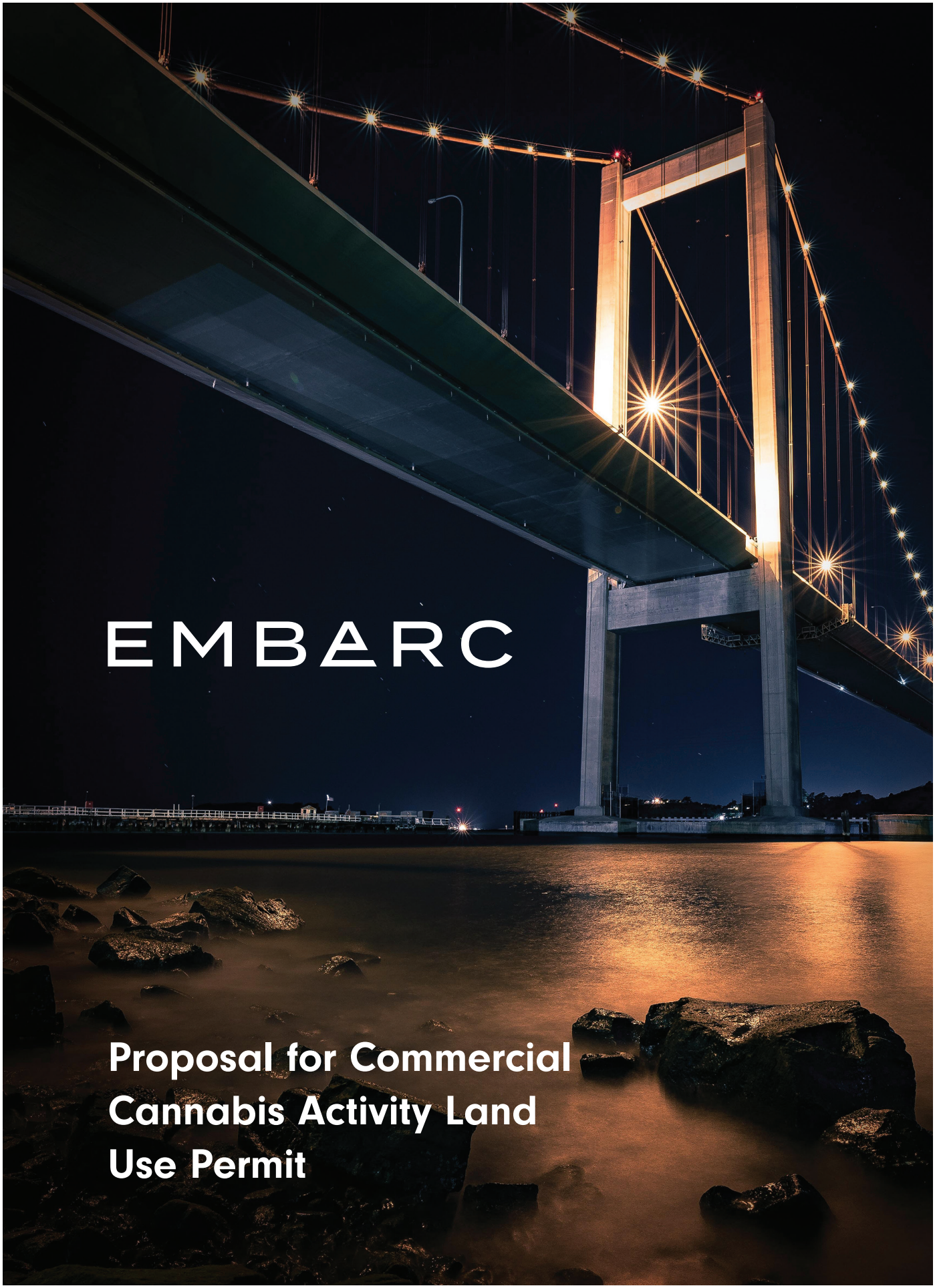

EMBARC

Proposal for Commercial Cannabis Activity Land Use Permit

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Community Leaders Agree:

The Miller Family & Embarc Contra Costa are the Right Choice for Our Community

Experience, Abilities, Knowledge, and Overall Qualifications to Run the Proposed Business

"We deserve cannabis operators with a track record of community engagement, meaningful local support, and unparalleled cannabis business and compliance expertise that will ensure smooth operations. George and the Embarc team is that partner."

— SENATOR BILL DODD, REPRESENTING THE 3RD DISTRICT (INCLUDES PROPOSED SITE)

Understanding Of, and Approach to, Running the Cannabis Business in Our Community

"Through my relationship with George and his family, I know he approaches issues in a professional, positive and solution oriented way. I believe he will use his expertise and his family's deep connection to this community to operate a business that will thoughtfully integrate into Contra Costa County."

— ASSEMBLYMEMBER TIM GRAYSON, REPRESENTING THE 14TH DISTRICT (INCLUDES PROPOSED SITE)

Direct Support for Public Safety and Nonprofits to Ensure the Health, Safety and Welfare of the Residents

"We look forward to Embarc operating in our community, providing significant, ongoing financial and volunteer support for us and other local organizations. We are also pleased to have a seat on their Community Advisory Board, which will provide a voice for local stakeholders in the company's operations. This commitment to community is exactly what we want to see from a local cannabis operator."

— LARRY SLY, EXECUTIVE DIRECTOR, FOOD BANK OF CONTRA COSTA & SOLANO

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Dear Selection Committee Members,

Thank you for the opportunity to submit this proposal seeking the right to apply for a commercial cannabis activity land use permit for a retail dispensary. As a fourth generation Contra Costan and member of a family with deep, multi-generational roots serving this community, I appreciate the County's thoughtfulness as we contemplate commercial cannabis activities—and particularly cannabis retail—in Contra Costa County.

This proposal was not hastily crafted in the weeks leading up to the deadline; rather, it is the culmination of more than a century of local civic service by my family. It is from our deep roots in this community that this application was born; seeking to ensure cannabis is integrated thoughtfully and with the same spirit of community mindedness that has driven us for generations.

Embarc Contra Costa is comprised of community members and business leaders with unparalleled experience navigating tough regulatory environments including operating compliant retail dispensaries and similar businesses. Embarc Contra Costa brings over 350 years of combined business experience to our proposed cannabis dispensary, representing the vision and unequalled operational track record of executive-level leadership in cannabis, retail, supply chain and other highly regulated industries married with my family's unmatched track record of local public service.

Embarc represents an opportunity for me to work with my father to further his commitment to public health and safety. My father, George Miller III, went to Washington, D.C. approximately forty-five years ago to serve as a champion of national health reform in Congress. *Now, upon returning home to Contra Costa County nearly half a century later, cannabis legalization represents an exciting new opportunity for us to work together to further his commitment to wellness through the development of a community-minded cannabis dispensary that meets the health and wellness needs of the area.*

Embarc Contra Costa will provide safe access to quality cannabis in an approachable retail environment that focuses on health, wellness and high CBD, low THC products. A key tenet of the business is education; Embarc Contra Costa will educate patients and consumers about safe consumption, benefits of cannabis, and preventing youth access. We will operate in accordance with state and local laws and maintain strict internal policies and procedures to ensure compliance and transparency in our operations for the safety of our customers, employees and community.

We will offer high quality, consciously crafted cannabis products, including sustainable flowers, concentrates, edibles, topicals, and administering tools. We will help patients and customers understand the health and wellness benefits of integrating cannabis into one's lifestyle rather than the traditional emphasis on "getting high." We will redefine the relationship between consumers and cannabis—and by extension, between communities and cannabis, by demonstrating through consistency, civic participation, and meaningful community benefits that cannabis can integrate into, and ultimately benefit, our community.

Through our team's exceptional operational experience, we have learned that whether a 'medical' or 'adult use' consumer, cannabis is about wellness and is just one component of an individual's broader health and wellbeing journey. Whether using cannabis for a specific ailment, general aches and pains, anxiety, or sleeplessness, at its root, cannabis use is about enriching one's life. This core tenet will drive our business model, ensuring our medical and adult use retail and delivery operations prioritize public health, safety and wellbeing.

There is not a team better prepared to execute on the County's vision for thoughtful, compliant cannabis operations than us, because for our family, this community is home.

Sincerely,

George Miller IV

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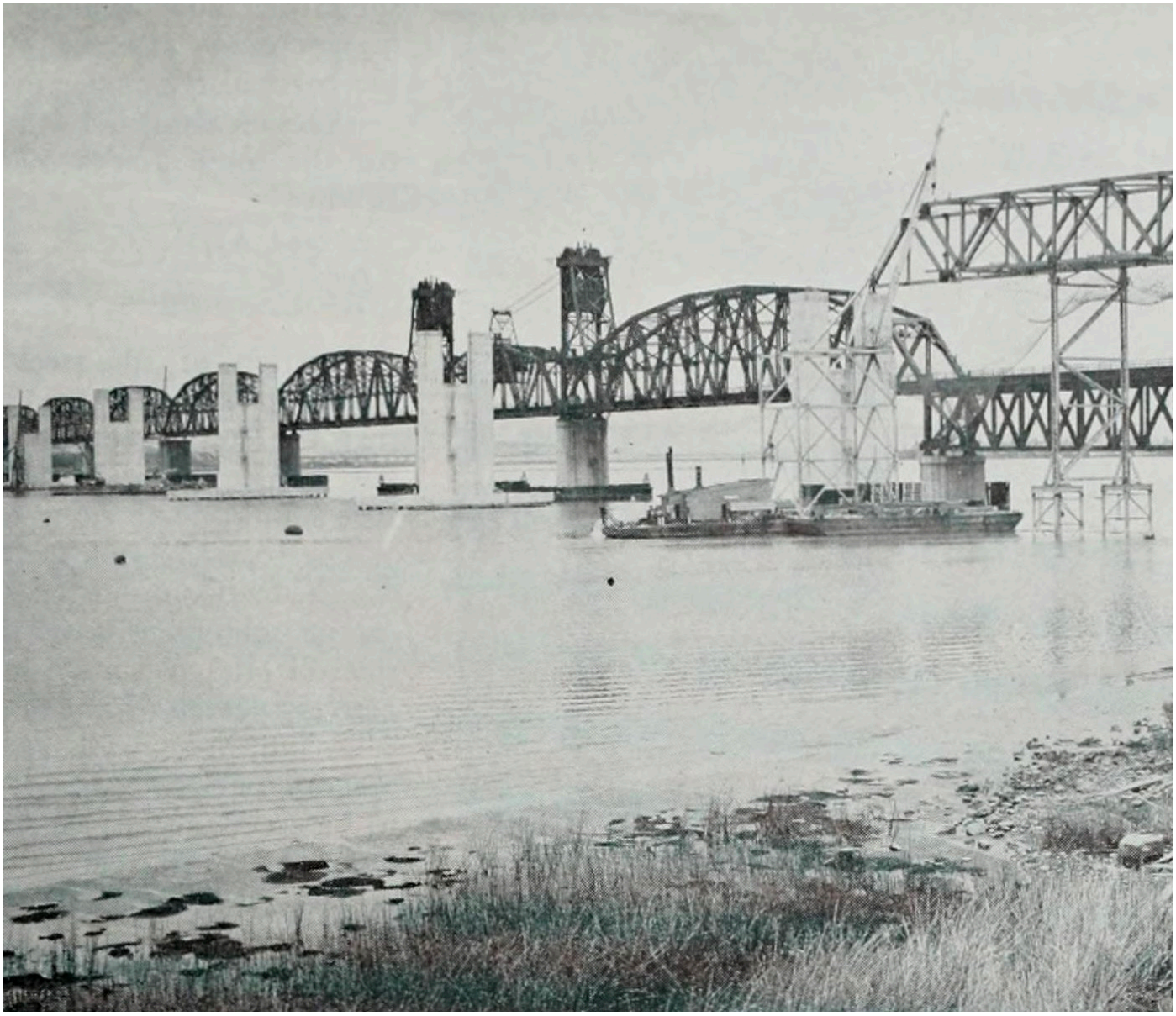

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Section 1

Ownership Qualifications

1. Ownership Qualifications

Statement of Qualifications: Description of the owner(s) qualifications, including the qualifications of individuals proposed to oversee key aspects of the activity, focusing on experience relevant to the proposal, including but not limited operating a similar business.

Embarc Contra Costa, LLC ("Embarc") is comprised of local and regional community members and business leaders with unparalleled experience operating compliant retail dispensaries and similar businesses while navigating tough regulatory environments. Embarc brings over 350 years of combined experience to our proposed cannabis dispensary, representing the vision and operational track record of executive-level leadership in cannabis, retail, supply chain and other highly regulated industries.

Deep Local Roots

Owner George Miller IV believes an applicant must have roots in this community to create an operation that reflects the unique needs and values of this community. George and his family have deep local roots, with multiple generations serving as elected representatives for Contra Costa County. They are committed to the creation of a business that aligns with, and ultimately benefits, the community it calls home.

Given this legacy of community service, George understands the importance of an operating team that aligns with local values and meets the needs of residents and the broader community. As detailed throughout this application, George has assembled that team.

Meet the Millers

George Miller IV is a fourth generation Contra Costan, continuing a multi-generational family legacy of giving back to the community. George is the fourth in a line of sons who have followed in their father's footsteps, each building upon the family's legacy of commitment to the community and betterment for all.

George's great grandfather, George Miller, was an engineer for the City of Richmond, choosing to raise his family in Richmond's warm and welcoming community and dedicating his career to developing the infrastructure that laid the foundation for the East Bay of today.

In keeping with this spirit, a span of the Benicia-Martinez Bridge would later be named the George Miller Jr. Memorial Bridge in honor of his son, and another, the George Miller Benicia-Martinez Bridge, in honor of his grandson.

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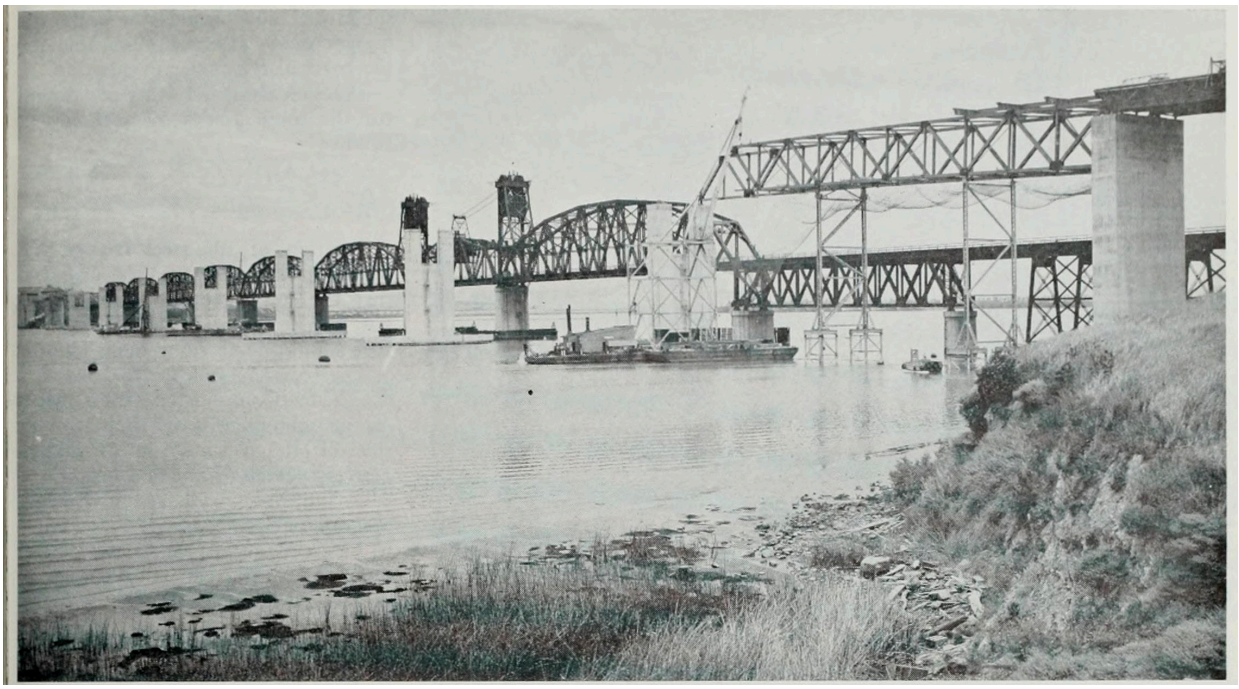

Following in his father's footsteps, George's grandfather, George Miller Jr., grew up to be a State Assemblymember, and then State Senator, where he represented the East Bay for more than 20 years before his unexpected death just days before his 55th birthday.

Notable in George Jr.'s political career is his founding of the California Democratic Council, which has been credited for shifting the Republican domination in Sacramento and paving the way for Democrat Pat Brown to be elected Governor. George Jr. grew to become a staunch political ally and friend to the Governor, whose political strategist and campaign manager once described him as having "changed the ideological complexion" of the conservative state Senate, and "made possible the enactment of much of the Democratic legislation" California is still known for today.

Following in his father's footsteps as an elected official, George's own father, George Miller III, served as a Congressman for four decades, representing both the 7th and 11th Congressional Districts. George Miller III was born in Richmond, attended school in the East Bay, graduated from Diablo Valley College and San Francisco State University, obtained his Juris Doctorate from the University of California, Davis, served as a legislative assistant to California Senate Majority Leader George Moscone, and then went on to spend forty years in Washington D.C. as a representative for California. He is a popular leader, having won re-election 18 times with no less than 60% of the vote.

Among his many notable political accomplishments, the Congressman played an important role in efforts to preserve public lands and the environment as a member and then Chair of the Natural Resources Committee. During this time, he supported the California Desert Protection Act, which created Joshua Tree and Death Valley National Parks, and the Central Valley Project Improvement Act, which sought to protect the Bay-Delta's fish and wildlife populations. He also has a strong record on labor and education issues. As examples, Miller helped to draft the No Child Left Behind Act, sponsored the Fair Minimum Wage Act, and sponsored the Protecting Students from Sexual and Violent Predators Act.

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Embarc owner George Miller IV was inspired by his father's environmental legacy, and ultimately served as a California Coastal Commissioner and member of the Contra Costa Democratic Committee. George was born and raised in Martinez until the 8th grade, when his father relocated his family to Washington, D.C.

Prior to the move, George attended John Swett Elementary School and Junior High School in Martinez and participated in Pop Warner Football and Little League throughout his youth. He was a member of the Boys and Girls Club of Martinez and the Sons of Italy.

While he spent the remainder of his childhood in Washington D.C., George returned to Martinez in the 1990s, where he and his wife welcomed both of their daughters to their growing family. George and his family have since relocated to Sacramento, but with cannabis coming to the area, and with his father now retired from Congress and once again residing in Martinez fulltime, George saw an opportunity for his family to come together in a new way to benefit the community.

Embarc Contra Costa: The Culmination of More Than a Century of Public Service

Health and wellness have always been important to the Miller family. George Miller IV's mother, Cynthia Miller, has served on the Contra Costa County Mental Health Commission and on the Ethics Committee for the Contra Costa Regional Medical Center in Martinez. In fact, the Contra Costa Regional Medical Center dedicated a health center in Cynthia and George's name in recognition of "their steadfast and vigorous advocacy to bring about health care reform and improve mental health services in Contra Costa County."

George's father, Congressman Miller, has long been a champion of national health reform and is one of the original authors of the Affordable Care Act. In fact, upon taking office more than forty years ago, the Congressman expressed two goals while in office—to end the Vietnam War, and to enact universal healthcare.

Now, nearly half a century later, George believes cannabis legalization represents an exciting new opportunity to further his parents' commitment to wellness through the development of a community-minded cannabis dispensary that meets the health and wellness needs of the area.

Getting Cannabis 'Right' for Our Community

Given George's family's multi-generational legacy of community leadership, he was initially hesitant upon hearing cannabis was coming to Contra Costa County. But after learning more about the emerging industry, including the robust regulations in place, he realized that since cannabis was coming, it needed to be implemented by someone who cares about this community and has substantial business management experience, ensuring operations are appropriately and mindfully integrated into the community.

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George knew he had the skills necessary to build and manage a team that could execute a successful cannabis business in Contra Costa County, so he did—compiling leadership with unparalleled experience and a track record of execution in compliant cannabis activities.

"Through my relationship with George and his family, I know he approaches issues in a professional, positive and solution oriented way. I believe he will use his expertise and his family's deep connection to this community to operate a business that will thoughtfully integrate into Contra Costa County."

— ASSEMBLYMEMBER TIM GRAYSON, REPRESENTING THE 14TH DISTRICT (INCLUDES PROPOSED SITE)

George is proud to have assembled a leadership team that includes Fortune 500 executives, proven cannabis operators, and local business owners that have experience in retail, hospitality, supply chain and other highly regulated businesses, and leading experts in cannabis compliance who are actively engaged at both the state and local level to ensure regulations are developed and implemented that provide for the highest level of public health and safety.

This team will create more than just a cannabis dispensary—Embarc is committed to the creation of a unique experience that honors local values and provides meaningful benefits for the County, its residents, and Embarc's non-profit and community-based partners. For these reasons, we have the highest level of experience in operating the same or similar type of business and are the best fit for the Contra Costa community.

As detailed below, the overall depth and breadth of the Embarc team's knowledge and experience as community leaders and business owners means we are truly committed to this community. Unlike outside entities and multi-state operators with no vested interest in Contra Costa County, we will operate a compliant business with strict adherence to regulations, industry standards and best practices—because for us, this community is not just another location in an expansion plan—it is home.

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Our Team

LEADERSHIP:

George Miller IV, Owner & Chief Executive Officer
Julia Schmidt, Chief Development Officer
George Miller III, Chairman of the Community Advisory Board
Terry Muller, Operator
Lauren Carpenter, Head of Strategy
Dustin Moore, Head of Compliance & Regulatory Affairs
Matt Carroll, Head of Security
Dan Staszak, Head of Finance
Kevin Schmidt, Head of Regulatory Affairs

STRATEGIC ADVISORS:

Mike Beaudry, Supply Chain Strategy
Josh Campbell, Brand Strategy
John Yost, Marketing & Communications Strategy
Donna Leach, Partnership Strategy
Jeff Kirwan, Retail & Business Strategy
Lex Gemas, Operations Strategy

Has a Track Record Operating Cannabis Businesses

Currently operates one of the most respected cannabis dispensaries in California—demonstrating our operational prowess and a track record of success in operating a licensed cannabis dispensary.

Operator Terry Muller has managed cannabis businesses for over a decade, including operating one of the country's first licensed cannabis collectives in the Midwest and San Francisco's Barbary Coast. Barbary Coast has consistently been ranked by The San Francisco Chronicle as the top dispensary in the City and has earned a reputation as one of California's most highly regarded dispensaries.

Over the past decade, Terry has worked with multiple, prominent cannabis companies as a trusted advisor and chief consultant, developing community outreach programs, wellness services, standard operating procedures, vendor management, and employment systems. He has also helped shape San Francisco's Social Equity and Good Neighbor policies. This decade of experience in cannabis retail operationalization and partnership with local government will enhance our efforts to implement a thoughtful cannabis dispensary in Contra Costa County. Terry lives in the East Bay with his wife and children.

Served as Chief Strategy Officer for one of the largest cannabis retailers in Los Angeles, responsible for business strategy, community and public affairs and operationalization of cannabis dispensaries in one of the world's most competitive cannabis markets.

Embarc's Head of Strategy, Lauren Carpenter, has led key strategic efforts for some of the largest and most successful cannabis retailers in the world. She previously served as Chief Strategy Officer for Sweet Flower, one of the largest cannabis retailers in Los Angeles, where she was responsible for

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creating and executing corporate strategic initiatives across community, regulatory, political and business arenas while driving the company's dynamic growth strategy. In this role, she oversaw the operationalization of retail assets in Los Angeles while developing the company's Corporate Social Responsibility and Community Benefits platforms.

She has also served as Head of Government Affairs for Western States for MedMen, one of the world's largest vertically integrated cannabis operators. In that role she was responsible for the company's political, government, public and community affairs strategies at the state and local level across the Western United States, including in states that have legalized adult use cannabis and in states with pending adult use legislation and initiatives. She has worked with governments throughout California and across the country to implement thoughtful cannabis regulations and is a trusted advisor to elected officials, communities and cannabis operators about thoughtful regulatory implementation and business operations.

Currently operates one of the largest cannabis distribution companies in the State—demonstrating unparalleled knowledge of, and operational experience with, supply chain management and business operations navigating the complex regulatory environment for cannabis.

Supply Chain Strategy Advisor Mike Beaudry owns and operates HERBL Distribution Solutions, the state's leading cannabis distribution company, and brings this vast network and understanding of cannabis regulatory compliance to Embarc. Mike brings extensive distribution experience, having spent the last 20+ years achieving the highest level of understanding in the perishable distribution business, including natural, organic and specialty foods at United Natural Foods Incorporated, America's leading distributor of natural and organic foods.

While President of UNFI, Mike led teams of up to 5,000 members while managing more than $2 billion in annual revenue. Prior to his role as President, Mike led the operations nationally for UNFI's highly complicated perishable distribution business, with more than 3 million sq. ft. of warehouses and 1,000+ trucks across the United States.

Serves as President for one of the largest cannabis manufacturing brands in the country— demonstrating unparalleled knowledge of how to operate a compliant cannabis business, how to identify and source products that meet the needs of patients and customers, and how to navigate complex regulatory environments while maintaining compliance and business viability.

Brand Strategy Advisor Josh Campbell has been President of Dosist, the world's largest cannabis consumer products brand, since 2017, and is responsible for leading Dosist's Canadian and international expansion. Dosist is frequently featured in publications like Wired, Forbes, Time and The New York Times. Known for their design and technology, Dosist is a leader in adapting business models and practices to complex regulatory mandates in jurisdictions across the United States and Canada, demonstrating a best-in-class ability to successfully develop and market a leading brand in the ever-evolving marketplace.

Helped create and implement the rules and regulations governing commercial cannabis businesses in California—demonstrating an unparalleled understanding of how to create a compliant business while navigating cannabis' strict regulatory environment.

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Head of Compliance Dustin Moore has not only operated in a regulated environment but has personally been a driving force behind California's efforts to legalize and regulate commercial cannabis. In 2011, while working for the Speaker of the California Assembly, Dustin developed legislation for medical cannabis regulations that served as the foundation for the regulatory framework in place today. In 2014, he began working to develop, and ultimately served as Deputy Campaign Manager for, Proposition 64, the successful ballot measure that legalized adult-use cannabis in California. No one is more familiar with Proposition 64's language and intended implementation than Dustin.

After Proposition 64 passed by an overwhelming margin in 2016, and having developed such a large body of knowledge about how to effectively regulate the cannabis industry, Dustin began working with local, state, national and international jurisdictions to assist in the implementation of their regulatory and licensing programs, including municipalities throughout California and the countries of Canada and Mexico. Dustin is regarded as a subject matter expert whose advice and experience is sought by both the private and public sectors nationally and internationally. True to the ethos of Proposition 64, Dustin specializes in policy development that prioritizes public health and safety.

Is responsible for compliance for over 3 million square feet of licensed cultivation and manages the compliance for over 200 cannabis licenses statewide—demonstrating unprecedented experience navigating the regulatory and licensing landscape in California and a proven track record of managing day-to-day compliance for cannabis operations.

After nearly 5 years of California cannabis policy development, Head of Compliance, Dustin Moore, is now a partner at Axiom Advisors, the state's leading strategic consulting firm providing business and compliance services to professional cannabis associations, cannabis manufacturers, distributors, testing labs and retailers. In this role, he and his firm are responsible for managing the compliance for more than 200 commercial cannabis license holders throughout California, including over 3 million square feet of licensed cultivation.

Has served in an Advisory role to the Proposition 64 campaign to legalize adult use cannabis in California, and has since been instrumental in shaping California's legal commercial cannabis industry by helping to draft the laws, regulations and statute in place today – demonstrating our unparalleled ability to navigate the regulatory landscape we helped create.

Head of Regulatory Affairs, Kevin Schmidt, is a fourth generation public servant to California with the institutional knowledge necessary to navigate California's complex political and regulatory landscape. Beginning his public service career with the California Senate Majority Leader, Kevin worked on a broad array of topics including agriculture, water, and energy. Kevin then served for five years as Policy Director for then-Lieutenant Governor Gavin Newsom, focusing on energy, natural resources, economic development, higher education, and other policy issues. Kevin represented Lt. Governor Newsom on the California Coastal Commission, the California State Lands Commission, and the Ocean Protection Council, and in those positions was responsible for decision-making on important statewide policies and multibillion-dollar State Budgets.

During his time with the Lt. Governor, Kevin spearheaded the Blue Ribbon Commission on Cannabis and served as a senior advisor to the Proposition 64 campaign. Since that time, he has been instrumental in shaping California's legal commercial cannabis industry, working to help draft the laws, regulations and statute in place today.

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Kevin has since become a founding partner of Axiom Advisors, the leading cannabis compliance, regulatory and political consulting firm in California. In this capacity, Kevin has developed deep relationships both within the cannabis industry and within California government that will be critical to his role as Head of Regulatory Affairs for Embarc. Kevin was born and raised in Contra Costa County, where his parents still reside, and is enthused at the prospect of returning home to undertake this professional opportunity.

Has partnered with jurisdictions and police departments throughout California to advise on the security component of cannabis ordinance development—demonstrating an unparalleled track record of partnering with local law enforcement on operational security regulations.

After years of service as a police officer and advising the Coast Guard on port security in the wake of 9/11, Head of Security, Matt Carroll, founded Paladin Private Security, a company widely recognized as Northern California's leader in private patrol and response services. Matt designs and maintains security programs for over 450 clients, including Sacramento Regional Transit, the City of Sacramento, public school districts, recreation and park districts, property, and business improvement districts.

As the City of Sacramento's cannabis industry took form, Matt worked closely with the Sacramento Police Department to develop ordinances, standards and best practices. To date, Matt has authored and executed over 85% of the security plans required of Sacramento cannabis licensees. In late 2017, Matt began providing cannabis security consulting services for other municipalities. Matt is currently under contract with the cities of Dixon and Benicia Police Departments, training city staff, police and code enforcement personnel on cannabis regulations, crime prevention strategies, crime prevention through environmental design (CPTED), and assisting with facility design review, security plan review, and both site and compliance inspections.

Has served as Chief Marketing Officer for publicly traded, vertically integrated cannabis companies—demonstrating our ability to effectively position Embarc in the Contra Costa County market.

Marketing & Communications Advisor John Yost brings a wealth of entrepreneurial, marketing and strategic communications experience to the cannabis industry. He has served as Chief Marketing Officer at Harborside, an Oakland dispensary that is one of the most renowned cannabis operations in the world. He has also served as Chief Marketing Officer for FLRish, Inc., a publicly traded, vertically integrated cannabis company, and has served in a similar capacity at companies such as Steep Hill, a cannabis testing laboratory; Francis Ford Coppola Presents, where he served as the first Chief Marketing Officer to market the company's wine and resort businesses; and Sungevity, a residential and commercial solar design and installation company.

From 1996-2005, he served as Founder & President of Black Rocket, a national advertising agency and marketing partner with clients such as Yahoo!, Morgan Stanley Online and Peugeot North America. John's breadth of traditional marketing and cannabis brand positioning experience is invaluable in the burgeoning legal cannabis industry. John lives in Oakland and is enthused at the prospect of working on a new project so close to home.

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Is a global supply chain expert with unparalleled partnerships to optimize business capacity—demonstrating our ability to find the best industry partners for brands and other businesses to ensure successful operations.

Our Partnership Strategy Advisor, Donna Leach, is a global supply chain leader known for her expertise in optimizing business capacity and minimizing risk by building enterprise capability through strong partnerships such as those with Island, Dosist and other leading cannabis brands throughout the state. Donna is the former Senior Director of Global Supply Chain for Gap Inc., where she spent 26 years in supply chain leadership roles. Donna utilized her knowledge and expertise to manage the effective tension between cost and service.

Actively participates in local, state, national and international industry associations, events, speaking engagements and advisory boards, including serving as an advisor to both Canadian and Mexican governments in the development of their cannabis regulations— demonstrating the ability to work collaboratively with government officials, license holders, industry stakeholders and others to advance advocacy, education, awareness, and sound policy and regulatory development; also demonstrating the unparalleled breadth of knowledge necessary to run a commercial cannabis business that can effectively navigate the regulatory landscape.

Head of Compliance, Dustin Moore, brings expertise in cannabis policy to local, state and national stages, serving as a highly regarded subject matter expert at countless cannabis events, panels, discussions and conferences across the country. In 2018, he worked with Canada on their testing regulations and he is currently serving as an advisor to Mexico in the development of their adult-use legalization legislation. He has served as Executive Director and is currently a board member of the International Cannabis Farmers Association. He is also a member of the State of California's Track and Trace Advisory Committee.

Has more than thirty years of experience in fiscal management for companies statewide, including cannabis companies— demonstrating our strict financial management, compliance and best practices.

In 2011, our Head of Finance, Dan Staszak, founded Staszak & Company, Inc., a large California CPA firm providing accounting, tax preparation and planning services for individuals, businesses, estates and trusts. Dan has spent his thirty-year career in public accounting, serving the needs of clients in a variety of industries including the cannabis industry. Dan is a frequent speaker on tax-related topics.

Has a Track Record Operating Similar Businesses & Other Relevant Experience

Has served as Chief Executive Officer of a Fortune 500 retail brand with over 2,000 retail stores across the U.S.—demonstrating our ability to operationalize and manage retail with the highest levels of service, technological integration and standard operating procedures.

Retail and Business Strategy Advisor Jeff Kirwan has more than 30 years of experience implementing best practices for world-leading retailers. He has worked as Senior Vice President, President and Chief Executive Officer for some of the best-known retailers in the country, with his last role as

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the Chief Executive Officer of Gap Inc. leading teams of over 45,000 people. Jeff's experience and performance with fast-paced systems has benefited from his strategic thinking and collaborative approach.

Has served as Chief Operating Officer for multi-billion dollar global brands—demonstrating our ability to navigate the supply chain and ensure consistent operations.

Having gained deep insight into the inner workings of the retail industry starting in 1993, our Operations Strategy Advisor, Lex Gemas, has applied his operational expertise and commercial acumen to the complicated retail supply chain for more than 25 years. Serving in senior management and chief operating officer roles with large, multi-billion dollar global brands including Nordstrom, Gap, Banana Republic, Victoria's Secret and Macy's, Lex was responsible for the end-to-end demand-driven supply chain, always focused on consumer experience and satisfaction.

Is a partner at a prominent Sacramento political firm responsible for helping leading cannabis companies, Fortune 500 companies, trade associations and others navigate regulatory and political compliance in California—demonstrating our ability to operate businesses across industries in accordance with robust regulations.

Owner and Chief Executive Officer, George Miller IV, has dedicated his career to parallel goals – public service and navigation of California's complex regulatory environment. George has served as a California Coastal Commissioner, working to protect and enhance California's coast and ocean for present and future generations. In this capacity, George served as a regulator for the state, ensuring he understands the importance of working within a highly regulated environment such as the cannabis industry. As a partner at a prominent Sacramento political firm, George helps clients ranging from leading cannabis companies to Fortune 500 companies to large trade associations navigate the state's complex regulatory environment, again demonstrating significant compliance prowess.

Represented Contra Costa County for forty years as a United States Congressman, representing our team's unparalleled track record of prioritizing the public health, safety and general welfare of County residents as well as unparalleled community roots and relationships that will be vital to meaningful, ongoing community engagement and benefits programming.

George Miller III represented the East Bay in Congress for forty years. During that time, he developed a strong legacy on issues important to this community as well as unparalleled relationships with community leaders, non-profit organizations, business associations, neighborhood groups and other vital stakeholders that will be critical in implementing thoughtful community engagement and benefits programs.

He brings this deep bench of community connections to his role as Chairman of Embarc's Community Advisory Board, which is detailed later in this proposal. Importantly, the Community Advisory Board will be comprised of other community leaders and will be responsible for directing significant financial and volunteerism benefits to the Contra Costa County community. Congressman Miller resides in Martinez, just minutes from the proposed location.

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Has served in prominent public affairs, community affairs and relationship building capacities for large organizations, demonstrating our ability to create meaningful public affairs programs that ensure thoughtful community integration.

Chief Development Officer, Julia Schmidt, has a multidimensional background in developing and executing outreach campaigns and meaningful partnerships. As a fourth generation Bay Area resident and current Contra Costa County resident, Julia knows the unique fabricate that makes up the local citizenry and will apply this understanding to her role as Chief Development Officer for Embarc.

Prior to returning to the Bay Area, Julia was responsible for managing corporate partnerships for the New York Yankees, where she connected corporate partners to the fan base and community. In 2006, Ms. Schmidt was active in founding The Baseball Wives Charitable Foundation, a non-profit organization built by the wives of Major League Baseball players, which benefits and enhances the quality of life for communities across the nation with a focus on health, education and youth-related projects.

To this day, Julia takes pride in her first job, an intern for the Oakland Athletics. As an entry level employee in the public relations department, she got hands on experience developing partnerships with community groups and citizens in the Bay Area, including many long-term relationships she cherishes and will leverage for Embarc.

