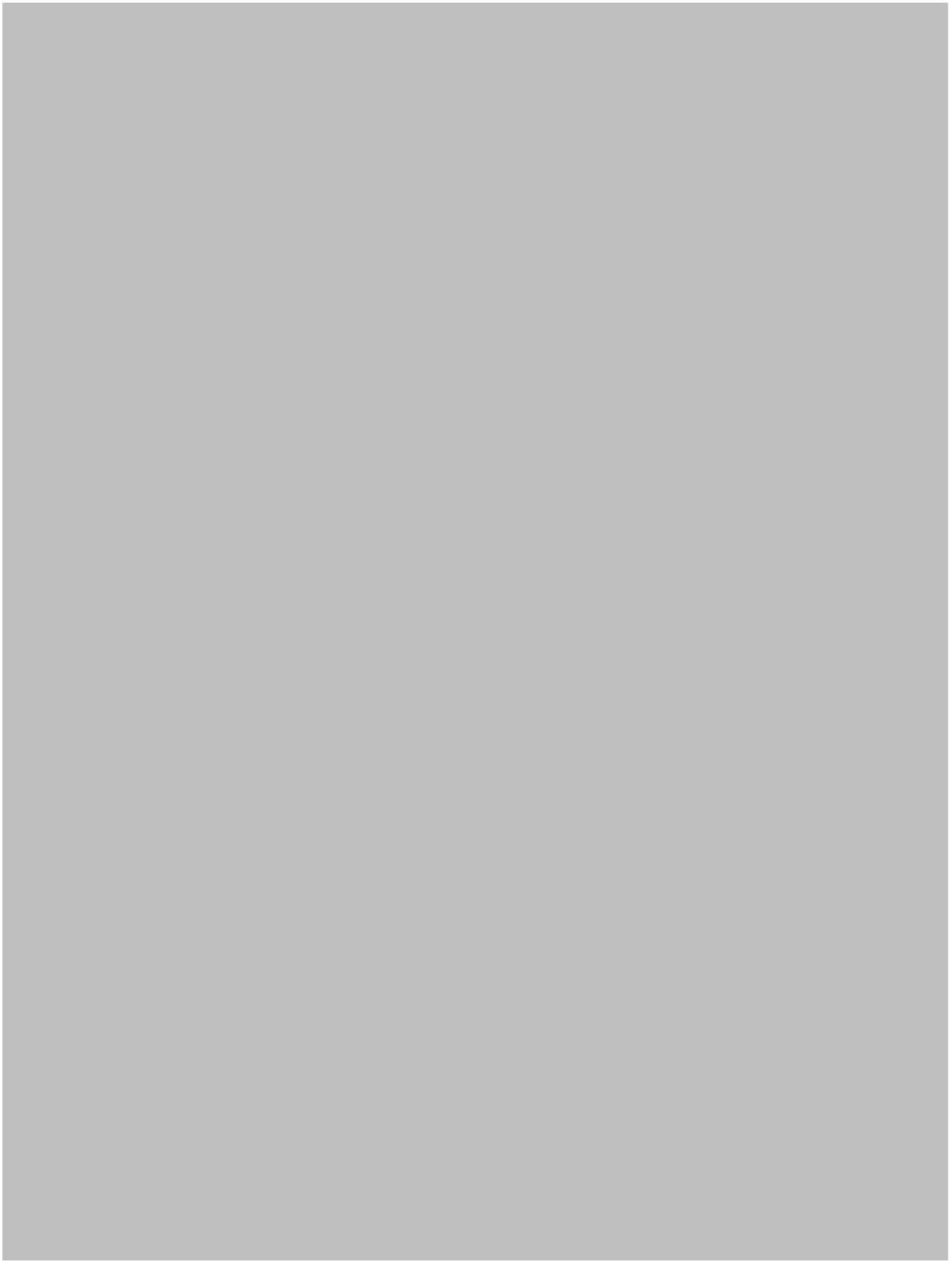

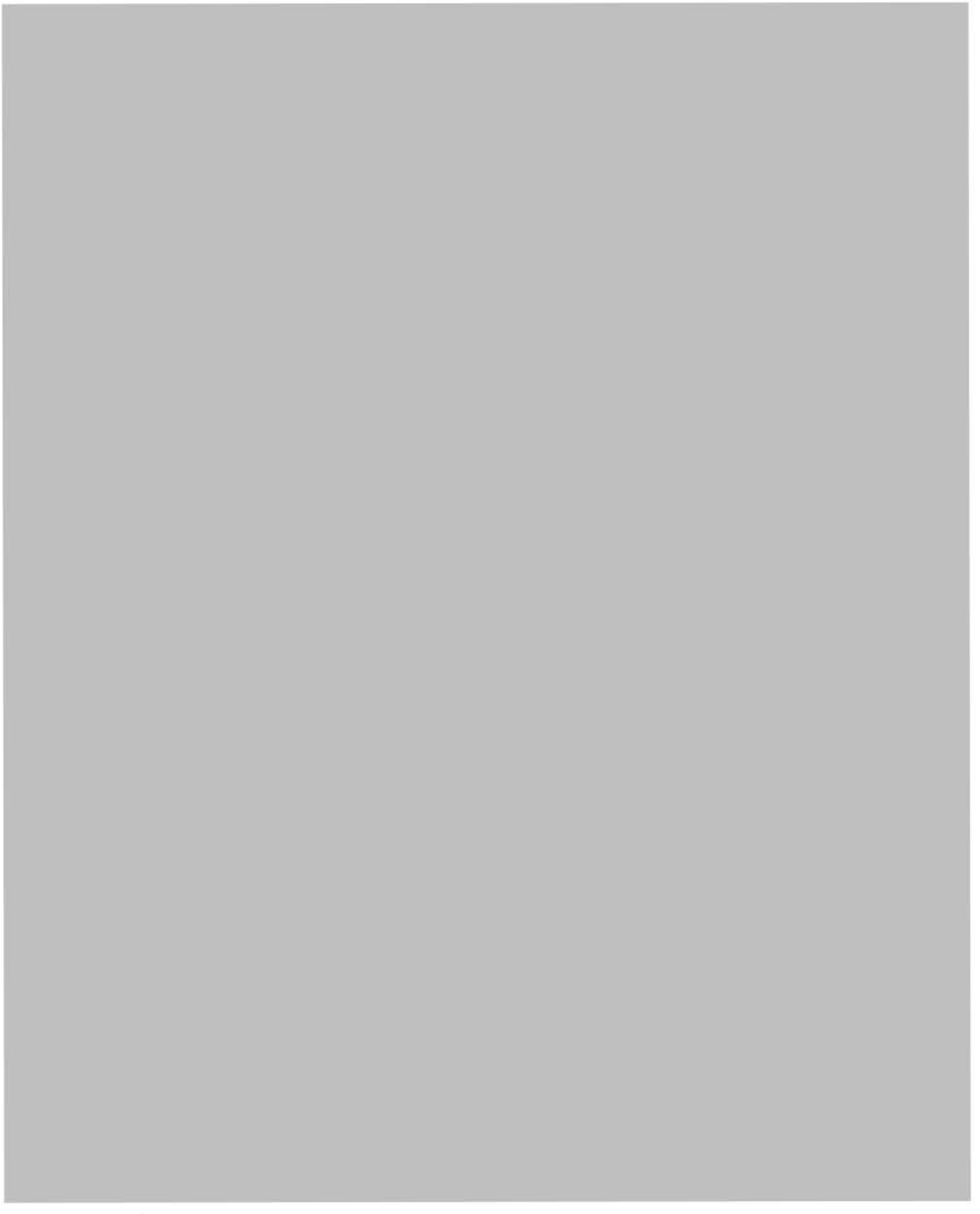

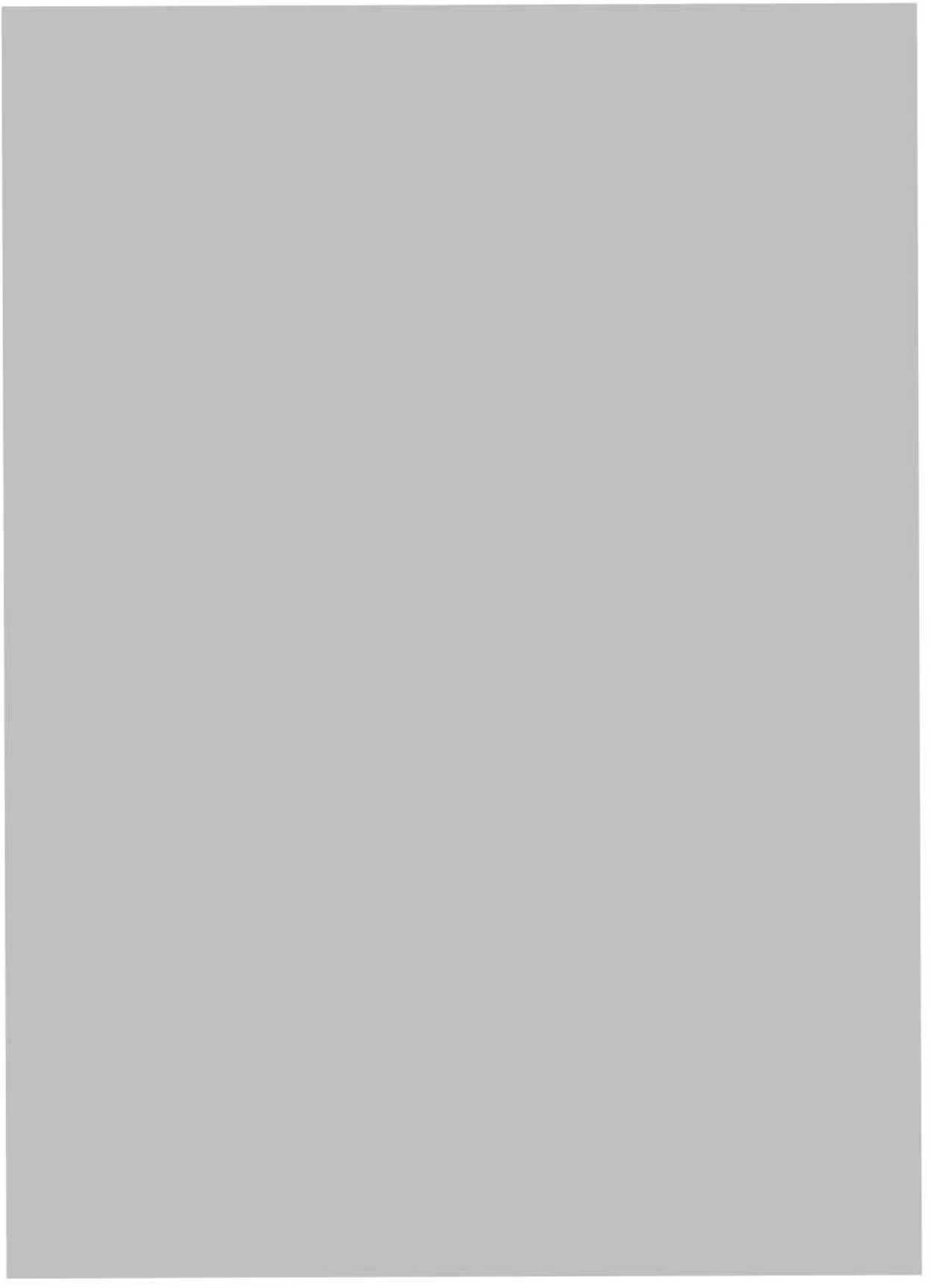

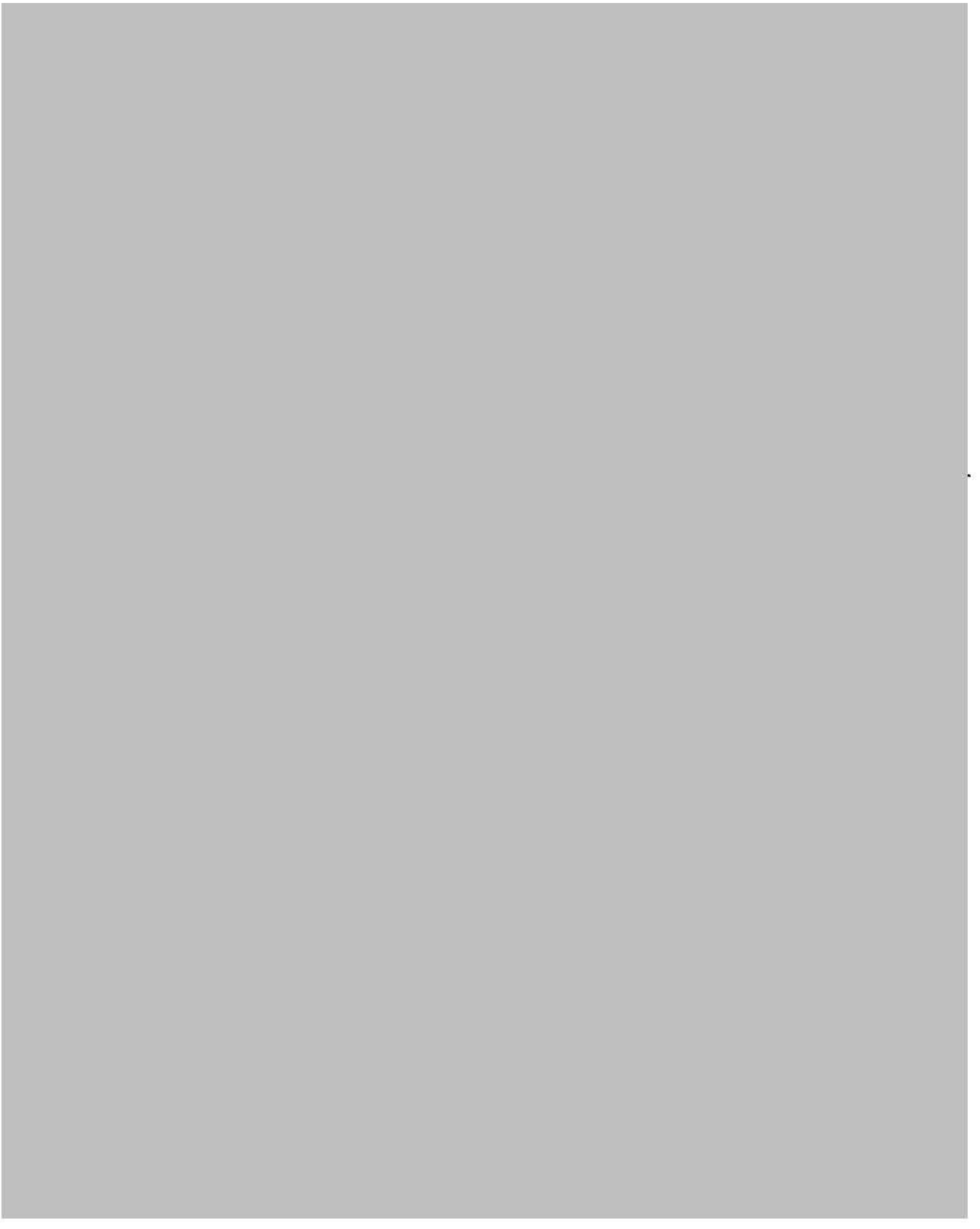

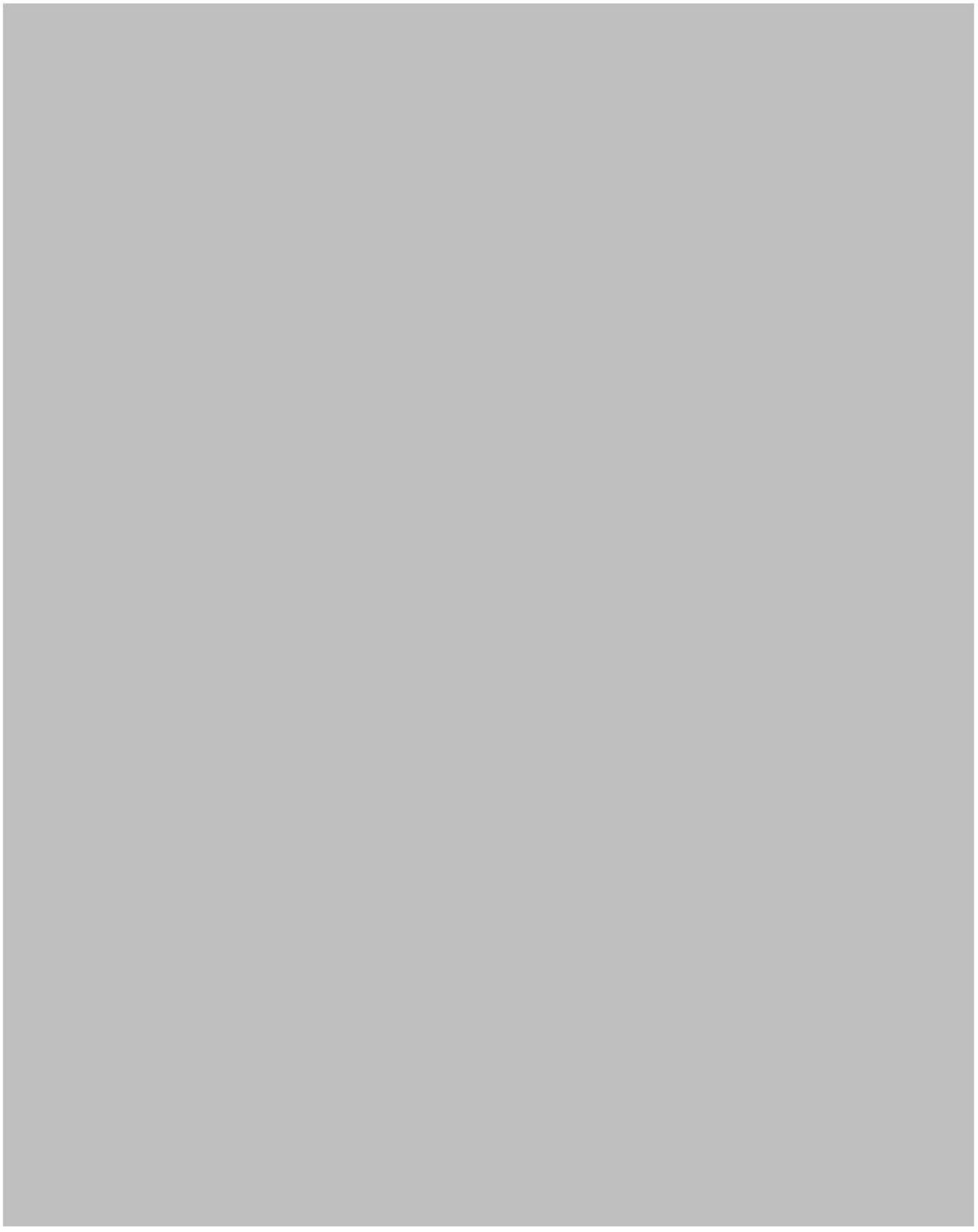