As detailed more fully in the previous sections, and to summarize its key points, our team has unparalleled experience operating in a regulated environment, the ability and knowledge to operate a commercial cannabis business, and is qualified due to its significant, relevant depth and breadth of experience. In summary, Embarc:

Understands the Industry and Operates as an Industry Leader—with a Proven Track Record of Cannabis Operations

- Operates one of the most respected cannabis dispensaries in the state
- Owns and operates one of the first state-licensed cannabis dispensaries in the Midwest
- Operates one of the largest cannabis distribution companies in the state
- Operates one of the largest cannabis manufacturing companies in the country
- Responsible for the compliance of over 3 million square feet of licensed cultivation
- Manages the compliance for over 200 cannabis licenses statewide
- Board member of several respected cannabis industry associations
- Former Chief Marketing Officer for the most well known dispensary in the country
- Former Chief Marketing Officer of a publicly traded cannabis company
- Financial advisor for three decades with a track record in cannabis finances
- Served as a C-Suite executive for one of Los Angeles' largest cannabis retailers
- Managed government, public, community and regulatory affairs for one of the largest vertically integrated cannabis companies in the world

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Has Deep Roots in Cannabis Regulatory Development to Ensure Public Health & Safety

- Partnered with then-Lieutenant Governor Gavin Newsom to conduct a Blue Ribbon Commission, which led to the creation of Proposition 64
- Assisted in the drafting and managed the passage of Proposition 64, The Adult Use of Marijuana Act, that legalized cannabis in California
- Developed and continues to shape the laws and regulations for cannabis in California
- Advises local, state and national governments on the development of cannabis regulations, including cities throughout California, Canada, Mexico, and more

Has Experience Across Traditional Retail, Corporate and Other Business Operations

- Former Chief Executive Officer of a Fortune 50 Retail Company
- Former Chief Operations Officer of a Fortune 50 Retail Company
- Former Chief Executive Officer of the nation's largest natural foods distributor
- Founder of a large California CPA firm
- Former California Coastal Commissioner
- Partner at prominent political firm responsible for political navigation and regulatory compliance for large cannabis companies, Fortune 500 companies, trade associations and other prominent clients statewide
- Former forty year Congressman representing the East Bay
- Former Head of Corporate Partnerships for Major League Baseball team

This depth and breadth of experience ensures we will operate a world-class dispensary in Contra Costa County with core values rooted in our deep respect for—and understanding of—this distinct community, including a focus on health, wellness, and community education. Unlike outside interests, our proposed operation embodies and furthers the spirit of the community through everything from our strategic partnerships to day-to- day operations.

"It is vital that, as the County contemplates licensing local commercial cannabis businesses, it considers those that are locally integrated and will put our community above all else. There is no family like the Millers in this community—they have a track record of delivering on promises to this community, and they will apply that same discipline to this business. I fully support their application and hope they will be selected to operate in Contra Costa County."

— KATIE DUNN, LIFELONG CONTRA COSTA COUNTY RESIDENT

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Type of State License

Embarc Contra Costa will apply for a Type 10 license with the State of California. Type 10 licenses allow for storefront and non-storefront commercial cannabis retail activities. This will include the ability to service both medical and adult use populations.

Information on Owner(s) of Proposed Business

Embarc Contra Costa, LLC is owned and/or operated by the following individuals and longstanding members of the community:

GEORGE MILLER IV, CHIEF EXECUTIVE OFFICER
5000 Estero Way
El Dorado Hills, CA 95762

GEORGE MILLER III, CHAIRMAN OF THE COMMUNITY ADVISORY BOARD
105 Jose Lane
Martinez, CA 94553

JULIA SCHMIDT, CHIEF DEVELOPMENT OFFICER
9 Virginia Court
Walnut Creek, CA 94596

TERRY MULLER, OPERATOR
1116 Rosewood Way
Alameda, CA 94501

Statement Applicant Understands the Rules

I, George Miller IV, the applicant for Embarc Contra Costa, LLC, have read and understand the rules and permitting requirements of the Zoning Ordinance (Chapters 88- 28 and 84-86 of the County Code) and of the Commercial Cannabis Health Permit Code (Chapter 413-4 of the County Code), which is available on the County's website at the web address provided in the RFP.

— GEORGE MILLER IV

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Section 2

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Location Summary

2. Location Summary

The following section provides a description of the proposed business location including its surroundings, access, neighborhood character, visibility, etc., as well as a summary of the appropriateness of the location of the cannabis business and how it conforms to the location requirements of the Zoning Ordinance. The summary also identifies the nearest sensitive uses, as provided in the Zoning Ordinance. Additionally, please see Attachment A for our voluntary good neighbor policy to ensure thoughtful integration into the surrounding community.

Location clearly identified with address and detailed description, in appropriate zoning district and meets all the locational requirements as described in Section 88-28.410(b) of the County Zoning Ordinance.

ADDRESS:	3503 Pacheco Boulevard Martinez, CA 94553
ASSESSOR'S PARCEL NUMBER:	378-130-013
ZONING:	General Commercial
GENERAL PLAN:	Heavy Industrial

3503 Pacheco Boulevard is a freestanding building that is in the appropriate zoning district and meets all of the locational requirements, as described in Section 88-28.410(b) of the County Zoning Ordinance.

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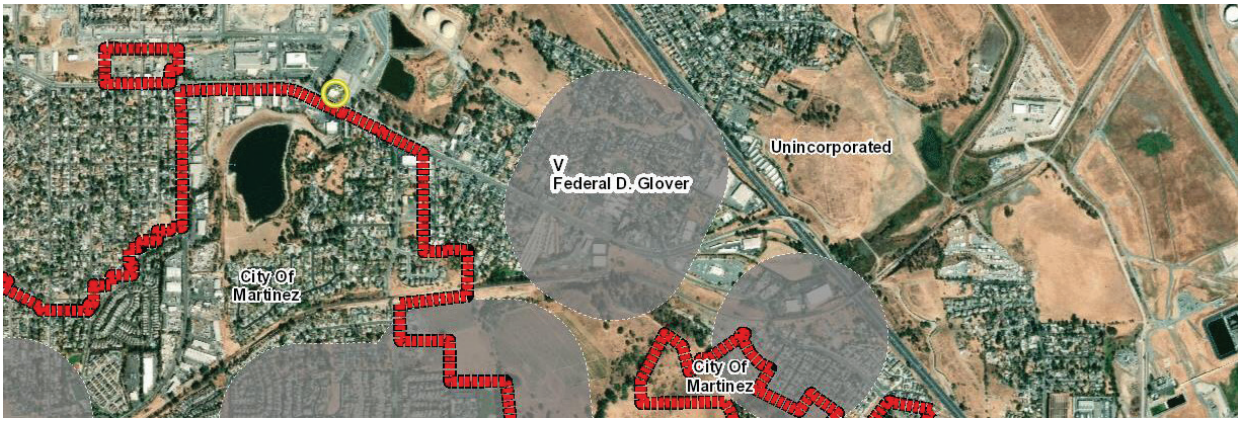
Compliance with buffer/setback/sensitive use requirements of the Zoning Ordinance.

Consistent with Zoning Ordinance 88-28.410 (b)(3)(A), Embarc is not located within one thousand feet (1,000 ft.) of any of the following located in the unincorporated County or in a city:

- School providing instruction in kindergarten or any grades one through twelve;
- Day care center;
- Youth center; or
- Drug treatment center.

Please note the shaded gray buffer zone. The Embarc retail location, 3503 Pacheco Blvd, is 2,198 ft. from the nearest buffer zone and 3,198 ft from the nearest sensitive use.



Consistent with Zoning Ordinance 88-28.410 (b)(3)(B), Embarc is not located within five hundred feet (500 ft.) of any storefront retailer located in the unincorporated County or in a city.

Consistent with Zoning Ordinance 88-28.412 (a), Embarc is located outside of a cannabis exclusion (-CE) combining district.

The site fully complies with buffer/setback/sensitive use requirements of the Zoning Ordinance.

The business is located in an area that would not result in the undue influence of cannabis use upon sensitive populations such as children and those recovering from substance abuse.

We submit that this is an ideal location for a commercial cannabis dispensary given the intensity of the surrounding uses and the distance from sensitive populations. Our location is a significant distance from children and patients. We are adjacent to the Shell facility on Pacheco Blvd. and are surrounded by industrial uses, creating a natural buffer from any sensitive uses.

Distances from residential and other sensitive uses, such as schools, daycare centers, youth centers and drug/alcohol recovery facilities are maximized / exceed minimum requirements.

There are no sensitive uses near Embarc Contra Costa. Below are the closest sensitive uses that fit the criteria pursuant to the zoning requirements for cannabis retail. Attachment B lists all properties and uses within 1,200 ft. of the subject property, none of which are a sensitive use. Out of an abun-

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dance of caution, we increased the sensitive use radius to capture any potential properties that may be outside of the city requirements.

- **SCHOOLS:** The nearest school to 3503 Pacheco Blvd. is 3,198 ft. from the Embarc premise.
- **DAYCARE CENTERS:** The nearest daycare is 3,198 ft. from the Embarc premise. It is Woodbridge Children's Center, which is co-located at Las Juntas Elementary School.
- **YOUTH CENTERS:** There are no youth centers closer than the Las Juntas Elementary School, which fall under the defining criteria for a youth center.
- **DRUG AND ALCOHOL RECOVERY FACILITIES:** The nearest recovery center, the Contra Costa County Health Services Discovery House, is 6,177 ft. to the Embarc Premises.

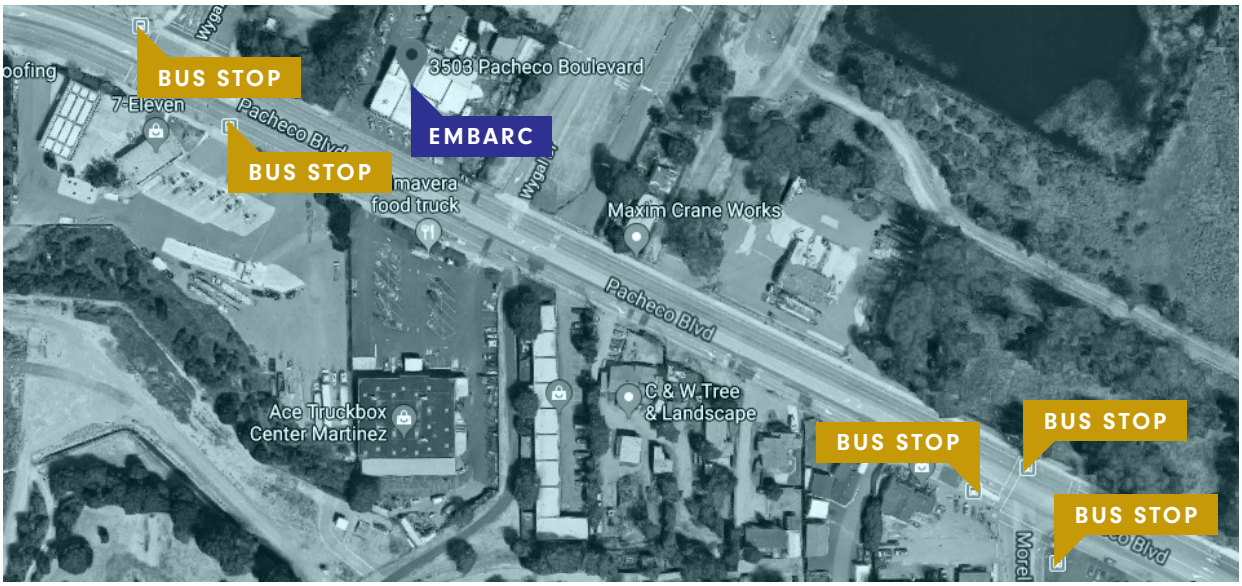
The proposed site far exceeds the distance requirements from sensitive uses as set forth in the ordinance.

Proposed storefront retailer has a location that has public visibility to enable easy reporting of violations and nuisances but is not highly visible to youth.

The location of the proposed storefront retail site is ideal with respect to public visibility as it has frontage on Pacheco Boulevard which will enable easy reporting of violations and nuisances and is only 2.4 miles from the nearest Contra Costa County Sheriff's office. Additionally, given the industrial location, the proposed premise is far from any business or location where youth will likely congregate, making it less visible to youth.

Proposed storefront retailer is readily accessible from public transit? (a benefit)

The proposed storefront is 135 feet from Pacheco Blvd. Between Ace Truckbox bus stop, making it an ideal location with respect to being readily accessible to public transit. The 2016 Traffic Report prepared by Kim and Horn states: *"There are portions of sidewalks and crosswalks provided throughout the study area to allow pedestrians to access nearby transit stops, residential uses and commercial uses."* This sidewalk runs directly in front of the retail location and will provide walking access to pedestrians.



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Proposed storefront retailer is readily accessible from major thoroughfares? (a benefit)

The proposed location is located on one of the County's busiest thoroughfares, Pacheco Boulevard, and is conveniently situated near both Highway 680 and Highway 4. According to the Contra Costa Transportation Authority, Pacheco Boulevard is an arterial road with average daily trips (ADT) of 18,519, providing for robust accessibility.

Compatibility with surrounding community and nearby land uses.

The proposed site is within an industrial and commercial section of the unincorporated County and it is entirely compatible with surrounding community and nearby land uses. The County has made it clear that an ideal location will be buffered from youth and rehabilitation patients while providing accessibility to customers. Embarc Contra Costa provides this level of access without compromising the need to protect children and rehabilitation patients.

The retail location borders the Shell Company properties and Pacheco West. The area includes a mix of retail and services with some larger wholesale and industrial uses in the southern portion. This area has been identified for redevelopment, with long-term growth potential and a solid foundation of businesses.

The current mix of uses include:

- AT&T Equipment Yard
- Auto-Related
- Building Materials
- Business and Personal Services
- Convenience Stores
- Equipment Rental
- Hardware
- Industrial Suppliers
- Public Storage
- Service Stations

The area has a strong economic center with potential for growth. Long range development opportunities make this area ideal for Embarc. The company can build on existing economic activity while contributing to the new vision for the area.

Cannabis businesses are often zoned in commercial/industrial areas for a number of reasons. Embarc Contra Costa welcomes the opportunity to weave the diverse business uses together and help position and promote the corridor as a convenient neighborhood.

Meeting the demand for new commercial and industrial sites and stimulating economic activity will be accomplished by making improvements and revitalizing underused properties that exist in this economic center.

Provision of parking will meet or exceed required minimum off-street parking requirements.

The proposed premises for the commercial cannabis dispensary is 1,951 square feet, on a 0.75 acre site. County requirements mandate one space per every three hundred square feet of gross floor area. This means we are required to provide at least 7 offsite parking spaces.

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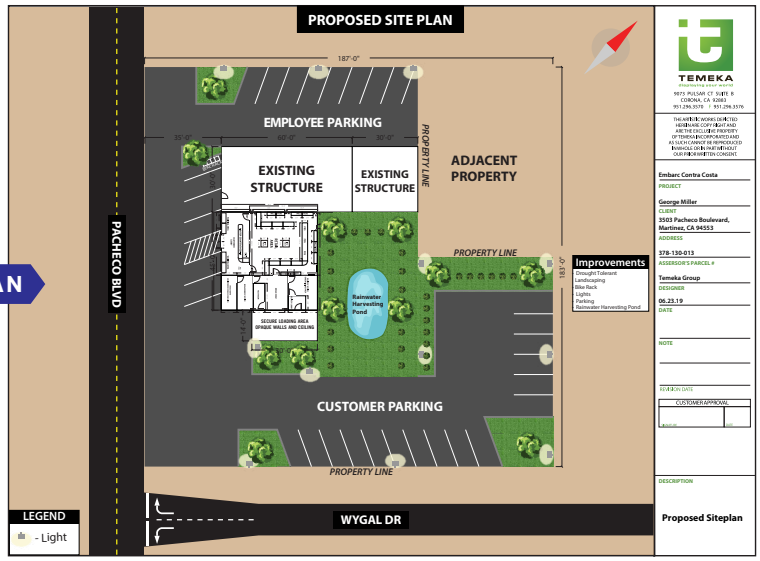
There are currently 16 parking spaces. As you can see on our proposed site plan, we are increasing this parking to at least 29 spaces – at least 21 of which will be for patrons. This is more than four times the required off-street parking, far exceeding minimum requirements.

PROPOSED SITE PLAN



Will not exacerbate crime in a high crime area (e.g. within a crime reporting district, where the general crime rate exceeds the countywide general crime rate by more than twenty percent)

In the past three months, the area around 3503 Pacheco Blvd. has experienced 16 property crimes and 2 quality of life crimes. Based on past experience and a 2019 report from Humboldt State University, crime rates have historically remained the same or decreased near cannabis retail locations. It is our expectation that our robust security plan, increased lighting and exterior cameras will not only lower crime but provide a valuable tool for law enforcement in the near area.

The report highlights the following points:

- Cannabis stores function like standard consumer packaged goods (CPG) retailers, on a design spectrum from corner bodegas to high-end boutiques. One key feature is strict licensure and regulations that require ample security, such as guards, cameras, lighting, and space access controls.
- Using street-level data from cities including Sacramento, Washington, DC, and Los Angeles, studies suggest that licensed cannabis dispensaries have no impact, or an insignificant effect, on various kinds of crime (Zakrzewski, 2019; Brinkman, 2017).
- Researchers examining the temporary closure of hundreds of dispensaries in Los Angeles in 2010 reported that "contrary to conventional wisdom, we find no evidence that closures decreased crime." In fact, there was "a significant relative increase in crime around closed dispensaries," as much as 24% in some places (Chang, 2017).
- A study of California counties found "a negative and significant relationship between dispensary allowances and property crime rates, although event studies indicate these effects may be a result of pre-existing trends" (Hunt, 2018).

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The business is proposed to be located in an area that is safe and accessible by law enforcement and fire fighters.

The proposed location is 2.4 miles from the nearest Sherriff's station and 8,533 ft. to the Martinez Police Department. Based on data sets provided by the Contra Costa Sheriff's office, Emabarc Contra Costa is located in an area that has not had any criminal activity in the last 6 months. There have been no crimes reported between Howe Road and Morrello Avenue, the subject property sits in the middle of these two roads.

Matt Carroll, Head of Security, has also provided protocols throughout our security plan (found in Section 4), which will create a safer environment for officers. For example, Embarc will provide regulatory agencies with the name, telephone number, and e-mail address of the Head of Security who will serve as the security liaison with whom regulators or inspectors can provide notice if there are security concerns associated with the facility, or to whom regulators may refer members of the public who may have any concerns or complaints regarding the security of the premises.

Furthermore, Embarc will conduct quarterly drills at the facility to ensure that all employees understand how to respond to various emergencies or threats at the facility. Fire drills, armed robbery, and burglary discovery drills are examples of drills that may be conducted on the premises as part of comprehensive security training.

As it relates to fire response, this location is ideal, easily accessible and near multiple fire stations. Contra Costa Fire Station 14, 521 Jones Street, is 1.8 miles away and Contra Costa Fire Station 13, 251 Church Street, is 2.5 miles away.

Observed features of the property (lighting, parking, landscaping, access, etc.) are consistent with the proposed site plan.

While we understand that this key scoring metric will be evaluated during a staff site visit, we thought it appropriate to point out the differences between the existing and proposed site plans.

Embarc Contra Costa will invest significantly in revitalizing the building at 3503 Pacheco Blvd., thereby enhancing the site and its presence within the surrounding neighborhood. This will be achieved through:

- Thoughtful, tasteful design
- Replacement of dilapidated structures
- Replacement of hardscapes with drought resistant landscaping
- Adoption of sustainable features such as rain catchment, biofiltration and more
- More than four times the required parking, ensuring no parking impacts on the neighborhood

The proposed site plan, floor plans and design features are further detailed in Section 3.

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CONTINUED ON NEXT PAGE

BEFORE

AFTER

EDIBLES
EMBARC

EDIBLES
CBD

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Section 3

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Business & Operating Plan

3. Business and Operating Plan

This section contains a business plan, site and building plans, operating plan and additional information required for a storefront retail business. Because the instructions for preparing proposals and scoring metrics differ, we used standard headings to highlight the instructions for preparing proposals and nested all key scoring criteria within the most relevant section, noted with a "KSC" for ease of review.

EXAMPLE:

KSC: Budget for construction, operation, maintenance, compensation of employees, equipment costs, utility costs, and other operation costs is well thought out and reasonable. The budget must include a detailed pro forma for three years of operations and a description of the sources and uses of funds.

Business Plan

The below Business Plan provides a summary of the operational and financial objectives of the business and detailed plans and budgets showing how the objectives are to be realized.

Specifically, the plan includes a budget for construction, operation, maintenance, compensation of employees, equipment costs, utility costs, and other operation costs that are well thought out and reasonable. The budget includes a detailed pro forma for three years of operations and a description of the sources and uses of funds.

Additionally, while proof of sufficient capital to cover first 3 months of operation is required, we have provided proof of sufficient capital to cover the first 12 months of operations. Finally, a timeline for beginning operation, including outline for any proposed construction/improvements and a deadline for completion.

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Introduction

Embarc Contra Costa, LLC ("Embarc") is comprised of local community members and business leaders with unparalleled experience navigating tough regulatory environments to operate compliant retail dispensaries and similar businesses. Embarc brings over 350 years of combined business experience to our proposed cannabis dispensary, representing the vision and unparalleled operational track record of executive-level leadership in cannabis, retail, supply chain and other highly regulated industries.

Embarc will provide safe access to quality cannabis in an approachable retail environment that focuses on health, wellness and high CBD, low THC products. A key tenet of the business is education; Embarc will educate consumers about safe consumption, benefits of cannabis, and preventing youth access. We will operate in accordance with state and local laws and maintain strict internal policies and procedures to ensure compliance and transparency in our operations for the safety of our customers, employees and community.

We will offer high-quality, consciously-crafted cannabis products, including sustainable flowers, concentrates, edibles, topicals, and administering tools. We will help customers understand the health and wellness benefits of integrating cannabis into one's lifestyle rather than the traditional emphasis on getting high. We will have an on-site Patient Services & Education Specialist who will compile and distribute all applicable informational and educational materials and disclosures and will monitor customers' usage for signs of adverse effects or misuse.

This depth and breadth of experience ensures we will operate a world-class dispensary in Contra Costa with core values rooted in our deep respect for—and understanding of—this distinct community, including a focus on health, wellness, and community education. Unlike outside interests, our proposed operation embodies and furthers the spirit of the community through everything from our strategic partnerships to day-to-day operations.

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Mission Statement

Embarc will redefine the relationship between consumers and cannabis, focusing on health, relaxation, recreation, wellness and approachability rather than the traditional emphasis on 'getting high.' We believe a cannabis company can do well while doing good – integrating into and enhancing the local community while operating with integrity and transparency.

We effectuate this mission through 3 key values that serve as the basis for everything we undertake as a company:

1. ENRICH RATHER THAN ALTER

Whether a 'medical' or 'adult use' consumer, all cannabis is about wellness and is just one component of an individual's broader health and wellbeing journey. Whether using cannabis for a specific ailment, general aches and pains, anxiety or sleeplessness, at its root cannabis use is about enriching one's life. We believe in embracing that core truth through a focus on cannabis as a way of enriching one's life and integrating into one's existing lifestyle, rather than altering it. Our product types focus on high CBD, low THC ratios and a variety of topicals to address aches and pains. We will offer the fullest line of high-quality, consciously crafted cannabis products available, including sustainable flower, concentrates, edibles, topicals, and administering tools. This ensures use of cannabis achieves our goal of enrichment – enrichment of the self, one's lifestyle, and the broader community.

Whether using cannabis for a specific ailment or for general aches and pains, anxiety or sleeplessness, at its root cannabis use is about enriching one's life. We believe in embracing that core truth through a focus on cannabis use as a way of enriching one's life and integrating into one's existing lifestyle, rather than altering it.

2. COMMUNITY FIRST

While cannabis has existed within communities for decades, legal, regulated cannabis is still an emerging market. As such, communities are grappling with how to best integrate commercial cannabis activities into existing neighborhoods, balancing the economic opportunity this industry represents with a desire to protect public health and safety. Embarc understands that operating such a business is a privilege and not a right and that a successful business model is thus predicated on the ability to consistently engage the community to ensure communication, transparency, integrity and collaboration. By putting the community first, Embarc ensures a positive relationship with local government, community leaders, and the neighborhood, ultimately allowing the company to give back to the community in meaningful ways. By putting the community first, everything else will take care of itself.

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3. EXPERIENCE MATTERS

Experience matters. Best practices matter. Embarc is comprised of local community members and business leaders with unparalleled experience operating compliant retail dispensaries and navigating tough regulatory environments. Embarc brings over 350 years of combined experience and represents the vision and operational track record of executive-level leadership in cannabis, retail, supply chain and other highly regulated industries. This expertise is integral to the development and execution of a new type of cannabis dispensary – one that communities can be proud to host.

Corporate Values

As respected leaders with significant experience across all aspects of the cannabis industry, we have built our success on adhering to shared core values including:

CHOICE

A variety of strains and cannabis consumption methods are available. A highly trained and diverse staff must always be approachable and knowledgeable to ensure guests understand these choices.

NURTURING EDUCATION

A well-informed customer is the best customer because they develop trust in our brand, our leadership and our staff.

LEADERSHIP BY EXAMPLE

We're setting the standard for a new type of cannabis experience rooted in education, approachability and wellness.

REVERENCE FOR NATURE

We believe cannabis is part of a holistic health and wellness lifestyle. Our passion for this plant and its medicinal value is showcased throughout our business model.

INTEGRITY

We hold our products and ourselves to the highest standards.

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Proposed Project

Embarc Contra Costa is proposing to operate a cannabis dispensary in an existing building located at 3503 Pacheco Boulevard, Martinez, CA 94553. The project will include construction and building improvements as part of our ownership's broader commitment to revitalizing and investing in the community.

The retail storefront and delivery services will be open to the public between the hours of 9:00 a.m. and 9:00 p.m. Monday through Sunday.

Description of the Proposed Business

Embarc is a retail and delivery cannabis business that seeks to redefine the cannabis experience for Contra Costa County residents and visitors. Our mission is to reimagine the interaction between consumers and cannabis, focusing on health, wellness and approachability rather than the traditional emphasis on 'getting high'.

Our target audience prioritizes a healthy lifestyle and sees cannabis as a component of their overarching appreciation for recreation, relaxation and wellness. These are active and engaged community members who appreciate quality, innovative products that enrich their lives and relationships.

Embarc provides safe and reliable access to medical and adult-use cannabis in a retail environment that serves to redefine the cannabis experience through a warm and inviting retail expression and highly trained, professional staff. Our business plan is designed to comply with the Contra Costa County Municipal Code, all applicable rules and regulations, and all state laws. It is a realistic model of operations developed through a collaborative process that leverages the expertise of our seasoned leadership team and industry specialists.

Our team brings the most extensive experience managing operational and regulatory compliance plans in the cannabis industry, and over three centuries of combined expertise in business development, operations, and management. This breadth of experience and knowledge uniquely equips our team to fastidiously implement our start-up plan, and to begin safely serving patients and customers faster and more efficiently than other operators.

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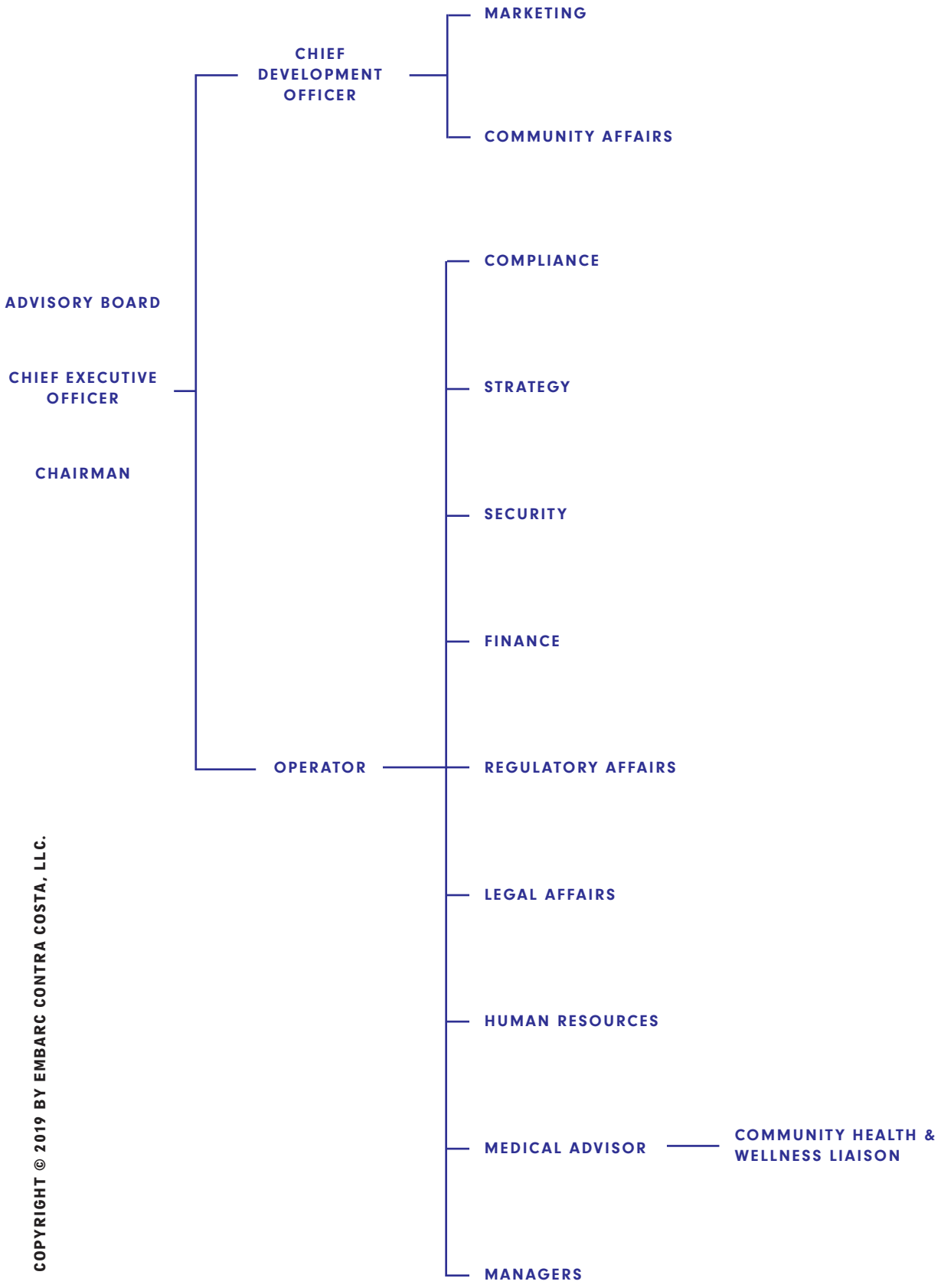
Organizational Chart



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Leadership

CHIEF EXECUTIVE OFFICER

George Miller IV leads Embarc with a vision rooted in his understanding of the local community's needs and values and three decades of business experience. He has diverse experience in public service and business, having served as a California Coastal Commissioner and currently as partner in a prominent Sacramento political firm. As CEO, George will be actively involved in the day-to-day operations of Embarc, including but not limited to overseeing the leadership team's recruiting and hiring, procedural development, workflow and deliverables.

CHAIRMAN OF THE COMMUNITY ADVISORY BOARD

George Miller III represented the East Bay in Congress for forty years. During that time, he developed a strong legacy on issues important to this community as well as unparalleled relationships with community leaders, non-profit organizations, business associations, neighborhood groups and other vital stakeholders. As Chairman of the Community Advisory Board, Congressman Miller will serve as the company's liaison to the community and will provide ongoing guidance on directing community investment funding, volunteerism and other community benefits program components.

OPERATOR

Terry Muller has a decade of experience opening and operating hyper-compliant dispensaries. As Operator, Terry will oversee product quality assurance, negotiate purchasing agreements, and ensure quality of product testing and safety. He will serve as the designated Track and Trace System manager, as required by the state. Terry will be responsible for staff oversight, implementation of state and local compliance, and designing and executing ongoing employee trainings and education. He will also be responsible for conducting market research analysis, improving customer satisfaction, managing inventory controls and systems, and overseeing process improvement.

CHIEF DEVELOPMENT OFFICER

Julia Schmidt has nearly fifteen years of experience in delivering thoughtful development strategies for large corporations including a Major League Baseball team. In this role, Julia will play a pivotal role in shaping the future of Embarc through a focus on driving strategic partnerships. She will also oversee marketing and partnership strategies and ongoing employee education and training programs to maximize efficiency and impact. As a local resident, Julia will play a key role in defining the company's community benefits programming, ensuring financial and human resources are allocated to community-based groups and non-profits.

HEAD OF STRATEGY

Lauren Carpenter has experience across corporate strategy and government, public, community and regulatory affairs for multiple cannabis companies. As Head of Strategy, Lauren is responsible for obtaining and evaluating information about industry and market trends, competitive threats and business opportunities. She also serves as a key advisor to the Chief Executive Officer, providing tactics and execution across key strategic initiatives.

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HEAD OF FINANCE

Dan Staszak, CPA oversees all strategic and tactical matters as they relate to budget preparation and management, cost/benefit analysis, and forecasting needs. This includes assisting in formulating the company's future direction and supporting tactical initiatives, monitoring and directing the implementation of strategic fiscal business plans, developing financial and tax strategies, and managing the capital request and budgeting processes.

Having worked in public accounting for more than 30 years, Dan has a strong history of balancing budgets, implementation of financial controls, conducting cost analysis and risk management, and developing performance accountability systems. In 2011, Dan founded Staszak & Company, Inc., a large California CPA firm providing accounting, tax preparation and planning services for individuals, businesses, estates and trusts.

HEAD OF SECURITY

Matt Carroll will oversee the security operations for the storefront retail, including contracted security personnel, assist with management of all security contracts, and develop and continuously update an exhaustive employee security training program based on industry best practices. He will also ensure that security contractors receive site-specific training and seamlessly integrate into Embarc's retail environment. Matt designs and maintains security programs for hundreds of governments and businesses across the state, including designing security protocols for cannabis ordinances.

HEAD OF COMPLIANCE

Dustin Moore advises the Embarc team regarding all compliance matters and will provide the Embarc team with regular updates on the dynamic cannabis policy area, ensuring ongoing compliance. Working with the Operator and Head of Legal Affairs, Dustin will develop and implement best practices.

HEAD OF REGULATORY AFFAIRS

Kevin Schmidt will analyze and report on the status of relevant state and local cannabis legislation and regulation; facilitate introductions with key regulatory agencies to answer questions about the regulations (e.g. Lori Ajax, Chief Bureau of Cannabis Control); and monitor and share best industry practices.

HEAD OF HUMAN RESOURCES

The Head of Human Resources will report to the Operator and oversee all human resource systems, handling employee relations, ensuring compliance with employment laws and regulations, assessing staffing needs, hiring employees, developing compensation plans and working collaboratively with the leadership team on designing and implementing training programs.

HEAD OF LEGAL AFFAIRS

The Head of Legal Affairs will report directly to the Operator and manage all strategic and tactical matters as they relate to legal affairs. This position provides senior management with effective counsel on company strategies and their implementation, manages the legal function including contract management and employee relations, and obtains and oversees the work of outside counsel. This position also works closely with the Head of Compliance and Head of Regulatory Affairs on all licensing matters.

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HEAD OF MARKETING

The Head of Marketing will be responsible for overseeing the planning, development and execution of Embarc's marketing and advertising initiatives. Reporting directly to the Chief Development Officer, the Head of Marketing's primary responsibility will be to generate revenue by increasing sales through successful marketing using market research, pricing, product marketing, marketing communications, advertising and public relations.

HEAD OF COMMUNITY AFFAIRS

The Head of Community Affairs will report to the Chief Development Officer and is responsible for serving as the communications liaison for Embarc. The Head of Community Affairs designs and implements strategies to increase business awareness and community engagement; oversees social media and the website; serves as a spokesperson for Embarc and coordinates with press; provides thorough and timely responses to any community questions or concerns, and co-facilitates all Community Advisory Board meetings with the Chairman.

MEDICAL ADVISOR

The Medical Advisor will be responsible for ensuring that the overall business model and practices are rooted in the latest scientific medical research that will ensure the highest level of public health in our community. This position is responsible for overseeing the On-Site Patient Services & Education Specialist, including ongoing education and training. This position will also serve as a Community Health and Wellness Liaison at company-sponsored events, workshops and informational panels.

OFFICE MANAGER

The Office Manager will be responsible for record management and assisting with state and local audits. He or she will also oversee waste management, including the destruction of cannabis and waste, as mandated by the Bureau of Cannabis Control. Additionally, this role will be responsible for overseeing the day-to-day operations of the Leadership Team.

PURCHASING MANAGER

This individual will receive shipments, safely store product and assist with quality assurance. This position will be tasked with oversight of product integrity by maintaining an accurate record of inventory, including descriptions, measurements, date and time of receipt, expiration date, name and license number of distributor and price paid for the goods. A key responsibility will include daily inventory reconciliation, which includes monitoring and reporting discrepancies in inventory. The Purchasing Manager will be responsible for creating shipping manifests upon receipt of goods for transport, storage or inventory, as well as recording discrepancies in the shipping manifest and type or quantity of product received. The Purchasing Manager (in concert with the Head of Security) will also immediately notify the Bureau and Police Department of any theft, diversion, loss, or discrepancies between the inventory and records. This position will also share time as a sales associate.