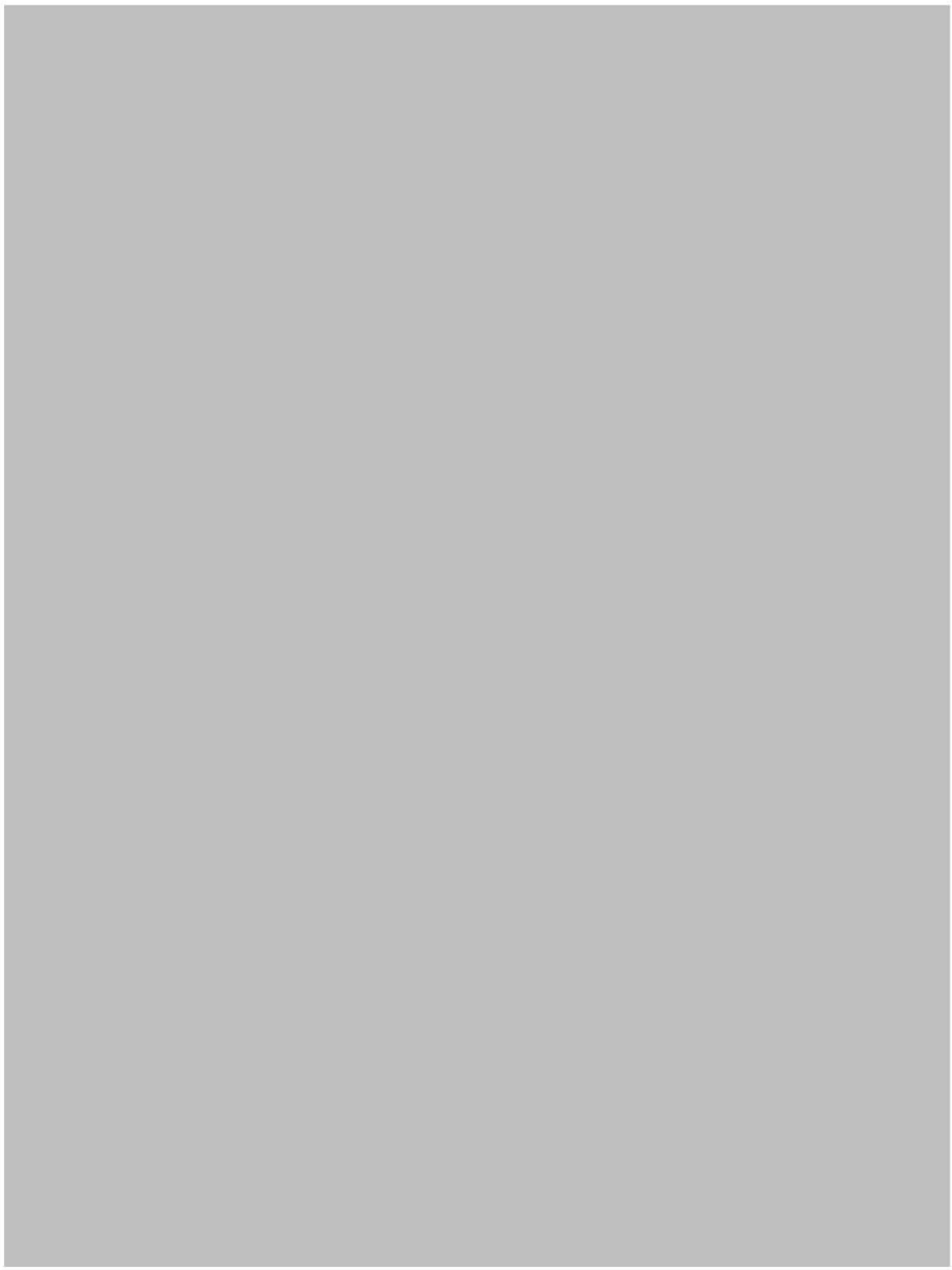

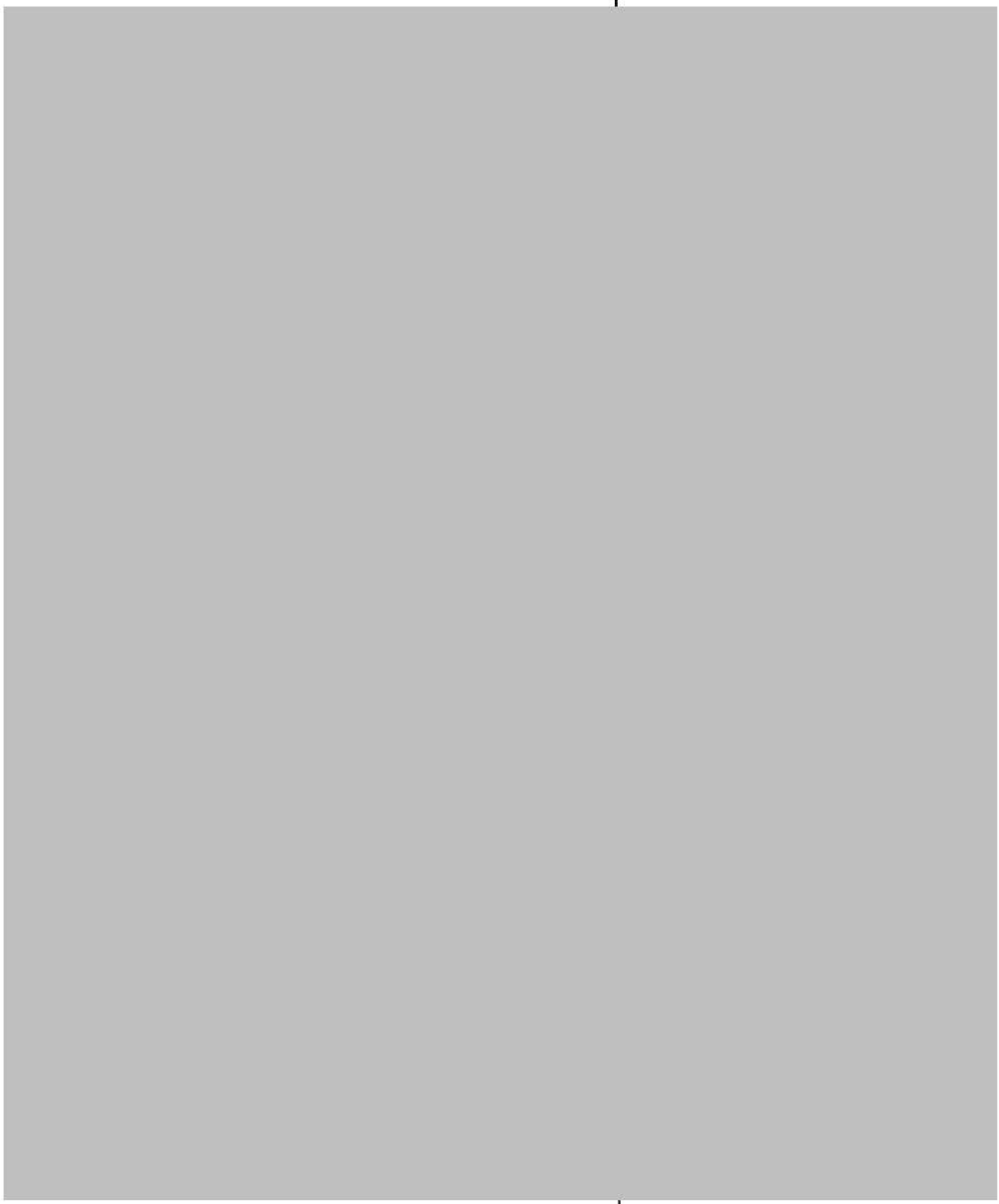

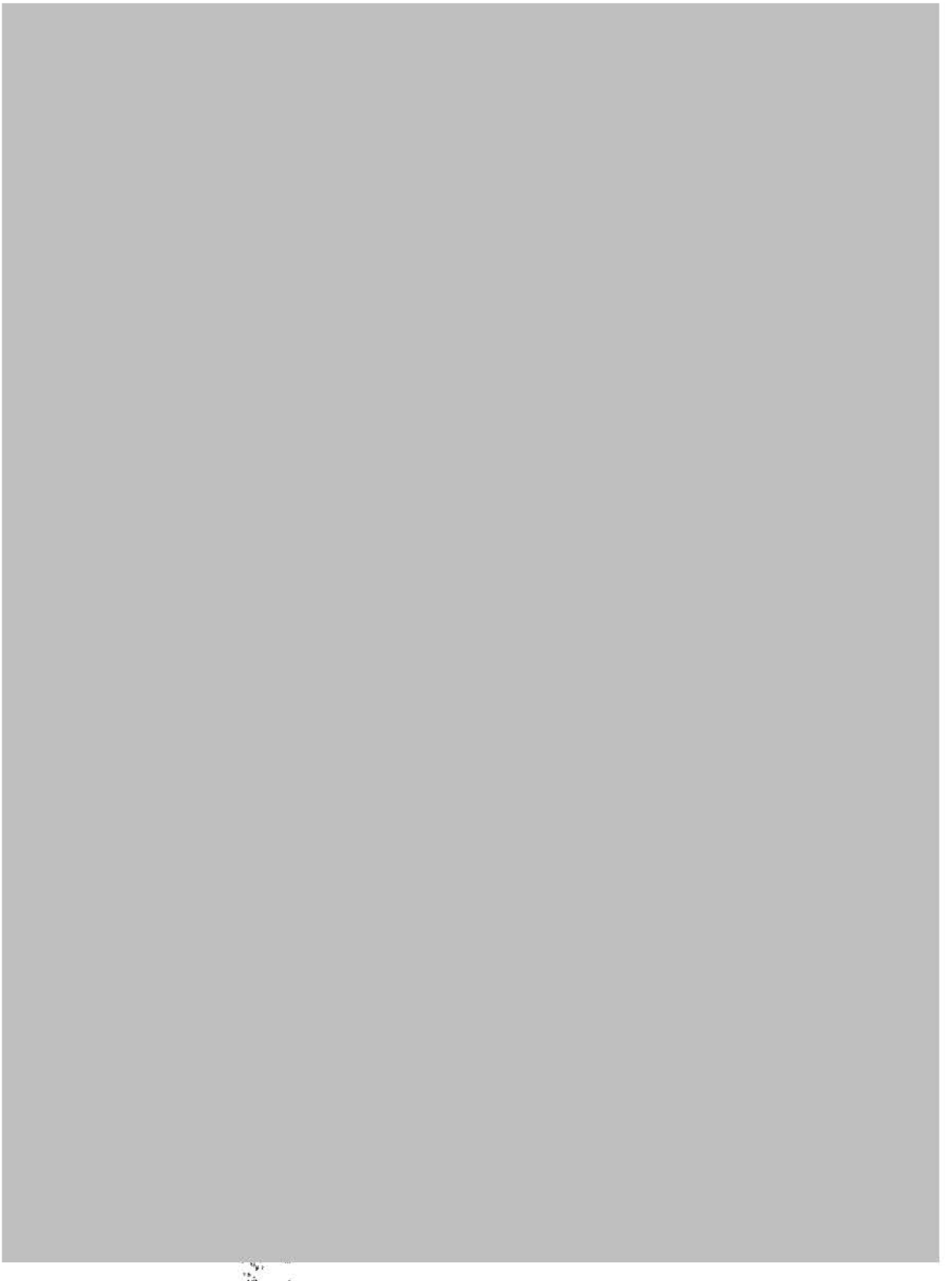

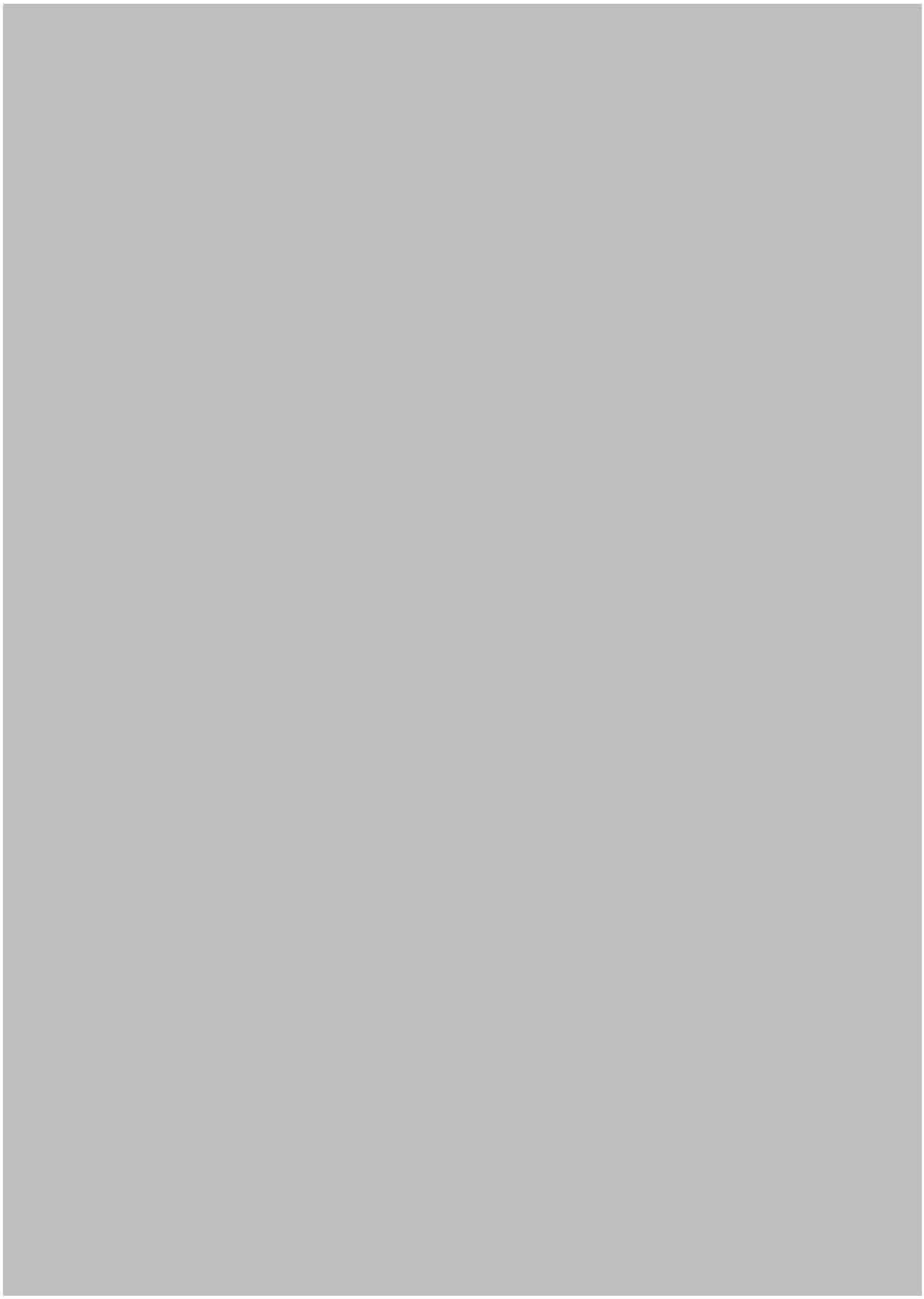

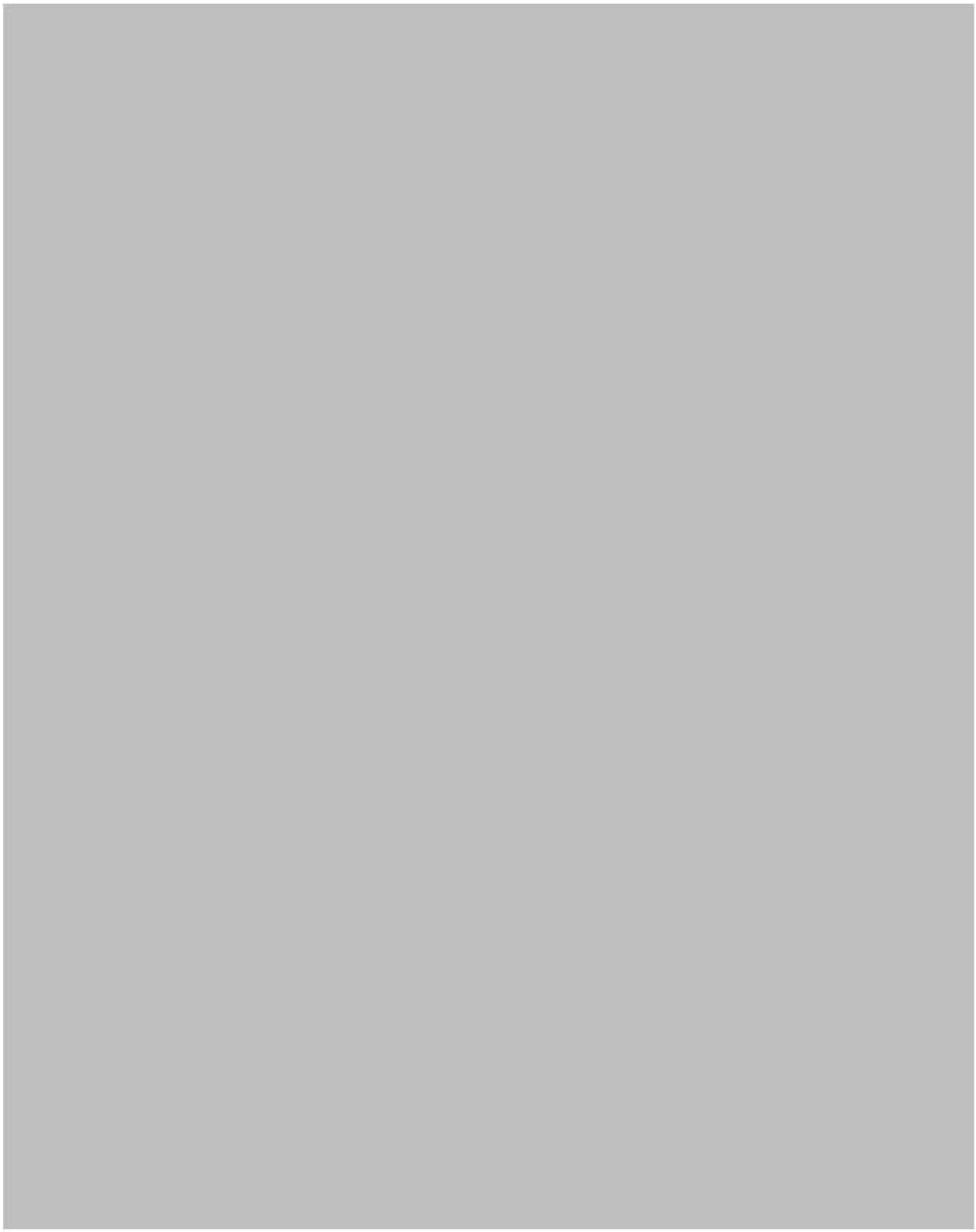