SHIFT MANAGER

Shift Managers will report directly to the General Manager. Shift Managers are responsible for overseeing sales and delivery associates. These managers oversee the day-to-day operations of the sales floor and delivery operation and serve as an ever-present point of contact for all patient and customer questions. Like the Purchasing Manager, Shift Managers are well versed in the robust compliance regulations and standard operating procedures and serve as yet another point of focus on compliant operations. There will be a Shift Manager present during all working hours.

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SALES AND DELIVERY ASSOCIATES

Sales and Delivery Associates will be tasked with providing excellent customer service and fostering a safe, professional environment where all customers feel welcome and comfortable. Associates will be highly trained and knowledgeable about all products, health impacts, and responsible consumption. A core duty will include customer education about cannabis, its effects, and benefits. Sales Associates will also be familiar with security requirements and other compliance standards. They will play a key role in monitoring customer activity, facilitating the flow of patrons and elevating any nuisance or loitering issues to management and/or the security staff.

JEFF KIRWAN, RETAIL & BUSINESS STRATEGY

Jeff has worked as a Senior VP, President and CEO for some of the best-known retailers in the US. He most recently served as the CEO of Gap. His experience and performance in fast-paced systems has benefited from his strategic thinking and collaborative approach, helping drive organizational improvements while leading teams of over 45,000 people. By utilizing the best practices acquired throughout his 30+ year career, Jeff has proven his ability to earn trust and to lead with confidence. Jeff is currently President of HERBL Distribution Solutions, a leading cannabis distribution company, which will provide services to Embarc.

MIKE BEAUDRY, SUPPLY CHAIN STRATEGY

Mike owns and operates HERBL Distribution Solutions, the state's leading cannabis distribution company, and brings this vast network and understanding of cannabis regulatory compliance to Embarc. Mike brings extensive distribution experience, having spent the last 20+ years achieving the highest level of understanding in the perishable distribution business, including natural, organic and specialty foods at United Natural Foods Incorporated (America's leading distributor of natural and organic foods). While President of UNFI, Mike led teams of up to 5,000 members while managing more than $2 billion dollars in annual revenue. Prior to his role as President, Mike led the operations nationally for UNFI's highly complicated perishable distribution business, with more than 3 million square feet of warehouses and 1,000+ trucks across the US.

JOSH CAMPBELL, BRAND STRATEGY

Josh Campbell has been President at Dosist since 2017. He is responsible for leading the company's Canadian and international expansion. His broad expertise in consumer goods and healthcare makes him a dynamic and visionary leader. Previously he was Managing Director of Canada for the Amplifon Group, where he oversaw company growth from brand concept of 20 existing clinics to 53 within 18 months, while growing year-over-year sales at 22%. Prior, he served as Vice President of Retail at Saje Natural Wellness, where he was able to lead company expansion from 10 stores in 2 provinces to 35 stores across Canada and 300% in annual growth. His ability to expand businesses quickly took Saje from $10 million in sales to $50 million+ in under two years, eventually leading to a private equity sale.

LEX GEMAS, OPERATIONS STRATEGY

Having gained deep insight into the inner workings of the retail industry starting in 1993, Operations Strategy Advisor Lex Gemas has since combined his operational expertise with commercial acumen, adding the innovation that comes with remaining steadfast in the complicated retail supply chain. Having served in senior management and Chief Operating Officer roles with large, multi-billion dollar global brands such as Gap, Delia's, Macy's and Esprit, Lex was responsible for the end-to-end demand-driven supply chain, always focused on what's best for the customer. Lex is currently COO of HERBL Distribution Solutions, a leading cannabis distribution company that will provide services to Embarc.

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DONNA LEACH, PARTNERSHIP STRATEGY

Donna Leach is a global supply chain leader known for her expertise in optimizing business capacity and minimizing risk by building enterprise capability through strong partnerships such as those with Island, Dosist and other leading cannabis brands throughout the state. Donna is the former Senior Director of Global Supply Chain for Gap, where she spent 26 years in supply chain leadership roles. Donna utilized her knowledge and expertise to manage the effective tension between cost and service. Donna is currently the SVP of Supply Chain for HERBL Distribution Solutions, a leading cannabis distribution company that will provide services to Embarc.

JOHN YOST, MARKETING & COMMUNICATIONS STRATEGY

John Yost brings a breadth of entrepreneurial, marketing and strategic communications experience to the burgeoning cannabis industry. John served as Chief Marketing Officer at Harborside, where he led the company's 2016 rebranding effort that garnered international attention. He has also served as Chief Marketing Officer at FLRish, Inc., a publicly traded, vertically integrated cannabis company. He's served in similar capacities for other cannabis and non-cannabis entities, including Steep Hill, a prominent cannabis testing laboratory, and notable national marketing firms.

Proposed Staffing Levels

As further detailed in Section 6, Embarc will have a local hire program built on the fundamental value of recruiting from proven job training programs that will ensure our business maintains proper staffing levels and that those employees are provided an opportunity to advance from entry-level to management positions. Embarc is committed to maintaining a sufficient number of employees possessing the skills and experience needed to ensure the success of all aspects of our retail operation.

We will work with our local marketing and business consultants to ensure that our staffing levels can accommodate customer flow during peak days, weeks and hours. A good experience for our customers is a good experience for the community.

We plan to scale the total number of employees over the first 3 years to a total of 23 positions, hired 100% locally. As detailed in Section 6, employees will receive a living wage and benefits. They will also be given the tools and resources to advance within the company while gaining invaluable skills that are applicable within this industry and beyond.

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Our employee estimates are as follows:

Y1—12 FULL-TIME AND 5 PART-TIME
Y2—15 FULL-TIME AND 7 PART-TIME
Y3—15 FULL-TIME AND 8 PART-TIME

Embarc's operational focus is on recruiting retail-experienced and empathetic team members from beyond the cannabis industry to provide a high quality and consistent customer experience. We will train the team to provide deep product knowledge but want their experience rooted in providing comfortable, guest-focused service rather than the traditional 'stoner' knowledge base.

Please see Attachment C – Employee Handbook and Attachment D – Training Manual.

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KSC: Budget for construction, operation, maintenance, compensation of employees, equipment costs, utility costs, and other operation costs is well thought out and reasonable. The budget must include a detailed pro forma for three years of operations and a description of the sources and uses of funds.

Financial Overview

Embarc has secured capital substantially greater than that necessary for first-year costs, thereby giving our team the ability to focus our time, resources and personnel on facility construction, staffing, and customer experience enhancement rather than fundraising.

In concert with our Operator, Head of Finance, and retail and operational advisors, we have developed an exhaustive budget for construction, operation, maintenance, employee compensation, equipment, utility costs, and other operation costs.

As established, Embarc has an initial capital balance of $1,600,000, which is more than sufficient to cover start-up costs.

Startup Budget

Embarc has developed a pro forma budget that includes conservative expenditures associated with the entitlement process, construction, start-up and the first three years of operation. The budget was developed with input from our Head of Finance and Operator.

Embarc estimates approximately $970,000 in start-up costs over a period of 10 months (July 2019—April 2020). This includes the following conservative estimate of one-time expenditures:

- Construction
- Construction contingency
- Security equipment
- Design consulting
- Permitting fees
- State and locasl licensing fees

Ongoing Budget

Embarc anticipates generating revenue in May of 2020. Ongoing costs include, but are not limited to, operation, maintenance, compensation of employees, equipment costs, utility costs, state and local taxes, rent, consulting services, point-of-sale software, 24/7 security, community programming and partnerships, philanthropic giving, marketing, labor costs, employee training and insurance.

Our budget reflects wages and benefits for approximately 17 initial employees, growing as sales progress. The budget includes annual opportunities for employee wage increases of three percent, as well as performance bonuses. In addition, since ongoing training and education is fundamental for success and safety in this newly legalized industry, our Chief Executive Officer has included a monthly budget of $1,500 for this line item.

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We have assumed a progressive increase in sales revenue for the first 12 months of operation based on consumer trend market research by BDS Analytics. After the first 12 months of operations, we have assumed steadily growing revenues, including adjustments on the revenue side to reflect an 10% compound annual growth rate ("CAGR") for sales, which we believe is conservative given projections as high as 25% from reliable sources. We have also included a commensurate increase in expenses to reflect more sales associates and other service-related cost increases.

Revenue Assumptions

Sales figures are based on projected demand for the region using standardized forecasting assumptions that have been borne over time. The following assumptions have been incorporated into the financial forecasts for sales reflected in the Pro Forma:

TOTAL PARTICIPATION

Reliable data suggests that the overall participation for medical and adult- use for any given and eligible population is as follows:

Market Participation:
According to market research, a conservative estimate for purchasing behavior for medical patients is about one purchase every week and for non-medical consumers one purchase every four weeks.

Share of Market:
The proposed location will be one of only four dispensaries in unincorporated Contra Costa County. However, incorporated cities within County are also permitting dispensaries, so over time, and in total, we estimate approximately 20 dispensaries in the County. Because of this, we estimate the dispensary will capture 5% of the total addressable market.

Market Size:
While Contra Costa County has approximately 1,147,000 residents, when taking into consideration the number of visitors and employees who work in the County, we anticipate a gross market size of around 1,250,000 consumers:

- 85% of whom are over the age of 21 based on recent demographic data
- Therefore, we believe the total addressable market to be approximately 1,023,500 people
- 3% of the population will participate in medical cannabis purchasing and consumption
- 16% of the population over the age of 21 will participate in adult-use cannabis purchasing and consumption

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Revenue Calculations

TOTAL MARKET SIZE: 1,023,500

NON-MEDICAL

16% of 1,023,500 = **163,760**

Total addressable market at 5% for Embarc = **8,188 people**

MEDICAL

3% of 1,023,500 = **30,705**

Total addressable local medical market at 5% = **1,535 people**

TOTAL DISPENSARY TRANSACTIONS PER YEAR: 171,936

Total medical transactions = **73,680**

Total Non-medical transactions = **98,256**

Over the course of the 3-year Pro Forma, we project a conservative compound annual growth rate of 10% and an average transaction value of $70, which is in line with market data.

TOTAL ANNUAL RECEIPTS: Y1= **$12,035,520**;
Y2= **$13,239,072**;
Y3= **$14,562,979**;

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Pro Forma

YEAR	YEAR 1	YEAR 2	YEAR 3
Revenue–Retail	$8,023,680.00	$13,239,072.00	$14,562,977.76
Retail Tax (4%)	$320,947.20	$529,562.88	$582,519.11
Community Investment Fund	$80,236.80	$132,390.72	$145,629.78
Inventory 50%	$4,011,840 .00	$6,619,536.00	$7,281,489.00
Retail Operating Expense			
Rent + NNN	$144,000.00	$144,000.00	$144,000.00
Utilities (Phone, Internet & Alarm)	$9,600	$12,000.00	$12,000.00
Professional Fees (CPA, Legal)	$18,000.00	$18,000.00	$18,000.00
Point of Sale System / Track & Trace	$6,300.00	$8,400.00	$8,400.00
Electricity	$3,600.00	$3,600.00	$3,600.00
24/7 Security–Guard & Patrols	$68,850 .00	$91,800.00	$91,800.00
Office / Cleaning Supplies	$3,600.00	$4,800.00	$4,800.00
Packaging Supplies + Promotional Items	$13,500.00	$18,000.00	$18,000.00
Marketing	$90,000.00	$120,000.00	$120,000.00
Labor	$513,000.00	$718,200.00	$754,110.00
Employee Training	$15,000.00	$18,000.00	$18,000.00
Repairs & Maintenance	$3,680.00	$3,680.00	$3,680.00
Liabilty Insurance (Retail Store)	$6,000.00	$6,000.00	$6,000.00
Employer's Expense & Employee Benefits (21%)	$107,730 .00	$150,822.00	$158,363.00
Local Permitting & Application Fees	$25,000.00	$25,000.00	$25,000.00
State License Fees	$38,500.00	$57,000.00	$57,000.00
Construction (Includes Design and Contingency)	$735,000.00	$0	$0
Total Operating Expense	$1,420,920.00	$1,462,302.00	$1,504,953.10
State and Federal Taxes / IRS 280E	$564,904.00	$661,639.20	$769,313.16
Retail–Profit / Loss	$847,356.00	$992,458.80	$1,153,969.74

KSC: Proof of sufficient capital to cover first 3 months of operation (documentation of cash or other liquid assets on hand, Letters of Credit or other equivalent assets)

On the next page please find a statement of financial health and proof of funds that provides proof of capital to cover all start up costs, plus ten months of operations.

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EMBARC™

Date: June 10, 2019

To: Contra Costa County
Department of Conservation and Development
30 Muir Road
Martinez, CA 94553
(925) 674-7205

From: Embarc Contra Costa
3503 Pacheco Boulevard
Martinez, CA 94553

Re: Statement of Financial Health for Embarc Contra Costa

To Whom it May Concern:

We are pleased to provide this statement of financial health for Embarc Contra Costa, LLC ("Embarc") to satisfy the requirement stipulated in the RFP.

In order to fully satisfy this requirement please find enclosed:

1. Financial Statement – Pro Forma Cash Flow Basis Income Statements for Embarc Contra Costa, LLC. for 2019 through 2022
2. Balance Sheet – Displaying Assets and Liabilities
3. Proof of Funding – Verification of Deposit Account and Funding Commitment Letter

Please note, as Embarc Contra Costa, LLC. is a newly formed entity for the purposes of this venture, the entity does not yet have a tax return that can be provided as part of this application. However, Embarc is able to attest to its financial health and ability to finance and operate the proposed business through Embarc's relationship with a capital partner, William Quiros, as demonstrated through the attached proof of funding and verification of deposit account.

Mr. Quiros has extensive experience in business finance and operations and has provided a Proof of Funding of not less than $1,600,000 in support of Embarc's Proposal. Mr. Quiros has provided the option to secure additional funding as necessary or appropriate. This funding is available from liquid assets held by Mr. Quiros, proof of which is attached in support of this application.

Mr. Quiros's commitment to provide this funding ensures that Embarc has the financial resources necessary in order to develop, open and run the business over the next year. We are pleased with the partnership between Embarc and Mr. Quiros, which provides confidence in Embarc's financial health and ability to finance and operate our proposed business in Contra Costa County.

Additionally, the attached Financial Statement and supporting documentation indicates that Embarc has more than $1,600,000 to fund start-up costs, 12 months of operating capital and projected operating deficits. The pro forma financial statement projects operating costs for the first year to total $1,5000,000.

We believe the attached pro forma addresses the budget for construction, operation, maintenance, employee compensation, equipment costs, utility costs, and other operation costs. The pro forma financial statements demonstrate sufficient capital in place to pay start-up costs and 12 months of operating costs, if necessary. It is our expectation that the project will generate positive cash flow during the second quarter of 2020.

This financial statement, the attached balance sheet, and proof of funds attest to the financial health and ability of Embarc Contra Costa to finance and operate the proposed business.

Sincerely,

George Miller
Chief Executive Officer

1. **Financial Statement - Pro Forma Cash Flow Basis Income Statements for Embarc Contra Costa, LLC. for 2019 through 2022.**

Summary	Year 1	Year 2	Year 3
Revenue - Retail	$8,023,680.00	$13,239,072.00	$14,562,977.76
RetailTax (4%)	$320,947.20	$529,562.88	$582,519.11
Community Investment Fund	$80,236.80	$132,390.72	$145,629.78
Inventory 50%	$4,011,840	$6,619,536	$7,281,489
Retail Operating Expense			
Rent + NNN	$144,000	$144,000	$144,000
Utilities (Phone, Internet & Alarm)	$9,600	$12,000	$12,000
Professional Fees (CPA, Legal)	$18,000	$18,000	$18,000
Point of Sale System / Track & Trace	$6,300	$8,400	$8,400
Electricity	$3,600	$3,600	$3,600
24/7 Security - Guard & Patrols	$68,850	$91,800	$91,800
Office / Cleaning Supplies	$3,600	$4,800	$4,800
Packaging Supplies + Promotional Items	$13,500	$18,000	$18,000
Marketing	$90,000	$120,000	$120,000
Labor	$513,000	$718,200	$754,110
Employee Training	$15,000	$18,000	$18,000
Repairs & Maintenance	$3,680	$3,680	$2,880
Liability Insurance (Retail Store)	$6,000	$6,000	$6,000
Employer's Expense & Employee Benefits (21%)	$107,730	$150,822	$158,363
Local Permitting and application fees	$25,000	$25,000	$25,000
State License Fees	$38,500	$57,000	$57,000
Construction (Includes Design and Contingency)	$735,000	$0	$0
Total Operating Expense	$1,821,360	$1,399,302	$1,441,953
State and Federal Taxes [IRS 280E]	$1,232,289	$2,035,137	$2,277,562
Retail - Profit / Loss	$877,954	$3,052,706	$3,416,344

Year 1	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Year 1 Total
Revenue - Retail	$0	$0	$0	$0	$1,002,960	$1,002,960	$1,002,960	$1,002,960	$1,002,960	$1,002,960	$1,002,960	$1,002,960	$8,023,680.00
Tax (4%)					$40,118	$40,118	$40,118	$40,118	$40,118	$40,118	$40,118	$40,118	$320,947.20
Community Investment Fund	$0	$0	$0	$0	$10,030	$10,030	$10,030	$10,030	$10,030	$10,030	$10,030	$10,030	$80,236.80
Inventory 50%	$0	$0	$0	$0	$501,480	$501,480	$501,480	$501,480	$501,480	$501,480	$501,480	$501,480	$4,011,840.00
Retail Operating Expense													
Rent	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$144,000.00
Utilities (Phone, Internet & Alarm)	$200.00	$200.00	$200.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$9,600.00
Professional Fees (CPA, Legal)	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$18,000.00
Point of Sale System / Track & Trace				$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$6,300.00
Electricity	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$3,600.00
Security - Guard & Patrols				$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$68,850.00
Office / Cleaning Supplies				$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$3,600.00
Packaging Supplies + Promotional Items				$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$13,500.00
Marketing and Design				$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$90,000.00
Labor				$57,000.00	$57,000.00	$57,000.00	$57,000.00	$57,000.00	$57,000.00	$57,000.00	$57,000.00	$57,000.00	$513,000.00
Employee Training			$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$15,000.00
Repairs & Maintenance (2% of rent)	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$1,040.00	$3,680.00
Liability Insurance (Retail Store)	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$6,000.00
Employer's Expense & Employee Benefits (21%)	$0.00	$0.00	$0.00	$11,970.00	$11,970.00	$11,970.00	$11,970.00	$11,970.00	$11,970.00	$11,970.00	$11,970.00	$11,970.00	$107,730.00
Local Permitting and application fees (accrued 2019)	$25,000.00												$25,000.00
State License Fees	$38,500.00												$38,500.00
Design Consulting	$20,000.00												$20,000.00
Construction	$350,000.00	$300,000.00	$50,000.00										$700,000.00
Construction Contingency (10%)	$15,000.00	$15,000.00	$5,000.00										$35,000.00
Total Operating Expense	$463,240.00	$329,740.00	$71,240.00	$106,260.00	$106,260.00	$106,260.00	$106,260.00	$106,260.00	$106,260.00	$106,260.00	$106,260.00	$107,060.00	$1,821,360.00
Gross Profit	($463,240.00)	($329,740.00)	($71,240.00)	($106,260.00)	$385,190.40	$385,190.40	$385,190.40	$385,190.40	$385,190.40	$385,190.40	$385,190.40	$384,390.40	$1,789,296.00
State and Federal Taxes / IRS 280E (40%)					$154,076.16	$154,076.16	$154,076.16	$154,076.16	$154,076.16	$154,076.16	$154,076.16	$153,756.16	$1,232,289.28
Retail - Profit / Loss	($463,240.00)	($329,740.00)	($71,240.00)	($106,260.00)	$231,114.24	$231,114.24	$231,114.24	$231,114.24	$231,114.24	$231,114.24	$231,114.24	$230,634.24	$877,953.92

Year 2	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Year 2 Total
Revenue - Retail	$1,103,256	$1,103,256	$1,103,256	$1,103,256	$1,103,256	$1,103,256	$1,103,256	$1,103,256	$1,103,256	$1,103,256	$1,103,256	$1,103,256	$13,239,072.00
Tax (4%)	$44,130	$44,130	$44,130	$44,130	$44,130	$44,130	$44,130	$44,130	$44,130	$44,130	$44,130	$44,130	$529,562.88
Community Investment Fund	$11,033	$11,033	$11,033	$11,033	$11,033	$11,033	$11,033	$11,033	$11,033	$11,033	$11,033	$11,032.56	$132,390.72
Inventory 50%	$551,628	$551,628	$551,628	$551,628	$551,628	$551,628	$551,628	$551,628	$551,628	$551,628	$551,628	$551,628.00	$6,619,536.00
Retail Operating Expense													
Rent	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$144,000.00
Utilities (Phone, Internet & Alarm)	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$12,000.00
Professional Fees (CPA, Legal)	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$18,000.00
Point of Sale System / Track & Trace	$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$8,400.00
Electricity	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$3,600.00
Security - Guard & Patrols	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$91,800.00
Office / Cleaning Supplies	$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$4,800.00
Packaging Supplies + Promotional Items	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$18,000.00
Marketing	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$120,000.00
Labor	$59,850.00	$59,850.00	$59,850.00	$59,850.00	$59,850.00	$59,850.00	$59,850.00	$59,850.00	$59,850.00	$59,850.00	$59,850.00	$59,850.00	$718,200.00
Employee Training	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$18,000.00
Repairs & Maintenance (2% of rent)	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$1,040.00	$3,680.00
Liability Insurance (Retail Store)	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$6,000.00
Employer's Expense & Employee Benefits (21%)	$12,568.50	$12,568.50	$12,568.50	$12,568.50	$12,568.50	$12,568.50	$12,568.50	$12,568.50	$12,568.50	$12,568.50	$12,568.50	$12,568.50	$150,822.00
Local Permitting and application fees	$25,000.00												$25,000.00
State License Fees	$57,000.00												$57,000.00
Design Consulting													$0.00
Construction													$0.00
Construction Contingency (10%)													$0.00
Total Operating Expense	$191,708.50	$109,708.50	$109,708.50	$109,708.50	$109,708.50	$109,708.50	$109,708.50	$109,708.50	$109,708.50	$109,708.50	$109,708.50	$110,508.50	$1,399,302.00
Gross Profit	$348,886.94	$430,886.94	$430,886.94	$430,886.94	$430,886.94	$430,886.94	$430,886.94	$430,886.94	$430,886.94	$430,886.94	$430,886.94	$430,086.94	$4,558,280.40
State and Federal Taxes / IRS 280E (40%)	$139,554.78	$172,354.78	$172,354.78	$172,354.78	$172,354.78	$172,354.78	$172,354.78	$172,354.78	$172,354.78	$172,354.78	$172,354.78	$172,034.78	$2,035,137.31
Retail - Profit / Loss	$209,332.16	$258,532.16	$258,532.16	$258,532.16	$258,532.16	$258,532.16	$258,532.16	$258,532.16	$258,532.16	$258,532.16	$258,532.16	$258,052.16	$3,052,705.97

Year 3	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Year 3 Total
Revenue - Retail	$1,213,581	$1,213,581	$1,213,581	$1,213,581	$1,213,581	$1,213,581	$1,213,581	$1,213,581	$1,213,581	$1,213,581	$1,213,581	$1,213,581	$14,562,977.76
Tax (4%)	$48,543	$48,543	$48,543	$48,543	$48,543	$48,543	$48,543	$48,543	$48,543	$48,543	$48,543	$48,543	$582,519.11
Community Investment Fund	$12,136	$12,136	$12,136	$12,136	$12,136	$12,136	$12,136	$12,136	$12,136	$12,136	$12,136	$12,136	$145,629.78
Inventory 50%	$606,791	$606,791	$606,791	$606,791	$606,791	$606,791	$606,791	$606,791	$606,791	$606,791	$606,791	$606,791	$7,281,488.88
Retail Operating Expense													
Rent + NNN	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$12,000.00	$144,000.00
Utilities (Phone, Internet & Alarm)	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$1,000.00	$12,000.00
Professional Fees (CPA, Legal)	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$18,000.00
Point of Sale System / Track & Trace	$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$700.00	$8,400.00
Electricity	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$300.00	$3,600.00
Security - Guard & Patrols	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$7,650.00	$91,800.00
Office / Cleaning Supplies	$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$400.00	$4,800.00
Packaging Supplies + Promotional Items	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$18,000.00
Marketing	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$120,000.00
Labor	$62,842.50	$62,842.50	$62,842.50	$62,842.50	$62,842.50	$62,842.50	$62,842.50	$62,842.50	$62,842.50	$62,842.50	$62,842.50	$62,842.50	$754,110.00
Employee Training	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$1,500.00	$18,000.00
Repairs & Maintenance (2% of rent)	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$240.00	$2,880.00
Liability Insurance (Retail Store)	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$500.00	$6,000.00
Employer's Expense & Employee Benefits (21%)	$13,196.93	$13,196.93	$13,196.93	$13,196.93	$13,196.93	$13,196.93	$13,196.93	$13,196.93	$13,196.93	$13,196.93	$13,196.93	$13,196.93	$158,363.10
Permitting and application fees (Local $50,000/yr.)	$25,000.00												$25,000.00
State License Fees	$57,000.00												$57,000.00
Design Consulting													$0.00
Construction													$0.00
Construction Contingency (10%)													$0.00
Total Operating Expense	$195,329.43	$113,329.43	$113,329.43	$113,329.43	$113,329.43	$113,329.43	$113,329.43	$113,329.43	$113,329.43	$113,329.43	$113,329.43	$113,329.43	$1,441,953.10
Gross Profit	$399,325.50	$481,325.50	$481,325.50	$481,325.50	$481,325.50	$481,325.50	$481,325.50	$481,325.50	$481,325.50	$481,325.50	$481,325.50	$481,325.50	$5,111,386.89
State and Federal Taxes / IRS 280E (40%)	$159,730.20	$192,530.20	$192,530.20	$192,530.20	$192,530.20	$192,530.20	$192,530.20	$192,530.20	$192,530.20	$192,530.20	$192,530.20	$192,530.20	$2,277,562.40
Retail - Profit / Loss	$239,595.30	$288,795.30	$288,795.30	$288,795.30	$288,795.30	$288,795.30	$288,795.30	$288,795.30	$288,795.30	$288,795.30	$288,795.30	$288,795.30	$3,416,343.60

EMBARC CONTRA COSTA
BALANCE SHEET
JUNE 9, 2019

ASSETS

Cash	$ 1,600,000
Retirement Accounts	-
Investments in Closely Held Entities (Schedule A)	-
Vehicles	-
Personal Property	-
TOTAL ASSETS	**$ 1,600,000**

LIABILITIES AND NET WORTH

LIABILITIES	
Credit Lines and Credit Cards	-
Auto Loan	-
Real Estate Mortgages (Schedule A)	-
TOTAL LIABILITIES	-
NET WORTH	1,600,000
TOTAL LIABILITIES AND NET WORTH	**$ 1,600,000**

Mr. Willian Quiros
28470 Witherspoon Parkway
Valencia, CA 91355

June 6, 2019

Mr. Ruben Hernandez
County of Contra Costa
30 Muir Road
Martinez, CA 94553

RE: Funding Commitment for Embarc Contra Costa

Dear Mr. Hernandez:

I am pleased to present this proof of funding letter in support of Embarc Contra Costa's (“Embarc”) application for a retail cannabis dispensary in Contra Costa County.

I believe strongly in Embarc's application and am pleased to be chosen as their capital partner in this venture. I am committed to providing all of the funding necessary in order to develop and operate Embarc’s vision for a retail cannabis business in Contra Costa County.

My confidence in Embarc’s application is based upon direct experience operating with their team in the cannabis space.

I am committed to funding Embarc for an amount not less than $1,600,000.00 in debt funding, with the option to provide additional funding if needed. Please see the attached "Verification of Deposit" for proof of funding.

Please do not hesitate to contact me directly with any additional questions you may have at BQuiros@gounited.com.

Very Truly Yours,

Bill Quiros

Merrill Lynch
Bank of America Corporation

FACSIMILE COVER SHEET

TO: Bill Quiros
PHONE:
FAX: 15628016246

FROM: Merrill Lynch
SENDER: Karina Gordeychev
DATE: 06/06/19
PHONE: 310-996-2068
FAX: 13102562077

No. of pages (including this page):4

Subject: Verification of Deposit

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As required by federal law, we will honor your opt-out request within 30 days.

Please note: You may still continue to receive fax communications from your assigned account representative, such as your financial advisor, to address your financial needs.

Comments:

Hi Bill,

Please see the VOD Letter dated 06.06.19.

Best Regards,

Karina Gordeychev | Registered Senior Client Associate | The CP Group | Merrill Lynch, Pierce, Fenner & Smith Inc.

100 Wilshire Blvd. Suite 300 | Santa Monica, CA 90401 | T 310.996.2068 | F 310.256.2077
karina.gordeychev@ml.com | Office Hours: 6:30am-2:30pm, M-F

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Merrill Lynch
Bank of America Corporation

William Quiros
28470 Witherspoon Pkwy
Valencia, CA 91355-1605

06/06/2019

RE: Verification of Deposit – Standard

Important Notice

This is in response to the Verification of Deposit (VOD) request for the Merrill Lynch account of William Quiros. Details appear below.

Account Type	CMA
Account Number	XXX-XX014
Value as of Date (Close of Business (COB))	06/05/2019
Total Portfolio Value*	In excess of $1,600,000

☐ If checked, the portfolio value provided represents an average balance.

*This total is as of COB on the listed date. However, the balance provided is monthly/quarterly as Merrill Lynch does not maintain daily balance records. It includes Money Fund shares/balances, marginable/non-marginable securities, and outstanding loans. If an average balance is requested, it is calculated based upon the monthly/quarterly balance.

Comments

Please note that client has sufficient funds at Merrill Lynch to cover $1,600,000. Thank you.

Signature of Merrill Lynch Branch Office Management Team (OMT)

Raffi Kardzair
Printed Name

June 6, 2019
Date

Phone Number

Merrill Lynch
Bank of America Corporation

Please be advised our cash management account program permits account holders to access the assets in the account by Visa card and checks, which are drawn and processed against a Merrill Lynch account maintained for the customer at Bank of America, N.A. However, the account holder does not maintain a depository balance at that bank. The information provided above may change daily due to activity in the account and/or changes in market value of assets held in the account. This information is provided as a courtesy and Merrill Lynch is not liable or responsible for any decisions made, in whole or in part, on reliance upon this information.

This information is furnished to you in strict confidence in response to your request and is solely for your use for the purposes described in the Verification of Deposit request. If you have any questions, please contact the person whose signature appears above at the phone number provided. This information is provided as a courtesy and Merrill Lynch is not liable or responsible for any decisions made, in whole or part, on reliance upon this information.

L-03-19

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Investment products:

Are Not FDIC Insured	Are Not Bank Guaranteed	May Lose Value

MLPF&S is a registered broker-dealer, registered investment adviser and Member SIPC.

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KSC: Timeline for beginning operation, including outline for any proposed construction/ improvements and a deadline for completion

The following schedule clearly provides realistic milestones for:

- Proposal submission
- Proposal evaluation, ranking, and scoring by County staff
- Oral interviews
- Site visits
- Issuance of land use permit
- Issuance of health permit
- Issuance of business permit
- Issuance of building permit
- Issuance of state license
- Construction
- Opening and commencement of operations

In addition to the components listed above, the proposed schedule also includes a timeline for operational staging to ensure operations commence by the second quarter of 2020.

This schedule was developed by a team with experience taking hundreds of cannabis licenses from concept to completion and with extensive experience navigating local and state regulatory and licensing requirements.

This timeline has been broken into four distinct phases and provides realistic, achievable project milestones.

PHASE I

June–September 2019

JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY

The first phase of the schedule includes time for application processing, Selection Committee review, and for applicants to be selected to apply for a Land Use Permit.

1. Application Due: June 27, 2019
Pursuant to the Contra Costa County RFP requirements, Embarc will submit its application on June 27, 2019.

2. Application Review: June-September 201
Pursuant to the Contra Costa County proposed schedule, Embarc anticipates the review process will commence in June and continue through September. This will include the interview process and site visit.

3. Scoring Complete (Estimate): September 2019
Upon completion of County staff review, the final scores will be calculated. Per the RFP, this should be complete in September 2019.

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4. Board of Supervisors will review and award the right to apply for an LUP: September/October 2019
Per the RFP, we expect the Board to consider staff recommendations and to invite the finalists to apply for a Land Use Permit.

5. Potential Appeal Period Begins
Given the highly competitive nature of the application process, the timeline must contemplate the possibility of an appeal. The appeal process could take several months and a potential resulting delay has been contemplated.

PHASE II

November–December 2019

JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY

This phase of the schedule contemplates that Embarc will be invited to apply for an LUP, at which point Embarc will immediately apply for a land use permit.

Upon Notification of Being Placed on the Qualified Applicant List, Embarc will Apply for a Land Use Permit: November 2019
Embarc will be prepared to address the three sections in the land use plan; plot plans, floor plans and building elevations. Our architect and contractor are well versed in the 21 requirements (A - U) for the application and will prepare these documents prior to the invitation to apply for an LUP.

PHASE III

January—May 2020

JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY

Once the land use permit is issued pursuant to Chapter 88-28 of the cannabis code, Embarc will submit a cannabis health permit pursuant to Article 413-4.4 (e) of the county ordinance code. Embarc will submit a business license application immediately following the issuance of the health permit to the County Treasurer-Tax Collector. Finally, as the site is under construction, Embarc will submit a state license application.

1. Approval of Land Use Permit: January 2020
Embarc is expecting the land use permit to be approved as early as January.

2. Issuance of Health Permit: February 2020
Immediately following the Land Use Permit, Embarc will submit a cannabis health permit pursuant to Article 413-4.4 (e) of the county ordinance code. Much of the information required for the submittal will be complete prior to the issuance of the LUP, greatly reducing any delay in submitting the health permit.

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3. Building Permit and Construction: January-May 2020

Upon award of the LUP, Embarc will submit for a building permit. This will initiate the construction process in tandem with the other county approvals necessary for operationalizing. Based on our site plans and an initial construction bid, Embarc believes construction will require four months.

4. Submit business permit: April 2020

Immediately following the issuance of the health permit, Embarc will submit the application for a business permit.

5. State Licensure: April 2020

The State of California completed an amendment to the cannabis licensing statute this week, which is expected to expedite license approval by issuing a provisional license. Because of this update, Embarc will submit an annual cannabis license application immediately after receiving the health permit. While the permit will not be approved until the County has completed its process, Embarc will mitigate some of the waiting period for State licensure by getting in the queue. Based on our ongoing communications with the Bureau of Cannabis Control, the State licensing process should take 1-2 months. State Type-10 commercial cannabis license issued after the completion of the construction.

6. Ongoing Operationalization: March-May 2020

Approximately 30 days prior to opening, Embarc will continue operational preparations, including but not limited to the following: initiate employee onboarding process, including training program; continue marketing activities; full security implementation including onboarding of security contractor; set up IT infrastructure; order inventory; and continue ongoing community outreach. Employee training is detailed in Section 6.

7. Grand Opening: April-May 2020

Depending on whether an appeal occurs early in the process, the opening date could be as early as April 2020 or as late as May 2020.

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Site and Building Plans

This document includes complete site plans and proposed building and floor plans addressing all required elements from both the instructions for preparing proposals and scoring metrics.

The address and assessor's parcel number of the property or properties where the business will be located:

Address:	3503 Pacheco Blvd., Martinez, CA 94553
Assessor's Parcel Number:	378-130-013

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Design Introduction

Embarc Contra Costa will invest significantly in revitalizing the building at 3503 Pacheco Blvd., thereby enhancing the site and its presence within the surrounding neighborhood. This will be achieved through:

- Thoughtful, tasteful design
- Replacement of dilapidated structures
- Replacement of hardscapes with drought resistant landscaping
- Adoption of sustainable features such as rain catchment, biofiltration and more
- More than four times the required parking, ensuring no parking impacts on the neighborhood

Our remodel of 3503 Pacheco is intended to be both classic and modern – blending elements that ensure it will aesthetically integrate into the community with thoughtful design that creates a warm, inviting and upscale retail experience. Our intent is to enhance the neighborhood aesthetic in a manner consistent with the surrounding area.

A New Cannabis Experience by Design

Most cannabis dispensaries have long been retail locations most people would feel uncomfortable patronizing, with darkened doors, metal bars across the windows, and a general lack of design, giving passerby a sense of unease at what may be occurring inside the premises.

Embarc seeks to stand in sharp contrast with such an experience, using thoughtful design to enhance the creation of a light, bright, clean and comfortable retail expression that will appeal to both novices and regulars alike.

Designing a new cannabis experience involves reimagining the interior, exterior, and parcel to reflect our commitment to redefining the cannabis experience for the modern consumer.

INTERIOR

Relying heavily on luxurious materials but with an eye to sustainability, patrons will enjoy warm wood finishes, sleek tile, unique marble and brass accents, lush (non-cannabis) indoor plants, artistic light fixtures and a thoughtfully curated product selection that is not visually imposing or overwhelming. This design is intended to create an environment that facilitates interaction and education between guests and our knowledgeable staff.

EXTERIOR

Luxurious, sustainable materials will be utilized on the building to create an inviting but incredibly secure exterior that patrons will not feel embarrassed to enter. Expansive windows have been added to the front of the building facing Pacheco Blvd., creating a more open and inviting storefront far from the "shady" dispensaries of yesteryear. Importantly, per the site design, this enhanced visibility will still be shielded from commercial cannabis activity.

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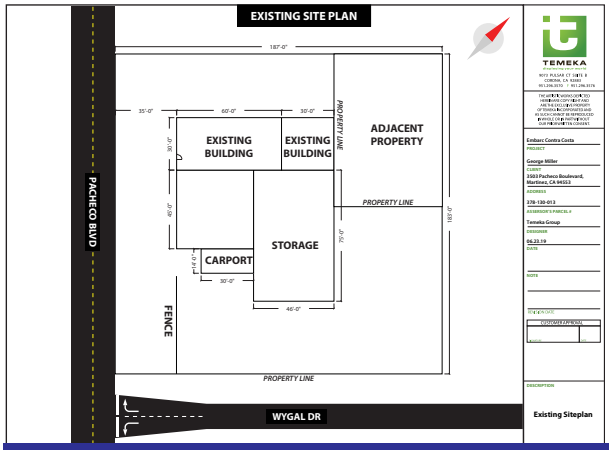
SITE

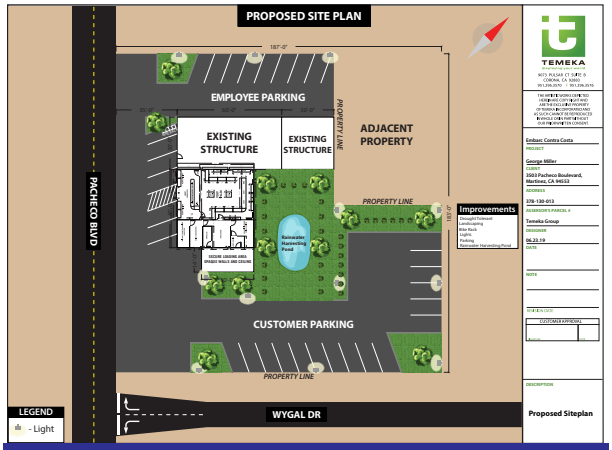
Comfort and convenience are key for Embarc guests. We have secured more than four times the required number of parking spaces to create a seamless experience from the moment patrons enter the parcel. Additionally, thoughtful beautification using native trees, low-level sustainable grasses and other sustainable landscaping have been added to fundamentally change the appearance of the site, replacing hardscape with softscape wherever possible, and lighting has been added where appropriate and as necessary for security purposes. We have also added bike racks to encourage alternate transportation.

Site plans must identify all existing and proposed site improvements including building descriptions and locations, parking areas for employees and clients/customers, driveways, fencing, cannabis cultivation/canopy areas, storage and processing areas, secure areas, and the location of any and all other improvements on-site

The below site plans identify existing and proposed site improvements, including building descriptions and locations, parking areas, driveways, fencing and on-site improvements. Given we are seeking authorization as a retailer, we will not have any cannabis cultivation/canopy areas or raw cannabis storage and processing areas. A secure area for a vault/safe and for cannabis inventory is noted on the site plan and in the security plan in Section 4.



EXISTING SITE PLAN



PROPOSED SITE PLAN

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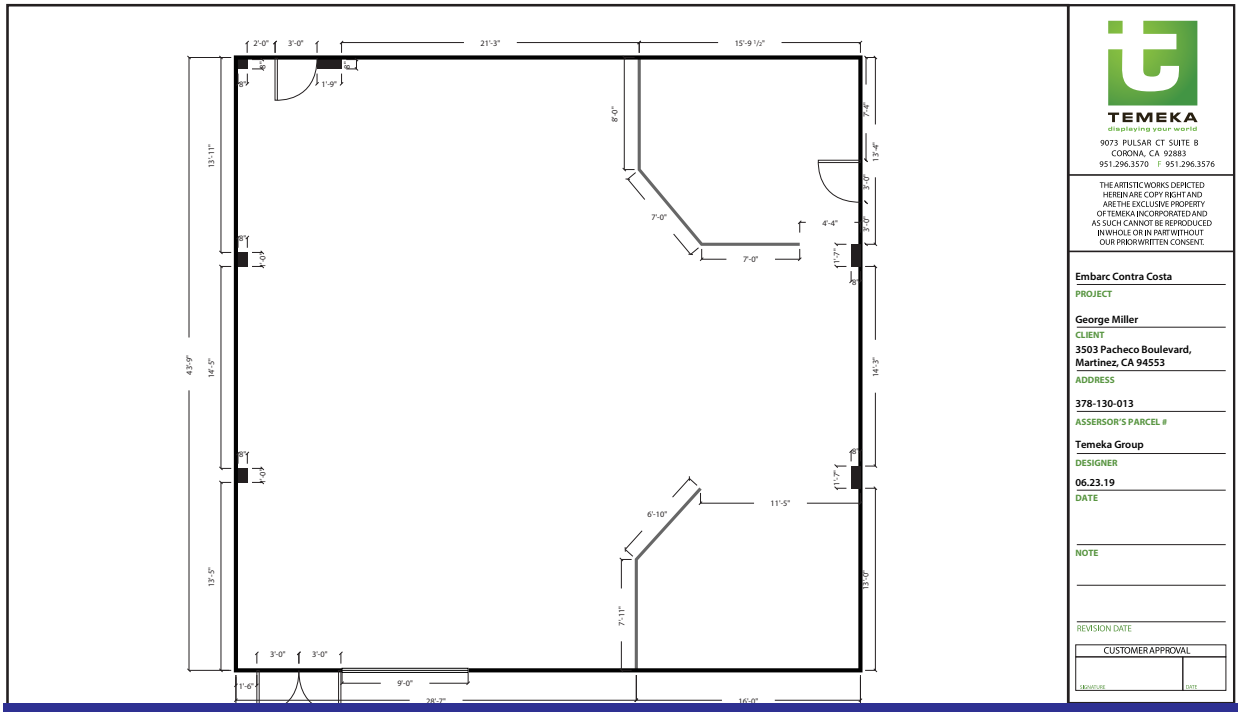
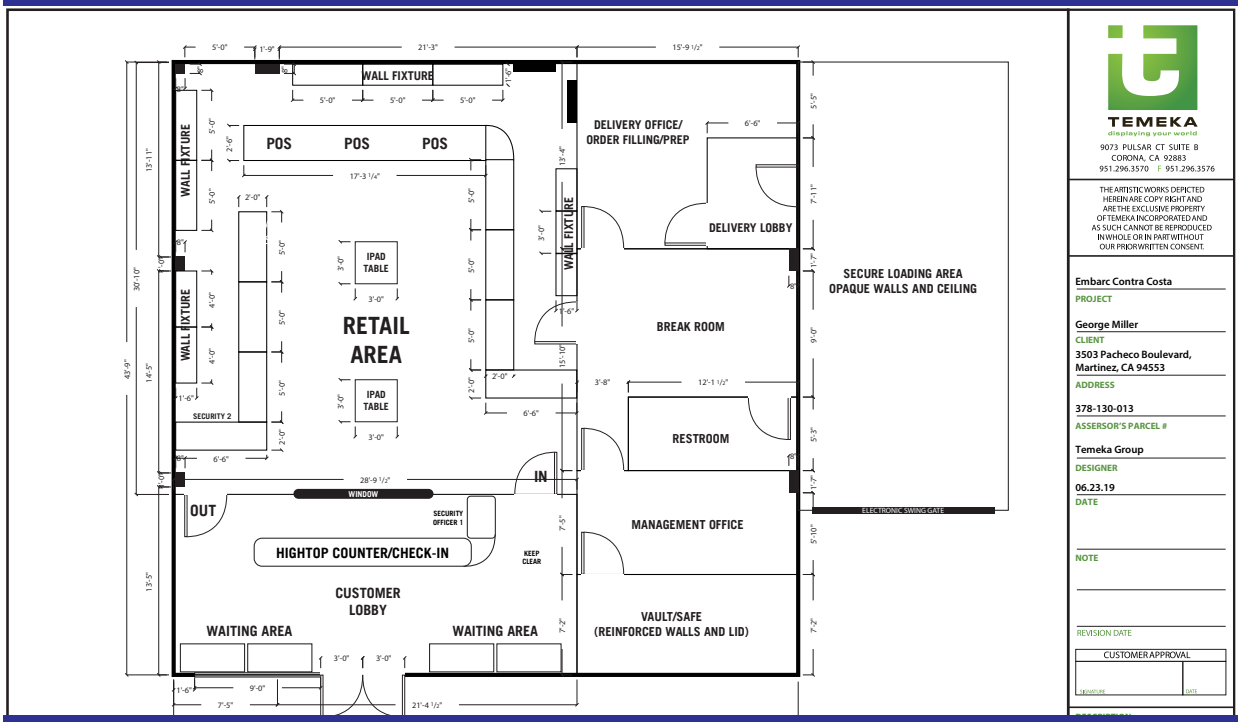
Floor plans must show existing and proposed floor plans. Floor plans must identify all building areas including secured areas, waiting areas, cultivation/grow areas, office areas, employee only areas, etc. and all other areas required by State regulations or the County Cannabis Ordinance and zoning code

The below existing and proposed floor plans include secured areas, waiting areas, office areas, employee only areas, and all other areas required by State and County regulations and zoning codes. There are no cultivation/grow areas given we are applying for a retail license.



EXISTING FLOOR PLAN



PROPOSED FLOOR PLAN

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KSC: Floorplan/layout is clear and provides for safe and functional operation

Customer Flow Enhances Security and Compliance

Upon approaching the business, the customer will enter into a secured waiting area where he or she will be greeted by a Security Guard who will verify the individual's age to ensure compliance with state law requiring that no underage person shall enter a commercial cannabis business premises.

Upon verification, the individual will then be greeted by a receptionist who will verify the patron's government issued identification (and medical recommendation, when appropriate) and record the identification via a scanning feature on the Treez application (track and trace/point of sale software). Once all of the information has been verified, the customer will be permitted to enter the retail area.

Upon entering the retail area, the customer will be greeted by a sales associate who will assist in product selection. During this process, the sales associate will use an internal standardized consultation protocol to obtain information about the customer's consumption experience. This information is used by the sales associate to tailor education, discussion and product recommendations based on each customer's unique experience level with cannabis. Sales associates will be extensively trained to recommend low dose products that limit the psychoactive effects of cannabis to further ensure the highest levels of public health and safety for the community.

Once the customer has selected products, they will pay and check out at the point of sale station pictured in the site plan. Sales associates will record the sales via the Treez software system. Treez will alert Sales Associates if the customer has already exceeded their daily limit as defined by state law. If Treez indicates that the customer has already exceeded their daily limit, the Associate will not sell additional product to the customer that day.

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Currently, state law requires that a product either be in child-proof packaging or that it leave in a child-proof exit bag. That said, some products are only child-proof upon purchase and not resealable. For that reason, all of the products we sell will be placed in an opaque child-proof exit bag before they are allowed to be carried out of the store. We will also remind customers to always store their cannabis products in the resealable and opaque child-proof bags to prevent accidental youth exposure. The easily identifiable exit bag will allow Security personnel to monitor customers exiting the building. Customers will not be permitted to loiter on the property.

CHILD SAFE EXIT BAG

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KSC: Proposed design features, such as windows, primary entrance facing street, pedestrian improvements, no significant blank walls, removal of existing nonconforming features such as pole signs, security screening not visible from exterior

Proposed design features include additional windows, the primary entrance facing Pacheco Blvd., significant pedestrian improvements, no significant blank walls due to thoughtful construction and design materials, removal of any nonconforming features and more to create a new cannabis experience through design. Furthermore, the security screening will not be visible from the exterior as it will occur within a designated waiting area inside the location.

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Operating Plan

This document includes a detailed preliminary operating plan addressing all required elements from both the instructions for preparing proposals and scoring metrics, including how operations will comply with State and local regulations; how safety and quality of products will be ensured; record keeping procedures for financing, testing, and other items records required to be kept by State law; and product recall procedures.

KSC: Completeness of operating plan and documented ability to comply with County Zoning Ordinance requirements.

State and Local Compliance

For Embarc, compliance is king. We understand that operating a cannabis business is a privilege and not a right and that our ability to continue operations will be predicated on our ability to navigate the state and local regulatory landscape designed to protect the health and safety of employees and the community at large.

Given the tremendous importance of compliance, Embarc has partnered with Axiom Advisors to spearhead our efforts. Axiom Advisors is the preeminent cannabis compliance firm in the state of California. The company's principals helped to draft the Medical Marijuana Regulation and Safety Act (MMRSA), Proposition 64 (2016), the Medical and Adult Use Cannabis Regulation and Safety Act (MAUCRSA), and more recently, the implementing regulations promulgated by the three state licensing authorities: California Department of Food and Agriculture (CDFA), Bureau of Cannabis Control (BCC) and Manufactured Cannabis Safety Branch (MCSB). Axiom Advisors is the team responsible for developing the rules, which is why Embarc retained them to help the company navigate these same rules.

Embarc Contra Costa will continue to engage Axiom Advisors to analyze and report on the status of relevant pending State and local cannabis bills and regulation; facilitate introductions with key regulatory agencies to answer questions about the regulations (e.g. Lori Ajax, Chief Bureau of Cannabis Control); and monitor and share best industry practices. This includes participating in the process of shaping the implementing regulations. Axiom Advisors will provide Embarc Contra Costa with regular updates on the dynamic cannabis policy area ensuring ongoing compliance. Specifically, Dustin Moore, partner at Axiom Advisors, will serve as the company's day-to-day Head of Compliance, and Kevin Schmidt, partner at Axiom Advisors, will serve as the company's day-to-day Head of Regulatory Affairs. They will work closely with the Head of Legal Affairs to ensure ongoing compliance.

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Legal Market and Supply Chain

The Operator, Head of Compliance, and Head of Strategy have spent years analyzing the new legal standards, researching best practices, and cultivating relationships with like-minded cannabis business owners who have fully transitioned to the new 2019 legal market.

Embarc Contra Costa will only conduct business with other State licensed cannabis businesses who can provide proof of their State license certificate. The Operator, Head of Compliance, Head of Strategy, and Head of Regulatory Affairs have established business relationships with the leading suppliers in the space through their existing work in the industry. These partnerships ensure that when Embarc Contra Costa opens to the public, it will be able to consistently meet consumer demand for quality product without interruption.

Embarc Contra Costa will partner with HERBL Distribution Solutions for access to their menu of licensed products and brands and to provide transport and distribution services (see Attachment E – Herbl MOU). Pursuant to State regulations, HERBL will provide Embarc Contra Costa with documentation that the product shipments are compliant with packaging and labeling requirements, pass State testing standards, and were cultivated, manufactured and tested by state licensed cannabis businesses. This information will also be recorded in the Track and Trace system, and our internal software, Treez (see Attachment F - Treez LOI), which integrates with the state's system.

POWERED BY TREEZ

HERBL™ DISTRIBUTION SOLUTIONS

Products

Embarc is a cannabis dispensary and wellness brand with a focus on products that are non-psychoactive. Many of the products we will carry will not contain tetrahydrocannabinol, or "THC," the psychoactive substance found in many adult-use products. Instead, we will focus heavily on products that contain cannabidiol or "CBD," a non-psychoactive substance found in FDA-regulated products such as Epidiolex.

While we will still carry traditional adult-use products, our associates will be trained to advise customers on the availability of non-psychoactive products that may also provide the effects they are seeking.

Since we have partnered with HERBL Distribution Solutions, we will have buying power beyond our individual means. This ensures a constant supply of products, which is one of the largest problems facing many businesses. All of the products that HERBL distributes must first clear an exhaustive diligence process, ensuring that Embarc will carry only the highest quality products that meet the strictest compliance standards.

While HERBL will supply some of the most sought-after wellness brands in the industry, we will also commit to partnering with locally licensed commercial cannabis businesses, including providing them premier product placement to highlight local products.

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Our Shift Managers will also serve as on-site Patient Services & Education Specialists who will compile and distribute all applicable informational and educational materials and disclosures. Important topics include:

- Understanding CBD and THC
- Different consumption methods—types, approx. duration of effects, etc.
- Tips for smart consumption (start low, go slow, etc.)
- Understanding cannabinoids and terpenes
- The effects and flavor profiles of different strains
- Laws regarding consumption (no public consumption, no loitering, etc.)

Our materials will borrow from the "Let's Talk Cannabis" public education campaign launched by the California Department of Public Health. This includes providing information regarding:

- Responsible use
- Pregnancy and breastfeeding
- Parents and mentors
- Youth

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Product Types

Embarc seeks to redefine the relationship between consumers and cannabis, focusing on health, relaxation, recreation, wellness and approachability rather than the traditional emphasis on 'getting high.' Our product types reflect this ethos, focusing on high CBD, low THC ratios and a variety of topicals to address aches and pains. We intend to offer the fullest line of high-quality, consciously crafted cannabis products available, including consciously crafted and sustainable flowers, concentrates, edibles, topicals, and administering tools. Some of these products will include:

TOPICALS

MARY'S MEDICINALS · apothecanna · PAPA & BARKLEY

PRE-ROLL

FLOW KANA · LOWELL HERB CO · Sunday Goods

FLOWER

GLASS HOUSE FARMS · Sunday Goods · CANNDESCENT™

LIQUIDS & GEL CAPS

Care by Design™ · MARY'S MEDICINALS · absolutextracts

CONCENTRATES

dosist™ · Sunday Goods · GLASS HOUSE FARMS

EDIBLES

KIVA™ · ediPure · BEBOE

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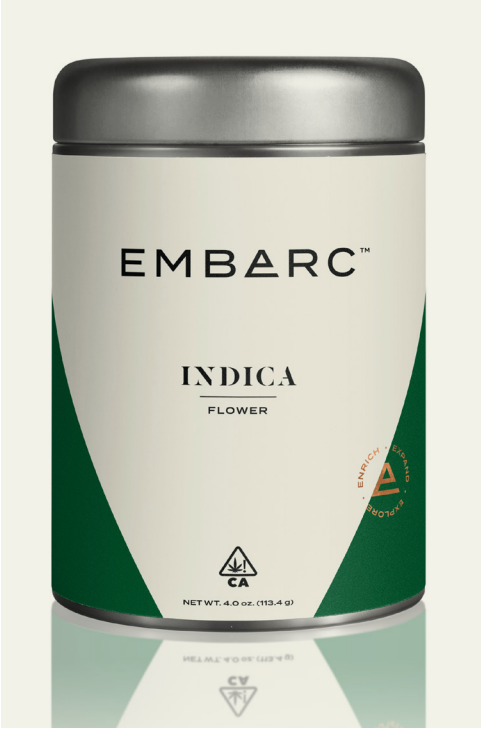
Embarc Products



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Standard Operating Procedures

The following standard operating procedures were developed closely with leading experts in the field of cannabis operations and compliance and carefully follow both California state regulations as well as the regulations set forth by the County.

GENERAL

All commercial cannabis activity shall be conducted between the retail store and other authorized licensees and with qualified customers.

The retail store shall not conduct commercial cannabis activities on behalf of, at the request of, or pursuant to, a contract with any person who is not licensed.

The retail store may conduct business with other licensees irrespective of the M-designation or A-designation on their licenses.

Products designated as "For Medical Use Only," shall only be sold to medicinal customers.

NOTIFICATION OF CRIMINAL ACTS, CIVIL JUDGEMENTS, VIOLATIONS OF LABOR STANDARDS, AND REVOCATION OF A LOCAL LICENSE, PERMIT OR OTHER AUTHORIZATION AFTER LICENSURE

The retail store shall ensure that the Bureau of Cannabis Control is notified in writing of a criminal conviction of any owner, either by mail or electronic mail, within 48 hours of the conviction. The written notification to the Bureau shall include the date of conviction, the court docket number, the name of the court in which the licensee was convicted, and the specific offense(s) for which the licensee was convicted.

The retail store shall ensure that the Bureau of Cannabis Control is notified in writing of a civil penalty or judgment rendered against the licensee or any owner in their individual capacity, either by mail or electronic mail, within 48 hours of delivery of the verdict or entry of judgment, whichever is sooner. The written notification shall include the date of verdict or entry of judgment, the court docket number, the name of the court in which the matter was adjudicated, and a description of the civil penalty or judgment rendered against the licensee.

The retail store shall ensure that the Bureau of Cannabis Control is notified in writing of an administrative order or civil judgment for violations of labor standards against the licensee or any owner in their individual capacity, either by mail or electronic mail, within 48 hours of delivery of the order. The written notification shall include the date of the order, the name of the agency issuing the order, and a description of the administrative penalty or judgment rendered against the licensee.

The retail store shall ensure that the Bureau of Cannabis Control is notified in writing of the revocation of a local license, permit, or other authorization, either by mail or electronic mail, within 48 hours of receiving notice of the revocation. The written notification shall include the name of the local agency involved, a written explanation of the proceeding or enforcement action, and the specific violation(s) that led to revocation.

For any notification required under this section, the retail store shall use and submit to the Bureau of Cannabis Control, the Notification and Request Form, BCC-LIC-027.

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NOTIFICATION OF THEFT, LOSS AND CRIMINAL ACTIVITY

The retail store shall notify the Bureau of Cannabis control and local law enforcement within 24 hours of discovery of any of the following situations:

1. The retail store discovers a significant discrepancy in inventory.
2. The retail store discovers diversion, theft, loss, or any other criminal activity pertaining to the operations of the licensee.
3. The retail store discovers diversion, theft, loss, or any other criminal activity by an agent or employee of the licensee pertaining to the operations of the licensee.
4. The retail store discovers loss or unauthorized alteration of records related to cannabis goods, customers, or the licensee's employees or agents.
5. The licensee discovers any other breach of security.

The notification to the Bureau of Cannabis Control shall be submitted on the Notification and Request Form, BCC-LIC-027, and shall include the date and time of occurrence of the theft, loss, or criminal activity, the name of the local law enforcement agency that was notified, and a description of the incident including, where applicable, the item(s) that were taken or lost.

MARKETING AND ADVERTISING PLACEMENT

Any advertising or marketing, as defined in California Business and Professions Code section 26150, that is placed in broadcast, cable, radio, print, and digital communications:

1. Shall only be displayed after the retail store has obtained reliable up-to-date audience composition data demonstrating that at least 71.6 percent of the audience viewing the advertising or marketing is reasonably expected to be 21 years of age or older;
2. Shall not use any depictions or images of minors or anyone under 21 years of age;
3. Shall not contain the use of objects, such as toys, inflatables, movie characters, cartoon characters, or include any other display, depiction, or image designed in any manner likely to be appealing to minors or anyone under 21 years of age; and
4. Shall not advertise free cannabis goods or giveaways of any type of products, including non-cannabis products. This includes promotions such as:
    a. Buy one product, get one product free;
    b. Free product with any donation;
    c. Contests, sweepstakes, or raffles.

In addition to the requirements for advertising and marketing of this section, all outdoor signs, including billboards, shall:

1. Be affixed to a building or permanent structure;
2. Comply with the provisions of the Outdoor Advertising Act, commencing with section 5200 of the Business and Professions Code, if applicable; and
3. Not be located within a 15-mile radius of the California border on an Interstate Highway or on a State Highway that crosses the California border.

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"Reliable up-to-date audience composition data" means data regarding the age and location demographics of the audience viewing a particular advertising or marketing medium. "Reliable up-to-date audience composition data" does not include data from the most recent United States decennial or special census, or the annual population estimate for California counties published by the Demographic Research Unit, State Department of Finance.

Immediately upon request, the retail store shall provide to the Bureau of Cannabis Control audience composition data for advertising or marketing placed by the licensee.

If the Bureau of Cannabis Control determines that audience composition data for advertising or marketing provided by a licensee does not comply with the requirements, or the licensee fails to provide audience composition data to the Bureau of Cannabis Control upon request, the licensee shall remove the advertising or marketing placement in question.

In construing and enforcing the advertising provisions of the Act and this division, any action, omission, or failure of an advertising agent, representative, or contractor retained by the licensee shall in every case be deemed the act, omission, or failure of the retail store.

MARKETING CANNABIS GOODS AS ALCOHOLIC PRODUCTS

The retail store shall not sell or transport cannabis goods that are labeled as beer, wine, liquor, spirits, or any other term that may create a misleading impression that the product is an alcoholic beverage.

AGE CONFIRMATION IN ADVERTISING

Prior to any advertising or marketing from the retail store involving direct, individualized communication or dialogue, the retail store shall use age affirmation to verify that the recipient is 21 years of age or older.

Direct, individualized communication or dialogue may occur through any form of communication, including in-person, telephone, physical mail, or electronic.

A method of age verification is not necessary for a communication if the retail store can verify that the retail store has previously had the intended recipient undergo a method of age affirmation and the retail store is reasonably certain that the communication will only be received by the intended recipient.

The retail store shall use a method of age affirmation before having a potential customer added to a mailing list, subscribe, or otherwise consent to receiving direct, individualized communication or dialogue controlled by a licensee.

AGE RESTRICTION

Employees or persons retained by the retail store to work or to handle cannabis goods shall be at least 21 years of age.

LICENSE POSTING REQUIREMENT

The retail store shall prominently display the license on the licensed premises where it can be viewed by state and local agencies. The license shall be displayed in an area that is within plain sight of the public.

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EMPLOYEE BADGE REQUIREMENT

All agents, officers, or other persons acting for or employed by a retail store shall display a laminated or plastic-coated identification badge issued by the retail store at all times while engaging in commercial cannabis activity. The identification badge shall, at a minimum, include the retail store's "doing business as" name and license number, the employee's first name, an employee number exclusively assigned to that employee for identification purposes, and a color photograph of the employee that clearly shows the full front of the employee's face and that is at least 1 inch in width and 1.5 inches in height.

SECURITY PERSONNEL

The retail store shall hire or contract for security personnel who are at least 21 years of age to provide on-site security services for the retail store during the hours of operation. All security personnel hired or contracted for by the retail store shall be licensed by the Bureau of Security and Investigative Services and shall comply with Chapters 11.4 and 11.5 of Division 3 of the California Business and Professions Code.

ACCESS TO RETAILER PREMISES

Prior to entering the retail establishment, a consumer or patient will be screened by security personnel to ensure they meet the requirements necessary to enter. Acceptable forms of identification include the following:

1. A document issued by a federal, state, county, or municipal government, or a political subdivision or agency thereof, including, but not limited to, a valid motor vehicle operator's license, that contains the name, date of birth, height, gender, and photo of the person;
2. A valid identification card issued to a member of the Armed Forces that includes the person's name, date of birth, and photo; or
3. A valid passport issued by the United States or by a foreign government.

For adult use customers, access to the licensed premises shall be limited to individuals who are at least 21 years of age.

For medical cannabis patients, access to the licensed retail premises shall be limited to individuals who are at least 18 years of age and have a valid physician's recommendation for medicinal cannabis, and individuals who are at least 21 years of age.

CUSTOMER ACCESS TO THE RETAIL AREA

Individuals shall be granted access to the retail area to purchase cannabis goods only after a security and a store employee has confirmed the individual's age and identity and properly checked them in.

At least one employee shall be physically present in the retail area at all times when individuals who are not employees of the licensed retailer are in the retail area.

All sales of cannabis goods must take place within the retail area of the licensed premises, except for cannabis goods sold through delivery.

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CANNABIS GOODS FOR SALE

The retail store shall not make any cannabis goods available for sale or delivery to a customer unless:

(a) The cannabis goods were received by the retail licensee from a licensed distributor or licensed microbusiness authorized to engage in distribution;
(b) The licensed retailer has verified that the cannabis goods have not exceeded their best- by, sell-by, or expiration date if one is provided;
(c) In the case of manufactured cannabis products, the product complies with all requirements of California Business and Professions Code section 26130 and California Code of Regulations, Title 3, Division 8 and Title 17, Division 1, Chapter 13;
(d) The cannabis goods have undergone laboratory testing as required by the Bureau of Cannabis Control;
(e) The batch number is labeled on the package of cannabis goods and matches the batch number on the corresponding certificate of analysis for regulatory compliance testing;
(f) The packaging and labeling of the cannabis goods complies with California Business and Professions Code Section 26120 and all applicable regulations within this division as well as California Code of Regulations, Title 3, Division 8 and Title 17, Division 1, Chapter 13; and
(g) The cannabis goods comply with all applicable requirements found in the California statute and applicable state and local regulations.

SALE OF NON-CANNABIS GOODS

In addition to cannabis goods, the retail store may sell only cannabis accessories and branded merchandise.

The retail store may provide customers with promotional materials.

DAILY LIMITS

The retail store shall not sell more than the following amounts to a single adult- use cannabis customer in a single day:

(1) 28.5 grams of non-concentrated cannabis.
(2) 8 grams of cannabis concentrate as defined in Business and Professions Code section 26001, including cannabis concentrate contained in cannabis products.

The retail store shall not sell more than the following amounts to a single medicinal cannabis patient, or to a patient's primary caregiver purchasing medicinal cannabis on behalf of the patient, in a single day*:

(1) 8 ounces of medicinal cannabis in the form of dried mature flowers or the plant conversion as provided in Health and Safety Code section 11362.77.

*If a medicinal cannabis patient's valid physician's recommendation contains a different amount than the limits listed in this section, the medicinal cannabis patient may purchase an amount of medicinal cannabis consistent with the patient's needs as recommended by a physician and documented in the physician's recommendation.

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The limits provided shall not be combined to allow a customer to purchase cannabis goods in excess of any of the limits provided.

The retail store shall be responsible for determining that the amount of cannabis concentrates found in manufactured cannabis products sold to customers and ensure they comply with the requirements set forth above.

CUSTOMER RETURN OF CANNABIS GOODS

"Customer Return" means a customer's return of cannabis goods that were purchased from the retail store, back to the same retail store the cannabis goods were purchased from. If this definition is met then:

1. The retail store may accept customer returns of cannabis goods that were previously sold to a customer.
2. The retail store shall not resell cannabis goods that have been returned.
3. The retail store shall treat any cannabis goods abandoned on the licensed retailer premises as a customer return.
4. Defective manufactured cannabis products returned by customers to the retail store may be destroyed pursuant to approved waste disposal practices or returned to the licensed distributor from whom the cannabis goods were obtained.

FREE CANNABIS GOODS

The retail store shall not provide free cannabis goods to any person.

The retail store shall not allow individuals who are not employed by the store to provide free cannabis goods to any person on the licensed premises.

In order to provide access to medicinal cannabis patients who have difficulty accessing medicinal cannabis goods the retail store may provide free medicinal cannabis goods if the following criteria are met:

1. Free cannabis goods are provided only to a medicinal cannabis patient or primary caregiver for the patient in possession of an identification card issued.
2. The cannabis goods comply with all applicable laboratory testing requirements under this division.
3. Prior to being provided to the patient or primary caregiver, the cannabis goods have been properly recorded in the track and trace system.
4. The cannabis goods shall not leave the licensed premises unless placed in a resealable child-resistant opaque package as required for purchased cannabis goods.
5. The cannabis goods shall be applied toward the daily purchase limit for a medicinal cannabis customer.
6. The event shall be properly recorded in the licensed retailer's inventory records and the track and trace system.

In addition to the provision of free cannabis goods for medical patients in this section, the retail store may donate cannabis goods and the use of equipment in compliance with any compassionate use, equity, or other similar program administered by a local jurisdiction.

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PROHIBITION ON PACKAGING AND LABELING

The retail store shall not accept, possess, or sell cannabis goods that are not packaged as they will be sold at final sale.

The retail store shall not package or label cannabis goods.

The retail store may place a barcode or similar sticker on the packaging of cannabis goods to be used in inventory tracking. A barcode or similar sticker placed on the packaging of a cannabis goods shall not obscure any other required labels.

CANNABIS GOODS PACKAGING AND EXIT PACKAGING

All cannabis goods sold by the retail store shall be in compliance with the packaging requirements.

Beginning January 1, 2020, a package containing cannabis goods shall be resealable, tamper- evident, and child resistant.

All cannabis goods purchased by a customer shall not leave the retail store premises unless the goods are placed in an opaque exit package.

PROPOSED HOURS OF OPERATION

Embarc's retail storefront and delivery services will be open to the public between the hours of 9:00 a.m. and 9:00 p.m. Monday through Sunday.

WASTE DISPOSAL INFORMATION

Embarc has identified Gaiaca as its waste management partner for Contra Costa. Gaiaca is CESCO, CAC, CMC, CDPH Certified and is a leader in cannabis compliance waste standards.

Embarc has partnered with Gaiaca to develop a robust waste management plan that exceeds state and local laws and regulations, briefly summarized here and further detailed as Attachment G – Waste Management Plan.

Embarc anticipates generating only "non-hazardous cannabis waste" such as failed, returned, expired, or non-compliant cannabis product (flower, tincture, topical, edible, concentrate, vaporizer cartridges, and other cannabis-infused items in mixed packaging), as well as retired cannabis product displays.

Embarc will purchase a secured cannabis waste receptacle which will only be accessible by authorized personnel, the cannabis waste hauler and any regulatory agencies who will need access—not the public (BCC §5055 Cannabis Waste Management). The secure waste receptacle will be nonabsorbent, water-tight, vector resistant, durable, easily cleanable, galvanized metal or heavy plastic with tight fitting lids. The container will never be filled beyond the capacity that prevents complete closure of the lid.

Gaiaca will service the Embarc facility at a minimum of 1x per week. Embarc staff and management will actively adjust its contract with Gaiaca to ensure proper removal and storage capacities of all cannabis waste. Prior to final disposal, all cannabis goods will be destroyed, including removing the good from any packaging and rendering it unrecognizable and unusable. (BCC §5054.).

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Waste containers will always be properly labeled with the type of waste accumulated. All containers of waste will be properly logged as part of Embarc's track and trace program. Containers will be identified with the following information: Unique identification number ("UID") and tracking number, waste description, net weight, volume and date of origin.

Additionally, any cannabis and/or product UIDs will be documented upon disposal. Additionally, the Operator will be responsible for creating and submitting a monthly waste management report, including the weight of the cannabis waste at collection point, date of collection, name and location of facility processing the cannabis waste and a copy of the processing facility/landfill/transfer station weight ticket. We will maintain full records that can be provided to the Bureau of Cannabis Control and regulators upon request.

Medical recommendation verification procedures, if applicable, and youth access restriction procedures.

Medical Recommendation Verification Procedures
Embarc shall only sell medicinal cannabis goods to individuals who are at least 18 years of age and possesses a valid physician's recommendation after confirming the customer's age, identity, and physician's recommendation as required by State law.

A medical cannabis patient includes both a qualified patient as defined in Health and Safety Code section 11362.7 and a person in possession of a valid identification card issued under Health and Safety Code section 11362.71.

All medical cannabis patients will be verified using the following procedures, which exceed state requirements:

1. Upon entry, a medical patient will be asked to produce an acceptable form of identification for verification. Acceptable forms of identification include:
    a. A document issued by a federal, state, county, or municipal government, or a political subdivision or agency thereof, including, but not limited to, a valid motor vehicle operator's license, that contains the name, date of birth, height, gender, and photo of the person;
    b. A valid identification card issued to a member of the Armed Forces that includes the person's name, date of birth, and photo; or
    c. A valid passport issued by the United States or by a foreign government.

2. Once the patients' identity is verified, they will be asked to produce a valid physician's recommendation or state issued medical cannabis identification card.
    a. If the patient produces a physician's recommendation, the staff member will verify the following:
        i. Staff will confirm the doctor's license is active and in good standing using the California Medical Board's online license verification program, BreEZe

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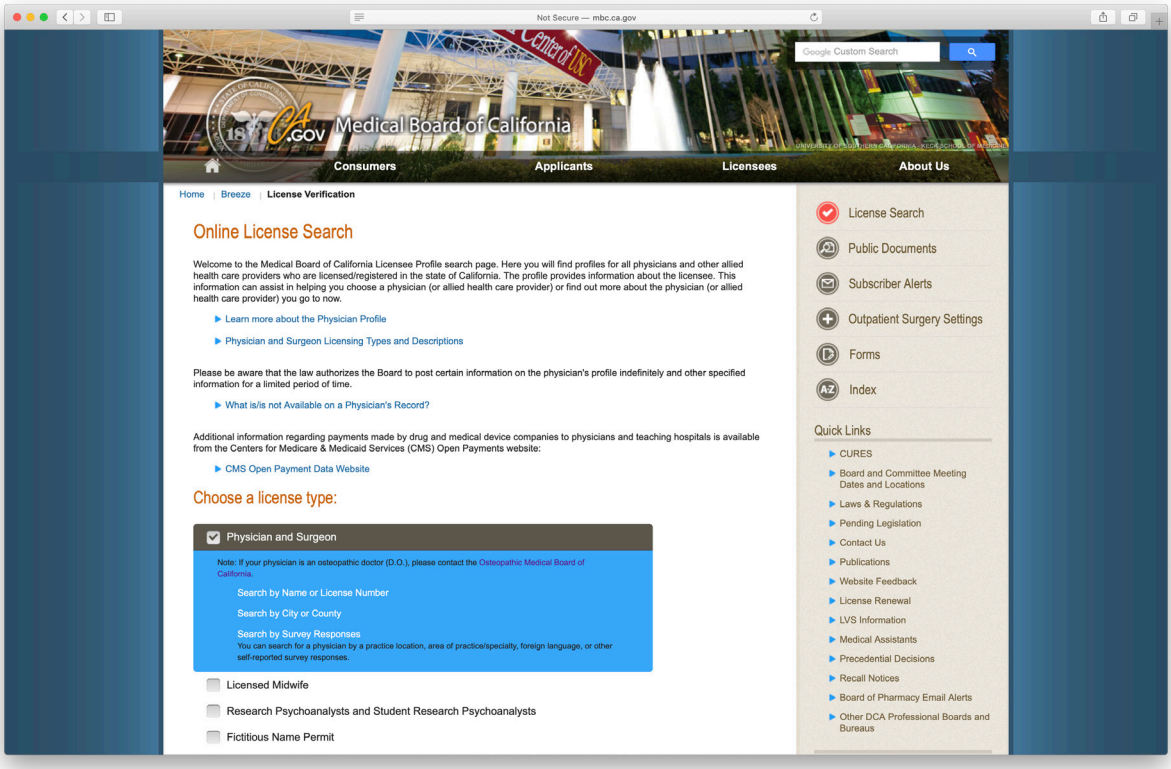

ii. Upon verification that the physician's license is in good standing and active, the staff member will utilize the online verification system provided by the doctor to verify that the medical recommendation is valid. IF no online platform is available the staff member will call the physician's office and manually verify the recommendation

b. If the patient produces a state issued medical cannabis identification card, the staff member will utilize the official website administered by the California Department of Public Health to verify the patient's identification card.

i. The California Department of Public Health's Medical Marijuana Identification Card Program (MMICP) was established to create a state authorized Medical Marijuana Identification Card (MMIC), along with a web-based system for verification of MMICs issued. The MMICP web-based verification system allows law enforcement and the public to verify the validity of a qualified patient or primary caregiver's MMIC as approved to possess, grow, transport, and/or use medical marijuana within California.