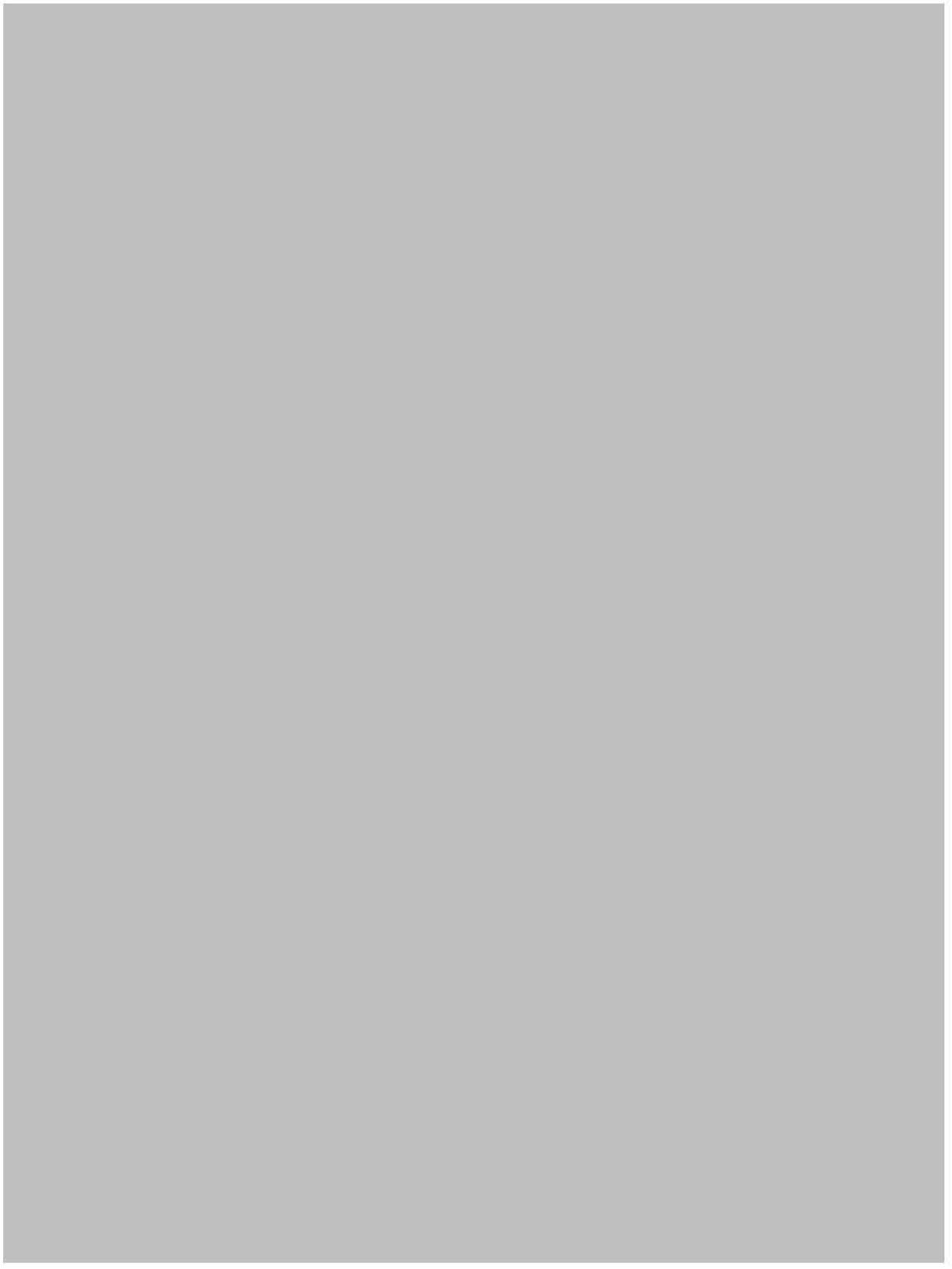

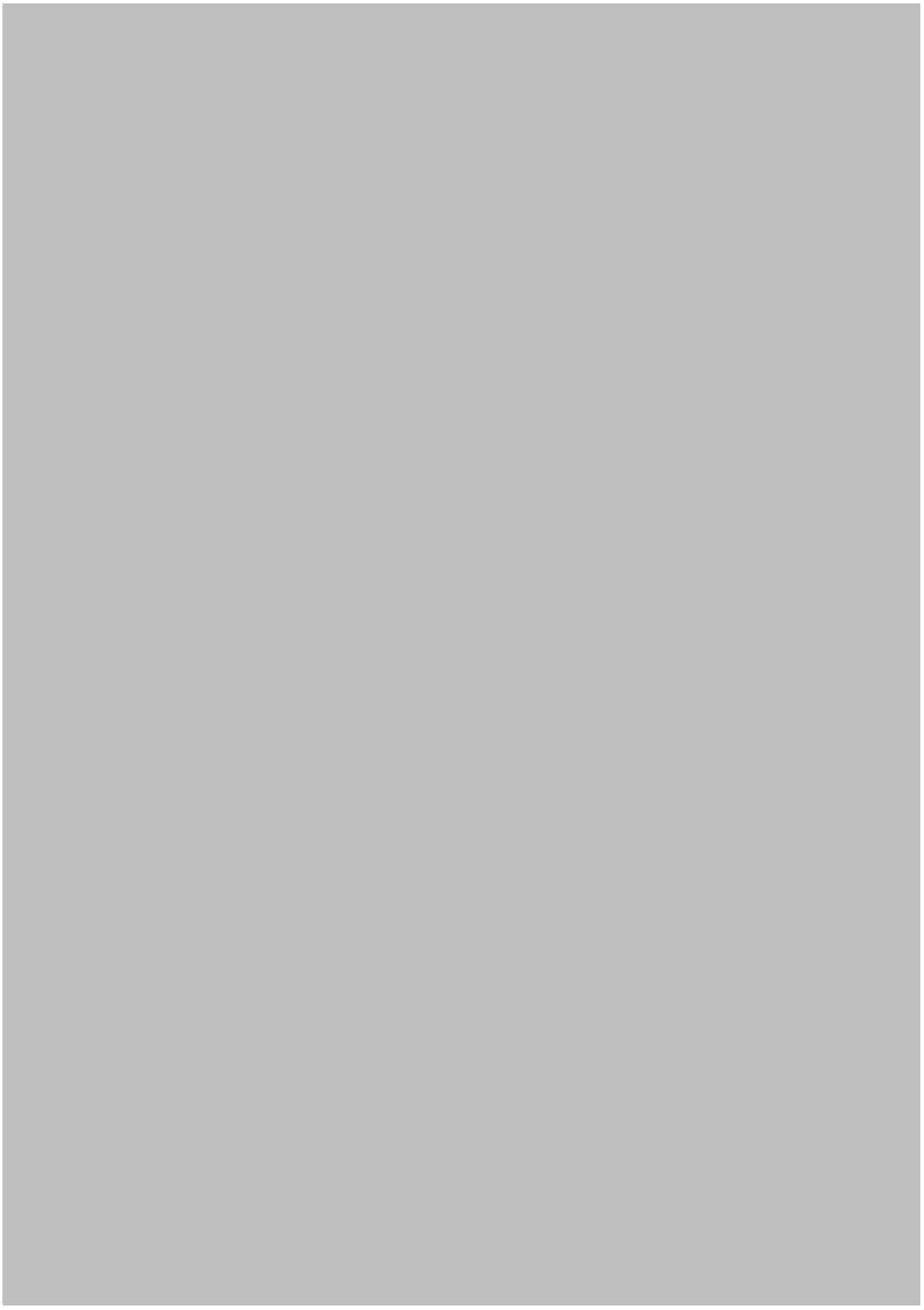

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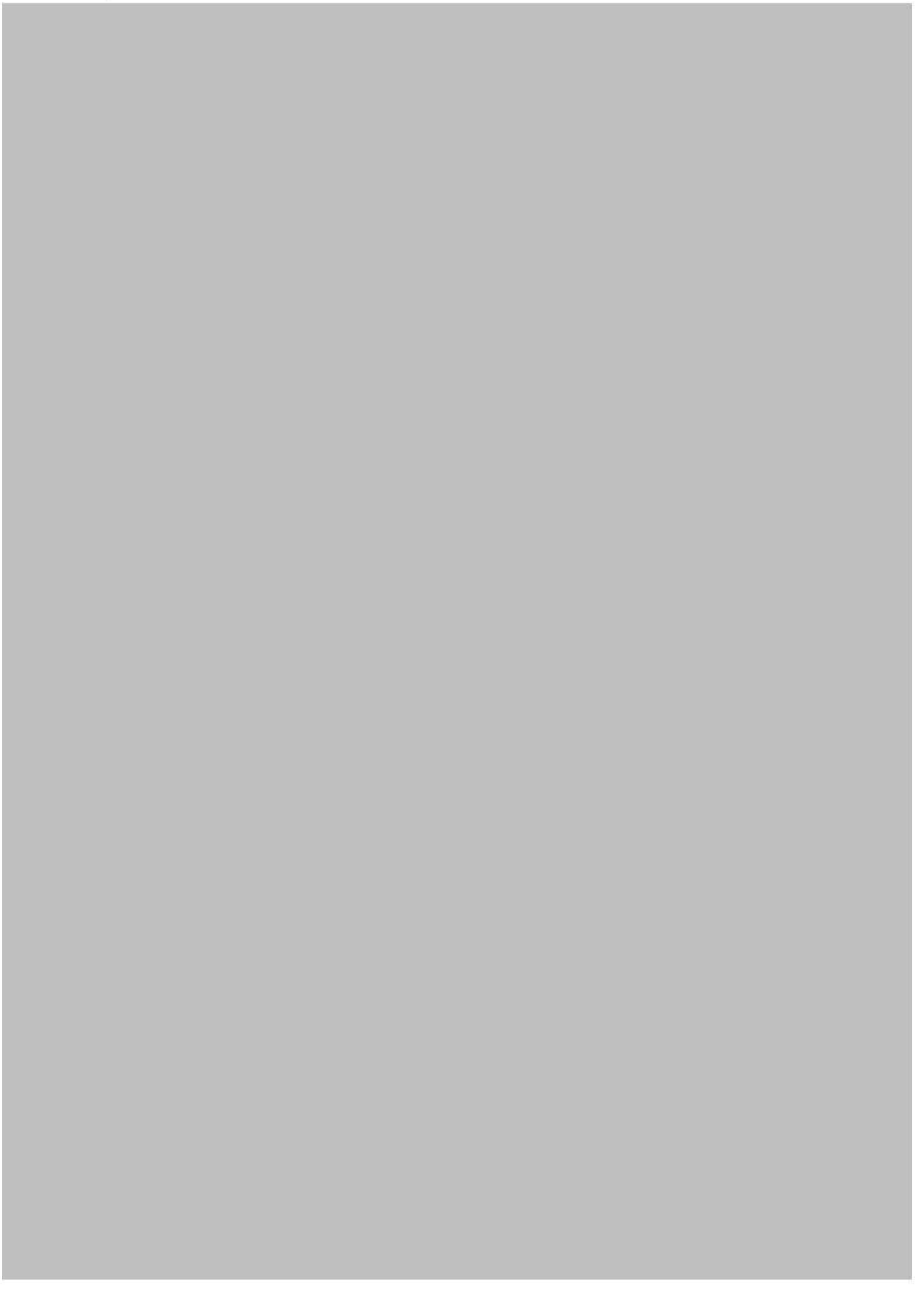