Each MMIC is assigned a nine-digit Unique User Identification Number (UUID Number). By entering a UUID Number below, you may verify the validity of an MMIC. An MMIC is considered VALID if the UUID Number was assigned to an individual and the card is active. An MMIC is considered INVALID if the UUID Number was not assigned to an individual or the card is expired. MMICP does not receive or retain any personally identifiable information.

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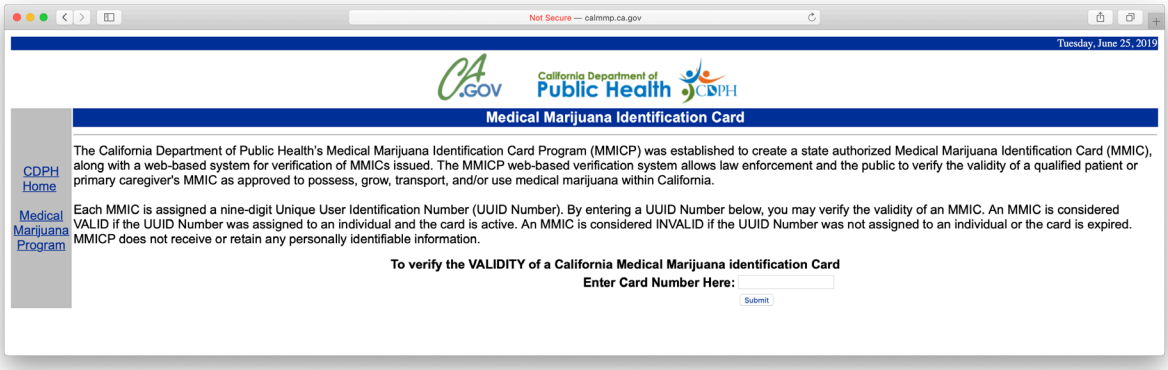

3. Once the above procedures are complete the following outcomes are possible:
    a. The patient is properly verified and allowed into the commercial cannabis premises. Their information is entered into the Treez Point of Sale system and their records are stored in a HIPAA compliant database to meet state guidelines for record retention.
    b. The patient's verification fails and they are asked to promptly leave the premises and only to return with valid documentation.

YOUTH ACCESS RESTRICTION PROCEDURES

Embarc will fulfill the goals of the county and state with our commitment to protecting youth. The company has some of the strongest advertising and marketing restrictions in California. This attention to such a critical component of balancing access and regulation is amplified in our robust access controls.

The location is designed such that no commercial cannabis activity is visible to the public from the exterior. Upon entry, patients and guests must first enter a check-in area. This check-in area is visible from the exterior but entirely separate from the subsequent space that contains all commercial cannabis activity. Customers will be verified as qualified for premises access in the secure lobby – a room designed to prevent any direct contact between Embarc personnel and an entrant prior to checking in with a valid government issued photo identification.

Customers will be required to provide valid government issued photo identification to the receptionist. The receptionist will copy the identification card data using a magnetic card reader, specifically the CAV-2000 portable age verification system. The receptionist will also verify that the person possessing the identification is the person present. This process will ensure no one under the age of 21 is able to enter the premises.

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CAV-2000 | Portable Age Verification

CARDCOM TECHNOLOGY

CAV-2000

While most everyone takes precautions when checking identification, it only takes one slip up, one false I.D. and you can be facing penalties. And with today's zero tolerance for under age drinking and tobacco use, complying with state laws is an ongoing battle. Stay ahead of the curve and protect profits today with the ViAge.

The CAV-2000 is the most affordable, durable, and easy to use product on the market. It eliminates the human error factor, improves employee efficiency, reduces customer confrontation, and gets the law on your side. The CAV-2000 requires only a simple swipe of an ID card and you have the verification you need. No user training needed, it can be used portable or plugged in, and it's stand alone so there are no connections or service agreements necessary.

Try yours today with our 30 day guarantee.

CAV-2000 Portable Age Verification

Features

- Reads all magnetic stripe Drivers License / Identification cards in the U.S. and Canada
- Calculates and displays the Age, Name, Date of Birth, Expiration date and Address of the formatted ID cards.
- Displays Credit Card Number, Card Holders Name & Expiration Date for Verification Purposes. Credit card data can be transmitted to POS terminal with an optional cable.
- Simple one swipe operation
- Graphic LCD with backlight
- Audio output in form of a buzzer

Functions

- Reads and displays all Drivers License / Identification cards / Credit Card information
- Performs Age Verification & Credit Card reading
- Can be programmed to read any custom or proprietary formatted magnetic stripe cards

Compatible States:

U.S.: AL, AR, AZ, CA, CO, FL, IA, KS, LA, MI, MN, NH, NM, OH, PA, SC, TX, VT

CANADA: BC, NB, NS, NF, QB

CAV-2000

Display Screen

*Standard Format
21 <DOB> 01-22 1983
John Doe
EXP: 01-22-2005

*Scrolled Screen
21 <DOB> 01-22 1983
12345 Abcde Blvd.
EXP: 01-22-2005

*Credit Card Information
CC 51084000010 94962
USA, COLLEGE, S
EXP: 07-00-2007

*Age Restricted Item Information
BORN BEFORE...
03-12-1986
03-12-1983
TODAY: 03-12-2004

Contact your CardCom representative today for more information on how you can get started right away.
Leasing plans available. Full implementation takes no longer than a day from inception to execution.

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CARDCOM TECHNOLOGY www.viage.com

Exceeding state and local standards, and as a redundant measure of security to prevent youth access, all cannabis goods purchased by a patient or guest will be placed in an opaque, resealable child-proof exit package. He or she will then exit the premises with this bag, ensuring cannabis products are not visible.

A record keeping policy that ensures records will be kept in accordance with State laws and regulations.

RECORD RETENTION

The retail store shall keep and maintain the following records related to commercial cannabis activity for at least seven years:

(1) Financial records including, but not limited to, bank statements, sales invoices, receipts, tax records, and all records required by the California Department of Tax and Fee Administration (formerly Board of Equalization) under title 18, California Code of Regulations, sections 1698 and 4901.

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(2) Personnel records, including each employee's full name, social security or individual taxpayer identification number, date employment begins, and date of termination of employment if applicable.
(3) Training records including, but not limited to, the content of the training provided and the names of the employees that received the training.
(4) Contracts with other licensees regarding commercial cannabis activity.
(5) Permits, licenses, and other local authorizations to conduct the licensee's commercial cannabis activity.
(6) Security records, except for surveillance recordings required pursuant to state guidelines.
(7) Records relating to the composting or destruction of cannabis goods.
(8) Documentation for data or information entered into the track and trace system.
(9) All other documents prepared or executed by an owner or their employees or assignees in connection with the licensed commercial cannabis business.

All required records shall be prepared and retained in accordance with the following conditions:

(1) Records shall be legible; and

(2) Records shall be stored in a secured area where the records are protected from debris, moisture, contamination, hazardous waste, fire, and theft.

All records are subject to review by the Bureau of Cannabis Control as well as other governmental agencies any time the retail store is exercising the privileges of the license or at any other time as mutually agreed to by the Bureau of Cannabis Control and the retail store. Prior notice by the Bureau to review records is not necessary. The Bureau may review records outside of the licensee's standard daily business hours.

Records shall be kept in a manner that allows records to be produced for the Bureau immediately upon request at the licensed premises in either hard copy or electronic form, whichever the Bureau requests.

As previously discussed, Embarc will use Treez point of sale software to manage and store transaction information including records, reports, manifests, and any other documents generated by the business. Treez is an integrated software platform that automatically enforces best practices with a focus on compliance and loss prevention.

The system utilizes an Application Programming Interface (API) to facilitate a direct online connection to METRC, the State's Track and Trace platform. This enables Embarc's sales data from Treez to be uploaded directly to METRC, reducing risk of diversion, loss and theft, while maintaining the integrity and safety of cannabis products as they move through the supply chain.

Treez's data management is one of the few that is HIPAA-compliant.

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A description of track and trace measures that will be implemented.

TRACK AND TRACE REPORTING

The retail store shall record in the track and trace system all commercial cannabis activity, including:

(1) Packaging of cannabis goods.
(2) Sale and transfer of cannabis goods.
(3) Transportation of cannabis goods to a licensee.
(4) Receipt of cannabis goods.
(5) Return of cannabis goods.
(6) Destruction and disposal of cannabis goods.
(7) Laboratory testing and results.
(8) Any other activity as required pursuant to this division, or by any other licensing authority.

The following information shall be recorded for each activity entered in the track and trace system:

(1) Name and type of the cannabis goods.
(2) Unique identifier of the cannabis goods.
(3) Amount of the cannabis goods, by weight or count, and total wholesale cost of the cannabis goods, as applicable.
(4) Date and time of the activity or transaction.
(5) Name and license number of other licensees involved in the activity or transaction.
(6) If the cannabis goods are being transported.

If there are any discrepancies between the type or quantity of cannabis goods specified in the shipping manifest and the type or quantity received by the licensee, the retail store shall record and document the discrepancy in the track and trace system and in any relevant business record.

If cannabis goods are being destroyed or disposed of, the retail store shall record in the track and trace system the following additional information:

(A) The name of the employee performing the destruction or disposal.
(B) The reason for destruction and disposal.
(C) The entity disposing of the cannabis waste.

Description for any adjustments made in the track and trace system, including, but not limited to:
(A) Spoilage or fouling of the cannabis goods.
(B) Any event resulting in damage, exposure, or compromise of the cannabis goods.

All transactions must be entered into the track and trace system within 24 hours of occurrence.
The retail store shall only enter and record complete and accurate information into the track and trace system and shall correct any known errors entered into the track and trace system immediately upon discovery.

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LOSS OF CONNECTIVITY

If at any point the retail store loses connectivity to the track and trace system for any reason, the retail store shall prepare and maintain comprehensive records detailing all commercial cannabis activities that were conducted during the loss of connectivity.

The retail store shall notify the Bureau of Cannabis Control immediately for any loss of connectivity, and shall not transport, receive, or deliver any cannabis goods until such time as connectivity is restored. Licensees shall submit such notices on the Notification and Request Form, BCC- LIC-027.

Once connectivity has been restored, the retail store shall:

(1) Within three calendar days, enter all commercial cannabis activity that occurred during the loss of connectivity into the track and trace system.
(2) Document the cause for loss of connectivity, and the date and time for when connectivity to the track and trace system was lost and when it was restored.

TRACK AND TRACE SYSTEM RECONCILIATION

In addition to other inventory reconciliation requirements, the retail store shall reconcile the physical inventory of cannabis goods at the licensed premises with the records in the track and trace database at least once every 30 calendar days.

If the retail store finds a discrepancy between its physical inventory and the track and trace system database, the store shall conduct an audit, and notify the Bureau of any reportable activity.

KSC: Completeness and effectiveness of inventory control plan

INVENTORY CONTROL

Consistent with Article 3 § 5033 of the Bureau of Cannabis Control regulations, all inventory stored on the licensed premises shall be secured in a limited-access area. The limited-access storage area will be controlled by biometric access and only employees with the appropriate security clearance will be allowed access.

Additionally, the singular entry point to the storage area will have a dedicated security camera at its entrance and a dedicated security camera within the storage room. This location is detailed in our security plan.

Strict inventory records will be kept in accordance with Article 6 § 5048 of the Bureau of Cannabis Control Regulations through METRC track and trace software. Additionally, to provide a redundant measure of transparency and to ensure total compliance, Embarc will utilize Treez, an enterprise-quality retail management software serving the leading dispensaries in the United States.

All inventory records will kept on-site electronically as well as stored in the cloud for a period of 7 years. If Embarc finds a discrepancy between the inventory of stock and the inventory log or track and trace system that is outside of normal weight loss caused by moisture loss, Embarc will commence a full audit of its inventory. Where a discrepancy remains, Embarc will initiate and internal investigation in attempts at identifying the source of the discrepancy. Where the discrepancy is not resolved, notification

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to the Bureau of Cannabis Control, Contra Costa County and local law enforcement will be made.

RECORD STORAGE

As previously discussed, Embarc will use Treez point of sale software to manage and store transaction information including records, reports, manifests, and any other documents generated by the business. Treez is an integrated software platform that automatically enforces best practices with a focus on compliance and loss prevention.

The system utilizes an Application Programming Interface (API) to facilitate a direct online connection to METRC, the State's Track and Trace platform. This enables Embarc's sales data from Treez to be uploaded directly to METRC, reducing risk of diversion, loss and theft, while maintaining the integrity and safety of cannabis products as they move through the supply chain.

Per state requirements, this data, including transaction information, patient records, reports, manifests and any other documents, are stored both physically and electronically in the cloud for a period of at least seven years.

TRACKING AND DIVERSION PREVENTION

Elevating public health and safety is paramount to Embarc and preventing of diversion is arguably the most important measure to ensure the greatest level of public health and safety.

For that reason, we will not only comply with Article 6 § 5048 of the Bureau of Cannabis Control Regulations and implement METRC track and trace software, but as previously discussed we will also utilize Treez, an enterprise-quality retail management software with added and integrated tracking and management.

Treez includes tools for customer intake, task management, inventory purchasing and sales, and employee time and profitability tracking. The platform includes features to streamline inventory management by maximizing yield and reducing shrinkage. *Treez customers have experienced a rate of .01% cash discrepancy and .05% inventory discrepancy.*

The software also includes tools to monitor employee accountability, enforce tasks and time management, while deterring theft and diversion. Treez meets all standards for a point of sale software system. The system tracks inventory, data, sales, weight, purchase price, gross receipts and mark-up percentages.

This software overlay integrates with METRC but also creates an additional layer of software designed to provide complete inventory transparency that identifies diversion in a more comprehensive manner than what is required by the state.

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Embarc will implement exhaustive measures and policies to prevent product diversion, theft and loss. The Head of Security will conduct a Loss Prevention Assessment and Training after all relevant employee roles are filled. This will strengthen Embarc's existing security procedures and engage experts to help identify and prevent internal and external opportunities for shrinkage. Additionally, the Operator will conduct a daily inventory reconciliation, which surpasses the state's requirements.

Thorough and disciplined use of Treez by all employees will also be critical in preventing diversion and loss prevention. The Operator will be designated the sole "owner" and account manager for the Treez system and will complete all state mandated training prior to operation. He will be responsible for overseeing the administration of software for Embarc in compliance with Bureau of Cannabis Control, Article 6, Track and Trace Requirements.

Embarc will be accountable for all actions of its employees while using the system and will therefore take employee training very seriously. The Operator will be tasked with resolving any track and trace compliance notifications within 3 business days. The Operator shall ensure staff accurately record each of the following activities: sales, transportation, receipt, and destruction, as well as the name and type, unique identifier, weight or count, date and time of activity or transaction, license number and name, and transportation of products. If access to the system is lost, the track and trace system manager will oversee preparation and maintenance of records during the loss of access, in accordance with BCC §5050. He shall reconcile physical inventory of goods with records in the system database once a week (BCC §5052).

Strict records for inventory will be kept in accordance with Article 6 § 5048 of the Bureau of Cannabis Control Regulations through METRC track and trace software. Additionally, to provide a redundant measure of transparency and to ensure total compliance, Embarc will utilize Treez, an enterprise-quality retail management software serving the leading dispensaries in the United States. All records for inventory will kept on-site electronically as well as stored in the cloud for a period of 7 years. If Embarc finds a discrepancy between the inventory of stock and the inventory log or track and trace system that is outside of normal weight loss caused by moisture loss, ECC will commence a full audit of its inventory. Where a discrepancy remains, Embarc will initiate and internal investigation in attempts at identifying the source of the discrepancy. Where the discrepancy is not resolved, notification to the Bureau of Cannabis Control and local law enforcement will be made.

PRACTICES FOR PREVENTING DETERIORATION OF ANY CANNABIS GOODS HELD BY THE APPLICANT, INCLUDING ANY PRACTICES FOR RESPONDING TO PRODUCT RECALLS

The strict use of our software to track products will allow Embarc to have a complete under- standing of when a product was manufactured, when it arrived at the premises and how long it has been in stock. As seen in the site plan and renderings, refrigerators will be installed for products that require temperature control. All other shelf-stable products will be stored at a constant temperature in the limited-access storage area to prevent deterioration.

While these measures are important to ensure the freshness and quality of a product, they are critical in the event of a product recall. Upon the issuance of a recall, Embarc will be able to immediately identify all affected inventory through METRC and Treez in real time, allowing Embarc to place an immediate stop to the sale of potentially contaminated product and to conduct a thorough inventory review to ensure all recalled product is accounted for and properly addressed.

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PRACTICE FOR TRANSFER/TRANSPORT OF CANNABIS PRODUCTS TO AND FROM PREMISES

Sourcing products only from licensed distributors ensures that all products arriving at the dispensary are handled in a professional manner that meets industry best practices for quality and safety. In addition, deliveries will be received between the hours of 9 a.m. to 9 p.m. We have provided a wide window for deliveries to prevent potential theft by making deliveries unpredictable.

We have ensured deliveries will take place prior to sunset to further ensure safety of our employees and customers. Deliveries will be received by a team of no fewer than two staff members, who will receive the products, store them in the secured area, and properly enter them into the Treez track and trace system. Our on-site security personnel will act as an additional layer of security in addition to the security personnel accompanying the load provided by the distribution company. All deliveries will also occur under camera supervision.

CURRENCY SECURITY

Strict controls will be applied to cash handling procedures. A manager will be responsible for proper accounting, transacting, and handling of currency.

Currency on site, when present, will be stored in a burglary resistant safe that meets the recommended standards of Underwriters' Laboratory (UL) for the amount of currency stored.

In the event that the average currency storage exceeds the standard for the safe installed, additional safes or a replacement safe commensurate to the UL recommendations for the new stored amount will be installed. Any safe used for currency storage on the premises will weigh at least 800 pounds, maintain a fire resistance rating of at least one hour, be made of metal and be anchored to the permanent structure of the building.

As currency requires movement to an offsite storage facility, currency transportation will be managed by way of armed, uniformed escort, in the form of an armored carrier licensed by the California Highway Patrol.

Staff will be trained on the following policies and procedures:

- Cash will be kept out of view of general staff and public;
- The counting of cash will be limited to designated, management office of the facility;
- All currency counting and storage areas will be under overt video surveillance;
- Management will ensure that all currency is placed in the safe as soon as possible.

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An odor control plan that describes how the business will prevent odors from impacting neighboring parcels or creating a public nuisance.

KSC: Are the proposed odor control measures likely to be effective in preventing odors that will disturb neighboring properties or create a nuisance and in protecting the quality of the indoor air for the health of employees and customers?

ODOR CONTROL PLAN

The following air quality management plan demonstrates that air circulation resulting from Embarc does not impact our employees' health and welfare or surrounding businesses and surrounding outdoor areas.

Our proposed project is unlikely to generate odor. All cannabis products will be delivered in final, packaged form, as required by State regulations. All packaging shall: a) protect the product from contamination; b) be tamper evident and sealed so the contents cannot be opened without destruction of the seal; and c) be child-resistant as stipulated by the California Department of Public Health Code, Section 40415. The scope of our proposed project includes receiving, storing and selling packaged product in its final form only. It is improbable that any onsite product will emit odor.

Should there be any odor, Embarc will employ methods to prevent odors emanating from the storefront retail facility from being detected either inside or outside the facility. Embarc will not be conducting any cultivation, testing, packaging, extraction or distribution, and no noxious fumes or gases will be released.

Embarc will use a carbon charcoal scrubber to remove contaminants and impurities using chemical absorption which will prevent odor from escaping the facility. Carbon charcoal scrubbers are an industry

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best practice and are also effectively neutralizing and mitigating odor from other industries. Carbon filtration systems will be installed inside the facility—recommended for most effective use.

The Operator will be responsible for the development, implementation and maintenance of the Odor Management Plan. This includes maintenance of all records relating to odor management including system installation, maintenance, equipment malfunctions and deviations from the plan.

The Operator will verify the effectiveness of the air quality management system weekly by physically inspecting the system by listening for the sound of the system, visually ensuring the lights are on and the system is functioning and verifying there is no odor. The Operator will log that the system has been checked weekly in an odor control maintenance log.

In the event that Embarc receives an odor complaint, the Operator will:

- Log the date, time, source, contact information and description of the complaint.
- Within 30 minutes, the Operator will identify the source of the odor by physically inspecting the facility for any unpackaged cannabis product that may be emitting odor. This includes inspection of all areas of the retail premises including secure storage area and retail floor, or any other areas where cannabis products are featured or stored.
- Upon identification of the source of odor, the Operator will dispose of the flower, or cannabis product, in a secure and air-tight, secure waste disposal area and log the disposal in the track and trace system as well as the odor control log.
- The Operator will also physically inspect the odor control system, within 30 minutes of receiving an odor complaint, to ensure it is functioning properly.
- If the Operator identifies that the odor control system is malfunctioning, the Operator will immediately contact the manufacturer.
- The Operator will see if the issue can be addressed with the manufacturer over the telephone. If the malfunction cannot be resolved over the phone, the Operator will schedule the first available appointment with the manufacturer to visit the retail facility to physically inspect the odor control system.
- If the odor control system cannot be fixed, the Operator will immediately place an order for the first available replacement part or new system.
- The Operator will immediately communicate the complaint and resolution with the Embarc team via email within 2 hours.
- The Operator will discuss the source of the odor complaint or issue and its resolution with the team at the next team meeting to develop and implement procedures to avoid a future odor complaint.

In the event that Embarc makes a modification to the cannabis facility or operation that has the potential to impact the nature or degree of odor, or affect the control of odor, the Operator will update the Odor Management Plan within 30 days of the facility modification.

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Size, height, colors, design and location of any proposed signage at the business.

KSC: Signage plan (interior and exterior), including plan for avoiding marketing to youth

EXTERIOR BUSINESS IDENTIFICATION SIGNAGE

Business identification signage for Embarc shall conform to the requirements of state law and Contra Costa County municipal code 88-8 section 88-28.408 (I) which stipulates that the proposal must include the size, height, colors, and design of any proposed signage at the business.

Size: The sign will be 9 square feet and will measure 1' x 9'
Height: The top of the sign will be approximately 13'
Colors: The lettering will be white and there will be no background as the sign is only an outline of the lettering and logo
Design: The sign will be an internally illuminated channel letter sign
Location: The sign shall not exceed ten percent of the area of the wall on which it is placed, and the sign shall be located on the wall fronting Pacheco Boulevard.

Furthermore, per 88-8.610 of the municipal code, no portion of the sign shall project above the eaves, facia, or parapet of the building on which it is placed, and the sign shall not project more than one foot from the building.

Additionally, the sign will fully comply with 88-8.1002 and therefore the sign will not:

(1) Flash, rotate, simulate action or has a moving part that is visible from a public street
(2) Be or become dilapidated
(3) Be attached to a fence
(4) Be a mobile sign

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(5) Be an A-board sign
(6) Have banners, flyers, pennants or pinwheels
(7) Be a reader board
(8) Be a non-accessory sign
(9) Be painted on a wall, fence, structure, or building
(10) Identify above first floor tenants except in building directory and window signs.

Finally, the proposed sign will be applied for, and will go through, the sign review procedure where:

(a) All sign applications shall be reviewed by the zoning administrator as provided in Section 26-2.1204 under procedures established in Chapter 26-2.
(b) An advisory review committee may be appointed by the board of supervisors for the purpose of providing consultation for the zoning administrator.

Only after administrative review and approval, where the reviewing body determines the following, will the sign be placed on the proposed site:

(1) The sign has the same character and quality of design as the exterior architecture of the property and area where it is located.
(2) The location of the sign will function so as not to impair the use of the property and will not conflict with the visibility, location, or arrangement of existing signs. The sign will not impair the use, value, or investment of existing adjacent signs.

INTERIOR SIGNAGE

The following signs shall be visibly posted with a clear and legible notice. Customers will be notified of the following notices, which will be posted conspicuously within the premise:

1. Smoking, ingesting or otherwise consuming cannabis on the premise and in the areas adjacent to Embarc Contra Costa is prohibited.
2. Original copy of the Land Use permit issued by the County.
3. County issued business license inside the business in a readily visible location to the public.
4. State issued commercial cannabis license.
5. The sale or diversion of cannabis or cannabis products without a permit issued by the County of Contra Costa is a violation of state law.
6. Secondary sale, barter or distribution of cannabis or cannabis products purchased from Embarc Contra Costa is a crime and can lead to arrest.
7. Patrons must immediately leave the premises and not consume cannabis or cannabis products until at home or in an equivalent private location.
8. The use of cannabis or cannabis products may impair a person's ability to drive a motor vehicle or operate heavy machinery.
9. California proper 65 warning: smoking of cannabis and cannabis products will expose you and those in your immediate vicinity to cannabis smoke. Cannabis smoke is known by the State of California to cause cancer.

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ADDITIONAL SIGNAGE

Each face of the structure and vehicle access point will maintain prominently displayed metal signs prohibiting trespass (citing California Penal Code 602K) and establishing parking by permit only (citing California Vehicle Code 22658).

Additional prominent signage will indicate prohibitions against possession of alcoholic beverages, weapons and illegal drugs on the premises.

All advertising, signs, and shelving will be placed and maintained in a manner that ensures that law enforcement personnel have a clear and unobstructed view of the interior of the premises from the exterior of the premises.

VISIBILITY OF CANNABIS & SIGNAGE

Cannabis, cannabis products or graphics depicting cannabis within the facility, or while being delivered to the facility, will not be visible to the naked eye from the perspective of a pedestrian immediately outside the property line of the facility.

As detailed above, the facility will limit business identification signage to a single sign posted in accordance with the local ordinance. Such signage will be limited to the identification of the licensed business' name and will contain no advertising by way of symbols, language, music, gestures, cartoon characters or other content elements known to appeal primarily to persons below the legal cannabis consumption age. The sign will not extend above the highest point of a parapet wall or the lowest point of a sloping roof.

Upon or adjacent to each door accessing the structure, the business will post a sign, not less than 12 inches wide and 12 inches tall, composed of letters not less than one inch in height, stating materially that "All Activities on the Premises are Monitored and Recorded by Video Camera". Signage will make it apparent that video surveillance is in operation at the facility and recording all activity. If the installed surveillance system incorporates audio recording features, this capability of the system will also be indicated by the signage.

Upon issuance, all applicable State and local business licenses and tax certificates will be conspicuously posted in the lobby of the premises.

The business will post a sign in a conspicuous place on the outside of the building, near the entry to the premises clearly and legibly posted indicating that the following are prohibited upon the premises:

- Smoking, ingesting, or consuming cannabis, marijuana, alcohol;
- Possessing deadly weapons, including concealed firearms by licensed parties;
- Persons under the age of 21 (unless over 18 with medical cannabis registration);
- Wearing of hats, sunglasses, hoodies or other accessories that obscure identity; and
- Personal bags, backpacks, duffel bags, large purses, or other containers

AVOIDING MARKETING TO YOUTH

Paramount above all else is our children. We understand how impressionable youth are and that is why we will work with our Advisory Board to ensure any advertising we do will not appeal to children.

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Additionally, we will not advertise on television and will err on the side of caution with our marketing collateral. Our website will have an age-gate portal and will not be accessible for anyone under the age of 21.

Our marketing plan will be evaluated by our Community Advisory Board prior to implementation, and we expect details like font type, color and image to be included as review criteria.

Most of our marketing will be word of mouth as well as through the use of very selective online platforms designed to help customers and patients locate cannabis. We will perform outreach to palliative care facilities and through the existing network of our leadership team.

Any advertising or marketing that is placed:

1. Shall only be displayed after the retail store has obtained reliable up-to-date audience composition data demonstrating that at least 71.6 percent of the audience viewing the advertising or marketing is reasonably expected to be 21 years of age or older;
2. Shall not use any depictions or images of minors or anyone under 21 years of age;
3. Shall not contain the use of objects, such as toys, inflatables, movie characters, cartoon characters, or include any other display, depiction, or image designed in any manner likely to be appealing to minors or anyone under 21 years of age; and
4. Shall not advertise free cannabis goods or giveaways of any type of products, including non-cannabis products. This includes promotions such as:
    a. Buy one product, get one product free;
    b. Free product with any donation;
    c. Contests, sweepstakes, or raffles.

For these purposes, "reliable up-to-date audience composition data" means data regarding the age and location demographics of the audience viewing a particular advertising or marketing medium. Per state regulations, "Reliable up-to-date audience composition data" does not include data from the most recent United States decennial or special census, or the annual population estimate for California counties published by the Demographic Research Unit, State Department of Finance.

Immediately upon request, the retail store shall provide to the Bureau of Cannabis Control audience composition data for advertising or marketing placed by the retail store. Embarc will gladly provide this information to the County upon request as well.

A parking plan that establishes how all off-street parking requirements will be met.

The proposed premises for the commercial cannabis dispensary is 1,951 square feet, on a 0.75 acre site. County requirements mandate one space per every three hundred square feet of gross floor area. This means we are required to provide at least 7 offsite parking spaces.

There are currently 16 parking spaces. We are increasing this parking to at least 29 spaces – at least 21 of which will be for patrons. This is more than four times the required off-street parking, far exceeding minimum requirements.

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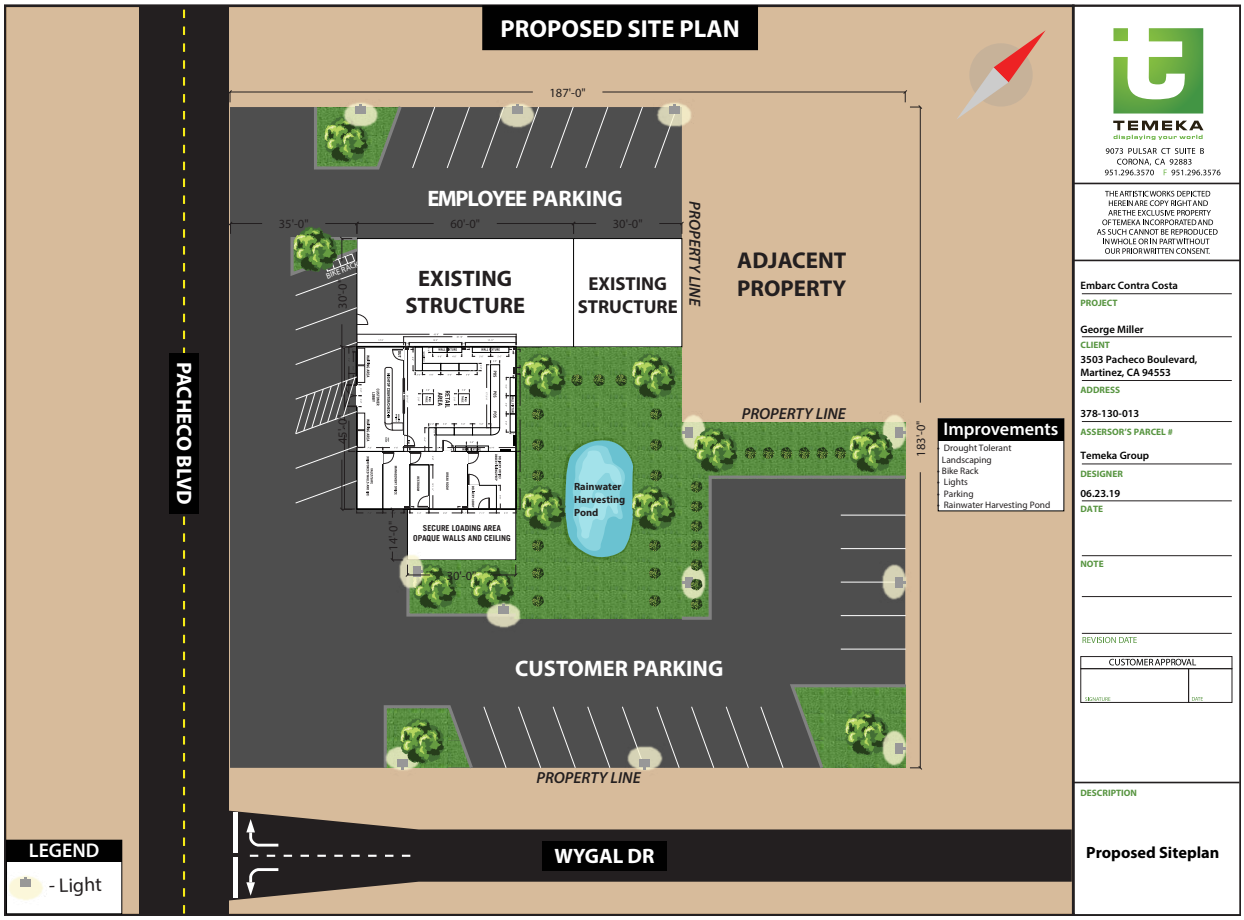

Additionally, as discussed in other sections, we will encourage alternative modes of transportation including public transportation and bicycle transportation. The site is less than 150 feet from the nearest public transportation station, and we will have secure bike storage in front of the building.

Furthermore, we will install electric vehicle charging stations that will be powered by our solar system to encourage the use of zero emission vehicles.

A security plan that establishes how all security requirements in State laws and regulations will be satisfied.

To avoid redundancy, a complete security plan can be found in Section 4.

Details regarding how cannabis and cannabis products will be received, stored, handled, transported, and secured to prevent theft and trespass.

STORAGE OF INVENTORY

All inventory stored on the licensed premises shall be secured in a limited-access area.

The retail store shall not store cannabis goods outdoors.

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Employee break rooms, changing facilities, and bathrooms shall be separated from all storage areas.

Each location where cannabis goods are stored must be separately licensed.

RECEIVING SHIPMENTS OF INVENTORY

The retail store shall receive a shipment of cannabis goods only from a licensed distributor or licensed microbusiness authorized to engage in distribution.

During business hours, shipments of cannabis goods shall not enter the licensed premises through an entrance or exit that is available for use by the public.

INVENTORY DOCUMENTATION

The retail store shall maintain an accurate record of its inventory.

The retail store shall provide the Bureau of Cannabis Control with the record of inventory immediately upon request.

The retail store shall keep a record of the following information for all cannabis goods the licensed retailer has in its inventory:

(a) A description of each item such that the cannabis goods can easily be identified;
(b) An accurate measurement of the quantity of the item;
(c) The date and time the cannabis goods were received by the retail store;
(d) The sell-by or expiration date provided on the package of cannabis goods, if any;
(e) The name and license number of the licensed distributor or licensed microbusiness that transported the cannabis goods to the retail store; and
(f) The price the retail store paid for the cannabis goods, including taxes, delivery costs, and any other costs.

INVENTORY RECONCILIATION

The retail store shall be able to account for all of its inventory.

In conducting an inventory reconciliation, the retail store shall verify that the physical inventory is consistent with the records pertaining to inventory.

The result of inventory reconciliation shall be retained in the retail store's records and shall be made available to the Bureau of Cannabis Control upon request.

If the retail store identifies any evidence of theft, diversion, or loss, the licensed retailer shall notify the Bureau and law enforcement.

If a significant discrepancy is discovered between the retail store's physical inventory and the retail store's inventory records, the retail store shall notify the Bureau of Cannabis Control and law enforcement.

The determination on whether a discrepancy in inventory is significant shall be made in accordance with the following:

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(a) A significant discrepancy in inventory means a difference in actual inventory compared to records pertaining to inventory of at least 3 percent of the average monthly sales of the licensee.
(b) Average monthly sales shall be calculated by taking a per month average of the total sales for the previous 6 months. If the retail store has not been in operation for at least 6 months, only the months in which the licensee was operating shall be used in determining average monthly sales.
(c) The acquisition price shall be used to determine the value of cannabis goods in a licensee's inventory.

RETAILER PREMISES TO RETAILER PREMISES TRANSFER

The retail store may arrange for the transfer of cannabis goods from one retail premises to another licensed retail premises if both retail licenses are held under the same ownership.
Any movement of cannabis goods shall be properly entered into the state track and trace system.

REQUIREMENTS WHILE NOT OPEN FOR BUSINESS

At any time the business is not open for retail sales, a licensed retailer shall ensure that:

(a) The licensed premises is securely locked with commercial-grade, nonresidential door locks;
(b) The licensed premises is equipped with an active alarm system which shall be activated when the licensed retailer or its employees are not on the licensed premises; and
(c) Only employees of the licensee and other authorized individuals are allowed access to the licensed premises. Authorized individuals include individuals employed by the licensee as well as any outside vendors, contractors, or other individuals conducting business that requires access to the licensed premises.

Significantly, as a voluntary safety measure to eliminate the possibility of diversion, there will be no live products on the sales floor.

Additional Information Required for Storefront Retail

In addition to the information required in the business plan, site and building plans and operating plan, a proposal for a storefront retailer must provide information on how the following requirements will be satisfied:

A storefront retailer's hours of operation may not begin earlier than 8:00 a.m., and they may not end later than 9:00 p.m.

Embarc's retail storefront and delivery services will be open to the public between the hours of 9:00 a.m. and 9:00 p.m. Monday through Sunday.

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A retailer shall implement and maintain the security measures required by Business and Professions Code section 26070(j). At the same time that a retailer provides notice to a licensing authority and law enforcement under Business and Professions Code section 26070(k), the retailer shall provide that same notice to the Department.

As fully articulated in the security plan contained in Section 4, and throughout our standard operating procedures, Embarc is committed to providing for the highest levels of public health and safety and will meet and exceed the security measures required by the State of California and Contra Costa County.

Embarc will fully implement and maintain the security measures required by Business and Professions Code section 26070(j). Per Business and Professions Code section 26070(k), a retailer shall notify the licensing authority and the appropriate law enforcement authorities within 24 hours after discovering any of the following occurrences. Embarc will notify any additional entities desired by the County as part of the standard operational procedures.

A proposal for a storefront retailer must indicate whether the storefront retailer will provide deliveries.

As detailed in "Description of the Proposed Business" in the Business Plan, Embarc proposes to operate both storefront and non-storefront (delivery) commercial cannabis retail activities. Embarc Contra Costa will apply for a Type 10 license with the State of California. Type 10 licenses allow for storefront and non-storefront commercial cannabis retail activities and will include the ability to service both medical and adult use populations.

If delivery is proposed, the applicant shall describe how its employees who deliver cannabis or cannabis products will comply with Section 88- 28.412(b)(Deliveries) of the County Cannabis Ordinance.

State regulations regarding delivery are more robust than Contra Costa County Cannabis Ordinance Section 88-28.412(b)(Deliveries) and as such we will comply with all state (and thus County) delivery regulations.

However, the County does exceed State regulations as it relates to vehicle ownership.
Under California code section 5417, the state requires a vehicle used for the delivery of cannabis goods to be outfitted with a dedicated Global Positioning System (GPS) device for identifying the geographic location of the delivery vehicle and recording a history of all locations traveled to by the delivery employee while engaged in delivery. A dedicated GPS device must be owned by the licensee and used for delivery only. Unlike the County, it does not require the vehicle to be owned by the retailer. Embarc will be consistent with both regulations and install GPS systems into company owned delivery vehicles.

Embarc will offer in-home delivery powered by the industry leading software platform for deliveries. This platform is responsible for over 3,000,000 deliveries in the state and fully integrates with METRC, the state's track and trace service.

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Additionally, drivers will not carry cash and will only accept credit or debit cards through the merchant account that has already been established.

Our in-home delivery service will comply with local and state laws as defined in California Code of Regulations, Title 16, Division 42, §5414-21.

- All deliveries of cannabis goods shall be performed by a delivery employee who is at least 21 years of age and directly employed by Embarc. All deliveries of cannabis goods shall be made in person in an official delivery vehicle.
- The process of delivery will begin after an order is placed by phone or over the internet when the delivery employee leaves the Embarc premises with the cannabis goods for delivery. The process of delivering will end when the delivery employee returns to the Embarc premises after delivering the cannabis goods, or attempting to deliver cannabis goods, to the customer(s).
- During the delivery process, the employee will not engage in any activities except for cannabis goods delivery and necessary rest, fuel, or vehicle repair stops. The driver will carry a copy of the current license, the employee's government-issued identification, and an identification badge provided by Embarc pursuant to section 5043 of the Bureau of Cannabis Control regulations.
- Prior to providing cannabis goods to a delivery customer, a delivery employee shall confirm the identity and age of the delivery customer as required by section 5404 of the BCC regulations and ensure that all cannabis goods sold comply with requirements of section 5413 of the regulations.
- Embarc will only deliver cannabis goods to a physical address in California. The employee will not leave the State of California while possessing cannabis goods.
- The driver will not deliver cannabis goods to an address located on publicly owned land or any address on land or in a building leased by a public agency. This prohibition applies to land held in trust by the US for a tribe or an individual tribal member unless the delivery is authorized by and consistent with applicable tribal law.

DELIVERY VEHICLE REQUIREMENTS

Embarc's employee carrying cannabis goods for delivery will only travel in an official Embarc delivery vehicle and that vehicle will only be operated by that employee. The vehicle will not have any marking or other indications on the exterior that may indicate that the delivery employee is carrying cannabis goods for delivery. Only the employee shall be in the delivery vehicle.

While carrying cannabis goods for delivery, a licensed Embarc employee shall ensure the cannabis goods are not visible to the public. Cannabis goods will be locked in a fully enclosed cage that is secured on the inside of the vehicle. Embarc's delivery employee will not leave cannabis goods unattended unless the

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vehicle is locked with an active vehicle alarm system. Any cannabis goods left in the unattended vehicle will be stored in the locked container cage that is secured on the inside of the vehicle.

The vehicle will be outfitted with a dedicated Global Positioning System (GPS) device for identifying the geographic location of the delivery vehicle and recording a history of all locations traveled by the delivery employee while engaged in delivery.

At all times, Embarc will be able to identify the geographic location of all delivery vehicles that are making deliveries and will document the history of all locations traveled to by a delivery employee while engaged in delivery. Embarc will provide this information to the Bureau of Cannabis Control or the County upon request. The history of all locations traveled to by the delivery employee while engaging in delivery shall be maintained by Embarc for a minimum of 90 days.

Upon request, Embarc will provide the Bureau of Cannabis Control or the County with information regarding any motor vehicle used for the delivery of cannabis goods, including the vehicle's make, model, color, vehicle identification number, license plate number and Department of Motor Vehicles registration information.

CANNABIS GOODS CARRIED DURING DELIVERY

The state's rules prohibit delivery employees from carrying cannabis goods in the delivery vehicle with a value in excess of $5,000 at any time.

Before leaving the licensed premises, Embarc's delivery driver will have a delivery inventory ledger of all cannabis goods provided to the delivery driver. For each cannabis good, the delivery inventory ledger will include the type of good, the brand, the retail value, the track and trace identifier, and the weight, volume or other accurate measure of the cannabis good.

All cannabis goods prepared for an order that was received and processed prior to the delivery driver's departure will be clearly identified on the inventory ledger. After each customer delivery, the delivery inventory ledger will be updated to reflect the current inventory in possession of the licensed retailer's delivery driver. Delivery inventory ledgers may be maintained electronically.

The delivery driver will maintain a log that includes all stops from the time he/she leaves to the time the driver returns, and the reason for each stop. The log will be turned in after each delivery. Embarc will maintain the log as a commercial cannabis activity record as required by the Bureau of Cannabis Control in electronic format.

Immediately upon request by the Bureau of Cannabis Control or any law enforcement officer, Embarc's delivery driver will provide:

1. All delivery inventory ledgers from the time the licensed retailer's delivery driver left the licensed premises up to the time of the request;
2. All delivery request receipts for cannabis goods carried by the driver, in the delivery vehicle, or any deliveries that have already been made to customers; and
3. The log of all stops from the time the licensed retailer's delivery driver left the licensed premises up to the time of the request.

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Upon returning to the licensed premises, all undelivered cannabis goods will be returned to inventory and all necessary inventory and track and trace records will be updated as appropriate that same day.

Under no circumstances will the driver consume cannabis goods while delivering cannabis goods to customers.

RECEIPTS

Embarc will prepare a hard copy or electronic delivery request receipt for each delivery of cannabis goods with the following information:

1. The name and address of the licensed retailer;
2. The first name and employee number of the delivery employee who delivered the order;
3. The first name and employee number of the employee who prepared the order for delivery;
4. The first name of the customer and assigned customer number for the person who requested the delivery;
5. The date and time the delivery request was made;
6. The delivery address;
7. A detailed description of all cannabis goods requested for delivery, including the weight, volume, or any other accurate measure of the amount of all cannabis goods requested;
8. The total amount paid for the delivery, including any taxes or fees, the cost of the cannabis goods, and any other charges related to the delivery; and
9. Upon delivery, the date and time the delivery was made, and the handwritten or electronic signature of the customer who received the delivery.

At the time of the delivery, the employee will provide the customer who placed the order with a hard or electronic copy of the delivery request receipt. The employee will retain a hard or electronic copy of the signed delivery request receipt.

DELIVERY ROUTE

While making deliveries of cannabis goods, the employee will only travel from the licensed premises to the delivery address; from one delivery address to another delivery address; or from a delivery address back to the licensed premises. The employee will not deviate from the delivery path described in this section, except for necessary rest, fuel, or vehicle repair stops, or because road conditions make continued use of the route unsafe, impossible, or impracticable.

Products: A retailer shall ensure that all cannabis and cannabis products at the premises of the retailer are cultivated, manufactured, transported, distributed, and tested by licensed and permitted facilities that maintain operations in full conformance with all applicable state and local laws, regulations, and ordinances, including this chapter.

Our leadership team has spent years analyzing the new legal standards, researching best practices, and cultivating relationships with like-minded cannabis business owners who have fully transitioned to the new 2019 legal market.

Embarc Contra Costa will only conduct business with other State licensed cannabis businesses who can provide proof of their State license certificate. The Operator, Head of Compliance, Head of Strategy

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and Head of Regulatory Affairs have established business relationships with the leading suppliers in the space through their existing work in the industry. These partnerships ensure that when Embarc Contra Costa opens to the public, it will be able to consistently meet consumer demand for quality product without interruption.

Embarc Contra Costa will partner with HERBL Distribution Solutions for access to their menu of licensed products and brands and to provide transport and distribution services. Pursuant to State regulations, HERBL will provide Embarc Contra Costa with documentation that the product shipments are compliant with packaging and labeling requirements, pass State testing standards, and were cultivated, manufactured and tested by state licensed cannabis businesses. This information will also be recorded in the Track and Trace system, and our internal software, Treez (see attached LOI), which integrates with the state's system.

POWERED BY TREEZ

HERBL™ DISTRIBUTION SOLUTIONS

PRODUCTS

Embarc is a cannabis dispensary and wellness brand with a focus on products that are non-psychoactive. Many of the products we will carry will not contain tetrahydrocannabinol, or "THC," the psychoactive substance found in many adult-use products. Instead, we will focus heavily on products that contain cannabidiol or "CBD," a non-psychoactive substance found in FDA-regulated products such as Epidiolex.

While we will still carry traditional adult-use products, our associates will be trained to advise customers on the availability of non-psychoactive products that may also provide the effects they are seeking.

Embarc takes product testing very seriously, as consumer safety is a critical component of our value system. Some customers who are medical patients have weakened immune systems, making them susceptible to further illness and sensitive to under-tested medicine.

As many of the products on the market are inhalable, ensuring the products are held to the most rigorous testing standards is not only the law but also the right thing to do. Since HERBL is providing our products, they are required to oversee all quality control and testing verification, consistent with California Business and Professions Code 26100.

In addition to meeting state regulatory standards through the process described below, we will be working directly with Cannalysis, the state's leading cannabis compliance testing lab, to perform periodic random testing to ensure the integrity of the testing protocols.

Embarc will fully comply with all state and local rules and regulations regarding product testing and safety standards. As a company policy, no employee, owner, or agent of the business will have a financial interest in a state-licensed testing facility. In addition, Embarc will only purchase its inventory from other licensees that have already submitted inventory to quality assurance testing pursuant to state and local laws. We will require licensed testing laboratory vendors to conduct quality assurance tests of can-

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nabis and cannabis-infused products for moisture content, foreign matter inspection, microbiological screening, pesticides, other chemical residue and metals screening, and residual solvent levels. See Attachment H – Testing and Tracking.

Embarc will comply with Division 10, Chapter 10 of the California Business and Professions Code Sections 26100—26106 to ensure that only cannabis and cannabis-infused products that meet the approved guidelines are sold to customers. Embarc will only purchase products from other properly licensed cannabis businesses that have been tested for quality assurance and that have patent expiration dates for fitness of consumption on all packaging and labeling.

TOPICALS

PRE-ROLL

FLOWER

LIQUIDS & GEL CAPS

CONCENTRATES

EDIBLES

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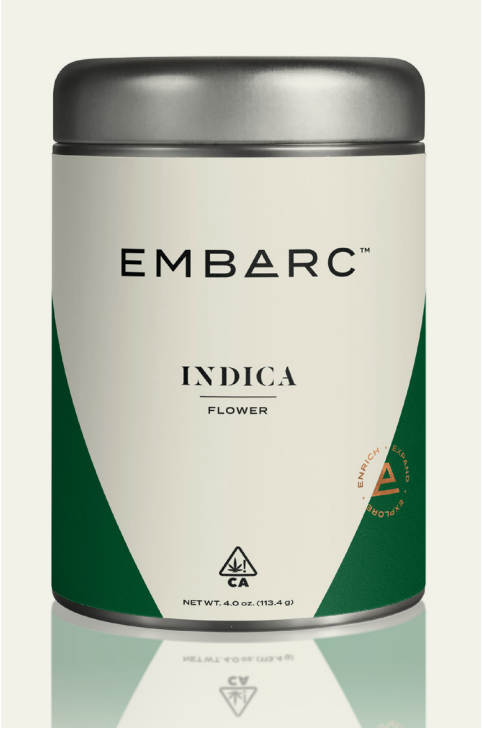
Embarc Products



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Section 4

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Security Plan

4. Security Plan

This proposal includes a security plan that establishes how all security requirements in State laws and regulations will be satisfied. Additionally, the security plan clearly identify the security measures to both deter and prevent unauthorized entrance into the business.

In accordance with the proposal guidelines for commercial cannabis applications in Contra Costa County, the following security plan meets and exceeds those attributes identified for the County's assessment of Embarc's application. To assist the reviewing body, this cover letter is intended to summarize those identified points of interest. Following the cover letter is a complete security plan tailored specifically to the site.

A complete security plan has been provided identifying all proposed security measures in detail:

Embarc has contracted the foremost security consultant in Northern California, a cannabis security planner who has developed over 350 cannabis security plans without a single modification or rejection from any government entity to date. Our consultant also serves as the cannabis security consultant for the Police Departments of Dixon and Benicia and sits on the City of Sacramento's Cannabis Policy Enforcement Task Force as an advisor. The security plan that follows incorporates fifty-five pages of content incorporating thorough descriptions of standards and practices that will be employed in Embarc's storefront and non-storefront retail operations.

The security plan identifies and describes all active security measures:

Active security measures incorporated into the plan that follows include the assignment of uniformed security officers, live-monitored video surveillance (during business hours) and an array of UL listed and monitored alarms inclusive of contact points, motion detectors and duress/robbery alarms situated. The alarm design, components, installer and monitoring will comply with UL Standard 681, Extent 2.

The security plan identifies and describes all proposed security measures:

The plan that follows identifies and describes, in detail, design features, equipment, services, training, policies and practices that meet or exceed those requirements of Contra Costa County, the State of California, and best industry practices as they relate to burglary prevention, robbery prevention, theft and diversion prevention, workplace safety and crime prevention through environmental design (CPTED).

Active security measures are described in appropriate detail and will be effective:

Active security measures identified above are explored in great detail throughout the plan that follows. Long term efficacy, however, requires ongoing testing and maintenance of the security plan. The plan that follows identifies numerous duties of the Head of Security aimed at ensuring that the Security Plan is adhered to, regularly reviewed and updated to reflect changes in regulations and

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best practices alike; including a commitment to have the plan reviewed and audited on an annual basis by a third party security professional.

Passive security measures are described in appropriate detail and will be effective:

Passive security measures incorporated into the plan that follows include a robust surveillance system exceeding State and local requirements, as well as comprehensive CPTED (crime prevention through environmental design) concepts inclusive of target hardening, territorial reinforcement and natural surveillance.

Security camera plan is described in appropriate detail and will be effective:

The security camera plan incorporated into the Security Plan that follows involves over fifty cameras, each operating at twice the regulatory state minimum resolution, but more importantly designed to produce a designated pixels-per-foot (PPF) rating (80 interior, 100 exterior). Resolution, frankly, means nothing in terms of video quality. A high megapixel rated camera monitoring an expansive area will produce insufficient PPF for positive identification. The camera layouts are provided for both interior and exterior environments, ensuring no blind spots and distinctive coverage of all areas where cannabis and currency may be stored, loaded, unloaded, moved or transacted upon and about the premises.

Information is provided on how site layout conducive to security:

Incorporated into the Security Plan are off-street customer parking spaces situated for strong natural surveillance from the public thoroughfare, sufficiently near the structure to provide for uniform, white lighting, and sufficiently close to the structure to provide for high-quality video production of these areas. Incorporated into the overall site plan is a distinct employee parking area (gated), enhancing security of employees arriving/departing – the time frame most prone to commercial robbery. Opening and closing policies incorporating supervision by armed security officers complement these designs. To enhance security of distributor and non-storefront retail loading/unloading, a secure loading scenario has been incorporated; as well as a separate, door-redundant screening lobby dedicated to vendors and delivery operations. The secure loading area has been designed opposite of customer parking, providing territorial reinforcement hereabouts.

Information is provided on how interior layout conducive to security:

Incorporated into the Security Plan that follows is a detailed premise diagram demonstrating stringent access control and staff protection, enhanced natural surveillance and placement of critical areas (security infrastructure, cannabis storage and currency storage) in areas that cannot be seen by customers, and which maximize the time and distance that an offender would have to overcome in accessing these critical areas of the premises. The design inherently reduces opportunities for diversion, restricting access to these areas to management personnel. Further reducing the potential for internal diversion, the storefront and non-storefront work groups are separated, with all product transfers between these aspects requiring passage through the management office for heightened accountability.

Details on employee background check measures:

Incorporated into the Security Plan are employee background stipulations well beyond State and local requirements, incorporating a commitment for use of a third party, accredited background

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investigation service beyond pre-employment and extending to annual reviews. Complementing this effort are written commitments relative to reporting of discovered/new violations to local and state authorities and a commitment to terminating the employment of any employees accumulating a prohibited conviction during their employment period.

Product security measures:

Within the product security heading of the Security Plan that follows, procedures are outlined that describe how the retail area will maintain only that stock required to support average daily sales, how cannabis goods will be efficiently removed from the retail area after hours and secured in a product storage room of reinforced construction and protected by no fewer than three solid core, alarmed, electronically controlled/monitored doors.

Document and cash storage security measures:

Within the Security Plan that follows, currency safe commitments consistent with UL recommendations are applied, as are cash handling procedures and a commitment to using an armored carrier licensed by the California Highway Patrol to conduct daily currency transfers to an off-premises secure location.

Security measures beyond minimum standards:

Beyond those local and state requirements, the Security Plan that follows implements a vast array of best practices including but not limited to exterior lighting commitments, sensible (PPF-based) camera resolution standards, UL Standard 681 application to its alarm infrastructure, specific training standards/content for employees, stringent loading security standards, whistleblower protections, off-premises security measures for delivery personnel, contingency plans, crime prevention measures, crime scene protection measures and more. As technologies and best practices respond to industry and societal changes, Embarc is also committed to its security plan's full auditing and upgrading by third party security professional on an annual basis throughout the life of its business.

COMPLETE SECURITY PLAN FOLLOWS

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Security Plan

PREMISES USES:

Cannabis Storefront Retail (Dispensary) & Non-Storefront Retail (Delivery)

FACILITY ADDRESS:

3503 Pacheco Boulevard
Martinez, CA 94553

PREPARED:

June 20th, 2019

PREPARED BY:

Matt Carroll, Head of Security

PREPARER CREDENTIALS:

AA, Administration of Justice, Shasta College
BS, Criminal Justice, Sacramento State University
Qualified Manager, Paladin Private Security, PPO 15029
CPTED Practitioner, National Institute of Crime Prevention
Retired, Port Police Officer, Port of Sacramento Police Department
Cannabis Security Consultant (Contractor), Benicia Police Department
Cannabis Security Consultant (Contractor), Dixon Police Department

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Consultant Biography

The security plan that follows was developed by Matthew Carroll. Carroll holds an A.A. in the Administration of Justice (Shasta College, 1997), is a graduate of a California Peace Officer Standards and Training Academy (Sacramento County Sheriff's Training Center, 1998), holds a B.S. in Criminal Justice (Sacramento State University, 2000), is a tactical communication instructor through the Verbal Judo Institute (2000), and is a Crime Prevention Through Environmental Design practitioner (National Institute of Crime Prevention, 2009).

Carroll has served in the private patrol industry since 1995, serving in an array of capacities from field services, throughout managerial roles and executive-level leadership. In 2003, Carroll co-founded Paladin Private Security in Sacramento as the Qualified Manager of California Private Patrol Operator license number 15029. In June of 2019, Paladin sold its business to First Alarm and Security, Inc., a California based wholly owned subsidiary of the fourth largest private security firm in America: SOS Security LLC. Carroll currently serves as a contract employee with SOS.

Carroll is also the co-founder of the Sacramento Security Training Center, a state licensed security, baton and firearms training center (TFF1511, TFB1320) and is a proprietary software developer specializing in relational database, web application, GPS tracking and mobile app development.

Carroll served in public law enforcement from 1997-2001 with the Sacramento County Sheriff's Department and later with the Sacramento-Yolo Port District Police Department from 2001 until its disbandment in late 2006. While employed as a police officer with the port district, Carroll was tasked with bringing the Port of Sacramento into compliance with post 9/11 maritime security requirements. This involved extensive security planning, development and implementation of access control, training and maintenance protocols, management of quarterly drills and semi-annual exercises in collaboration with the Federal, State and local allied agencies. Carroll's Facility Threat Assessment and Facility Security Plans for the Port of Sacramento were deemed model plans and were used by the US Coast Guard as templates to assist other western seaboard ports in the development of their own plans.

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Since the legalization of adult use cannabis businesses in California, Carroll has been highly sought out by the commercial cannabis community for assistance in plan development to meet and exceed State and local regulations. Carroll's work in this regard attracted support requests from the public sector as well. To date, Carroll has developed over 350 commercial cannabis security plans. Carroll is currently under contract with the Dixon Police Department and the Benicia Police Department as a cannabis security consultant. As a police consultant, Carroll trains police and code enforcement personnel on cannabis regulations, assists in developing local regulations, reviews/scores cannabis business applications, interviews cannabis business applicants and conducts periodic compliance visits on behalf of those police departments contracting his services.

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Foreword

Embarc Contra Costa (referenced hereafter as "ECC" for brevity) acknowledges that there are considerable risks in operating a cannabis-related business. Those risks include risk of burglary, robbery, internal theft, theft by outside parties, product diversion by both employees and customers, risk of minors accessing product, and risk to the safety of. ECC is committed to ensuring a safe environment that mitigates as much risk as reasonably possible. Risk mitigation strategies include, but are not limited to, implementing those security requirements mandated by State and local laws. In addition to ensuring the safety and security of its employees, vendors and customers, ECC acknowledges that it is responsible for safeguarding against the theft or diversion of cannabis, and any records, be they in hardcopy documents or in digital form.

The following Security Plan has been developed in alignment with local and state laws. This Plan will be implemented by the Head of Security of ECC once appointed, as well as other key members of ECC's management team. The Plan will be maintained to ensure its relevancy and efficacy throughout the life of the business. The plan will be audited by a third-party security professional prior to implementation, at least annually thereafter, and after any significant security breach or incident to ensure that the plan remains effective and that areas needing improvement are addressed as they are discovered.

The plan will remain available for review by regulatory agencies (including local law enforcement) and will be updated as any changes to the facility infrastructure, security systems, policies or practices are made. ECC will work closely with local law enforcement and other regulatory agencies as necessary to ensure that the plan meets or exceeds those minimum requirements imposed by regulatory agencies and legislative changes.

The plan is intended to serve as a living document governing the business' security during its design, and throughout its years of operation. The plan will be amended by the Head of Security over time

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to address equipment or policy changes and will include specific details relating to installed security equipment, contracts, maintenance schedules, logs and evidence of compliance with the routine security auditing aspects called for in this plan. The plan will be maintained in a manner that ensures sufficient detail is available to future managers who may be required to assume responsibilities as the Security Director. The plan will be held in confidence, stored in a secure location and accessible only to managers and owners of the facility.

Security policies, procedures and practices that are relevant to non-managerial employees, vendors and visitors will be parsed from this plan and provided to such persons in a format appropriate for their training, testing and accountability with respect to the plan.

Scope of Plan

ECC acknowledges that the State of California and many local authorities remain amidst the process of establishing and refining regulations relevant to the cannabis industry. The scope of this plan is specific to security and is not intended to establish compliance with local or state requirements beyond the specific scope of security strategies and standards. The author warrants that the plan that follows meets or exceeds those local and State regulations that were in effect as of the date that this plan was produced (see cover) but cannot and does not warranty the plan against future requirements.

To assist ECC in maintaining this plan in an up-to-date and relevant state, two versions of this plan have been provided to ECC: a non-editable version (PDF) and an editable version (.DOC). ECC acknowledges that the only authorized use of the editable version is for the making those changes necessary to address regulatory changes, changes in business practices and changes to security equipment or procedures relevant to this, and only this, premises.

Areas beyond the scope of this plan that ECC is responsible for identifying on diagrams (relevant to retail operations) are incorporated in California Code of Regulations Title 16, Division 42, Section 5006 as follows. ECC acknowledges that it is responsible for providing any supplemental information required in this section if not already identified on the site diagrams provided to the author in preparation of this plan.

> (a) An applicant will submit to the Bureau, with the application, a complete and detailed diagram of the proposed premises. The diagram will be used by the Bureau to determine whether the premises meets the requirements under this division and the Act. The Bureau will deny an application if the premises does not qualify for licensure pursuant to Business and Professions Code section 26057.

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(b) The diagram will show the boundaries of the property and the proposed premises to be licensed, showing all boundaries, dimensions, entrances and exits, interior partitions, walls, rooms, windows, and doorways and will include a brief statement or description of the principal activity to be conducted therein.

(c) The diagram will show and identify commercial cannabis activities that will take place in each area of the premises and identify limited-access areas. Commercial cannabis activities that will be identified on the diagram include the following, if applicable to the business operations: storage, batch sampling, loading or unloading of shipments, packaging and labeling, customer sales, loading for deliveries, extraction, cultivation, and processing.

(d) The diagram will show where all cameras are located and assign a number to each camera for identification purposes

(e) The diagram will be to scale.

(f) The diagram will not contain any highlighting and the markings on the diagram will be in black-and-white print.

(g) If the proposed premises consists of only a portion of a property, the diagram must be labeled indicating which part of the property is the proposed premises and what the remaining property is used for.

(h) If the proposed premises consists of only a portion of a property that will contain two or more licensed premises, the diagram will clearly show the designated entrances and walls under the exclusive control of ECC for the premises, as well as the designated entrances and walls for each additional premises. The diagram will also show all proposed common or shared areas of the property. Such areas may include lobbies, bathrooms, hallways, and breakrooms.

(i) If the proposed premises will be a microbusiness that includes cultivation activities, in addition to the requirements of subsections (b) through (g), the premises diagram will also include all the required information for a premises diagram under section 5501(d) of this division.

(j) If a proposed premises is located on only a portion of a property that also includes a residence, the diagram will clearly show the designated buildings for the premises and the residence.

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Designated Security Representative

ECC's management team member(s) designated as the security liaison(s), who will be reasonably available to meet with regulators regarding any security related concerns or any operational issues is/are:

FIRST AND LAST NAME:	Matt Carroll
TITLE:	Head of Security
PHONE:	(916) 997-7329
E-MAIL ADDRESS:	Matt@embarccontracosta.com

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Crime Prevention Through Environmental Design (CPTED)

The physical design of the premises, its security strategies and policies governing the day to day operations of this facility have been incorporated using CPTED strategies including, but not limited to, natural surveillance, territorial reinforcement and target hardening. Research into criminal behavior demonstrates that the decision to offend or not to offend is more influenced by cues to the perceived risk of being caught than by cues to reward or ease of entry. Consistent with this research, CPTED based strategies emphasize enhancing the perceived risk of detection and apprehension.

NATURAL SURVEILLANCE

Natural surveillance limits the opportunity for crime by taking steps to increase the perception that the people throughout the premises can be easily detected. Natural surveillance occurs by designing the placement of physical features, activities and people in such a way as to maximize visibility. In designing a premises in this manner, potential offenders feel increased scrutiny and perceive few ways to avoid detection.

Methods employed at this facility to enhance natural surveillance include thoughtful landscaping, uniform white lighting, removal of opportunities for concealment, and placing high risk targets (currency or cannabis) in areas only accessible to those parties with legitimate business purposes.

In order to maintain strong natural surveillance, the facility will maintain the following policies:

- No materials, containers or inoperable vehicles will be stored outside on the premises;
- Parking on the premises will be strictly governed by policies limiting vehicles to employees and vendors, and only during business hours. Any vehicles unlawfully parked on the premises will be towed without unnecessary delay and in accordance with 22658 of the California Vehicle Code;
- Tree canopies, if present, will be maintained above 6 feet to enhance line of sight into and throughout the premises;
- Ground shrubbery, if present, will be limited to a maximum height of 24 inches; and
- Exterior landscaping within 10 feet of the facility will be free of locations which could reasonably be used by a person to conceal themselves.

TERRITORIAL REINFORCEMENT

Territorial reinforcement promotes social control through an enhanced definition of space and improved proprietary concern. An environment designed to clearly delineate private space promotes two distinct benefits. First, it creates a sense of ownership among normal users of a space. Owners have a vested interest and are more likely to challenge intruders or report them to security or law enforcement personnel. Second, the sense of owned space creates an environment where strangers, intruders and those otherwise misappropriating the space from its intended purpose stand out to normal users,

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making them more easily identified. By using buildings, fences, pavement, signs, lighting and landscape to express ownership and define public, semi-public and private space, territorial reinforcement occurs.

In order to enhance territorial reinforcement, the facility will maintain the following policies:

- The parking lot and perimeter landscape of the parcel will be meticulously maintained in order to communicate an alert and active presence occupying the space; and
- Private areas (all areas of the structure and its access points) will be posted with signage (described later in this plan) and equipped with overt security features.

TARGET HARDENING

Target hardening is a term used in security, law enforcement and military services and refers to the strengthening of a premises in order to protect it in the event of attack, or to reduce the risk of theft. It is believed that a strong, visible defense will deter or delay most opportunistic offenders.

Methods for target hardening that are incorporated into the security plan for this facility include:

- Ensuring all doors and windows are sourced and fitted in such a way that they can resist forcible entry;
- Adding hard barriers that resist vehicle and pedestrian intrusion;
- Separating the public/lobby aspect from the production rooms with door-redundancies to heighten access control;
- Maintaining landscape in a manner that eliminates opportunities for concealment;
- Maintaining a robust indoor and outdoor surveillance system;
- Maintaining a robust UL listed intrusion detection system;
- Maintaining a state of the art electronic access control system and commercial grade locks; and
- Maintaining stringent hiring and training standards including continuing education.

Visibility of Cannabis & Signage

Cannabis, cannabis products or graphics depicting cannabis within the facility, or while being delivered to the facility, will not be visible with the naked eye from the perspective of a pedestrian immediately outside the property line of the facility.

The facility will limit business identification signage to a single sign posted in accordance with local ordinance. Such signage will be limited to the identification of the licensed business' name and will contain no advertising by way of symbols, language, music, gestures, cartoon characters or other content elements known to appeal primarily to persons below the legal cannabis consumption age. The sign will not extend above the highest point of a parapet wall or the lowest point of a sloping roof.

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Upon or adjacent to each door accessing the structure, the business will post a sign, not less than 12 inches wide and 12 inches tall, composed of letters not less than one inch in height, stating materially that "All Activities on the Premises are Monitored and Recorded by Video Camera". Signage must make it reasonably apparent that video surveillance is in operation at the facility and recording all activity. If the installed surveillance system incorporates audio recording features, this capability of the system must also be indicated by signage.

Upon issuance, all applicable State and local business licenses and tax certificates will be conspicuously posted in the lobby of the premises.

The business will post a sign in a conspicuous place on the outside of the building, near the entry to the premises clearly and legibly posted indicating that the following are prohibited upon the premises:

- Smoking, ingesting, or consuming cannabis, marijuana, alcohol;
- Possessing deadly weapons, including concealed firearms by licensed parties;
- Persons under the age of 21;
- Wearing of hats, sunglasses, hoodies or other accessories that obscure identity; and
- Personal bags, backpacks, duffel bags, large purses, or other containers

Access Control Strategies

ECC acknowledges that it is responsible for the security of all cannabis items on the premises, including a responsibility towards ensuring adequate safeguards are in place against the theft or diversion of cannabis products and required records.

The Security Director will designate internal managers and will employ state licensed and locally authorized private security contractors to accomplish these goals. Contracted security services and their agents will be duly licensed and insured per the requirements of the California Private Security Services Act and in compliance with local regulations relevant to private security services where applicable.

The Security Director will ensure that all doors of the premise include commercial-grade door locks and that each interior and exterior door of the facility maintains an appropriate level of access control relevant to the area. Employees will only be granted biometric access to those areas of the premises that they are assigned duties.

All exterior doors will be of solid core construction and equipped with pry-resistant plates protecting the latch against forcible intrusion. All interior doors accessing limited access areas (those areas containing cannabis, currency, business/labor records and security infrastructure) will be equipped with steel frames and solid core doors.

All limited access areas, as described above, will be equipped with an electronic access control system

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requiring biometric signatures to access. Credentials to access a limited access area will be restricted to those employees with a business need to access the area, and only during those days and hours that the employee requires such access.

Any keys issued to employees (e.g. display cabinets) will be managed through a written or digital log and audited daily by the Security Director. Only managers designated by the Security Director will be permitted to take keys or electronic access credentials off-site.

The Security Director will ensure all locks and security equipment remain in good working order through daily auditing at the close of business.

Employees may not provide access to the premises to any other person. Only managers may grant temporary access to an employee, vendor, contractor, or visitor (regulatory inspectors).

All exterior entry points will be maintained in a closed and locked state when not in active use and will be monitored by a manager or security officer during all operating hours of the business. All interior doors accessing a limited access area as defined above will remain closed and locked when not in immediate use by an authorized employee.

When the business is not operating, all interior and exterior doors will be closed, locked and alarmed. All limited access rooms will be equipped with monitored contact points to prevent the facility alarm from arming if any limited access area's door is not closed.

All limited access rooms will be equipped with a door that contains an automatic closing and re-locking device to prevent inadvertent exposure upon vacating of an authorized user.

All packaged cannabis kept on the premises after business hours will be secured in a secure storage room identified on the included premises diagram. The secure storage room will be reinforced against intrusion as described below.

Any currency stored on the premises will be maintained in a metal safe weighing no less than 800 pounds, that is fire rated for no less than one hour of resistance, and which is securely anchored to the floor of the structure. The room(s) containing currency safe(s) will be accessible only to management staff and will be reinforced against intrusion as described below.

Rooms containing security system infrastructure including alarm controllers, video recording/storage servers, access control controllers, communication infrastructure and uninterruptable power supplies will be reinforced against intrusion as described below.

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Rooms requiring additional reinforcement in accordance with the above will incorporate the following measures:

- Walls/lid reinforced against intrusion by steel mesh, concrete block or plywood fastened by security screws and no less than ½ in thickness;
- Ceiling must be independent of that of the structure;
- Solid core door and metal frame. Frame will be securely fastened to structural supports of the room; and
- Room will not have penetrable perimeter features including windows, glass panes or unsecured ducting greater than 12 inches in diameter.

In the event that the facility stores cannabis products that require refrigeration, those items will be secured in a refrigerator or freezer capable of being locked and which has been securely anchored to the structure. Such refrigeration units will be contained within a room of reinforced construction as described above.

Pedestrian access into the facility from the outside will be limited to a single door visible from the public thoroughfare of Pacheco Boulevard. The access point will remain closed and locked when not in immediate use. A manager will be on duty during all operational hours of the facility and will be responsible for controlling access into the business for non-managerial employees, vendors and visitors.

The lobby door will open into an unmanned reception area from which no further uncontrolled access is possible without a key or electronic access credentials.

Employees will wear employer-issued identification card in a conspicuous manner at all times while on the premises. Identification cards will be controlled by a manager or an employee designated by a manager. Employee identification will be issued and collected daily to prevent loss or counterfeiting. Identification badges will:

- Be laminated or plastic coated;
- Include the "doing business as" name and license number of ECC;
- Include the first and last name of the employee;
- Include a unique employee number assigned by ECC; and
- Include a color photograph of the employee. The image will:
    - Clearly display the full front of the employee's face;
    - Be at least 1 inch in width and 1.5 inches in height; and
    - Be a color photograph.

Any solid core exterior doors will be equipped with a 180 degree viewing device to allow for additional screening of persons before allowing entry.