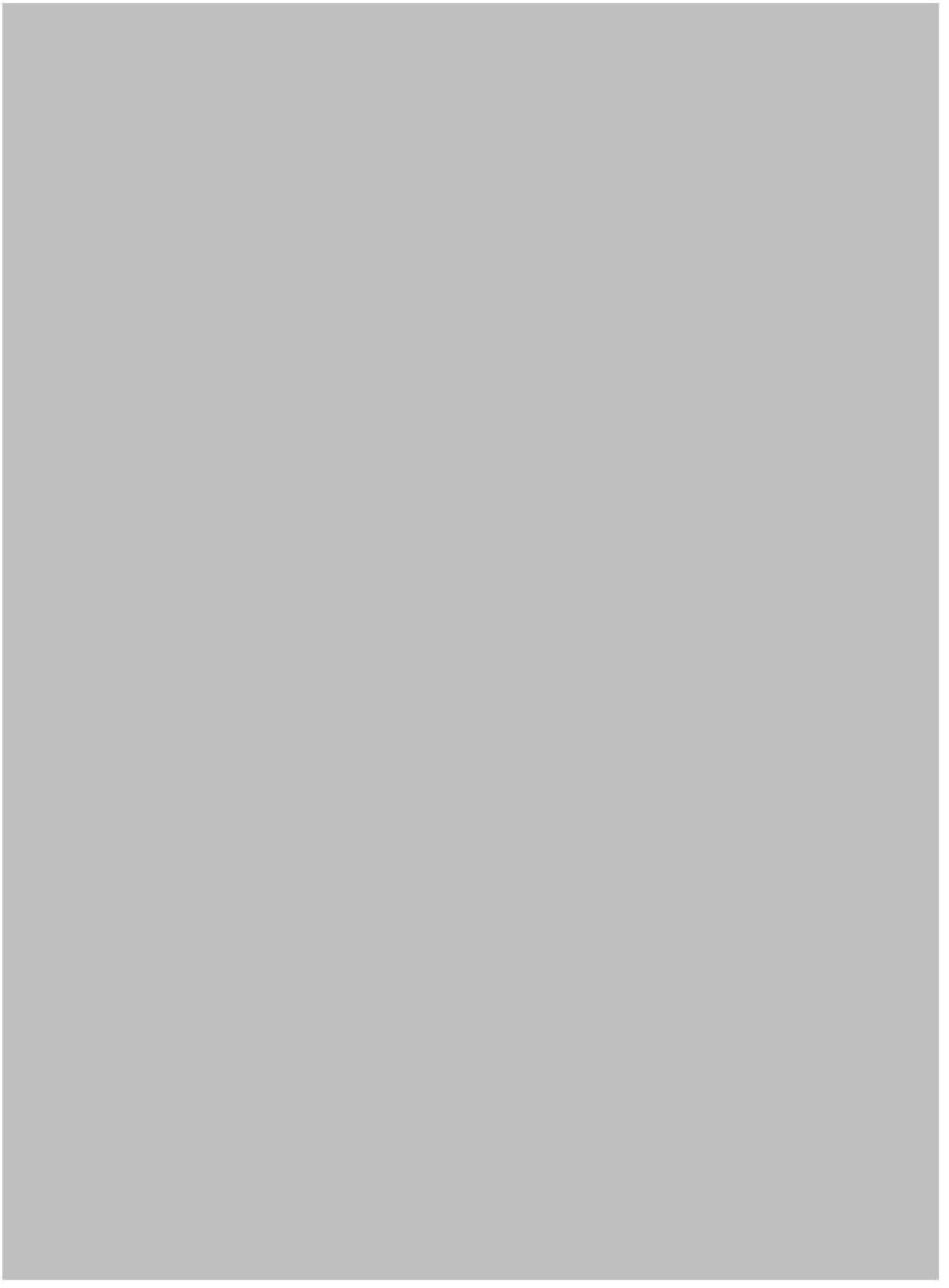

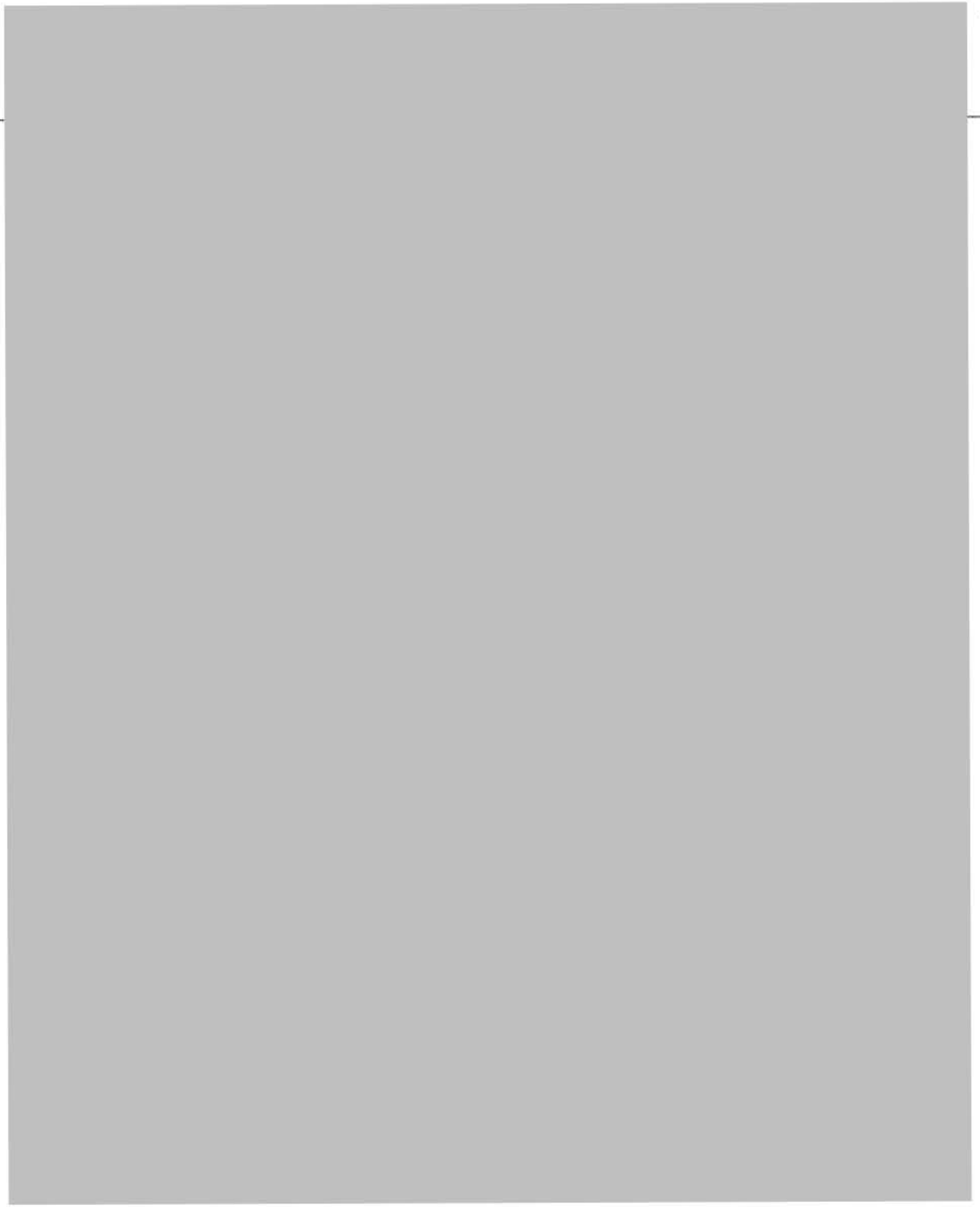

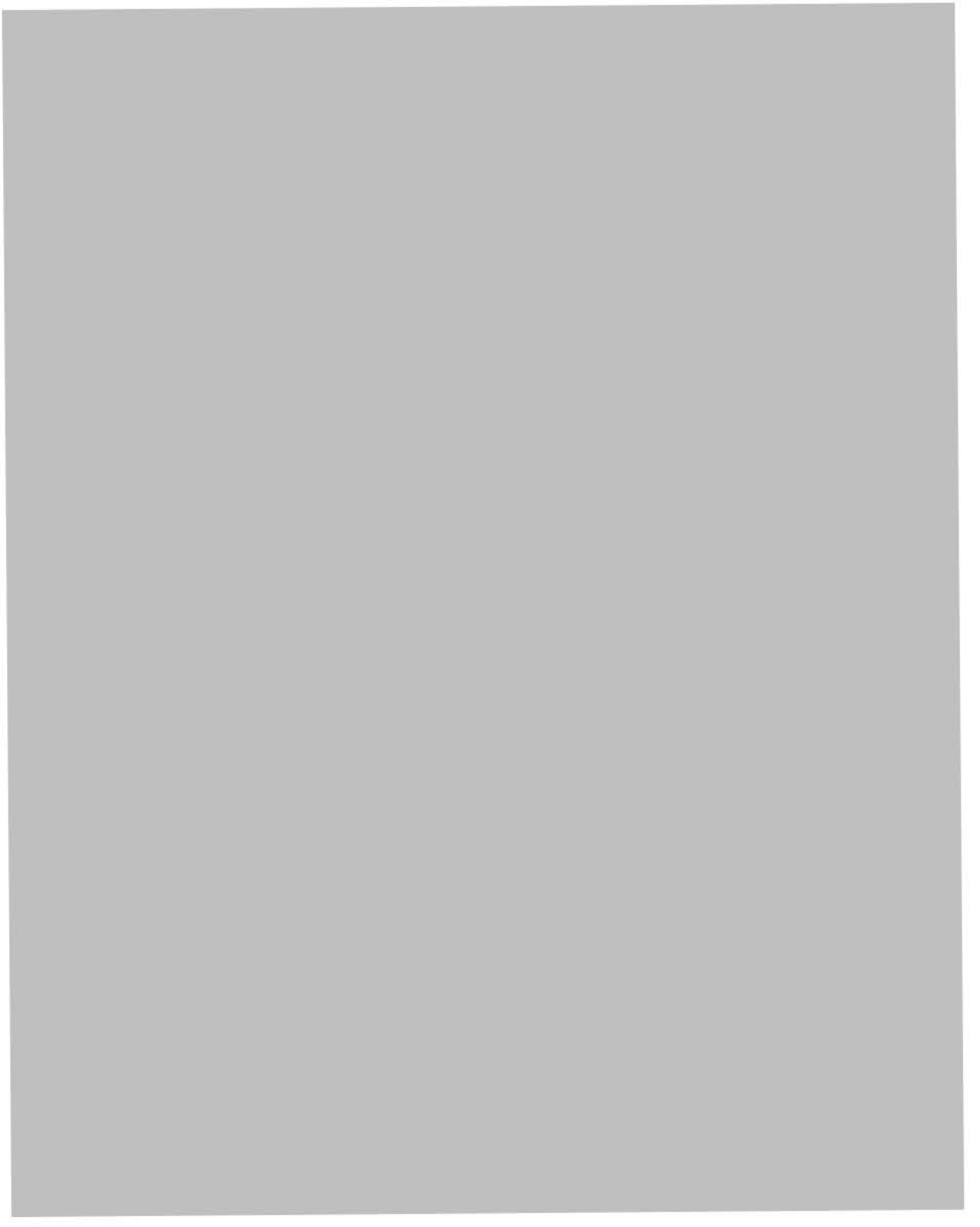

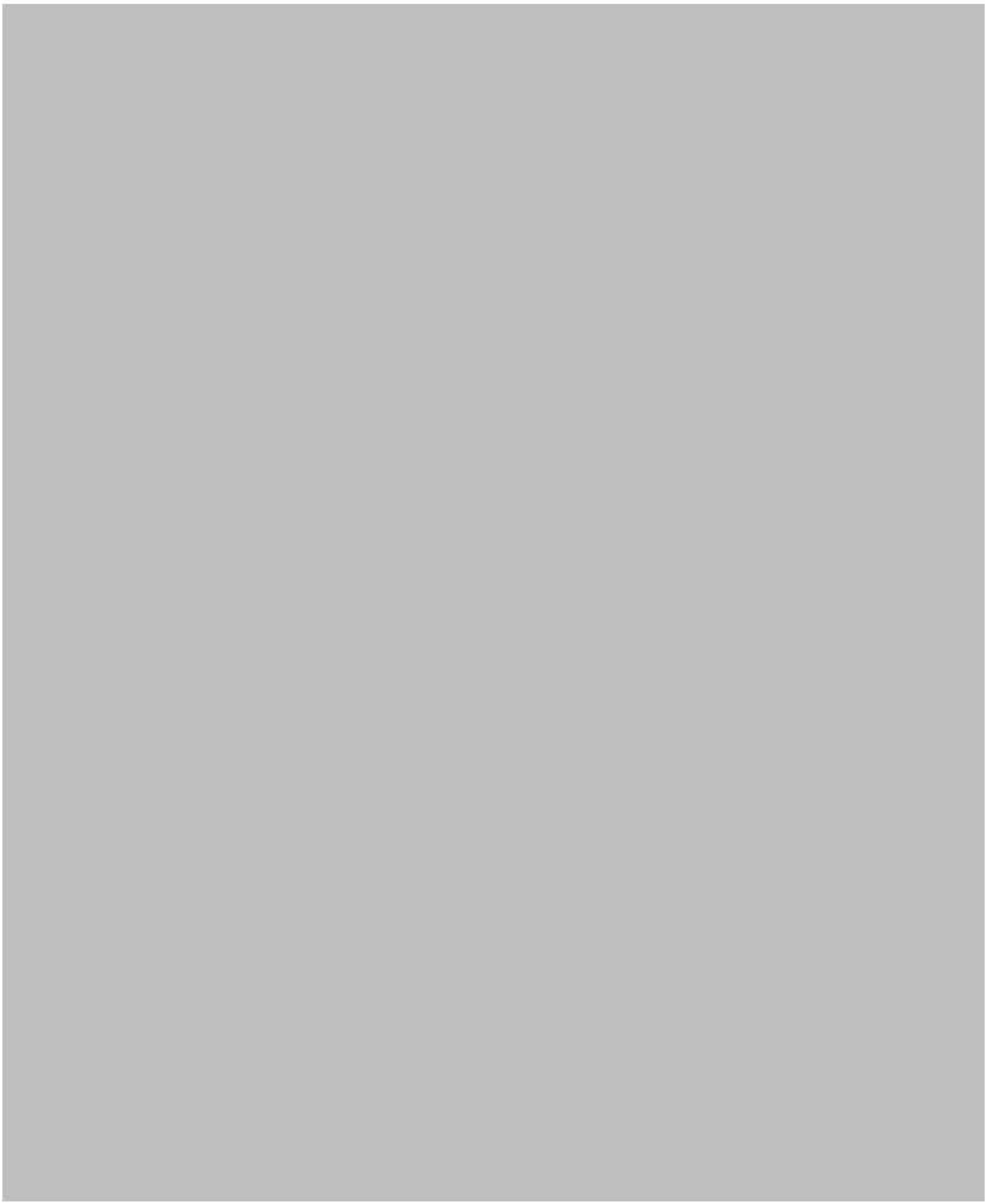

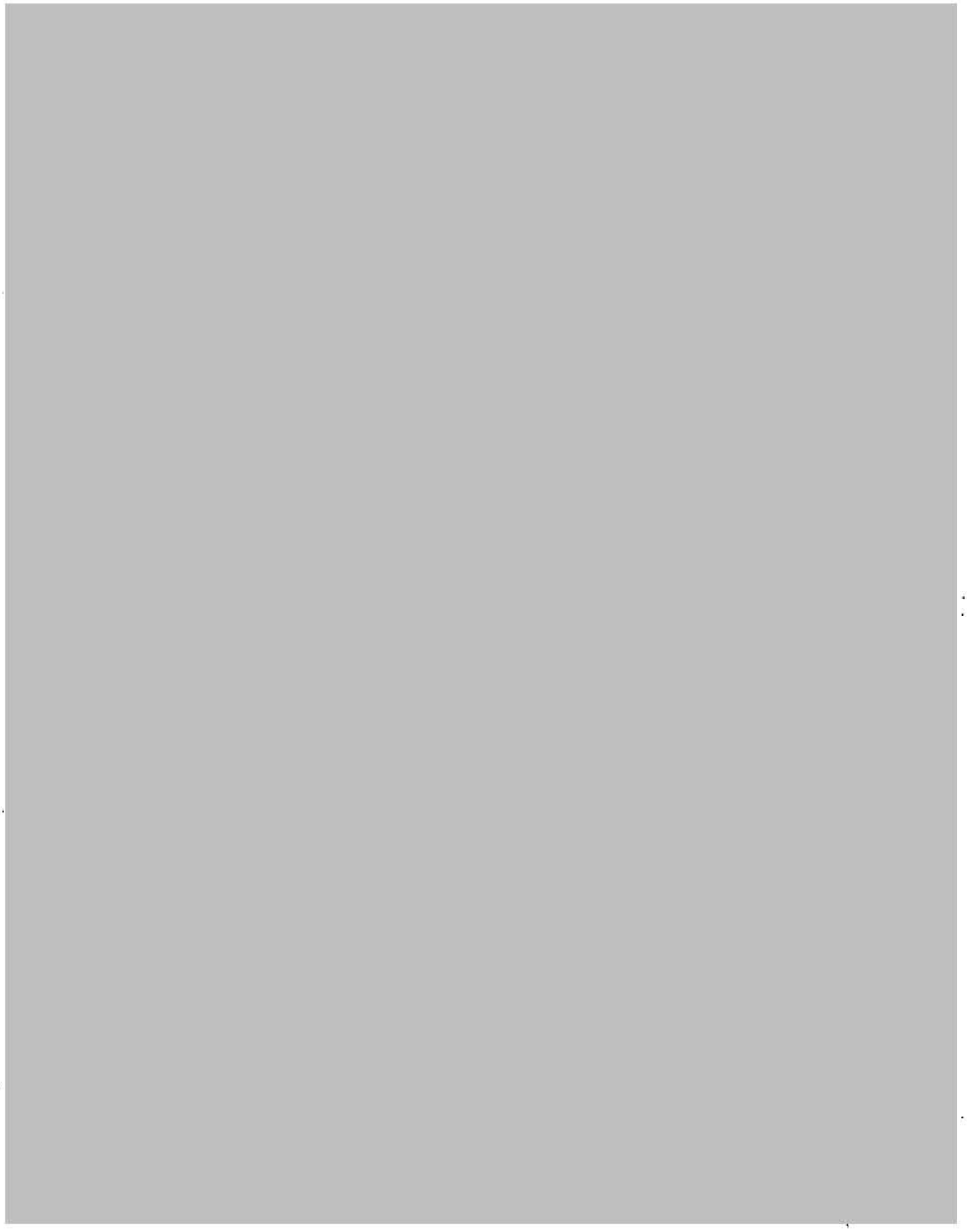

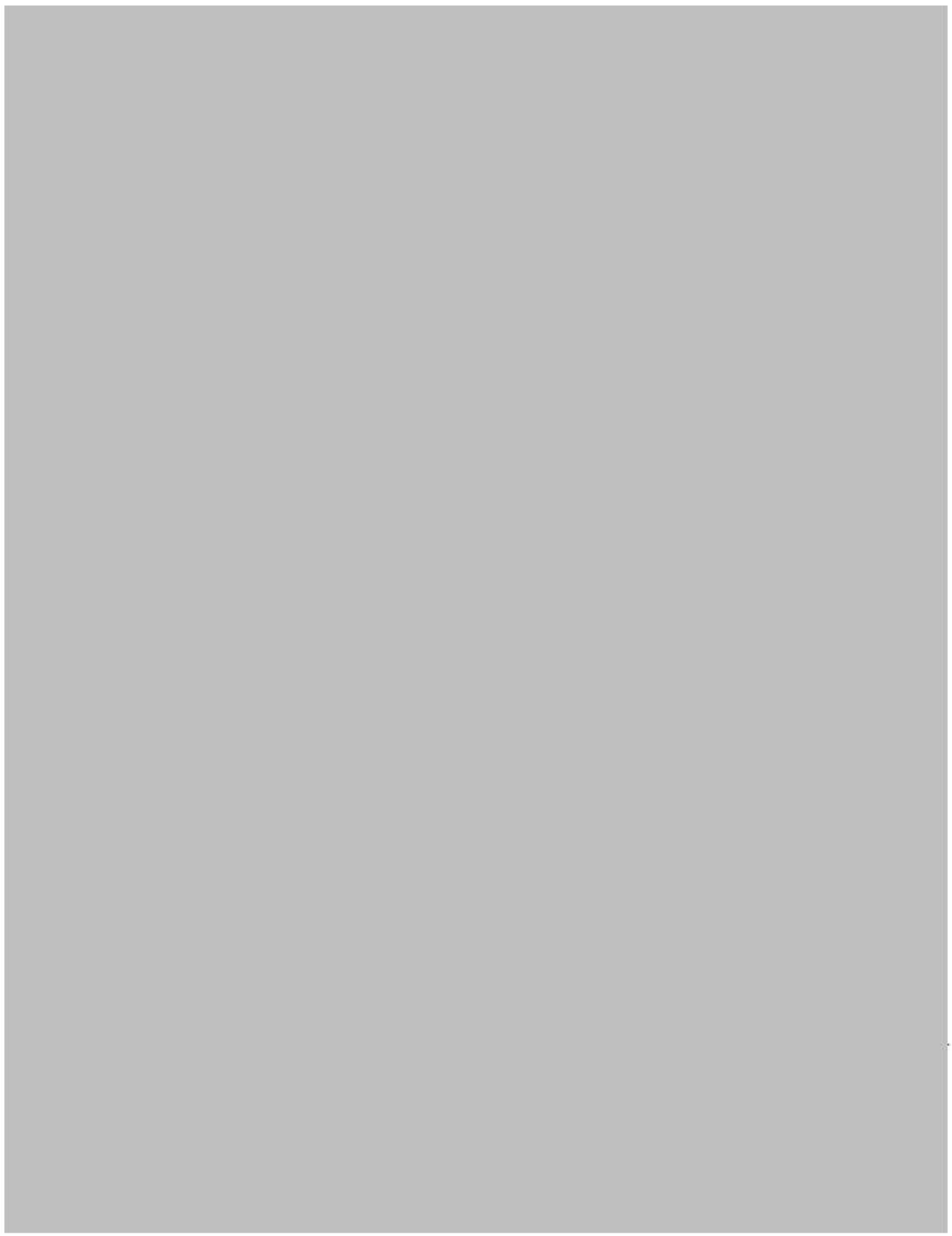

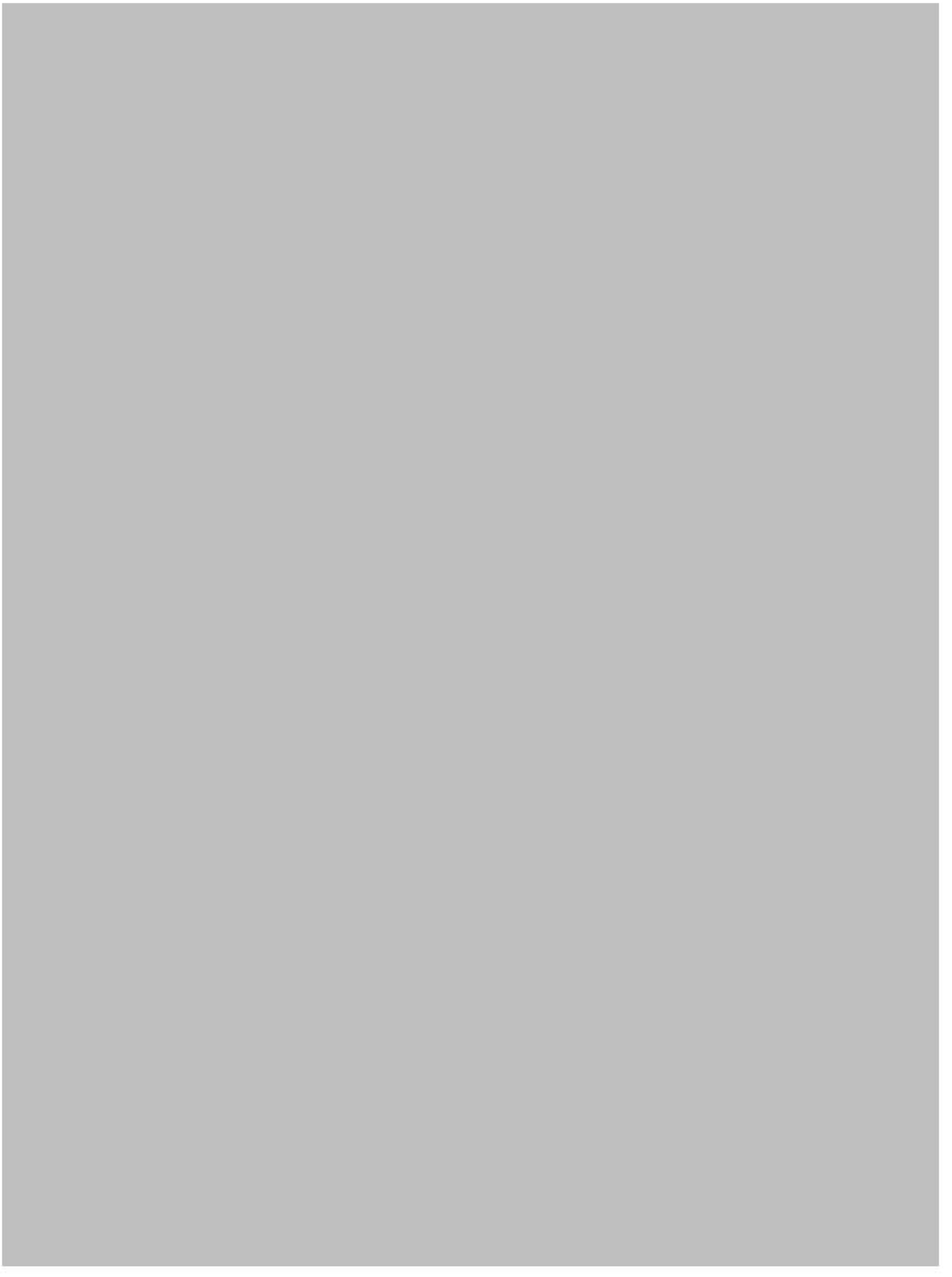

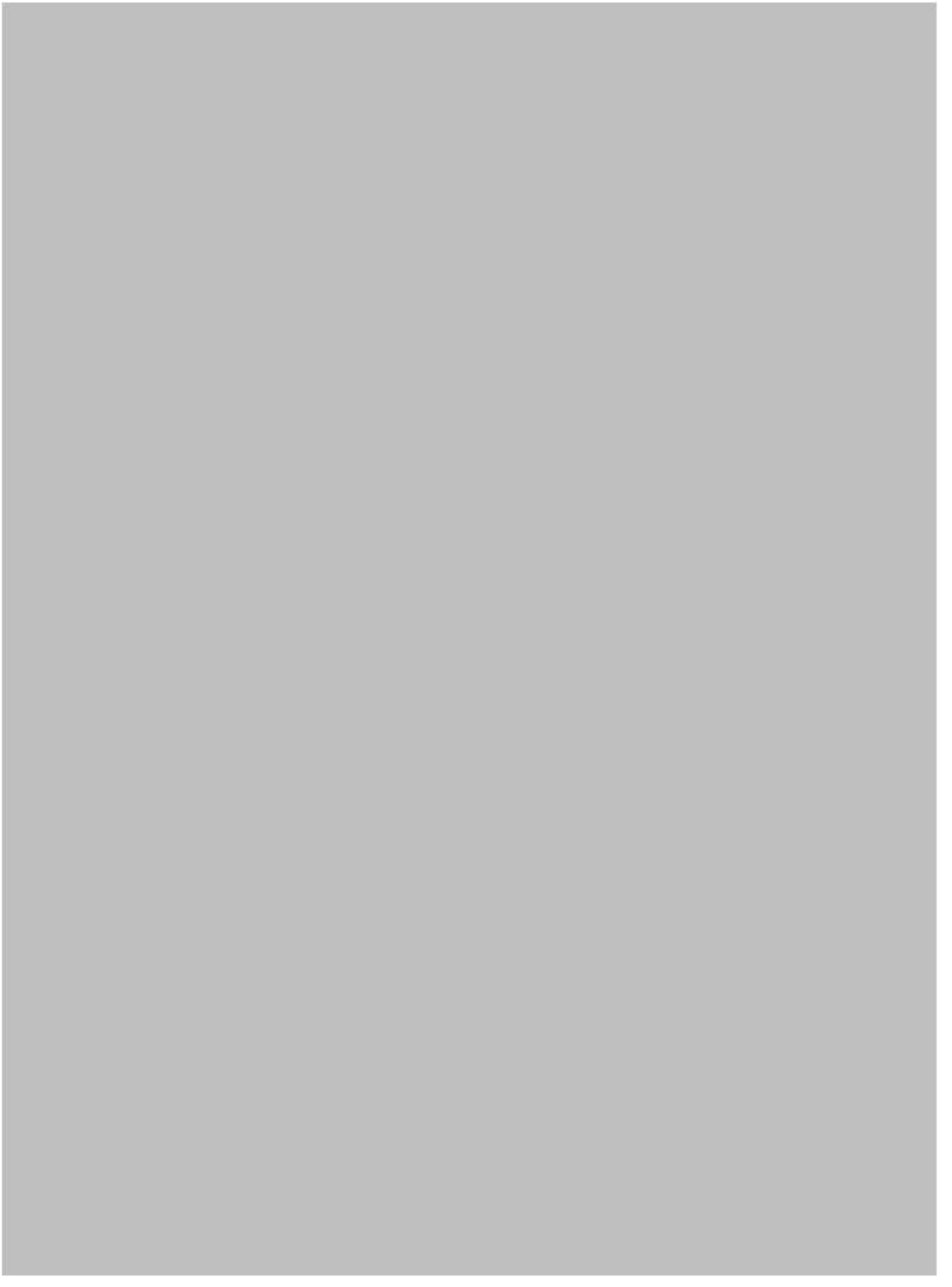

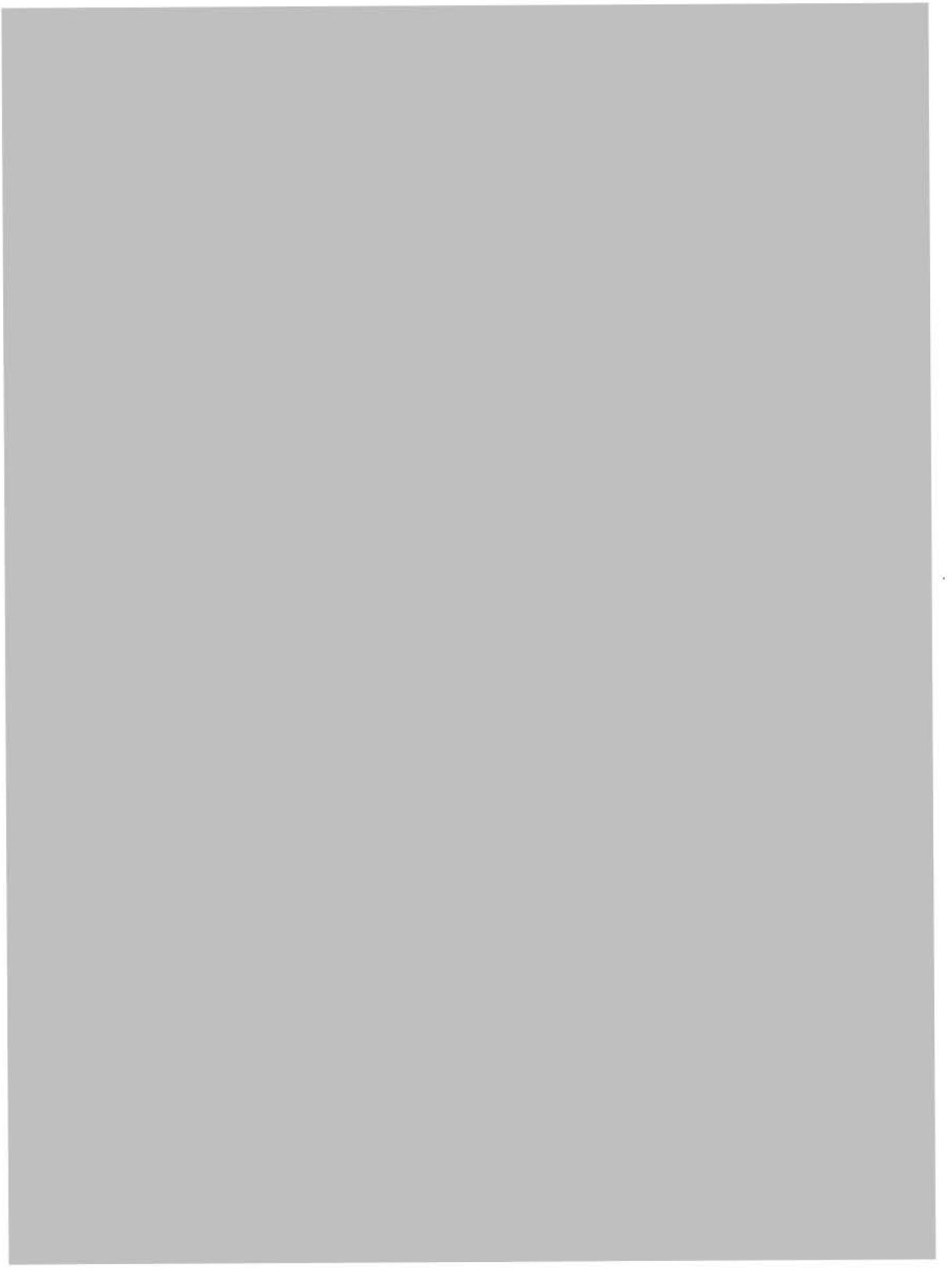

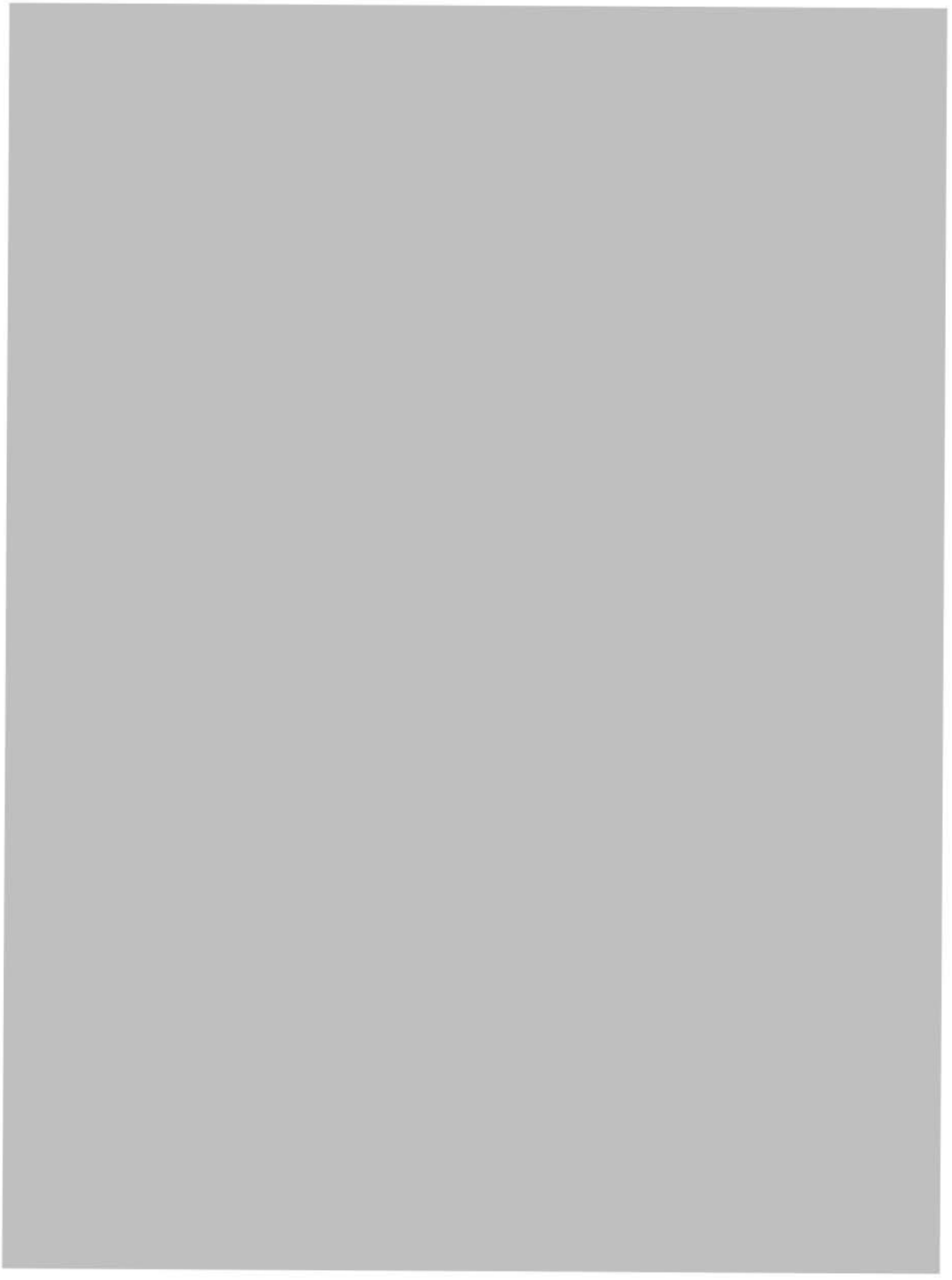

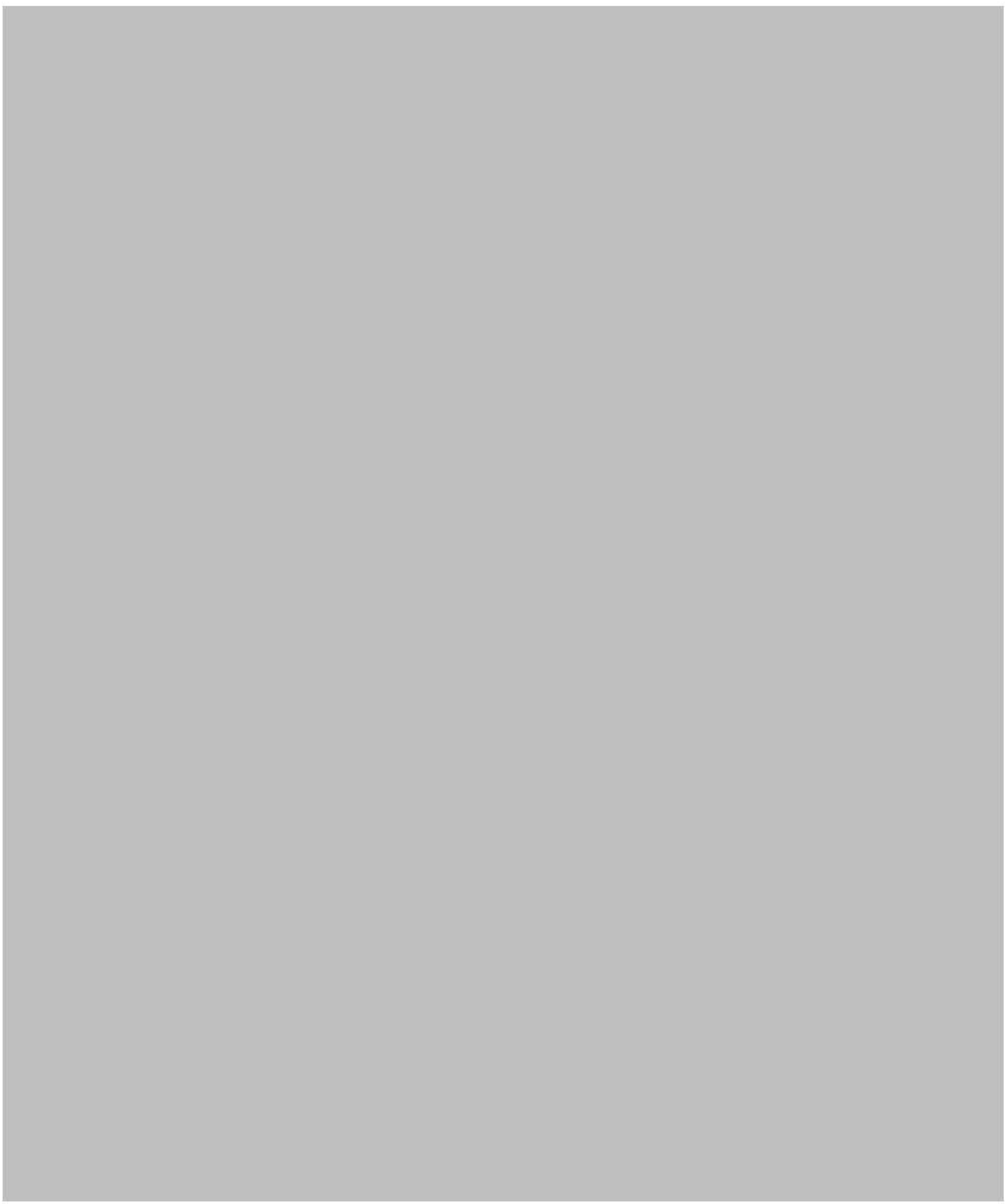

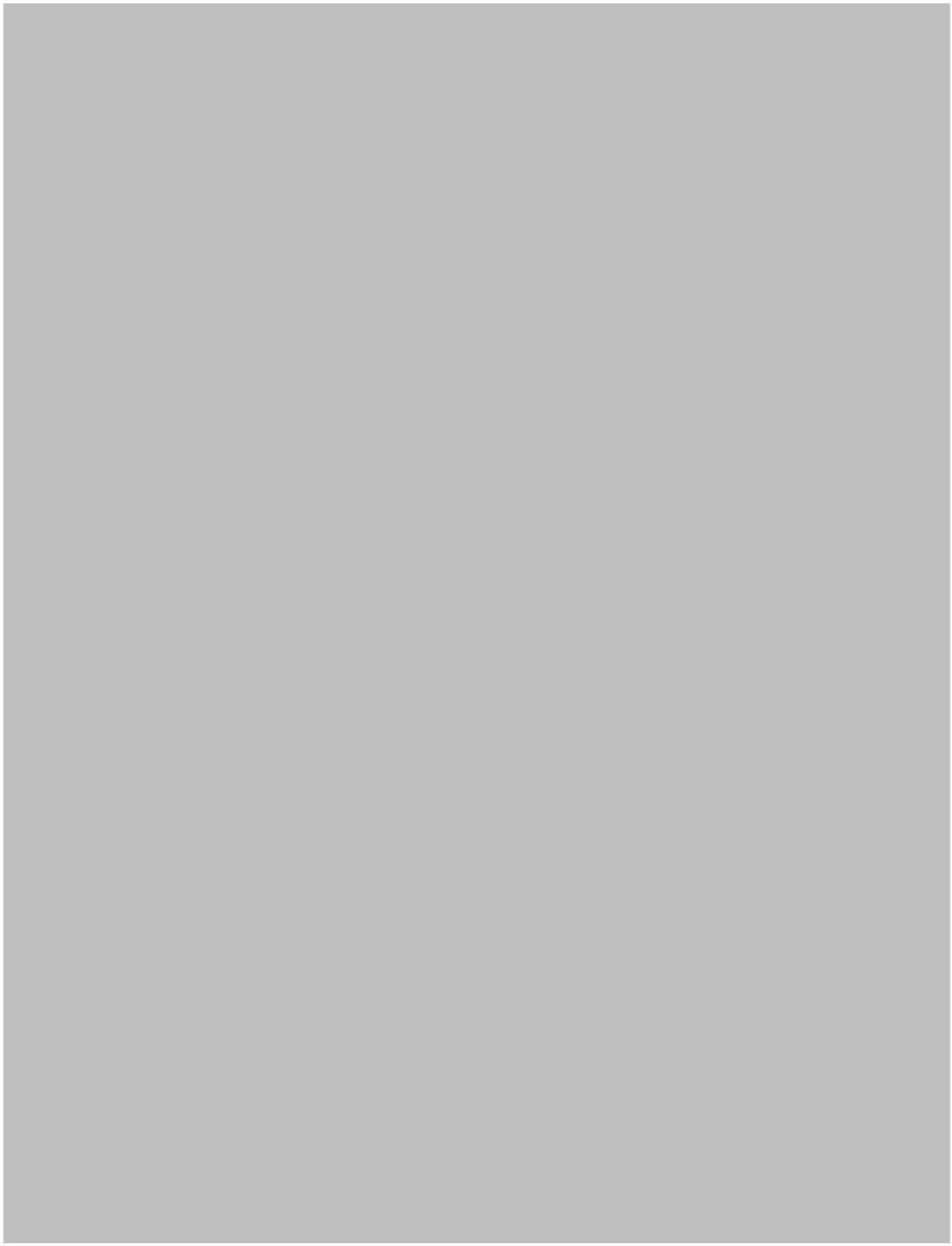

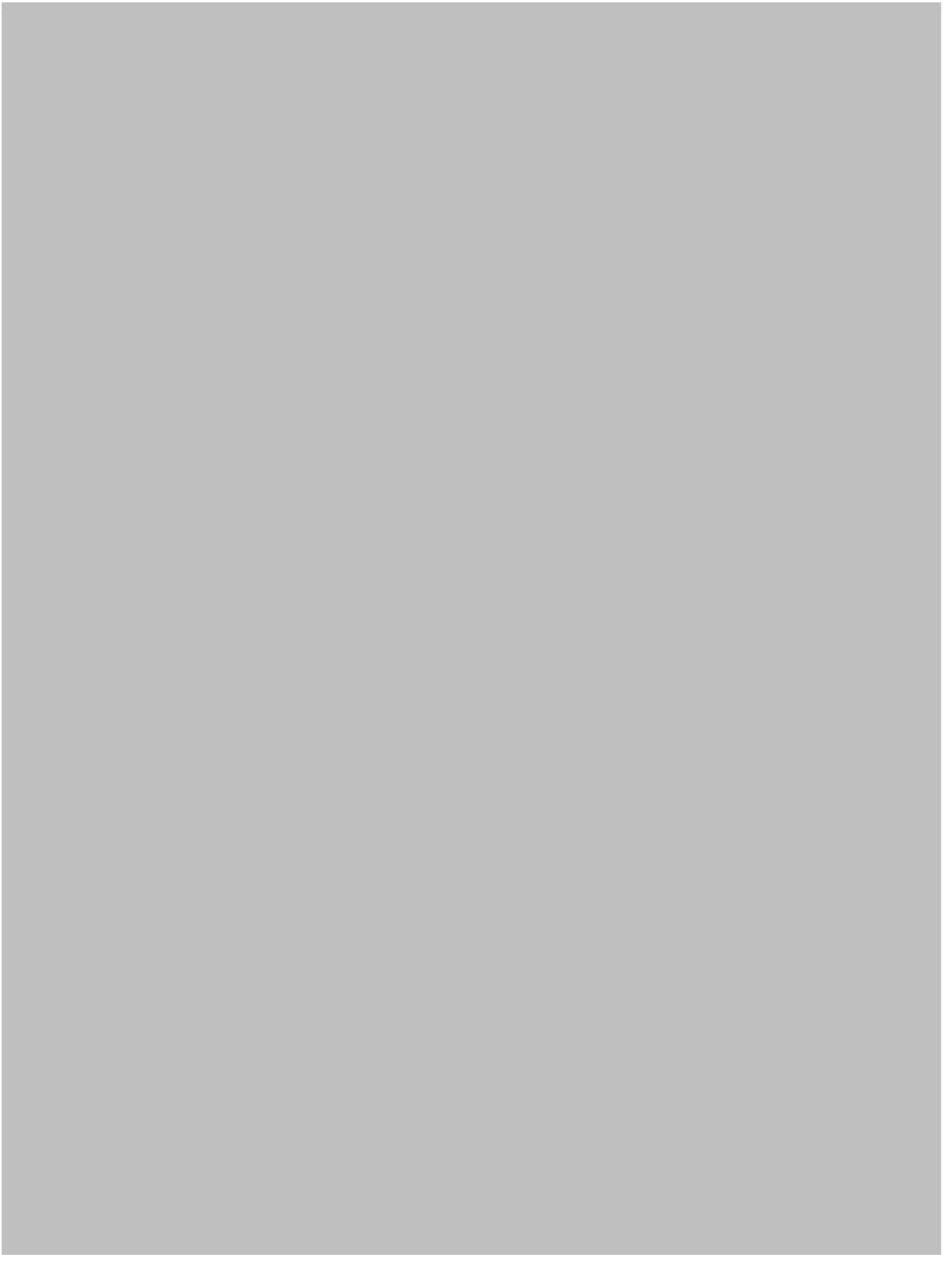

D.9 Future Financial Investments and Commitments

Leafline Labs began a Series A fundraising effort on September 25. raised in this offering are deposited in an escrow account and will be returned to investors if LeafLine Labs does not secure a registration from MDH. At the time we commence operations, targeted at December 1, we expect to have a full subscription of the All Series A investors are accredited and have signed background forms certifying that they have no criminal background record. In order to subscribe to LeafLine Labs' offering, either now, or prior to our commencement of operations, all subscribers must fund their entire investment at that time. Because their commitment is fulfilled at the time of that subscription, we do not consider any of such subscriptions a "future commitment" but rather fully committed capital and obligations, subject only to the status of our application with the MDH. We therefore have not secured any CPA letters but will do so if deemed necessary by the MDH.

LeafLine Labs

E. Bonus Points

1. Patient Services Plan
2. Employee Working Standards
3. Workforfce Diversity
4. Compassionate Need Plan
5. Research Plan
6. Substance Abuse Prevention Plan
7. Environmental Plan
8. Health Equity
9. Community Engagement
10. Other Planned Activity of Interst

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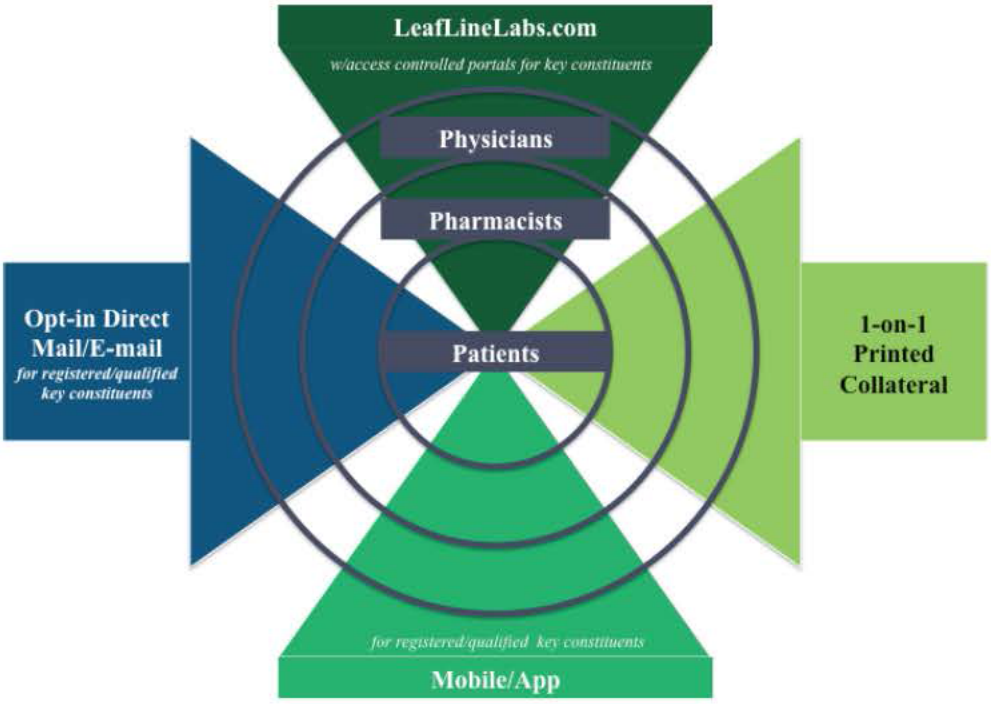
SECTION E EXHIBITS

E.1 Patient Services Plan

As shared in Section A.3 of our response and shown again here, LeafLine Labs intends to bring the same level of professionalism to our communications and patient services plan as we do to the rest of our operations as a socially responsible, therapeutically-oriented, and scientifically committed company. Strengthening our business, we have a highly experienced communications team working closely with Haberman, a full-service marketing and public relations agency based in Minneapolis. Thus, we have developed a comprehensive framework to guide our patient services efforts, called **3P Communications and Outreach**.

Exhibit E.1.1 LeafLine Labs 3P Communications and Outreach



3P Communications and Outreach, with the Commissioner's approval, will focus on targeted education and guidance of Physicians, qualified Patients, and on-staff Pharmacists; informing them and assisting them in the proper way to treat qualified conditions with medical cannabis. We have developed distinct educational objectives for each of these audiences and will develop materials for each that address these information needs.

Exhibit E.1.2 3P Objectives

Patients	Physicians	Pharmacists
Understand what conditions are covered.	Understand which patients may be eligible for medical cannabis.	Understand the range of LeafLine Labs' product portfolio (strains, forms, etc.) and the distinctions within.
Understand how to get registered with MDH.	Understand how and why to recommend medical cannabis, and the LeafLine Labs products available to their patients.	
Understand where and how to purchase LeafLine Labs products.		Understand when, how and why our product offering has changed/will change.
Understand the importance of purchasing only from licensed dispensaries.	Understand the process and physician/patient obligations in registering for the program.	
Understand proper use.	Understand proper patient use so that knowledge/instructions can be shared.	Understand the high compliance standards and protocols that go into the production of every LeafLine Labs product.
Understand LeafLine Labs product (strain and form) options and distinctions.		

The vast majority of our messages will be delivered through opt-in channels. This means that recipients will actively choose to consume the content we are providing - whether that's by coming to visit our website, signing up to receive updates via email, picking up an educational brochure at their doctor's office, or downloading our mobile app, for example. They will also have ample opportunity to provide feedback on our products and services.

The backbone of LeafLine Labs' 3P Communications plan is our brand website, **LeafLineLabs.com**. Its architecture and content is and will be designed to accommodate a wide range of anticipated patient and key constituent visitors and help move them through the process: From answering basic questions around medical cannabis to helping them learn how to get registered and how to find a local distribution center.

Exhibit E.1.3 LeafLineLabs.com Website Example

While the full site is not yet live, we have already purchased the URL for LeafLineLabs.com and have a placeholder site activated. For a good example of the kind of content one might encounter, please visit **Theraplant.com**. *Please see Exhibit E.1.4* below for several depictions of how the site will actually look. The entire site features a modern and clean look, simple and clear navigation, with the home page including several key content modules designed to direct visitors immediately to some of the most important information that lies deeper in the site. The LeafLineLabs.com experience has been designed to accommodate optimal use on mobile devices, including both cellphones and tablets. We subscribe to a development philosophy of "mobile first," which recognizes the importance of web access via mobile devices for many people. This user-first approach ensures that whenever and wherever patients or medical professionals find themselves in need of information, they can get what they need quickly and easily.

Exhibit E.1.4 LeafLineLabs.com Website Screenshots

An important facet of our website design is the incorporation of an **Access-Controlled Patient Portal**. This section of the website will house all of the product-specific information about our product portfolio and will be accessible only to qualified LeafLine Labs patients in Minnesota. In addition to providing patients with detailed information on their medication, it will provide several patient-only tools to provide feedback to us about their experiences with our products, helping guide our ongoing research and development efforts. The gateway to the patient portal is

depicted below *(Exhibit E.1.5)* and as a site feature will not be launched until after we have released product into the marketplace.

Exhibit E.1.5 LeafLineLabs.com Patient Portal

While our website will have a great deal of informat functionality, we also believe in the importance of h visitors go directly to the original source if they choose. For that reason, we will prominently include links to the Minnesota Department of Health and some of the specific features they have developed, such as the sign-up for updates and e-alerts.

We also intend to develop educational materials *(Exhibit E.1.6)* provide guidance on the process of b the purchase process in non-digital format. These pieces will be written using language, and a type size, that makes them easily accessible and comprehensible for all qualified patients. *As we get to know our customers well in Minnesota, the pieces may be translated into other languages, such as Somali, Hmong, and Spanish.*

Exhibit E.1.6 LeafLine Labs Educational Collateral

Another means of providing useful information and utility to patients, at all times and wherever they may be, is by means of a custom built mobile app. Some of the key features we envision (not immediately but more likely after at least one full year of operation) are:

- Product profile that provides detailed information on strains they are currently using.
- Purchase history to track past products tried.
- Diary for capturing dosage and usage instruction, notes on patient experience with past and current products.
- A '"refill" reminder alerting patients when they are eligible to obtain more medicine.
- Distribution finder and directions generator.
- Product catalogue showing all product strains and forms available at that time