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During all hours when the facility is not in operation, all entrances and exits from the premises will be closed and locked. Keys and any employed electronic access credentials in addition to biometric controllers may only be taken off site by managers designated by the Security Director. The Security Director will maintain an accurate and updated log identifying those parties in possession of keys and credentials.

All entry points to a limited access area will require a key or electronic credentials and will be equipped with video surveillance.

Access control logs generated in accordance with this policy or through employment of digital access control systems will be retained for no less than 90 days.

Keys and any physical electronic credentials will be protected. They may not be loaned to third parties and will never be left unattended. All keys and physical electronic credentials issued to employees will be retained in the possession of the employee to whom they were issued and may not be transferred directly from one employee to another without logging of the transaction by a manager.

Employees must report any lost keys or physical electronic credentials to a manager immediately upon discovery of the loss. The Security Director will make a determination as to whether security has been compromised and whether re-keying will be necessary. It will be against ECC's policy for any employee to duplicate keys, share passwords, or share any electronic credentials.

KEY/ELECTRONIC CREDENTIAL ISSUANCE

Authorized individuals including employees, authorized contractors and authorized vendors may be permitted to check out a key or electronic credentials for use during their assigned work. The issuance will be for a specified period of time consistent with the authorized purposes for access.

Keys or any physical electronic credentials will be issued and collected daily to/from employees. A log of all issuance/return will be maintained by the Security Director. The record will include: Employee name and identifier; date issued; term of issuance if applicable; date to be returned; if applicable, and signature of the recipient and issuing manager.

When employment has been terminated, all keys and any physical electronic credentials will be returned and recorded by the Security Director. Failure to recover keys upon a termination of employment will require a core change at all locations where the unreturned key provides for access. Terminated employees or managers will be removed from any electronic access control system registries, alarm registries or surveillance software without delay and prior to the close of business on the date of the employee's or manager's termination.

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VISITOR PROCEDURES & BADGES

Visitors to the premises will be logged. All logs will be maintained by the Security Director for no less than 90 days. The visitor log will include Visitor name, date of birth, identification type and number (driver's license number), date of visit, duration of visit, purpose of visit, and name of person visiting. Visitors will be escorted at all times by a designated employee. All visitors will be required to conspicuously wear a visitor badge during the entirety of their visit. Visitor badges will be numerically assigned and printed on a colored medium. Visitor badges will be audited daily by the Security Director. In the event that a visitor badge is not recovered or is deemed missing, all visitor badges of that color will be destroyed and replaced with a new color. The Security Plan will designate the current color and will be updated upon any change in color, as well as on a random basis – no less frequent than monthly. All employees will be notified of a change to the visitor badge color and will be directed to immediately report to the Security Director any person(s) found on the premises wearing a visitor badge of the wrong color.

WINDOWS & STOREFRONTS

Windows and glass panes, where present, will be equipped with intrusion-resistant film. Glass storefronts, where present, will be protected against vehicular intrusion through the installation of bollards with a rating of no less than K4 or by comparably effective barriers where approved by local regulatory agencies. K4 rated bollards will also be placed adjacent to the outer wall of the product storage room to prevent vehicular intrusion into the product storage room as a means of burglary.

ROOF ACCESS

The operator will eliminate all means of gaining unauthorized access to the roof. Any interior or exterior roof ladders will be secured with locked ladder covers. Any and all roof hatches, skylights or vents capable of providing for intrusion will be reinforced against intrusion (e.g. steel grating, unique fasteners, monitored alarm components).

FENCING

Fencing, where added or modified, will be no less than 10-feet in height, constructed of decorative tubular steel and equipped with climb resistant toppers.

Intrusion Detection System

The licensed premises will engage the services of a licensed alarm company operator (ACO) who is listed with Underwriters' Laboratory (UL) to install, maintain, and monitor an alarm system that is armed at all times when the business is closed or unmanned by a manager. The system will include sufficient components to detect unauthorized entrance at all entry points, any roof access vulnerabilities and all exterior windows of the premises. The contracted UL listed alarm installer and monitoring center will be directed to meet or exceed UL Standard 681, Extent 2, in its equipment selections, installations, maintenance and monitoring.

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The monitoring center will be instructed to notify a duly licensed private patrol operator in the event of an activation. ECC will engage a licensed private patrol operator capable of providing a physical response in a timely manner, not to exceed 20 minutes. The private patrol operator will be instructed and equipped to notify the Security Director in the event of a breach in security (open door). The Security Director or its designee will be able to respond to assist in evaluating the activation within one hour.

Where evidence of criminal activity is discovered by the private patrol operator or the responding manager, those responding will retreat to a position of safety and observation, will alert local law enforcement and will assist law enforcement with all necessary access into the premises as is needed to investigate.

The alarm system will be comprised components including keypads, perimeter/contact sensors, motion detectors, panic buttons and audible sirens within the limitations imposed by ordinance.

The Security Director will be responsible for ensuring the alarm system and all components are in proper working order and that the system is tested in accordance with the monitoring company's recommendations; but not less than monthly.

Upon request, ECC will make all information related to security alarm systems, monitoring and alarm activity available to regulatory agencies including local law enforcement.

A manager will be the last employee leaving the premises at the end of business each day. There will be automated electronic notifications established to notify the Security Director and the contracted private patrol operator if the alarm is not armed after a programmed end-of-business time. As a fail-safe measure, the alarm system will be programmed to automatically arm at a programmed end-of-business time.

In the event that any element of the monitored alarm system becomes inoperable or faulty, the Security Director will ensure that the premises is staffed on a 24-hour basis by a designated manager or a licensed private patrol operator until such time as the alarm system is restored to full operability. Bypassing of faulty components/zones while the facility is unmanned is strictly prohibited.

A silent robbery alarm monitored by a UL listed central station will be installed, at minimum, near or within the within the lobby, product/currency storage areas, loading areas and the administrative office.

The facility alarm system will be equipped with battery back-up providing for at least 24-hours of continued operation in the event of a power failure.

A manager capable of providing access to all rooms of the premises will be able to respond to the premises within one hour of notification by the private patrol operator or law enforcement. ECC will provide to local law enforcement a contact list including all active managers capable of providing such a response. As changes are made to this contact list, ECC will update local law enforcement with a revised contact list within 24 hours of making the changes.

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ECC will maintain in good standing an alarm permit as required by local ordinance and will comply with all conditions of such permit. The alarm permit will be conspicuously posted in the lobby of the premises in accordance with local ordinance.

The facility alarm will be equipped with cellular back-up to ensure continued notifications in the event of a facility phone line disruption.

The facility alarm will be equipped with line monitoring features that perform frequent call backs between the on-site monitoring equipment and the UL listed central station to ensure no interruptions in system communication capabilities.

The facility alarm system will be equipped with non-emergency notification technology that allows managers and the contracted private patrol operator to be notified of detected system failures (e.g. power loss, communication loss, etc).

The facility alarm system will be equipped with an audit feature that allows the Security Director to audit, print and provide to regulators all system activity for no less than 90 days.

Employees whose work requires issuance of alarm codes will be issued an individual user code. Sharing of alarm codes is strictly prohibited. An audit trail will be maintained for no less than 90 days and will provide detail of which user codes are used and when they are used. The Security Director will audit this log for suspicious activity on a monthly basis and will maintain a log of auditing activities. Any suspicious activity discovered during the audit process will be immediately investigated.

Alarm panels used for code entry will be cleaned regularly (at least weekly) by the Security Director in order to prevent regularly used alphanumeric keys on the panel from being apparent. As panels show wear on routinely used alphanumeric keys on the panel, the Security Director will ensure replacement of the panel through the contracted alarm company.

Panels incorporated into the premises will be located near the entry points, but as far from the entry door and any windows as is practicable in order to prevent onlookers from being able to easily monitor codes being input by authorized users.

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Surveillance System

In compliance with local and state regulation, the business will utilize a digital video surveillance system that will be installed by a licensed third-party surveillance solution installer. The surveillance system will meet or exceed the following standards and will abide by the policies and practices described below:

The surveillance system will be capable of recording all areas designated on the premise diagram included herein and in any lighting conditions (day/night cameras). Cameras will be equipped with low light capability, auto iris and auto focus. Cameras will record at high resolution providing resolution of no less than 2 megapixels. The precise rating of the cameras may vary throughout the premises based on the intended frame of view.

Entry points to the premises, entry points to limited access areas and those areas where packaged cannabis, currency and security infrastructure is present will be equipped with cameras that provide a target-area resolution no less than 80 pixels per foot.

Exterior cameras focused on vehicle driveways will produce a target-area resolution of no less than 100 pixels per foot.

The video surveillance system will be transmission-controlled protocol (TCP) enabled and capable of access over the internet.

The surveillance system will be operational at all times, both during and after business hours. In the event that any element of the surveillance system becomes inoperable, the Security Director will ensure that the facility is staffed by a designated manager or by a licensed private patrol operator until such time as the surveillance system is restored to full functionality.

The premises will maintain sufficient cameras, angles of observation and lighting to allow facial identification of persons throughout interior and exterior areas where cannabis, currency or security infrastructure is present.

Each camera will be permanently mounted and in a fixed location. Each camera will be placed in a location that allows the camera to clearly record activity occurring within 20-feet of all points of entry and exit to and from the premises. The surveillance cameras will provide for the clear and certain identification of any person and activities in all areas recorded, which will include at minimum the following:

- Areas where cannabis is stored, loaded, unloaded, processed, prepared, transacted or otherwise handled or moved within the premises;
- Limited access areas (rooms containing cannabis, currency, security infrastructure and records);

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- Interior and exterior vantage points relative to all premises access points; and
- All sides of the building, vehicle driveways and adjacent public thoroughfares.

All surveillance recordings will be accessible to law enforcement or code enforcement officers at all times during operating hours and otherwise upon request.

All surveillance recording systems will have the capability of producing DVDs or other removable media of recordings made by the surveillance system, including still photograph images. Output will be of standard format (e.g. MPEG, JPG) and will not require proprietary software to open/transfer/view.

All surveillance recordings or still frames produced by the surveillance system will be accurately date and time stamped in accordance with measurements from the United States National Institute Standards and Technology standards. The Security Director will be responsible for updating or verifying accuracy of date and time stamping on a monthly basis, and as daylight savings time begins and ends.

The surveillance equipment and recordings will be stored in a locked, secure area that is accessible only to the management/ownership team, Security Director, or other authorized personnel designated by the Security Director.

Surveillance recordings will be subject to inspection by regulatory agencies and will be kept in a manner that allows regulators to view and obtain copies of the recordings at the licensed premises immediately upon request.

The physical media on which video recordings are stored will be stored in a secure manner sufficient to protect the recordings from tampering or theft.

Upon request from regulatory agencies, ECC will send or provide copies of specified recordings to regulatory agencies within the time specified by the regulatory agency.

The surveillance system will be equipped with a failure notification system that provides electronic notice to the Security Director and contracted private patrol operator in the event of any prolonged surveillance interruption or failure lasting longer than fifteen minutes.

The surveillance system will be equipped with sufficient battery backup or automatically starting generator to support a minimum of 24-hours of recording time in the event of a power outage.

The surveillance system will record at no less than 15 frames per second.

The surveillance system will provide for storage of consistent recordings for a period of no less than

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90 days as it relates to cameras within 20 feet of premises access points, product and currency storage rooms, access points to limited access areas, loading areas and rooms containing security infrastructure.

The surveillance system will provide for storage of consistent recordings for a period of no less than 30 days as it relates to cameras monitoring all exterior sides of the premises, the driveway accessing the premises, public thoroughfares adjacent to the premises and other interior recordings not subject to 90-day retention standard outlined above.

Access to surveillance infrastructure and recordings will be limited to managers of ECC.

Surveillance displays including sensitive areas (product/currency storage and loading areas) will be maintained in areas limited to management or security officer viewing.

Surveillance displays providing visibility of the employee parking areas and property perimeters will be provided at the loading area door and the employee exits, providing employees the ability to monitor the outside environment prior to departing the facility.

The Security Director or a manager with access to video storage will be able to respond to the facility within one hour of summoning by the contracted private patrol operator or law enforcement.

The facility will maintain a surveillance viewing area in an office that may be accessed only by the management or their assignees as needed. Assignees may include state or local law enforcement agencies, licensed private patrol operators, governing bodies' employees, and authorized service personnel or contractors. The entrance to this office will be locked whenever the office is not in use, and accessible by key or electronic credentials.

The Security Director will maintain a current list of all authorized employees and service personnel who have access to the surveillance system and surveillance room on the premises.

The Security Director will keep a surveillance equipment maintenance activity log on the premises to record all service activity including the identity of any individual performing the service, the service date and time and the reason for service to the surveillance system.

Surveillance system installation will be performed professionally, ensuring that placements and associated wiring are protected against intentional or unintentional damage. Cameras will be placed in a manner that avoids intentional or unintentional obscurity.

ECC will provide to its contracted private patrol operator and local law enforcement IP access to those surveillance cameras that monitor the exterior of the premises and the adjacent public right of ways or common areas of the common interest development, whichever applies.

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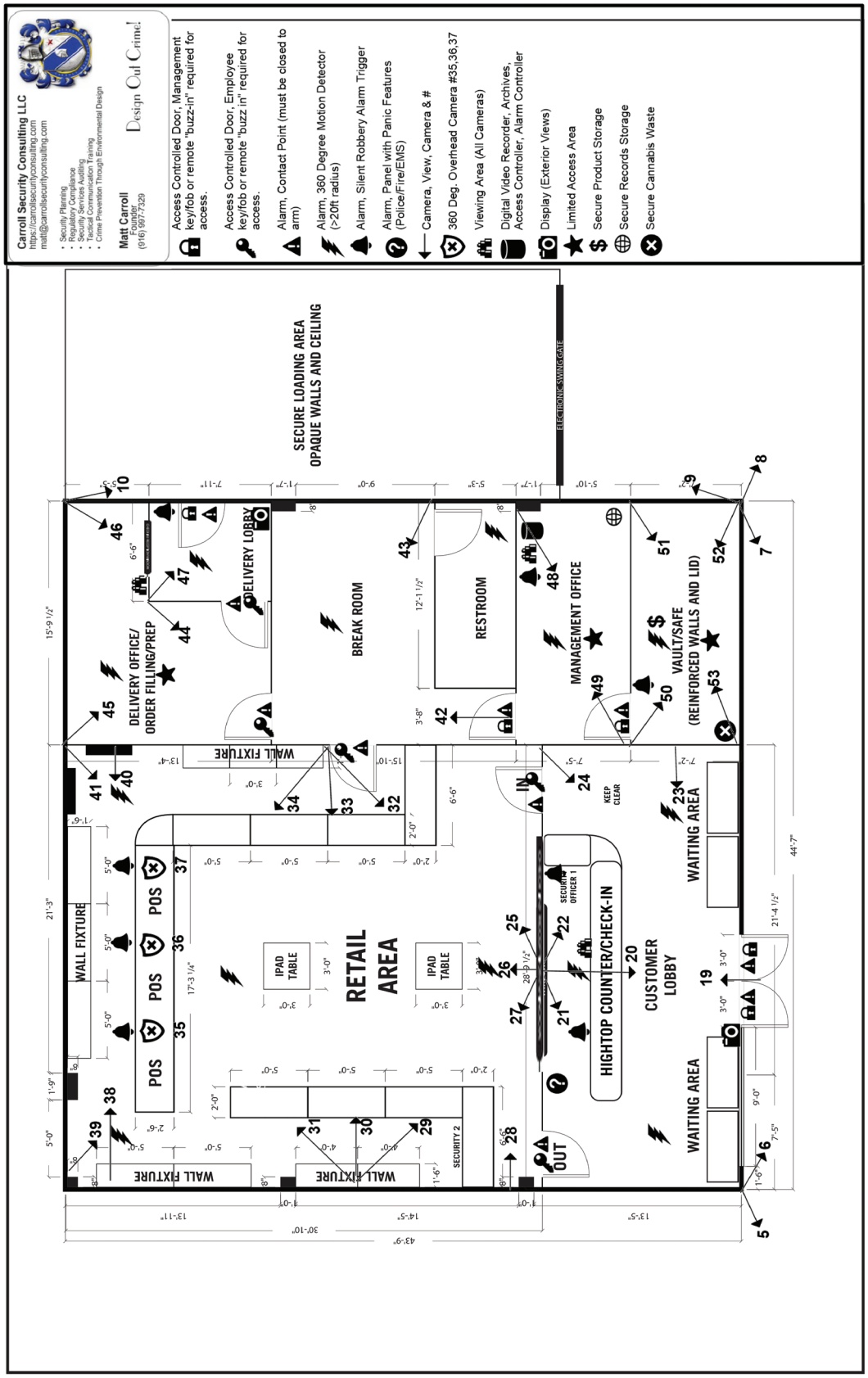
Premises Diagram / Security Components



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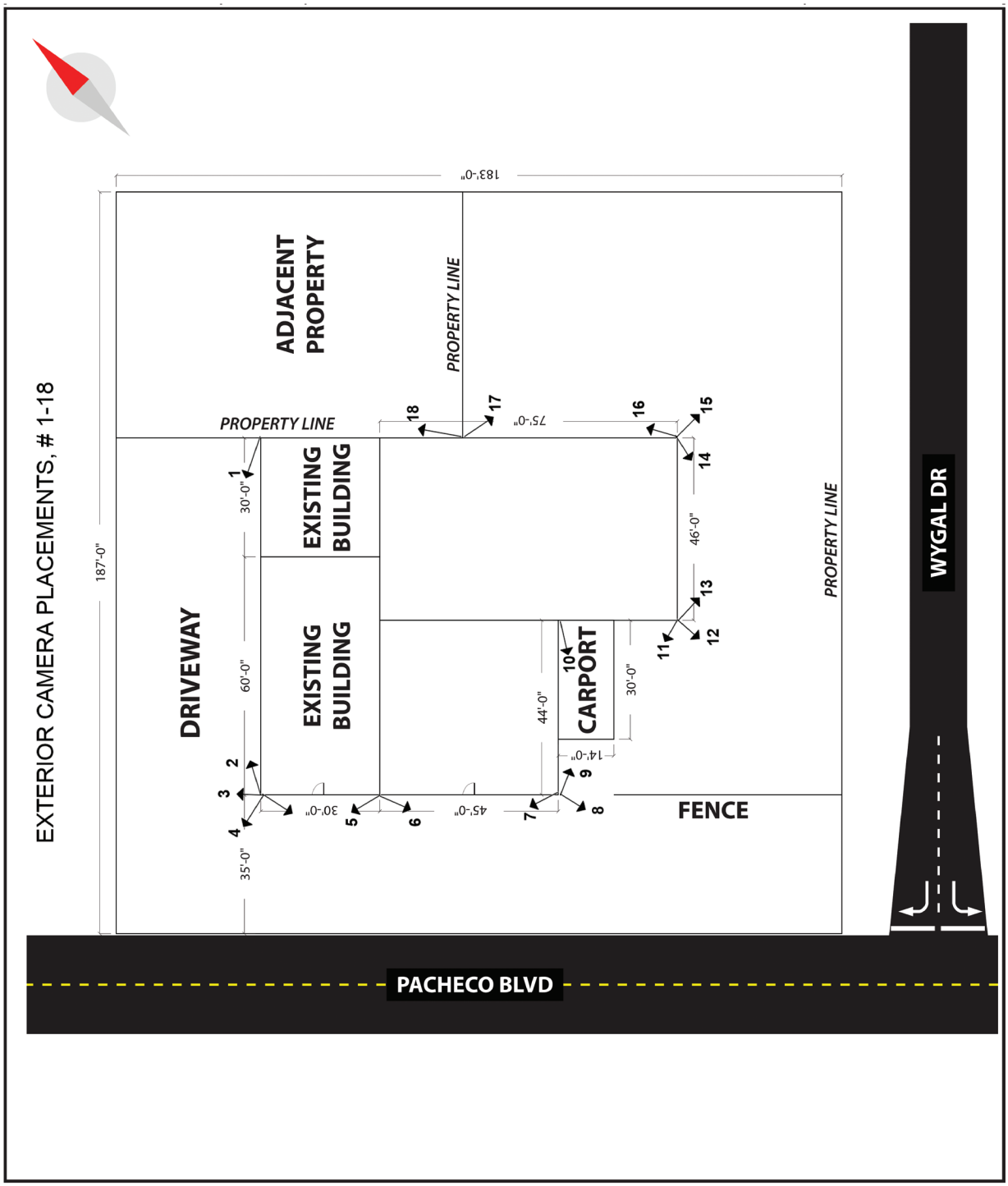
Exterior Camera Views



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Security Plan Oversight and Training

ECC acknowledges that it bears the ultimate responsibility for security of the premises. The management/ownership team will delegate security duties to a Security Director.

The Security Director is responsible for all aspects of this security plan, including management of all security technology, transportation security, access control to facilities, training of employees, visitors and for the contracting and supervising of licensed security contractors. The Security Director will be responsible for theft prevention, plan auditing, systems testing and for ensuring that minors do not enter the premises.

ECC will provide regulatory agencies with the name, telephone number, and e-mail address of the Security Director who will serve as the security liaison with whom regulators or inspectors can provide notice if there are security concerns associated with the facility, or to whom regulators may refer members of the public who may have any concerns or complaints regarding the security of the premises. ECC will provide contact information for the Security Director to all businesses and residents located within a 100-foot radius of the facility.

The Security Director will be reasonably available to meet with regulators or their designees regarding any security related concerns or operational matters.

The Security Director will ensure that all employees understand their respective security roles and responsibilities including the chain of command (in the event of any security breach). Employees at all levels will be trained to:

- Identify threats and vulnerabilities;
- Implement mitigating strategies;
- Understand when and why they could be targets; and
- How to respond accordingly.

Staff will be tested no less than semi-annually regarding their knowledge of the facility's security strategies. Development of policies and procedures will be ongoing during and after the initial security planning process. The Security Director will continuously audit the Security Plan as the business evolves and will ensure appropriate training of employees as new procedures are implemented. To demonstrate that the employee understands the content of training delivered, all employees will be required to undergo an assessment. Assessments will include, at minimum, a hands-on demonstration by the employee as it relates to security policies or procedures included in the training.

ECC will conduct quarterly drills at the facility to ensure that all employees understand how to respond to various emergencies or threats at the facility. Fire drills, armed robbery and burglary discovery drills are examples of drills that may be conducted on the premises as part of comprehensive security training.

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MANDATORY SECURITY TRAINING OF PERSONNEL

All employees working in the facility will complete introductory training relating to facility security prior to engaging in any occupancy or work on the premises. Training will include, at minimum, the following:

- Operation of security equipment within the scope of role(s);
- Inspecting and monitoring security equipment within the scope of role;
- Emergency notifications, response and reporting procedures;
- Effective patrolling of the facility;
- Identifying opportunities for diversion;
- Securing the premises and assigned work areas;
- Critical incidents, situational policies and procedures; and
- Proper method for securing cannabis and currency at the end of each work day.

ROBBERY PREVENTION TRAINING POINTS

- Robberies most often occur at opening and closing times;
- Be especially vigilant on arrival and departure;
- Do not justify-away unusual observations. If something seems awkward, it probably is;
- Report any suspicious activity before proceeding in or out of the facility any further;
- Never handle product or currency in view of the public or in uncontrolled areas;
- Maintain natural surveillance at all times; keep areas clear of obstructions;
- Keep doors locked at all times; even if only stepping away momentarily; and
- Maintain lighting, alarm and surveillance systems in operable and reliable order.

During a robbery:

- Remain calm to reduce the likelihood of violence and to allow focus on robber details;
- Do not resist or attack the robber; additional provocation can increase danger;
- Cooperate, but avoid giving assistance or offering more than is demanded;
- Activate the panic alarm if this can be accomplished safely, in secret;
- If ungloved, watch the robber's hands and make mental note of what is touched;
- Be systematic in mentally documenting the robber's description: head to toe;
- If a weapon is present, briefly study its description, then focus on the robber; and
- If safe to do so, monitor the robber's departure (direction, vehicle, accomplices)

After a robbery:

- Notify police immediately by 911 or cellular equivalent;
- Lock the doors. Do not let anyone into the crime scene until police arrive;
- Don't talk to others about what just happened. Keep observations unique and pure;
- While awaiting police, make notes while your memory is fresh; and
- Do not disrupt the crime scene. Leave everything as it was.

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MANAGING UNUSUAL OCCURRENCES

Decoys are common tactics used by those wishing to commit burglaries or robberies. Traffic collisions, vehicle fires, dumpster fires, domestic quarrels and other fabricated scenarios intended to distract intended victims may be deployed by criminals to overcome facility security. Upon the occurrence of any significant event upon or immediately about the property, the first to observe the occurrence will notify the on-duty manager. The manager will be responsible for activating a facility lock down. An emergency lock-down incorporates the following measures:

- Immediate notification of emergency services (911 or cellular equivalent);
- Immediate closure and locking of facility doors;
- Immediate directive to all persons on premises to shelter in place and remain inside; and
- No persons will be permitted to open any door until law enforcement has arrived or the unusual occurrence has been otherwise mitigated.

BURGLARY/THEFT PREVENTION TRAINING

This facility maintains an array of security devices including contacts, motion sensors, cameras and related hardware. These devices are critical to the overall security of the facility and caution must be exercised by all occupants to ensure their continued effectiveness. Employees will be trained to:

- Report any damage to a security component immediately;
- Not tamper with any security component;
- Not block or cover any security component; and
- Not block access to security panels.
- Secure all doors when not in active use;
- Not prop any exterior door open for any reason at any time;
- Check the video monitor for unusual activity outside prior to exiting;
- Use the 180-degree viewing device to ensure no persons are lying in wait outside the door; and
- Not open any exterior door unnecessarily.
- Never use a cell phone camera on the premises. Modern cellular phone cameras incorporate metadata including geolocation data. What may seem like a harmless selfie with product, currency or intellectual property could provide persons receiving the image file with location data capable of misappropriation;
- Keep security procedures are confidential. Never discuss with third parties;
- Report any unusual behaviors or activities of others to the on-duty manager;

Managing Burglaries:

- If evidence of a burglary is encountered (damaged door/window, evidence of ransacking), immediately notify the on-duty manager;
- Do not touch or move anything. Preserve the crime scene;
- Immediately secure all relevant areas and prevent anyone from entering; and
- Notify police via the non-emergency number.

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EMPLOYEE PROTECTION

In order to reduce take-over robbery attempts by way employee ambush on arrival, facility security policy requires that employees arriving for work:

- Park only in designated staff parking areas within view of surveillance cameras;
- Park in the nearest available space to the lobby entrance at their time of arrival;
- Arrive no earlier than ten (10) minutes prior to their scheduled start time; and
- Retreat to a safe location and telephone the facility if upon their arrival they observe any suspicious persons or vehicles at or immediately about the facility.

In order to reduce take-over robbery attempts by way of employee ambush on departure, facility security policy requires that employees departing from work:

- Depart in pairs or groups;
- Depart only through the lobby doors, and only upon reviewing external camera views to ensure that no suspicious persons or activity are afoot nearby; and
- Immediately depart the premises and adhere to a strict prohibition of loitering on or about the premises.

Signage

Each face of the structure and vehicle access point will maintain prominently displayed metal signs prohibiting trespass (citing California Penal Code 602) and establishing parking by permit only (citing California Vehicle Code 22658).

Additional prominent signage will indicate prohibitions against possession of alcoholic beverages, weapons and illegal drugs on the premises.

No more than 33 percent of the square footage of the windows and clear doors will be blocked by advertising, signs, shelves or anything else that obstructs natural surveillance.

All advertising, signs, and shelving will be placed and maintained in a manner that ensures that law enforcement personnel have a clear and unobstructed view of the interior of the premises from the exterior of the premises.

All signs will comply with the applicable City Code.

Utility Controls

The premises transformer will be secured by padlocks maintained by the utility provider. Externally accessible house power will be contained in padlocked panels. Internally accessibly breaker boxes

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will remain secured with padlocks at all times. Only the owner and managers will have access to keys relevant to power infrastructure. The facility's surveillance, IP network and alarm systems will maintain emergency backup power supplies sufficient to maintain security systems' operability in a power outage event for at least 24 hours.

Additional Conditions

- No public pay phones/telephones will be allowed on the premises;
- No coin operated games or video machines will be allowed on the premises;
- ECC is responsible for reasonably controlling the conduct of persons on the site and will immediately disperse loiterers and trespassers;
- All dumpsters will be kept in locked enclosures and the surroundings free of debris;
- Any graffiti painted or marked upon the premises or on any adjacent area under the control of ECC will be removed or painted over with matching paint within 72 hours of being applied;
- ECC will be responsible for the daily removal of all litter from the site;
- ECC will install a "Knox Box" to provide for emergency services access to all areas of the premises in an emergency.
- ECC will report all crimes occurring on the premises to the Contra Costa County Sheriff's Department within 24 hours of discovering the occurrence.
    - All crimes occurring in the County of Contra Costa and involving employees, agents, or representatives of ECC while acting on behalf of ECC will be reported within 24 hours of discovery by ECC.
    - All crimes involving employees, agents or representatives of ECC that occur outside the County of Contra Costa but while acting on behalf of ECC will be reported to the Contra Costa County Sheriff's Department within 72 hours of discovery. The report will reference the business name and address, the type of crime, a summary of the incident, the jurisdiction in which it occurred, the investigating law enforcement agency and that agency's case number.

Information/Records Security

ECC acknowledges that it is responsible for the security of all cannabis items on the premises, including providing adequate safeguards against theft or diversion of cannabis items and records that are required to be kept.

In accordance with California regulations, all records referenced below will be maintained in a legible fashion and protected from debris, moisture, contamination, hazardous waste, fire, and theft. All pertinent physical records and electronic media storing such records will be stored in fire resistant, locking filing cabinets or safes.

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In accordance with California regulations, all records referenced below must be immediately producible to regulatory inspectors upon an inspection, whether that inspection was noticed in advance or not.

ECC recognizes that cyber threats may exist that could impact the facility. ECC will take precautions to ensure consumer privacy, protection of sensitive financial records, and to minimize the potential of unauthorized access or intrusion.

ECC's network infrastructure will be encrypted and password protected. Only authorized personnel who have been trained in secure records management procedures will have access to business data systems. Users of the system will have role-based authentication. Sharing of logins among employees and managers is strictly prohibited. Software will require security measures such as password lockouts, login timeouts, use of strong passwords, periodic required password changes, prohibitions of repeated use of a password, and the ability for administrators to disable user access.

ECC will, as needed, hire a third-party Information Technology company to ensure that digital record keeping systems employed by the facility are secure.

All electronic records will be stored both onsite in short-term storage, and off-site, in long term backup storage and available for production and/or reproduction to regulators visiting the premises at any time.

Onsite back-up records storage may include electronic media that is backed up on a daily basis on to a secure server. The secure server will be physically located in a secure room on the premises limited to management. Offsite secure data storage may be managed by a third-party data storage provider. ECC acknowledges that while it may contract with a third party to provide custodial or management services of the records, doing so does not relieve ECC of its responsibilities as outlined above.

All archived required records not stored electronically will be stored in a locked storage area limited to managers/owners of the facility with a legitimate business need for access.

Current records may be kept in a locked cupboard or desk outside the locked storage area during hours when the business is operating.

Sensitive files will be password protected or stored in a password protected file storage system. No files will ever be stored in public internet spaces, including un-secured file storage sites or transmitted over an unsecure wireless or wired network.

E-mailing sensitive data files to anyone outside ECC's organization is strictly prohibited without the permission of management. Customer-specific transaction data and contact information, including e-mail addresses, will not be shared with any third party without permission of the customer.

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Records relative to this section include those records mandated by the California Code of Regulations, Title 16, Division 42, Section 5037, incorporating those items that follow:

- Financial records including, but not limited to, bank statements, sales invoices, receipts, tax records, and all records required by the California Department of Tax and Fee Administration (formerly Board of Equalization) under title 18, California Code of Regulations, sections 1698 and 4901;
- Personnel records, including each employee's full name, social security or individual tax payer identification number, date employment begins, and date of termination of employment if applicable;
- Training records including, but not limited to, the content of the training provided and the names of the employees that received the training;
- Contracts with other licensees regarding commercial cannabis activity;
- Permits, licenses, and other local authorizations to conduct the licensee's commercial cannabis activity;
- Security records and reports;
- Records relating to the composting or destruction of cannabis goods;
- Documentation for data or information entered into the track and trace system;
- All other documents prepared or executed by an owner or his employees or assignees in connection with the licensed commercial cannabis business;
- Records relating to branding, packaging and labeling;
- Inventory logs and records;
- Transportation bills of lading and shipping manifests for completed transports and for cannabis goods in transit;
- Vehicle and trailer ownership records;
- Quality-assurance records;
- Records relating to destruction of cannabis goods;
- Laboratory-testing records;
- Warehouse receipts; and
- Records relating to tax payments collected and paid under Sections 34011 and 34012 of the Revenue and Taxation Code.

ECC acknowledges that the Bureau of Cannabis Control and local law enforcement may make any examination of the books and records of any licensee as it deems necessary to perform its duties under the Cannabis Control Act.

ECC acknowledges that records will be kept in a manner that allows the records to be produced for the Bureau of Cannabis Control and local law enforcement at the licensed premises in either hard copy or electronic form, whichever the requesting agency requests.

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Internal Theft & Diversion Prevention

Strategies maintained toward the prevention of internal theft include:

- Pre-Employment Background Checks conducted by an accredited member organization of the National Association of Professional Background Screeners (www.napbs.com). Disqualifying history will include felony convictions, as specified in subdivision (c) of Section 667.5 of the Penal Code, and subdivision (c) of Section 1192.7 of the Penal Code, as well as criminal convictions that substantially relate to the qualifications, functions, or duties of the business or profession, including a felony conviction involving fraud, deceit, or embezzlement or a criminal conviction for the sale or provision of illegal controlled substances to a minor;
- Annual background checks of existing employees (same standards as above);
- Prohibiting visitors;
- Prohibiting personal tools and supplies;
- Employees will be required to sign a consent to search policy as condition of employment (including their person, possessions and vehicles while on the premises);
- Employee tracking will be performed (time clock, sign in/out or similar);
- Employee internal movements will be monitored by video surveillance;
- Only owners and managers will have access to rooms designated for reinforced security (product storage, currency storage, security infrastructure); and
- Vendors performing work on site will be under employee escort at all times.

WHISTLEBLOWER PROTECTIONS

Whereas internal theft is responsible for a substantial amount of diverted cannabis in California, and whereas employees are often in the best position to observe suspicious activity of co-workers, and whereas studies indicate anonymity being key to encouraging employees to report suspected theft by co-workers, ECC will employ whistleblower protections and supporting procedures toward preventing diversion of cannabis. ECC will maintain an anonymous reporting system through which employees or vendors may report suspicious activity on the part of co-workers. ECC will implement and maintain a policy guaranteeing employees anonymity in the event that they bring a concern to the attention of management.

NOTIFICATION OF CONVICTIONS

ECC will ensure that the Bureau of Cannabis Control and local law enforcement are notified in writing of a criminal conviction of any owner, either by mail or electronic mail, within 48 hours of the conviction. The written notification to the Bureau will include the date of conviction, the court docket number, the name of the court in which the licensee was convicted, and the specific offense(s) for which the licensee was convicted.

ECC will ensure that the Bureau of Cannabis Control and local law enforcement are notified in writing of a civil penalty or judgment rendered against the licensee or any owner in their individual capacity, either by mail or electronic mail, within 48 hours of delivery of the verdict or entry of judgment,

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whichever is sooner. The written notification will include the date of verdict or entry of judgment, the court docket number, the name of the court in which the matter was adjudicated, and a description of the civil penalty or judgment rendered against the licensee.

ECC will ensure that the Bureau of Cannabis Control and local law enforcement are notified in writing of the revocation of a local license, permit, or other authorization, either by mail or electronic mail within 48 hours of receiving notice of the revocation. The written notification will include the name of the local agency involved, a written explanation of the proceeding or enforcement action, and the specific violation(s) that led to revocation.

Private Security Services

ECC will maintain at all times a contract with a state-licensed private patrol operator approved to conduct business in Contra Costa County. In accordance with the standards and practices of the Private Security Services Act, any persons employed in a uniformed security capacity will have undergone a California DOJ and FBI background investigation prior to licensure and will subject to recurring backgrounds during each bi-annual renewal of guard registration and firearm permits (where applicable). Services contracted will include, at minimum:

- Intrusion alarm response with a guaranteed response time of 20 minutes or better.
- On-call uniformed guard services as a contingency to failing surveillance or alarm infrastructure.
- Random patrol services during non-operational hours incorporating, at minimum, one facility patrol for every three hours of facility vacancy.
- Two armed security officers, scheduled to arrive thirty minutes prior to the opening manager and scheduled to remain on duty until the closing manager has departed the premises.

ECC will ensure that its security contractor acknowledges and complies with the requirement that any of its employees responding to the licensed premises must be at least 21 years of age.

Private patrol operators contracted will be in good standing with Contra Costa County.

ECC will officially designate the contracted private patrol operator as its agent for the limited purpose of issuing and enforcing official notice of trespass upon those persons engaging in antisocial, prohibited or unlawful activities upon and about the property.

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Transportation Security

Cannabis distribution will occur during daylight hours to decrease the risk of a crime against vendors and employees. Distribution schedules will be staggered to avoid development of patterns. Distribution personnel will be identified, verified, and cleared prior to entering the facility.