The app will work on both Apple and Android devices and will look like this *(Exhibit E.1.7):*

Our patient services plan will be a valuable tool for keeping our constituents aware of what's going on in the category and with the company. This includes positive news and developments, as well as crisis communications in the event of unexpected challenges. In the realm of social media, we do not currently anticipate using social platforms like Facebook, however, we do see potential value in leveraging Twitter to accomplish our communications objectives. Twitter has

largely come to be used as a personalized news feed, and we believe it could be a powerful and efficient way to pass along and amplify **helpful information and messages broadcast by government entities, journalists, and partners in Minnesota's medical cannabis space.**

There is one exception to the rule within our 3P's communications framework. There is one additional group of people we intend to communicate with beyond qualified patients, physicians, and pharmacists. **If we had a fourth 'P' then, it would be for "Prevention."** Specifically, we intend to develop a program targeting teens with educational materials designed to prevent the underage and unqualified use of medical cannabis. We recognize that we would need to receive input from students, teachers, parents and other stakeholders, as well as Minnesota Department of Health approval, in order to create the most effective possible messaging for this important demographic.

Exhibit E.1.8 Substance Abuse Prevention Examples

So, while the vast majority of our efforts in preparing our application in Minnesota have been focused on developing productive relationships in the communities in which we hope to operate, and designing the most rigorous operational plan possible, we have also taken the time to think through how we will eventually reach out to the people who this is all ultimately intended to help, and ensure they have the information and understanding they need to successfully adopt the program. At LeafLine Labs, "patients always come first."

E.2 Employee Working Standards

Employment Policy

LeafLine Labs is committed to providing equal opportunity to all employees and applicants for employment. We shall not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religion, age, marital status, sexual orientation, gender identity, gender expression, veteran status, family status, genetic information, political beliefs, national origin, ancestry, gender disability, and will comply with all applicable local, state and federal laws prohibiting discrimination.

Compensation and Benefits

LeafLine Labs is firmly committed to providing competitive salary and benefits packages to its employees, with the goal of creating as many full-time positions as possible and providing a living wage to our hourly employees. The company will work with the Minnesota Department of Labor and Industry to comply with or exceed all applicable wage and workplace standards.

- Our research as to salaries in the pharmaceutical industry in Minnesota is ongoing, but LeafLine Labs has a firm commitment to compensating its employees at above - market rates, to attract and retain talent. For example, entry-level gardening and building maintenance positions will be paid approximately $35,000. Harvest, Packaging, and Extraction Leaders will be paid approximately $60,000. Research and IT professionals will be paid from $100,000 to $120,000.
- We have a Letter of Support and Neutrality Agreement in place with UFCW, United Food and Commercial Workers Union. *(See Exhibits E.2.1 and E.2.2.)*
- Paid vacation time in excess of industry standards will be included for all employees.
- Compensation packages will include seven paid holidays.
- Compensation packages will include paid sick leave in excess of industry standards for all hourly and salaried employees.
- Compensation for hourly employees will include paid breaks.
- All full-time and part-time employees will be invited to participate in a 401k plan.
- All full-time and part-time employees will be invited to contribute up to $3,000 pre-tax dollars to a healthcare flex-spending account for use toward medical, dental, or vision care expenses.

- Given the changing landscape and ongoing issues concerning employee healthcare coverage, LeafLine Labs continues to research the best approach to providing health insurance to our employees.
- Employees will be provided with color-coded pocket-less uniforms, which will be regularly cleaned by LeafLine Labs.
- Tax-free commuter benefits will be offered to employees under IRS code 132(a) to help employees reduce their monthly commuting costs.

Employee Training

In order to produce superior medical cannabis for patients, LeafLine Labs will provide continuous internal and external training for employees at all levels. All employees will receive job training specific to their duties as per the established training policies delineated in our Employee Handbook, *Exhibit C.X1* our application submission.

Safe and Healthy Working Environment

The safety and security of our employees working in any of our facilities is one of the paramount values of our business. The single most important element of the protection of our employees while in the workplace is the detailed security plan that we have outlined in Section C.8. The physical security of the buildings, as well as the control of any and all ingress and egress to and from the buildings will be strictly controlled. The surveillance and monitoring of all activity in and around the facility and the connectivity to the Police and Fire Department are further supportive of the creation of a safe and secure environment for our employees. LeafLine Labs strives to provide a safe workplace for all employees and will comply with all applicable statutes and regulations governing workplace safety and environmental standards. Our Advisory Board expert in security, Dag Solberg, will oversee all relevant considerations of our security plan. Mr. Jeff Lakey, who has spent several years in providing security to industrial buildings (including cannabis cultivation), will provide additional assistance to LeafLine Labs for security issues. The LeafLine Labs' Advisory Board includes Peter Rafa and Moria Feighery Ross who are 20+ year veterans in pharmaceutical manufacturing. Most recently, they have applied their expertise in devising an overall Quality Systems Management Policy and Standard Operating Procedures

created with a priority on strict policies for the manufacturing facility, to ensure workplace safety.

Disabled Person Hiring and Access

Board of Governors member Ethan Ruby is a T-6 paraplegic. As a result of his active participation in our organization, we are firmly committed to hiring people with disabilities and will make reasonable efforts to hire 7% disabled people over a 2-3 year period. Our HR department will provide job post descriptions to local organizations representing disabled workers. In addition we are committed to a facility designed according to best practices in universal design/accessible design above and beyond legal requirements.

Union Labor

Ryan Construction will utilize at least 100 union laborers to build the cultivation facility in Cottage Grove, MN. LeafLine Labs has negotiated a Letter of Support from the Union of Food and Commercial Workers (UFCW) as well as a Neutrality Agreement to comply with all security requirements and protocols. *Please see Exhibits E.2.1 and E.2.2 below.*

Exhibit: E.2.1 LeafLine Labs UFCW Union Support Letter

Stronger Together
UFCW Local 1189

Main Office 266 Hardman Ave N
South St. Paul MN 55075
Phone: 651-451-6240
Fax: 651-451-8227

Northern Office 2002 London Rd
Duluth MN 55812
Phone: 218-728-5174
Fax: 218-728-5178

September 26, 2014

Mr. Peter Bachman
Leafline Labs, LLC

Dear Peter:

UFCW Local 1189 fully supports Leafline Labs, LLC application to become a certified medical cannabis manufacturer in the state of Minnesota.

Sincerely,

Don Seaquist
President

e²/opeiu#12

Exhibit E.2.2 LeafLine Labs UFCW Union Neutrality Agreement

Neutrality and Card Check Agreement

Leafline Labs, LLC ("the Employer") and the United Food and Commercial Workers Union ("the Union") hereby agree to the following terms:

1. Neutrality and Non-Disparagement. The Employer agrees to remain neutral. Neutrality means that the Employer and its agents will not oppose union representation or hinder union organizing efforts. The Union waives the right to strike or picket the Employer during the agreement. Additionally, neither party will act or communicate in a negative, derogatory, or demeaning way, or engage in any coercive conduct or delaying tactics that might interfere with the employees' right to choose union representation.

2. Access. The Employer will use good faith efforts to provide reasonable access to bargaining unit employees by accredited Union representatives. This access will be provided in accordance with applicable law, rules, and regulations and with all of the Employer's security procedures and protocols. The Employer will cooperate with the Union in making arrangements to permit the conversations with bargaining unit employees to be held in areas where the employees will be able to speak to the Union representatives without monitoring by the Employer.

3. Meeting. At the Union's request, the Employer will conduct a meeting on a mutually agreeable date(s) and time(s) with all of its bargaining unit employees. At the meeting, the Employer will tell the employees that it is neutral, does not object to their talking to and supporting the Union, and will negotiate a collective bargaining agreement (CBA) with the Union if a majority of the covered employees designate the Union as their collective bargaining representative. Union representatives will attend the meeting and, after the Employer has introduced them and left the meeting, talk with the employees about the Union.

4. Appropriate Bargaining Unit. The bargaining unit covered by this agreement consists of all regularly scheduled full-time and part-time growers, processors, and laboratory employees employed by the Employer, excluding supervisors, managers, executives, professional employees, office clerical employees, confidential employees and guards.

5. Contact Information. The Union may ask bargaining unit employees to provide their names, job classifications, home addresses, home telephone numbers and home email addresses. The Employer will provide a forum where this can take place without interference from the Employer.

6. Recognition and Bargaining. When a mutually agreed upon third party confirms that a majority of the bargaining unit has authorized the Union to represent them for the purpose of collective bargaining, the Employer will recognize the Union as the exclusive representative of the bargaining unit employees, provided that the Union may assign jurisdiction and representation rights to any of its affiliates. The Employer and the Union will comply with all requirements necessary to obtain certification of the Union as the exclusive bargaining representative of the employees. Within 20 days from the date of

recognition, the parties will begin good faith bargaining for a CBA covering the employees.

7. Arbitration. The parties agree that final and binding arbitration will be the exclusive remedy for any alleged violations of this Agreement and any dispute or claim arising from or relating to the interpretation or application of any provision of this Agreement. Unless they promptly agree on an arbitrator, the parties will proceed to expedited arbitration using the American Arbitration Association's rules and procedures. The arbitrator is authorized to compel the attendance of witnesses and the production of documents at the arbitration hearing, and to award appropriate monetary, injunctive and declaratory relief. The parties agree not to challenge the arbitrator's decision in court.

8. Agreement Limited to Employer. This agreement does not bind or otherwise apply to the Employer's current, future, or past affiliates, purchasers, successors, assigns, or any other business entities or individuals related in any way to the Employer or any entity or individual related to such entities or individuals, whether by merger, sale of assets, consolidation, acquisition of stock or otherwise now or at any time. The Employer will not sell its interest, subcontract, or merge with another entity solely to avoid its obligations under this agreement.

9. Governing Law and Severability. The parties agree that their rights under this Agreement shall be exercised in accordance with the applicable laws the state of Minnesota and applicable federal law. Further, the parties agree that this Agreement and any CBA they may enter into will remain binding and valid regardless of whether the National Labor Relations Board asserts jurisdiction over the Employer's operations. In addition, the parties agree that if any provision of this Agreement is held illegal, void or invalid under any applicable law, it may be changed to make it legal, valid and binding, and that the remaining provisions of this Agreement will remain binding and enforceable according to their terms and the parties' intent.

10. Term of Agreement. This Agreement is effective for a three-year term from the date of this agreement or the until the date on which the Employer recognizes the Union as the collective bargaining representative of its employees, whichever occurs sooner, and may be extended by mutual agreement of the parties.

Employer	Union
Leafline Labs, LLC	United Food and Commercial Workers Union
By: Peter Bachman	By:
Name: Peter Bachman	Name:
Title: President	Title:
Date: 9/26/2014	Date: Sept 26, 2014

E.3 Workforce Diversity

LeafLine Labs is committed to diversity, not only in its workforce, but also in its leadership, as further demonstrated across the sections of our RFA response. Our Founders, Board of Governors, and Advisory Board include women (Kelly Henry, Moria Feighery Ross), minorities (Glenn Taylor), disabled persons (Ethan Ruby) and veterans (Gary Starr MD, Dag Sohlberg).

For our Cottage Grove manufacturing facility, we plan to attend job fairs at the Washington County Workforce Center and Hennepin Technical College (incl. Diversity Career Fair). This will ensure job opportunities are available for local residents of the Cottage Grove area. LLL will also post open employment opportunities through a variety of electronic means, ensuring equal access to a broad range of potential applicants including those from diverse economic and demographic backgrounds. Our recruiting efforts will include: posting our job openings on websites such as: www.wehireheroes.com (Veterans), www.iseek.org (persons with disabilities), and www.hirewire.org.

For our distribution centers, we will host a job fair at the University of Minnesota College of Pharmacy (pharmacists), Concordia University of Wisconsin's School of Pharmacy (pharmacists), and St. Cloud State (pharmacy technicians).

E.4 Compassionate Need Plan

The cost of medical cannabis is expected to be relatively high, and there is virtually no private or public financial coverage for this product. To address this situation, LeafLine Labs intends to work with the Commissioner and the Minnesota Department of Health to identify low-income, registered patients who would have difficulty paying full price for medical cannabis. We will then design a fair and pragmatic Patient Assistance Program to address the needs of low-income patients so that their medical need for our products is met. We have met with local hospice providers and palliative care physicians to better understand the needs of patients facing end-of-life issues. LeafLine Labs intends to manufacture formulations to address the unique needs of those facing terminal illness.

Additionally, we intend to explore partnership with local affiliates of the Epilepsy Foundation (www.epilepsyfoundationmn.org) and the American Cancer Society in order to design a plan to reach qualifying patients who are unable to afford medicinal cannabis for approved uses.

E.5 Research Plan

LeafLine Labs is a pharmaceutical manufacturing company focused on cultivating botanical medicines for wholesale and distribution in Minnesota. We are dedicated to patients, first and always. The "Labs" in our name is synonymous with science, and we have a robust commitment to supporting research involving medicinal cannabis. We will conduct industry-leading, multi-disciplinary, collaborative research to address the benefits and burdens of medicinal cannabis from perspectives that include: medical, behavioral, and economic.

To date, LeafLine Labs has held various meetings in Minnesota and nationwide to garner support from internationally renowned research institutions where faculty devotes their scientific endeavors to areas that are important and relevant to understanding medicinal cannabis. For example, at the University of Illinois Chicago, we are exploring research in the disciplines of biopharmaceutical science, medicinal chemistry, and pharmacognosy (the study of plants used for medicinal purposes.) We envision collaborative research for the development and use of analytical methods for quality control. We have also considered how to utilize data, obtained from the Minnesota Department of Health (if they agree to share information) to learn about patient usage patterns, problems, outcomes, benefits, and dangers from a public health perspective.

Research ProjectsUnder Consideration by LLL and our Academic Research Partners

1) **"Analytical Laboratory Methods for Quality Assurance of Medicinal Cannabis"**

   PI: Guido F. Pauli, Pharm.D., PhD; University of Illinois Chicago School of Pharmacy, Professor Department of Medicinal Chemistry and Pharmacognosy
   Sub-Investigators: Faculty at UIC with expertise in the study of botanicals and medicinal chemistry; Investigators from Minnesota-based pharmacy research programs.
   Aim: To develop analytical testing methods, for determining purity, contaminants, and the percentages of THC, delta-9-tetrahydrocannabinol and other cannabidiols, for use in an onsite cultivation lab.

Abstract: The development of analytical methods for parallel characterization of multiple phytoconstituents is essential to advance the quality control of plant-based products. While chemical standardization is commonly carried out by targeted analysis using gas or liquid chromatography-based methods, more universal approaches based on quantitative qNMR measurements are being used increasingly in the multi-targeted assessment of these complex mixtures. This project describes the development of a qNMR-based method and countercurrent chromatography for simultaneous identification and quantification of medicinal cannabis. The results will be cross-validated against quantitative profiles obtained using traditional methods of assessment such as gas chromatography/mass spectography (GC/MS). The relative strengths and weaknesses of both approaches will be examined, with special emphasis on the role of standards and best techniques in qualitative and quantitative analyses.

Duration: 18 months

Intended Use of Study Findings: Submit results for publication in a peer-reviewed publication, such as Journal of Natural Products or Journal of Pharmaceutical and Biomedical Analysis.

2) **"Patient Usage Patterns for the Compassionate Use of Medicinal Cannabis in Minnesota"**

PI: TBD

Sub-Investigators: TBD

Aim: We would like to explore a partnership with the Minnesota Department of Health, and collaboration with Minnesota's Task Force on Medical Cannabis Therapeutic Research, in order to conduct a comprehensive, retrospective analysis of patient use of medicinal cannabis in Minnesota.

Abstract: Project intends to use a limited data set, obtained through a working partnership with MDH and MTFMCTR to review data of patients who are legally registered to purchase medical cannabis in Minnesota. We will review data pertaining to safety, efficacy, problems, disease specific use, and other information in order to learn about the effects of legal use of medical cannabis in patients residing in Minnesota.

Duration: 1 – 3 years, with annual findings

Intended Use of Study Findings: Submit results for publication in a peer-reviewed publication, such as Journal of Epidemiology, American Journal of Public Health, and New England Journal of Medicine.

3) "Patient Reported Survey Findings for Medicinal Cannabis Use in Minnesota"

PIs: Amanda Reiman PhD, MSW

Aim: To study needs assessment and patient experience with medicinal cannabis in subjects with qualifying medical conditions in Minnesota.

Abstract: Historically, with few exceptions, (research sponsored by National Institute of Health and National Institute on Drug Addiction), it has been illegal to study therapeutic benefits of medicinal cannabis in the U.S. In recent years, however, as individual states have moved to legalize the compassionate use of medicinal cannabis for specific conditions, research opportunities have broadened. In Minnesota, we will administer a cross sectional needs assessment and subsequently, a longitudinal user experience survey to examine our patient population. Questions will include: general demographic characteristics, health status, history of dependence, and experience with medicinal cannabis (benefits and burdens of use).

Methodology: To begin, administer a survey to 200 patients who purchase medical cannabis in our distribution centers upon intake to establish a needs assessment. Secondarily, we will administer a longitudinal survey (every 3 months to same subjects) to assess long-term experience with medical cannabis.

Intended Use of Study Findings: Submit results for publication in a peer-reviewed publication, such as, Journal of Pain and Symptom Management, Journal of Pain Management, and Journal of Herbal Medicine. Share findings at national conferences like American Public Health Association, National Conference on Addiction Disorders.

E.6 Substance Abuse Prevention Plan

In conjunction with hospitals, police departments, schools, community groups, churches and local substance abuse organizations LeafLine Labs' Providing Alternatives and Therapeutic Help (P.A.T.H.) program will assist all community members in need of intervention access services. By forming partnerships P.A.T.H. will augment the resources and expertise available to better meet the diverse needs of community residents. The program is designed to complement rather than duplicate existing services. P.A.T.H. will assist in the identification of therapeutic alternatives for community members who are expressing a need for guidance and direction. This need may manifest itself as disorderly/inappropriate conduct, chronic homelessness, absenteeism from school, trespassing, shoplifting, possession of alcohol or drugs, a decline in the ability to determine right from wrong. Additional cases reviewed may include aggravated assault/battery, DUI, and possession of an illegal weapon. Assessments of such cases have resulted in the self-disclosure of substance abuse issues, homicidal and or suicidal ideation, major depression or physical or sexual abuse. Our goal is to refer individuals or families in crisis to appropriate resources, which can lend guidance directed toward conflict resolution.

Our P.A.T.H. program will partner with local resources to develop and distribute a directory of community services, which will include:

- Psychiatric Assessment
- Psychological Assessment
- Chemical Dependency Assessment
- Individual Psychological Testing
- Vocational Testing
- Group Therapy
- Adolescent/Child Psychotherapy
- Family Therapy
- Marriage Counseling
- Stress Management
- Grief Counseling
- Substance Abuse Counseling
- Eating Disorder Programs
- Sexual Abuse (Survivor Programs)

- NA/AA Meetings
- Inpatient Treatment Programs
- Residential Treatment Programs
- Domestic Violence Programs
- Speakers Bureau
- Suicidal Intervention/Prevention

All community members will have access to a crisis intervention hot line. This service will be available 24 hours a day, 7 days a week.

LeafLine Labs strives to provide leadership in and across our industry and the communities in which we work and serve. P.A.T.H. will adhere to practices that reflect our integrity and honesty. We will comply with all Federal and State regulations, and assist residents with access to only those services that are necessary and in an individual's best interest. There is no charge to the community member.

Exhibit E.6.1 Substance Abuse Prevention Examples

Glendale Psychological Services has agreed to partner with LeafLine Labs' P.A.T.H. to develop materials and programs that educate patients and the public on the appropriate use of medical cannabis, and prevent the abuse of cannabis as well as prescription drugs.

We also intend to propose and develop a program targeting teens and potential abusers of cannabis, working in collaboration with MDH to develop educational materials designed to prevent the underage and unqualified use of medical cannabis. We would also solicit input from students, teachers, parents and other stakeholders in order to create the most effective possible messaging. An example of this kind of communication is shown above. Finally, P.A.T.H. will recommend established services provided by the Minnesota

Department of Human Services and Division of Alcoholism and Substance Abuse (DASA), available throughout the State of Minnesota.

If Leafline Labs is awarded a Minnesota Manufacturer Registration it will partner with drug and substance abuse prevention professionals and law enforcement to create a viable drug abuse prevention program. Leafline Security Consultant Dag Sohlberg was the Minneapolis FBI Drug Demand Reduction Coordinator, and in that capacity worked with Carol Falkowski, then head of the Minnesota Department of Human Services, Alcohol and Drug Abuse Division. Ms. Falkowski, an internationally known addiction prevention specialist, now operates Drug Abuse Dialogues and has been invited to partner with Leafline in its substance abuse prevention program.

E.7 Environmental Plan

These are the following steps we plan to take in order to reduce the ecological footprint of our manufacturing facility and other business operations.

Building

Efficient Heating Equipment

All of our heating equipment will be condensing style, with efficiencies greater than 90% in order to minimize consumption of natural gas and exceed code minimum requirements.

Efficient Light Controls

We intend to use LED (light emitting diode) lights for the office area. These lights will save energy because they are more efficient than traditional fluorescent or incandescent, and because they generate less heat to limit unnecessary air conditioning. They also last much longer than traditional lights and will reduce waste throughout the life of the building. We will also utilize combination motion sensor and time clock lighting controls to take advantage of day-lighting where we can in office areas, and to use vacancy sensors to make sure lights are not on when they are not needed.

Heat Recovery

The grow lamps that we are currently using generate excess heat. After consulting with energy experts during the writing of this RFA, it has come to our attention that there is an opportunity to repurpose this heat by channeling it into other parts of the building during winter. We plan to incorporate this recycling of energy into our building's HVAC system as appropriate, investigating ways in which we can capture some of this waste heat and use it in other areas of the building that require heating, such the loading dock spaces and vegetative waste management rooms.

Water Conservation

All of our urinals will be very low flow – pint flush and toilets will be dual flush toilets. We will also specify low flow, three-second motion sensor water efficient faucets in our sinks and showers.

In our manufacturing facility, we estimate our water use for growing to begin at 200 gallons/day the first year. At full capacity, we estimate water use of 8000 gallons/day maximum. We will make every effort to minimize our water usage.

Water Run Off

All sidewalk repair and replacement shall utilize a permeable material so that rain water can be absorbed by the ground. We also plan to put 3' of gravel in the front of the building (office exterior), which will also mitigate runoff when it rains. If we repave our roads at a future date, we will use a permeable material as well.

Water-Cooled Chiller System

By utilizing the heat recover water chillers we are considering for our Minnesota facility, we anticipate significant energy efficiency and savings.

YEARLY ANTICIPATED ENERGY AND WATER CONSUMPTION[1]			
System	**Power Consumption** *(per 1,000W light)*	**Water Reclamation[3]** *(per 1,000W light)*	**Energy Savings**
Water-Cooled Chiller System	2,200 kWH	712 gallons	47%
Air-Cooled Chiller System[2]	3,433 kWH	712 gallons	19%
DX Air Conditioning System	4,290 kWH	0 gallon	0%

[1]Numbers are based on a typical Suma chiller set-up versus a typical 11 to 13 SEER HVAC system. Numbers are estimates and may not reflect actual savings.
[2]When Pre-Cooled Condenser Pads are in use.
[3]In water-cooled chiller, condensate is returned to reservoir for plant watering in air-cooled chiller, condensate is reused in condenser pre-coolers.

Assumptions:

- Digital ballasts
- R13 insulation on all walls and ceilings
- Standard AHRI conditions for state of Minnesota
- Indoor ambient conditions – Average Garden Conditions:
    - 75°F indoor dry bulb temperature
    - 59°F indoor wet bulb temperature
    - (This is 40% relative humidity)
- Watering is estimated at 3 gallons per day per light

HVAC System

We will consider the most efficient HVAC approach for a building of this type. The high heat load from the grow rooms will provide a predominant cooling load – even when it is cold outside. Proper selection of HVAC system will take this into account so that we get the system that delivers the smallest annual carbon footprint.

Temperature Controls

Our construction firm will specify state of the art controls for the building to make sure that we take full advantage of 21st century technology in operating the building at peak efficiency all year long. This will include remote access to ensure immediate notification of any maintenance issues that may arise.

Composting

Approx. 30% of what we manufacture is compostable organic waste. We would like to work with the Minnesota Department of Agriculture to develop proper procedures and protocols so that medical cannabis waste can be diverted from landfills.

Building Materials

We will endeavor to use building materials with minimal negative environmental attributes.

Transportation

Carpooling will be encouraged. One of the most significant and efficient ways we can reduce our environmental footprint in transportation is to mitigate SOV (single occupancy vehicle) trips. Towards this end, we plan to encourage employees to participate in carpools.

Bike Racks

We plan to install a bike rack at our facility allowing employees the option of cycling to work. We will also encourage workers to utilize the more than 60 bike trails in Cottage Grove.

E.8 Health Equity

As an important part of our mission of providing quality medicines to the patients of the State of Minnesota, LeafLine Labs intends to create and sustain benefits for the communities in which we operate, as well as to the State of Minnesota overall. Every element of our business plan and its execution has been created and will be implemented with an eye toward operating in an efficient manner that provides benefits to the larger community. We believe, simply, that if a population has a lower quality of life, or life expectancy, due to lack of access to medications, this situation would be classified as a health inequity. These inequities may include differences across race, ethnicity, sexual orientation or socioeconomic status.

LeafLine Labs is committed to funding research that takes into account health equity. For example, in the research proposal under consideration "Patient Reported Survey Findings for Medicinal Cannabis Use in Minnesota" some of the information gathered will provide information relating to health inequalities. Our research plan in E – 5 aims to study the benefits and burdens of medical cannabis. When undue burdens become known, this information will inform our business as to how to reduce these burdens. LeafLine Labs aims to provide a reasonably priced, medical product that provides relief to all qualifying patients. This is health equity in its simplest form.

LeafLine Labs has a commitment to providing employment opportunities to minorities, veterans and disabled citizens of Minnesota. As described in E.3, we plan to employ a diverse workforce that provides well-paying jobs to individuals of varied backgrounds, in turn serving to reduce disparities among low income communities and improve health equity. Our Compassionate Need Plan, as described in E.4, also aims to address the unique needs of patients with low incomes or special needs that would hinder their ability to access medical cannabis for qualifying conditions. LeafLine Labs' partnerships with Substance Abuse and Mental Health Providers support efforts to provide a community-based safety net designed to focus on the needs of at risk communities and address needs around the serious issues associated with substance abuse. Our detailed plan appears in E .6. This plan addresses needs of patients who may be affected by health disparities due to their mental health status or other social/behavioral problems.

E.9 Community Engagement

As an important part of our mission of providing quality medicines to the patients of the Minnesota, LeafLine Labs intends to create and sustain benefits for the communities in which we operate, as well as to the State of Minnesota overall. Every element of our business plan and its execution has been created and will be executed with an eye toward operating in an efficient manner that provides benefits to the larger community.

LeafLine Labs is committed to funding research in the emerging field of cannabis used for medicinal purposes. Our research plan *(E5)* outlines a strategy to study the benefits and burdens of medical cannabis. In doing so, knowledge and understanding of this important medicine will rise which will undoubtedly benefit citizens of Minnesota. Our commitment to supporting research also creates funding and collaboration opportunities for Universities and Institutions across the state and keeps our organization engaged within the academic and medical community.

The establishment of a manufacturing facility and four distribution centers creates a number of positive effects in the regions in which they are located. It is rare in this economy that new industries provide well-paying, safe jobs where the product produced benefits those with debilitating and/or life-threatening conditions. The impact of these new jobs has a positive ripple effect on the entire local economy. And this positive economic impact begins with the construction of the facilities. We recognize the importance of working with organized labor to make sure that all of these activities support the needs of working families. We are closely engaged with Minnesota-based companies and workers who will financially and medically benefit from our business.

- Our leadership intends to be civically engaged and intends to be active in local professional organizations that may include Rotary International or the Chamber of Commerce. Within our LeafLine Labs culture, we will encourage involvement in local volunteer initiatives. These may include Race for Life (American Cancer Society annual fund raising races) or Stroll for Epilepsy sponsored by the Epilepsy Foundation of Minnesota (held annually in five locations — Twin Cities, Duluth, Rochester, St. Cloud and Fargo/Moorhead).

- LeafLine Labs is also open to hosting local community forums to address the questions that arise in regions where our facility or distribution centers are located. We will also explore the practicality and value of creating apprenticeships in our business locations, if these apprenticeships are approvable by the Minnesota Department of Health.
- As a socially responsible, therapeutically-oriented, and scientifically committed company, our mission is: to improve the health and wellness of patients by producing the world's highest quality cannabis-based medicines, and delivering them through pharmaceutical and clinical systems designed to optimize patient results and experiences. As we improve patient lives and reduce suffering by making our safe and effective medicines available to qualified patients in Minnesota, we believe this is the ultimate community engagement.

E.10 Other Planned Activity of Interest

Banking Relationships

Over the past few months, LeafLine Labs' President Peter Bachman has worked diligently to establish relationships with two Minnesota-based banks. His contacts have been at the highest level, with David Boden, President of Federal Hiway Credit Union, and Kim Erickson, President of Cambridge Street Bank. Both Federal Hiway and Cambridge Street Bank have demonstrated their interest and willingness to undertake the burdensome due diligence that is required to provide banking services to a business engaged with medical cannabis. That due diligence is ongoing. The banking services will include:

- Primary deposit and disbursement(s)
- Payroll account
- Remote deposit capture
- Full Internet banking services

In the course of due diligence on banking services, Cambridge Street Bank explicitly inquired of its correspondent bank that it uses for wire transfers as to whether wire transfers for a medical cannabis manufacturer would be blocked. The answer was that the wire transfers would not be blocked. Mr. Bachman's conversations with these bank leaders ensure mutual understanding of the complex banking needs within the new commercial industry of medical cannabis. Strong banking relationships will serve to support the financial stability and long-term interests of LeafLine Labs. Please see *Exhibits E.10.1 and E.10.2 for both letters of interest.*

Patient Satisfaction Survey

LeafLine Labs is driven by the mantra "patients first and always." With this in mind, we will offer a voluntary survey in each distribution center in order to gather direct patient satisfaction feedback. Using the information we obtain, we will work tirelessly to continue to improve the overall experience of our patients. Please see Exhibit *E.10.3* for a prototype of questions we intend to ask. The survey will be available on paper, and via a tablet in the distribution centers for ease of response from patient volunteers.

Exhibit E.10.1 LeafLine Labs Federal Hiway Bank Letter

HIWAY
FEDERAL CREDIT UNION

111 Empire Drive | St. Paul, MN 55103
651.291.1515 | 800.899.5626 | hiway.org

September 30, 2014

LeafLine Labs, LLC
[redacted]

Dear Mr. Bachman,

Hiway Federal Credit Union (Hiway) is pleased to be working with you. We are carefully completing our due diligence to ensure we will be able to support your long-term business success.

At this time, LeafLine Labs, LLC has the following active business accounts at Hiway:

- Savings
- Checking

Leafline Labs, LLC is seeking registration as a medical cannabis manufacturer.

Please provide a signed copy of your Member Control Agreement as well as a copy of your Operating Agreement and Certificate of Authority. As discussed, we would also like to review your business plan once it has been completed. Additionally, continued account services will be contingent on a signed, mutually agreed upon account addendum.

This letter is provided to you as a summary of account offerings. This letter is not contractual nor binding to either party. We reserve the right to discontinue services at any time with appropriate notice.

Hiway appreciates the opportunity to do business with you. If you have any questions, please contact Christine Cordell, AVP-Business Services at 651.265.6136. I can be reached at 651.265.6122.

Sincerely,

Dave Boden
President/CEO

Christine Cordell
AVP-Business Services

With You on the Road of Life

Exhibit E.10.2 LeafLine Labs Cambridge Street Bank Letter

CAMBRIDGE STATE BANK
Celebrating 100 years 1914-2014
A bank for all generations

127 SOUTH MAIN STREET
P.O. BOX 472
CAMBRIDGE, MINNESOTA 55008
763.689.2500 FAX 763.689.5153

127 OPPORTUNITY BOULEVARD NORTH
CAMBRIDGE, MINNESOTA 55008
763.689.2501 FAX 763.689.2528

www.cambridgestatebank.com

September 4, 2014

Reference: Banking relationship in support of Leafline Labs, LLC application for Medical Marijuana License

Dear Sir/Madame:

I am the President of Cambridge State Bank, a family owned, community bank in Cambridge, Minnesota. The bank is celebrating its 100th Anniversary this year as a family owned community bank chartered in the State of Minnesota. The bank is proud to be one of seven banks in the United States certified by the US Department of the Treasury as being women-owned and led. Reference: http://www.fms.treas.gov/mbdp

Cambridge State Bank intends to establish a banking relationship with Leafline Labs, LLC. Banking services may include, but are not limited to, the following:

- Primary deposit and disbursement account(s)
- Payroll account
- Remote deposit capture
- Full internet banking services

Please contact me if you have any further questions.

Thank you.

Sincerely,

Kim M. Erickson
President

Exhibit E.10.3 LeafLine Labs Patient Satisfaction Survey Prototype

LeafLine Labs Patient Satisfaction Survey		
This survey is intended for use by LeafLine Labs patients only.		
1. In the box at right, please enter the numerical portion of the strain name you are currently using (each of the product names are LeafLine Labs XXXX) - please just enter the four-digit number.	____ ____ ____ ____	
2. Which of the following qualified medical conditions are you currently treating with medical cannabis? Please mark all that apply	*Select from the dropdown menu*	
3. How long have you been diagnosed with this condition?	____ Years _____ Months	
4. Please list the symptoms of your condition that you are trying to relieve through the use of medical cannabis.	1.	4.
	2.	5.
	3.	6.
5. In what product form are you taking your medical cannabis?	*Select from the dropdown menu*	
6. How effective was your LeafLine Labs product at relieving the symptoms of your condition?	○ Not at all ○ Somewhat ○ Effective ○ Extremely Effective	
7. Rate your level of satisfaction with the LeafLine Labs productyou have been using.	☐ 1. Very dissatisfied 2. Somewhat dissatisfied 3. Neither satisfied or dissatisfied 4. Somewhat satisfied 5. Very satisfied	
8. How does your LeafLine Labs product experience compare to other medical treatments you have used in the past to treat your condition?	○ Worse ○ Same ○ Better	
9. How likely would you be to buy this particular LeafLine Labs product/strain again next time you fill a prescription for medical cannabis?	○ Not at all ○ Somewhat ○ Effective ○ Extremely Effective	
10. At which state-approved LeafLine Labs distribution center did you receive your prescription?	*Select from the dropdown menu*	
11. Overall, how would you rate your experience at this dispensary location (customer service, knowledgeable, etc.)?	☐ 1. Very dissatisfied 2. Somewhat dissatisfied 3. Neither satisfied or dissatisfied 4. Somewhat satisfied 5. Very satisfied	
12. Please use this space to provide any other feedback/information you'd like us to know.		

LeafLine Labs

F. Conclusion

F.1 Conclusion

We believe that LeafLine Labs is the best choice for Minnesota for several compelling reasons. First, Leafline Labs is truly Minnesotan. It is majority owned and controlled by lifelong Minnesotans who researched and sought out the best out-of-state medical cannabis partner, rather than vice-versa. We have embedded Minnesota work ethics and values, including honesty, integrity and transparency and those will be at the core of LeafLine Labs.

Second, as a company Leafline Labs is patient-focused. Our mission really says it all: ***To improve the health and wellness of patients by producing the world's highest quality cannabis-based medicines and delivering them through pharmaceutical and clinical systems designed to optimize patient results and experiences***. Everything we do is evaluated through the lens of patient impact.

Third, we are focused on *medical* cannabis. When we investigated potential partners in Colorado, Washington and California, we were struck with the focus on recreational marijuana, not medical cannabis. We believe that the centralized medical cannabis model as embodied in states like Connecticut, Minnesota and New York is a future that will be with us for some time, likely to be emulated by other states, and also likely to help pave the way for federal reform. This means we have a commitment at our core to utilize cultivation and processing standards that are the best available practices for medical cannabis. We are working on best practices for standardized dosing. We also have a commitment to cooperate, encourage and conduct research to advance scientific knowledge of medical cannabis.

Fourth, we are in this business for the long term and have the financial stability and capability to weather what could be a lean beginning. Our production facility in Cottage Grove is a perfect example of this. We could have found and planned to refurbish an existing warehouse; doing that would have been much easier in the short time frames bracketing the whole RFA process than building new. Instead, our board said that if we are in this for the long term, it makes sense to build a new, state-of-the-art facility and to do whatever we need to do to meet the short, winter construction schedule. Ryan Companies has worked with us to meet all schedules. We are currently fully approved at our Cottage Grove site to expand to 159,000 sq. ft. and we have a

first right of refusal on each of the 20-acre parcels to the south and to the west. We are ideally poised to meet demand in a quality, dependable facility with state-of-the-art temperature, humidity, air flow, odor and light management controls. We know that one of the most essential things to growing high quality medical cannabis is having the right growing environment. To meet our construction schedule means we will have to commence grading and other site preparation work prior to the MDH December 1 decision. We have committed to do that in order to achieve the long-term advantages that the new facility will provide.

Fifth, we have established banking relationships with two local banks. We believe that our Minnesota roots and the trust we engender makes it easier for banks to commit to work with us and perform the necessary due diligence. These banks are working with us with full knowledge of the business we are in and we believe they are willing to work with us specifically because they trust who we are.

Sixth, our partners are similarly aligned, coming from professional backgrounds with outstanding credentials in the medical cannabis and healthcare industry. They have the know-how we lack and we have the retail and local knowledge that bolsters their experience. We are an ideal fit.

Seventh, our growing and cultivation expertise at large-scale is unmatched and we will have the ability to combine experienced cannabis growers with experienced, very large-scale horticultural best practices.

Eighth, we will utilize the finest extraction equipment on the market. Extraction processes are a very big part of the Minnesota model and we believe our systems and processes are superior to any others. Minnesota is the first extraction-only state and we are confident that we have the right skills and capabilities to quickly become the leading cannabis extractor and processor in the country.

Ninth, we understand security and what it takes to run and maintain a secure production facility, distribution facilities and transportation system. We are committed to constant vigilance and

point to our Neutrality Agreement with UFCW as an example. We engaged in negotiations with the UFCW to remove language from their standard form neutrality agreement that we strongly felt was in conflict with security protocols and with Minn. Rules Ch. 4770. We are pleased to be positioned to work cooperatively with the union going forward.

LeafLine Labs has assembled the right team with the right experiences to bring an unprecedented level of professionalism to this nascent industry. Our combined experiences and expertise will bring the highest quality medicines to Minnesotans who deserve the best that we can offer. We look forward to working with MDH on this groundbreaking opportunity to serve.

If there are any questions that arise during the evaluation process, please contact the following:

Peter Bachman,

Paul Bachman,

Kelly Henry,

Glenn Taylor,

Leafline Labs, LLC

Peter Bachman

Glenn Taylor

Paul Bachman

~~Mitchell Baruchowitz~~

Andrew Bachman MD

Ethan Ruby