Transfers will occur only in the presence of a manager and while under video surveillance.

Should any blatantly suspicious or dangerous activity develop inside or outside of the facility, the facility will be 'locked down'. No further access will be granted, and Police notification will be immediately initiated.

Distribution will be managed discretely and within containers free of text or images indicating the contents as cannabis.

Distributors will be required to give notice of their impending arrival. Upon imminence of arrival, surveillance will be monitored. If suspicious persons or activity is afoot, the distributor will be notified and directed to delay their arrival until the circumstances afoot have been mitigated.

Upon arrival of a distributor, the distributor will be granted remote access through the electronic gate accessing the secure loading area (see premises diagram). Once the electronic gate has closed and locked behind the vehicle in the loading carport, the uniformed security officer assigned to the retail room will accompany the on duty manager to the loading area and will supervise the transfer of cannabis goods and currency.

Loading and unloading will be conducted under the direct supervision of an armed security officer, a manager and under surveillance.

Prior to the departure of a distribution vehicle, surveillance cameras will be monitored and no departures will occur until the surrounding area is free of suspicious circumstances.

The secure loading area will not be opened to intake or release a distribution vehicle until all cannabis products and/or currency have been removed from the secure loading area, doors accessing the secure loading area from within the premises are closed and locked, and all cannabis goods delivered have been secured in the secure storage area of the premises.

Distributors (and any other 3rd party vendors) accessing the premises will not be granted access beyond the loading office (see premise diagram). Vendors needing restroom access with be required to undergo standard visitor screening protocols at the lobby and be escorted by an employee to and from the restroom.

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Transactional Security / Track and Trace

The California Cannabis Track-and-Trace (CCTT) system will be used statewide to record the inventory and movement of cannabis and cannabis products through the commercial cannabis supply chain. This system will be used by all state cannabis licensees, including those with licenses for cannabis cultivation, manufacturing, retail, distribution, testing labs, and microbusinesses. ECC will employ CCTT-compliant software and related hardware in order to adhere to the transactional security requirements as described herein.

The current list of validated providers may be accessed at the link below:
https://docs.wixstatic.com/ugd/b7d3d1_67b79d41b04f4ef5849b062ac2182d0b.pdf

METRC OVERVIEW

California's use of Franwell's CCTT-MERTC software provides for the following regulatory features:

- Supports marijuana "regulations" with technology to prevent and monitor drug diversions
- Promotes public safety and customer product safety with traceability
- Addresses medical marijuana "diversion" from a "state mandated" position
- Creates a vertically integrated "closed-loop" medical marijuana regulatory scheme which stems, in part, from the landmark 2005 California case, Gonzales vs. Raich (If you can demonstrate a closed loop, in which no marijuana crosses state borders, it strengthens against federal intervention)
- By the use of RFID (Radio Frequency Identification) technology combined with serialized item tracking, the system creates an "end to end" surveillance system where the municipality has real-time visibility at any given time into the "inventory" at all the locations (does not rely on audits for tracking)
- Central control of security through RFID secure tag ID
- Captures perpetual inventory quantities for each entity
- Provides an inspection process with the tools necessary to complete onsite validation of inventory with audit capability and anti-piracy safeguards
- Supports the auditing process from a series of exception reports
- Provides the industry with the means to report required inventories with minimal cost and investment—can remain cost neutral to the regulatory body.
- The system maintains a secure reporting environment for each industry participant. Each participant can access their own data but no other participants' data. The regulator has access to all industry participants data
- The system provides for a real time digital transport manifest giving access to law enforcement enabling them to quickly discover illegal activity during transportation
- Tracks transfers between licensed premises
- Allows regulatory users to view all licensee activities captured in the system
- Creates audit trails and tools for assessing risk and channeling resources more efficiently (e.g. system notifications and reporting)

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- Creates an industry database of analytical information to establish trends and benchmarks for marijuana production
- Allows criminal investigators to streamline field enforcement and compliance activities associated with licensees
- Provides aggregate data regarding cultivation, production, transportation and sales of marijuana within the regulated model
- Secure web hosted solution scaling to thousands of credentialed users

METRC TRAINING

Training on use of the CCTT-METRC system is required by law for licensees. Upon submission of a State of California application for an annual license, the applicable licensing authority—either CalCannabis Cultivation Licensing, the Bureau of Cannabis Control, or the California Department of Public Health—will send system-training registration information to ECC. Once an annual license is approved and the license holder and/or designated account manager have completed the required CCTT-Metrc Account Manager New Business System Training, they will be able to access the CCTT-Metrc system. Annual licensees will not be allowed access to the CCTT-Metrc system until the required CCTT-Metrc Account Manager New Business System Training has been completed by the licensee or the designated account manager(s).

Training on the CCTT-METRC system can be accomplished through Franwell (provider for the State of California's CCTT system) or through the verified CCTT vendor selected by ECC.

ECC will require that any of its managers or employees who will be involved in the transfer of cannabis have successfully completed the relevant training on the selected software application and the transactional/transportation security protocols described in this plan.

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Product Security & Loss Reporting

ECC will notify the Bureau of Cannabis Control and local law enforcement within 24 hours of discovery of any of the following situations:

- ECC discovers a significant discrepancy in its inventory.
    - For the purposes of this section, a significant discrepancy in inventory means a difference in actual inventory compared to records pertaining to inventory of at least $5,000 or 3 percent of the average monthly sales of the licensee, whichever is less.
    - For the purposes of this section, average monthly sales will be calculated by taking a per month average of the total sales for the previous 6 months. If ECC has not been in operation for at least 6 months, only the months in which ECC was operating will be used in determining average monthly sales.
    - For the purposes of this section, ECC's acquisition price will be used to determine the value of cannabis goods in a licensee's inventory.
- The notification to the Bureau of Cannabis Control will be in writing and include the date and time of occurrence of the theft, loss, or criminal activity, the name of the local law enforcement agency that was notified, and a description of the incident including, where applicable, the item(s) that were taken or lost.
- ECC discovers diversion, theft, loss, or any other criminal activity pertaining to the operations of ECC.
- ECC discovers diversion, theft, loss, or any other criminal activity by an agent or employee of ECC pertaining to the operations of ECC.
- ECC discovers loss or unauthorized alteration of records related to cannabis goods, customers, or ECC's employees or agents.
- ECC discovers any other breach of security.

Product Storage

In accordance with state regulations, ECC will store cannabis goods in a manner that controls of temperature and humidity and that prevents the entry of environmental contaminants such as smoke and dust. The area in which cannabis goods are stored will be resistant to vermin and will not be exposed to direct sunlight. ECC will not store cannabis goods outdoors for any period of time or purpose.

Bulk product will be stored in the product storage room – a room of reinforced construction on all walls and its lid and requiring bypass of the management office and management level electronic access control credentials to enter. Bulk product used for stock replenishment will be stored separately from stock that has been internally assigned from the storage supply to the retail area supply. Damaged cannabis goods awaiting proper destruction will be stored separately in a locked, sealed, permanently anchored, metal container to which only management has keys and within the product storage room.

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The retail room will maintain only that amount of product that the prior thirty days of retail sales justify as that amount necessary to meet the average daily sales of the business. The display cases will remain locked at all times when not in the immediate use by an employee. The display cases will be equipped with intrusion resistant film to prevent smash-and-grab theft/robbery of cannabis goods in the retail area.

Cannabis goods in the display cases are not generally for retail sales. Beneath the display will be locking storage drawers containing the stock intended for sale. Maintaining the retail stock in totes within these drawers will provide for the efficient removal of all cannabis goods from the retail area at the close of business each day, and restocking the retail area efficiently each morning before opening.

Inventory Accounting

ECC will be able to account for all inventory and provide the status of all goods to regulators upon request. Accounting of all inventory will be conducted regularly, but at least every 14 days. If ECC finds a discrepancy between the inventory of stock and the inventory log or track and trace system that is outside of normal weight loss caused by moisture loss, ECC will commence a full audit of its inventory. Where a discrepancy remains, ECC will initiate and internal investigation in attempts at identifying the source of the discrepancy. Where the discrepancy is not resolved, notification to the Bureau of Cannabis Control and local law enforcement will be made.

Currency Security

Strict controls will be applied to cash handling procedures. A manager will be responsible for proper accounting, transacting, and handling of currency.

Currency on site, when present, will be stored in a burglary resistant safe that meets the recommended standards of Underwriters' Laboratory (UL) for the amount of currency stored. In the event that the average currency storage exceeds the standard for the safe installed, additional safes or a replacement safe commensurate to the UL recommendations for the new stored amount will be installed. Any safe used for currency storage on the premises will weigh at least 800 pounds, maintain a fire resistance rating of at least one hour, be made of metal and be anchored to the permanent structure of the building.

As currency requires movement to an offsite storage facility, currency transportation will be managed by way of armed, uniformed escort, in the form of an armored carrier licensed by the California Highway Patrol.

Staff will be trained on the following policies and procedures:

- Cash will be kept out of view of general staff and public;
- The counting of cash will be limited to designated, management office of the facility;
- All currency counting and storage areas will be under overt video surveillance;
- Management will ensure that all currency is placed in the safe as soon as possible;

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Storefront Retail Operations

HOURS OF OPERATION

ECC will sell cannabis goods only between the hours of 8:00 a.m. Pacific Time and 9:00 p.m. Pacific Time.

At any time the premises is not open for retail sales, ECC will ensure that:

- The premises is securely locked with commercial-grade, nonresidential door locks;
- The premises is equipped with an active alarm system, which will be activated when the retailer or its employees are not on the licensed premises; and
- Only employees and contractors of the retailer are allowed to enter the premises.

CUSTOMERS

ECC will only sell adult-use cannabis goods to individuals who are at least 21 years of age, and medicinal cannabis goods to individuals at least 18 years of age who possess a valid physician's recommendation for himself or herself or a person for whom he or she is a primary caregiver. ECC will confirm the identity and age, and physician's recommendation if applicable, of a customer as required by section 5402(a) of the Cannabis Control Act.

DISPLAYS

Cannabis goods for inspection and sale will only be displayed in the retail area. Cannabis goods may be removed from their packaging and placed in containers to allow for customer inspection. The containers will not be readily accessible to customers without assistance of retailer personnel. A container must be provided to the customer by the retailer or its employees, who will remain with the customer at all times that the container is being inspected by the customer. Cannabis goods removed from their packaging for display will not be sold, will not be consumed, and will be destroyed pursuant to section 5054 of the Cannabis Control Act when the cannabis goods are no longer used for display.

CANNABIS FOR SALE

ECC will not make any cannabis goods available for sale to a customer unless:

- The cannabis goods were received from a licensed distributor;
- ECC has verified that the cannabis goods have not exceeded their expiration or sell-by date if one is provided; and
- In the case of manufactured cannabis products, the product complies with all requirements of Business and Professions Code section 26130 and all other relevant laws.

NON-CANNABIS SALES

ECC may sell non-cannabis products on the premises if ECC remains in compliance with any city, county, and state laws or regulations related to those products. This provision excludes alcohol and alcohol products and tobacco and tobacco products from sale upon the licensed premises.

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LIVE PLANTS

ECC will only sell live, immature cannabis plants and seeds if all of the following requirements are met:

- The plant is not flowering;
- The plant or seed was purchased from a nursery that holds a valid Type 4-Cultivation; Nursery license under the Act; and
- A label is affixed to the plant or package containing any seeds which states "This product has not been tested pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act";
- ECC acknowledges that it may not sell any other live plants; and
- ECC acknowledges that it will not apply nor use any pesticide, nor cause any pesticide to be applied nor used, on live plants.

DAILY LIMITS

ECC acknowledges that it will not sell more than the following amounts to a single adult-use cannabis customer in a single day:

- 28.5 grams of non-concentrated cannabis.
- 8 grams of concentrated cannabis as defined in Business and Professions Code section 26001, including concentrated cannabis contained in cannabis products.
- 6 immature cannabis plants.

ECC acknowledges that it will not sell more than the following amounts to a single medicinal cannabis customer, or to a customer's primary caregiver purchasing medicinal cannabis on behalf of the customer, in a single day:

- 8 ounces of medicinal cannabis as defined in section 11362.77 of the Health and Safety Code.
- 12 immature cannabis plants.

NOTE: If a valid physician's recommendation contains a different amount than the limits listed in this section, the medicinal cannabis customer may purchase an amount of medicinal cannabis consistent with the customer's needs as recommended by a physician.

CUSTOMER RETURNS

For the purposes of this section, "customer return" means a customer's return of cannabis goods that were purchased from a retailer, back to the retailer the cannabis goods were purchased from.

- ECC may accept customer returns of cannabis goods that were previously sold to a customer;
- ECC will not resell cannabis goods that have been returned;
- ECC will treat any cannabis goods abandoned on the retailer premises as a customer return; and
- ECC will destroy all cannabis goods that have been returned to the retailer by a customer, in accordance with sections 5054 and 5055 of the Cannabis Control Act.

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FREE PROVISIONING

ECC will not provide free cannabis goods to any person, nor will ECC allow any individuals who are not employed by ECC to provide free cannabis goods to any person on the licensed premises.

Notwithstanding the above, in order to provide access to medicinal cannabis customers who have difficulty accessing medicinal cannabis goods, a licensee who holds a Type 10-Retailer M-license, a Type 9-Retailer Non-storefront-M license, or a Type 12Microbusiness M-license that allows for retail sales may provide free medicinal cannabis goods if all of the following criteria are met:

- Free cannabis goods are provided only to a medicinal cannabis customer or primary caregiver for the customer in possession of a valid identification card issued under Section 11362.71 of the Health and Safety Code;
- The cannabis goods comply with all applicable laboratory testing requirements under this division;
- Prior to being provided to the customer or primary caregiver, the cannabis goods have been properly recorded in the track and trace system as belonging to the retailer;
- The cannabis goods will not leave the licensed premises unless placed in an opaque package as required for purchased cannabis goods under Business and Professions Code section 26070.1;
- The cannabis goods will be applied toward the daily purchase limit for a medicinal cannabis customer pursuant to section 5409 of the Cannabis Control Act;
- The event will be properly recorded in ECC's inventory records and the track and trace system; and
- In addition to the provision of free cannabis goods above, ECC may donate cannabis goods and the use of equipment in compliance with any compassionate use, equality, or other similar program administered by a local jurisdiction as applicable.

PACKAGING AND LABELING PROHIBITED

ECC acknowledges that it will not accept, possess, or sell cannabis goods that are not packaged as they will be sold at final sale, and ECC will not package or label cannabis goods.

EXIT PACKAGING

ECC acknowledges that cannabis goods purchased by a customer will not leave ECC's premises unless the goods are placed in an exit package that is opaque, can be resealed and that is child-resistant.

ADDITIONAL POSTINGS

The lobby, waiting and retail areas of the premises will contain prominently posted signage including advisements as follow:

- "Smoking, vaporizing, ingesting, or consuming cannabis, cannabis products, tobacco, or alcohol on these premises, or in their vicinity, is prohibited."
- "Patrons must immediately leave the premises following their transaction and should not consume cannabis goods until at home or in an equivalent private location."

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- "CALIFORNIA PROP. 65 WARNING: Smoking of cannabis and cannabis-derived products will expose you and those in your immediate vicinity to cannabis smoke. Cannabis smoke is known by the State of California to cause cancer."

CUSTOMER ACCESS

Customers will be verified as qualified for premises access in the secure lobby – a room designed to prevent any direct contact between ECC personnel and an entrant prior to checking in with a valid government issued photo identification. Customers will be escorted at all times and never left unattended in any room of the facility (restroom excepted if and when access is permitted).

High security access points referenced herein will be equipped with magnetic locking control systems capable of withstanding brute force intrusion and up to 3,000 pounds of pressure. All maglock devices incorporated into this access control plan will be connected to the fire alarm system and programmed to disengage upon activation of a fire alarm. The access control system will be supported by a battery backup system capable of maintaining the system for no less than 24-hours and to ensure that the system is not overcome by a power outage.

The customer entrance will be equipped with maglock devices for use during business hours. After hours, a commercial grade deadbolt installed on this door will be engaged to further security this access point. Two surveillance cameras will be positioned immediately adjacent to this door. A doorbell with intercom features will be provided for customers to use in requesting access in the event that they are not immediately observed approaching by the receptionist.

Upon doorbell activation, the receptionist will visually screen customers through a video display mounted at the reception area. A policy prohibiting persons under the age of 21 (or 18 for qualified medicinal users), weapons, alcohol, sunglasses, hats, hoods, or bags will be prominently posted at the customer entrance. If a customer is not compliant with this posting relative to attire, verbal instructions to remove hats, sunglasses or hoods will be made through the intercom. If carrying a bag, the customer will be asked to store their bag in their vehicle before requesting entry again.

Where a customer is compliant with postings, the outer lobby door will be opened by way of a switch controlled from the reception desk. Customers will check in with the receptionist. The receptionist will be situated behind ballistic resistant glass. Construction of the wall surrounding the receptionist will incorporate steel plating rated as Abrasion Resistant. A recessed pass through will be installed below the ballistic glass to provide for passing of documents.

Customers will be required to provide valid government issued photo identification to the receptionist. The receptionist will copy the identification card data using a magnetic card reader (storing customer identity and validating the age of the customer to overcome human error). The receptionist will verify that the person possessing the identification is the person present.

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Upon validation of the customer's identity and eligibility to enter, customers will be directed to wait in the designated waiting area and will be granted access to the waiting area (see premises diagram). The door from the customer lobby to the waiting area will be of solid core construction and equipped with a maglock controlled by the receptionist.

The receptionist will be able to monitor the retail area by both video display as well as by way of the large window separating the reception area from the retail area. The receptionist will control the number of persons being granted access to the retail area. A ratio of two customers per retail room employee will be maintained.

Located adjacent to the receptionist will be a uniformed, armed security officer. The security desk in the lobby will provide for natural surveillance of the waiting area, natural surveillance of the retail area (through the large connecting window) as well as a monitoring station displaying all premises cameras. Camera monitors will be concealed from view of customers in the waiting area and will be visible only from the security/reception side of the high-counter separating these employees from those in the waiting area.

The approach area of the retail area entrance from the waiting area will be kept clear and reinforced with postings directing that the area remain clear. The door from the waiting area to the retail area will be of solid core construction and equipped with a maglock system electronically controlled by the receptionist. The maglock doors of the lobby will be situated in a manner that prevents both the door to the customer lobby and the door to the retail area from being open at the same time.

Upon entry to the retail room, employees assigned to customer service will monitor customers, supported by a second armed security officer assigned to a security desk near the retail area exit door (see premise diagram). The horseshoe design of the retail area display counters and points of sale provide for natural surveillance by employees from all directions. Complementing natural surveillance are an array of fixed angle and overhead 360-degree cameras (see premise diagram).

Provision of products to customers will occur only at the transaction point and only upon completion of the financial transaction. Products will be provided in sealed bags placed within opaque plastic or paper bags free of graphics depicting cannabis.

Upon completion of a transaction, customers will proceed to the exit door. A button adjacent to each point of sale will allow the exit door to be disengaged so the customer may exit. The employee who handled the transaction of the customer will be required to monitor the customer through the departure of the customer from the retail area. To overcome anomalies in this procedure, the security desk adjacent to the retail area exit door will be equipped with a maglock release to assist in customer departure as needed.

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UNIFORMED SECURITY SERVICES

Uniformed security officers in compliance with the Private Security Services Act of California and duly registered with the Contra Costa County will be assigned upon the premises during all business hours. Security officers will be scheduled to arrive on the premises 30 minutes prior to the first arriving manager and will be required to remain on the premises until after the final manager of the day has departed the premises.

SECURITY OFFICER ROLES AND RESPONSIBILITIES

Both security officers assigned will be directed to arrive simultaneously, at least thirty minutes prior to the scheduled arrival time of the opening manager. The security officers will patrol the grounds together, verifying the security of the premises. Upon the arrival of the opening manager, the security officers will escort the manager into the premises. The security officers will be assigned management level access credentials for use during their shift. Both security officers will be equipped with two-way radio communications, providing for direct communication between the on-duty manager, receptionist, retail manager and each other.

The lobby security officer will post at the security desk in the lobby, making periodic outdoor rounds to ensure no criminal or nuisance activities are occurring upon or about the licensed premises. The lobby security officer will screen employees arriving and departing and will be tasked with monitoring customers in the waiting area. The lobby security officer will monitor surveillance cameras intermittently. As distributors are scheduled, and as non-storefront retail employees arrive and depart, the lobby security officer will supervise their safe passage by video and will control access to and from the secure loading area, remotely controlling the vehicle gate.

The retail area security officer will primarily monitor customers and video from his/her post near the exit door of the retail area. As distributors arrive and transfers of bulk cannabis goods and currency occur, this security officer will directly supervise these transactions.

During break and meal periods, the premises will maintain only a lobby security officer. Distributor intake and delivery operations will be scheduled around security officer breaks and meal periods.

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Opening and Closing Procedures

OPENING PROCEDURES

The first employee arriving at the facility each day will be a management level employee. The armed security officers contracted by ECC will be scheduled to be on site at least thirty minutes prior to the scheduled arrival time of the opening manager. The opening manager will perform a visual inspection of the premises from the safety of his or her vehicle, driving all accessible perimeters of the premises. If any signs of forced entry, suspicious persons or suspicious circumstances are observed during this inspection, or should the uniformed security officers not be seen, the manager will retreat from the property and summon the contracted private patrol operator or police, as appropriate for the circumstances. Where no such concerns are found, the manager will park as near as is practicable to the lobby entrance and will proceed inside.

Prior to any employees being granted entry to the premises, the opening manager will:

- Perform a manual test of the premises alarm system in accordance with provider protocols;
- Check that all door locks, cabinet locks and safes are in operable condition and free of tampering;
- Inspect inside and outside the facility for signs of attempted security breaches;
- Check cameras for functionality, network connectivity and unobstructed viewing;
- Turn on interior lights, where appropriate, and assure all lighting is working properly; and
- Clear the premises of any slip, trip or fall hazards; and
- Verify that all emergency egress pathways are unobstructed.
- Stock the display cases of the retail room with limited demonstrative stock.

CLOSING PROCEDURES

Scheduling practices will ensure that the closing manager remains accompanied by two armed security officers on the premises until he or she departs. The closing manager will perform the following closing procedures:

- All cannabis goods stored in the retail area will be removed from the display cases and relocated to the product storage room.
- Secure any records identified in the Information Security portion of this plan into their respective locking cabinets or filing systems;
- Log out of any logged in software, verify password protection is enabled;
- Verify proper functioning and no obstructions of all surveillance cameras;
- Verify functioning of exterior lighting;
- Verify all relevant interior doors, cabinets and safes are closed and locked;
- Turn off appropriate interior lighting;
- Arm the facility alarm system;
- Walk the perimeter, verifying all doors are secure; and

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- Drive the surrounding area for suspicious persons, vehicles or circumstances (persons potentially laying in wait), reporting any such findings to the contracted private patrol operator or police, as appropriate, for further investigation.

Non-Storefront, Retail Delivery Operations

HOURS OF OPERATION

Applicant will deliver cannabis goods only between the hours of 8:00 a.m. Pacific Time and 9:00 p.m. Pacific Time.

CUSTOMERS

ECC will only sell adult-use cannabis goods to individuals who are at least 21 years of age and medicinal cannabis goods to individuals at least 18 years of age who possess a valid physician's recommendation for himself or herself or a person for whom he or she is a primary caregiver. ECC will confirm the identity and age, and physician's recommendation (if applicable) of all customers as required by section 5402(a) of the Cannabis Control Act. Age validation will be accomplished by valid government issued photo identification.

CANNABIS FOR SALE

ECC will not make any cannabis goods available for sale to a customer unless:

- The cannabis goods were received from a licensed distributor;
- Applicant has verified that the cannabis goods have not exceeded their expiration or sell-by date if one is provided; and
- In the case of manufactured cannabis products, the product complies with all requirements of Business and Professions Code section 26130 and all other relevant laws.

NON-CANNABIS SALES

ECC may sell non-cannabis products if ECC remains in compliance with any city, county, and state laws or regulations related to those products. This provision excludes alcohol and alcohol products and tobacco and tobacco products.

DAILY LIMITS

ECC acknowledges that it will not sell more than the following amounts to a single adult-use cannabis customer in a single day:

- 28.5 grams of non-concentrated cannabis.
- 8 grams of concentrated cannabis as defined in Business and Professions Code section 26001, including concentrated cannabis contained in cannabis products.
- 6 immature cannabis plants.

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ECC acknowledges that it will not sell more than the following amounts to a single medicinal cannabis customer, or to a customer's primary caregiver purchasing medicinal cannabis on behalf of the customer, in a single day:

- 8 ounces of medicinal cannabis as defined in section 11362.77 of the Health and Safety Code.
- 12 immature cannabis plants.

NOTE: If a valid physician's recommendation contains a different amount than the limits listed in this section, the medicinal cannabis customer may purchase an amount of medicinal cannabis consistent with the customer's needs as recommended by a physician.

CUSTOMER RETURNS

For the purposes of this section, "customer return" means a customer's return of cannabis goods that were purchased from a retailer, back to the retailer the cannabis goods were purchased from.

- ECC may accept customer returns of cannabis goods that were previously sold to a customer.
- ECC will not resell cannabis goods that have been returned.
- ECC will treat any cannabis goods abandoned on the retailer premises as a customer return.
- ECC will destroy all cannabis goods that have been returned to the retailer by a customer, in accordance with sections 5054 and 5055 of the Cannabis Control Act.

FREE PROVISIONING

ECC will not provide free cannabis goods to any person.

PACKAGING AND LABELING PROHIBITED

ECC acknowledges that it will not accept, possess, or sell cannabis goods that are not packaged as they will be sold at final sale, and Applicant will not package or label cannabis goods.

DELIVERY PACKAGING

ECC acknowledges that cannabis goods purchased by a customer will not leave ECC's premises unless the goods are placed in an opaque exit package.

DELIVERY SERVICES

All deliveries of cannabis goods will be performed by a delivery employee of ECC. Each delivery employee of ECC will be at least 21 years of age. All deliveries of cannabis goods will be made in person. A delivery may not be left unattended at a delivery location in lieu of an in-person transfer to the customer. A delivery of cannabis goods will not be made through the use of an unmanned vehicle.

The process of delivery begins when the delivery employee leaves ECC's licensed premises with the cannabis goods for delivery. The process of delivering ends when the delivery employee returns to ECC's licensed premises after delivering the cannabis goods to the customer(s). During the process of delivery, ECC's delivery employee may not engage in any activities except for cannabis goods delivery and necessary rest, fuel, or vehicle repair stops.

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Delivery employees of ECC will, during deliveries, carry a copy of ECC's current state and local license, the employee's government-issued identification, and an identification badge provided by the employer pursuant to section 5043 of the Cannabis Control Act.

ECC will maintain an accurate list of its delivery employees and will make it available to the Bureau of Cannabis Control and law enforcement personnel upon request.

Prior to providing cannabis goods to a delivery customer, a delivery employee will confirm the age and identity of the customer by valid government issued photo identification.

ECC acknowledges that it may only deliver cannabis goods to a physical address in California and that the delivery employee will not leave the State of California while possessing cannabis goods.

ECC acknowledges that it will not deliver cannabis goods to an address located on publicly owned lands or to any address on land or in a building leased by a public agency. This prohibition applies to land held in trust by the United States for a tribe or an individual tribal member unless the delivery is authorized by and consistent with applicable tribal law.

ECC's delivery employee carrying cannabis goods for delivery will only travel in an enclosed motor vehicle. Any vehicle used in the delivery of cannabis goods will be operated by a delivery employee of ECC. Only an employee of ECC for whom delivery is being performed will be in the delivery vehicle.

While carrying cannabis goods for delivery, ECC's delivery employee will ensure the cannabis goods are not visible to the public. Cannabis goods will be locked in a box, container, or cage that is secured on the inside of the vehicle. For purposes of this section, the inside of the vehicle includes the trunk.

ECC's delivery employee will not leave cannabis goods in an unattended motor vehicle unless the motor vehicle is locked and equipped with an armed vehicle alarm system.

ECC acknowledges that vehicles used for the delivery of cannabis goods will be outfitted with a dedicated Global Positioning System (GPS) device for identifying the geographic location of the delivery vehicle in real-time. A dedicated GPS device must be owned by ECC and used exclusively for delivery operations. The device will be either permanently or temporarily affixed to the delivery vehicle and will remain active and inside of the delivery vehicle at all times during delivery. At all times, ECC will be able to identify the geographic location of all delivery vehicles that are making deliveries for ECC and will provide that information to the Bureau of Cannabis Control or law enforcement personnel upon request.

ECC acknowledges that upon request, it will provide the Bureau of Cannabis Control or law enforcement personnel with information regarding any motor vehicle used for the delivery of cannabis goods,

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including the vehicle's make, model, color, Vehicle Identification Number, license plate number and Department of Motor Vehicles registration information.

ECC acknowledges that any motor vehicle used by a retailer to deliver cannabis goods is subject to inspection by the Bureau of Cannabis Control and local regulators. Vehicles used to deliver cannabis goods may be stopped and inspected by the Bureau of Cannabis Control or local regulators at any licensed premises or during delivery.

ECC's delivery employee will not carry cannabis goods in the delivery vehicle in excess of $3,000.00 at any time. The value of cannabis goods will be determined using the current retail price of all cannabis goods carried by, or within the delivery vehicle of, the retailer's delivery employee.

ECC's delivery employee may only carry cannabis goods in the delivery vehicle and may only perform deliveries for one licensed retailer at a time. A delivery employee must depart and return to the same licensed premises before taking possession of any cannabis goods from another licensee to perform deliveries.

ECC's delivery employee will not leave the licensed premises with cannabis goods without at least one delivery order that has already been received and processed by ECC.

Before leaving the licensed premises, ECC's delivery driver must have a delivery inventory ledger of all cannabis goods provided to ECC's delivery driver. For each cannabis good, the delivery inventory ledger will include the type of good, the brand, the retail value, the track and trace identifier, and the weight, volume or other accurate measure of the cannabis good. After each customer delivery, the delivery inventory ledger must be updated to reflect the current inventory in possession of ECC's delivery driver.

ECC's delivery driver will maintain a log that includes all stops from the time ECC's delivery driver leaves the licensed premises to the time that ECC's delivery driver returns to the licensed premises, and the reason for each stop. The log will be turned in to ECC when ECC's delivery driver returns to the licensed premises. ECC must maintain the log as a commercial cannabis activity record as required by the Cannabis Control Act.

Prior to arrival at any delivery location, ECC must have received a delivery request from the customer and provided the delivery request receipt to ECC's delivery driver electronically or in hard copy. The delivery request receipt provided to ECC's delivery driver will contain all of the information required in section 5420 of the Cannabis Control Act, except for the date and time the delivery was made, and the signature of the customer.

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Immediately upon request by the Bureau of Cannabis Control or any law enforcement officer, ECC's delivery driver will provide:

- All delivery inventory ledgers from the time ECC's delivery driver left the licensed premises up to the time of the request;
- All delivery request receipts for cannabis goods carried by the driver, in the delivery vehicle, or any deliveries that have already been made to customers; and
- The log of all stops from the time ECC's delivery driver left the licensed premises up to the time of the request.

If ECC's delivery driver does not have any delivery requests to be performed for a 30-minute period, ECC's delivery driver will not make any additional deliveries and will return to the licensed premises. Required meal periods will not count toward the 30-minute period.

Upon returning to the licensed premises, all undelivered cannabis goods will be returned to inventory and all necessary inventory and track-and-trace records will be updated as appropriate that same day.

ECC's delivery employees will not consume cannabis goods while delivering cannabis goods to customers.

ECC will prepare a hard copy or electronic delivery request receipt for each delivery of cannabis goods. The delivery request receipt will contain the following:

- The name and address of ECC;
- The first name and employee number of ECC's delivery employee who delivered the order;
- The first name and employee number of ECC's employee who prepared the order for delivery;
- The first name of the customer and a retailer-assigned customer number for the person who requested the delivery;
- The date and time the delivery request was made;
- The delivery address;
- A detailed description of all cannabis goods requested for delivery. The description will include the weight, volume, or any other accurate measure of the amount of all cannabis goods requested;
- The total amount paid for the delivery, including any taxes or fees, the cost of the cannabis goods, and any other charges related to the delivery; and
- Upon delivery, the date and time the delivery was made, and the handwritten or electronic signature of the customer who received the delivery.
- At the time of the delivery, the delivery employee of ECC will provide the customer who placed the order with a hard or electronic copy of the delivery request receipt. The delivery employee will retain a hard or electronic copy of the signed delivery request receipt for ECC's records.
- While making deliveries of cannabis goods, ECC's delivery employee will only travel from ECC's licensed premises to the delivery address; from one delivery address to another delivery

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address; or from a delivery address back to ECC's licensed premises. A delivery employee of a retailer will not deviate from the delivery path described in this section, except for necessary rest, fuel, or vehicle repair stops, or because road conditions make continued use of the route unsafe, impossible, or impracticable.

VEHICLE STANDARDS

Vehicles used for the retail delivery of cannabis and related currency will:

- Be owned and registered to ECC.
- Be less than ten years old at all times during its service life.
- Be insured through a commercial auto policy providing no less than $1M in personal injury and property damage coverage per occurrence.
- Be free of graphics or other markings indicating that the vehicle is associated with cannabis delivery.
- Be equipped with an audible car alarm system configured to also cause flashing of vehicle headlamps and brake lamps upon activation.
- Be equipped with a permanently mounted commercial grade safe dedicated to cannabis products.
- Be equipped with a permanently mounted commercial grade drop safe dedicated to currency.
- Be equipped with GPS tracking technology providing for real-time monitoring through a standard web browser. Proprietary software will not be required to access real-time monitoring. Access to GPS data will be restricted to management personnel. Managers will have unique logins and strong passwords incorporating letters, numbers and special characters. GPS will report location data no less frequently than every one minute. GPS data will be maintained for a period of no less than 90 days. Upon request, GPS data will be made available to regulatory agencies.
- Testing of GPS systems for accuracy and reliability will be performed on a daily basis. Testing will be recorded by the Security Director. Devices experiencing technical difficulties relating to GPS operability or accuracy will not be used for cannabis delivery until such time as the GPS tracking system is restored to full functionality.

LIVE MONITORING

The licensee will implement and maintain appropriate technologies or third party services providing for:

- Route planning of scheduled deliveries by a manager;
- Real-time route deviation notification to a manager;
- Assignment of an employee or manager tasked with real-time monitoring of delivery vehicles and personnel;
- Push-to-talk communications between delivery personnel and the monitoring agent;
- Ongoing communication between the delivery agent and the monitoring agent incorporating routine status checks and voice notifications relating to each arrival and departure from a scheduled delivery point; and
- The licensee will incorporate a code-word to be broadcast by delivery drivers if they are under duress.

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CUSTOMER VALIDATION

Prior to scheduling of a delivery, customers will be required to remit evidence of identity/age that coincides with the residential address to which the delivery is being made. This may be by way of providing a government issued ID and a recurring bill or through credit card validation.

DESTINATION VALIDATION

- **Legitimacy of Address**

  Applicant, prior to dispatching a delivery driver to a customer location, will verify that the address to which the delivery is scheduled is in fact an actual, existing address of public record in the city or county to which the delivery is being made.

- **Compliance with Local Ordinances**

  ECC will maintain an up to date accounting of cities and counties within their service area and will ensure compliance with their respective municipal codes, county ordinances or business licensing regulations as they may relate to the delivery of cannabis products in these cities and counties.

  ECC acknowledges that while Section 26090 of the California Business and Professions Code prohibits a local authority from outright preventing delivery of cannabis into its jurisdiction, Section 26200 of the California Business and Professions Code does grants local authorities the power to develop and enforce business licensing regulations that may relate to delivery of cannabis products within their jurisdiction. ECC will ensure compliance with any such local ordinances or regulations as they pertain to any cities or counties to which they deliver cannabis products.

SAFE HAVEN IDENTIFICATION

ECC will identify, for each area in which a delivery is scheduled, a designated safe zone. The safe zone is a location that the delivery driver will be directed to respond to in the event that the driver is being followed. Safe zones should be highly populated, well lighted locations known to be equipped with surveillance equipment, law enforcement or security personnel. These may include major shopping malls, major airports, major hospital emergency departments, major universities or similar high-density environments.

ROBBERY PREVENTION

All employees who will serve as delivery drivers will complete a course of training on robbery prevention. The course of instruction will include the following training points:

- Maintain a high visual horizon to identify potential threats early. Consistently be on the lookout for suspicious persons loitering in the areas of a delivery. Where suspicious persons are present upon arrival, delay the delivery and retreat to a safe location to notify your

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supervisor. The supervisor will determine the course of action whether that be to terminate the delivery, delay the delivery or deploy a security detail to supervise the delivery;

- Be cognizant of other vehicles that may be following you on your route. As suspicions of following arise, broadcast the vehicle description, license plate and description of occupants to your supervisor without delay. The supervisor will direct you, based on your present location as shown by GPS, to an alternative route and toward a designated safe haven in order to determine if the suspicious vehicle is in fact attempting to follow you. Where the suspicious vehicle changes course and continues to follow, the supervisor will notify law enforcement and will direct the delivery driver to proceed to the nearest manned law enforcement facility;
- Delivery vehicles, if marked as delivery vehicles, will have prominently displayed indications that the driver does not have access to currency;
- If lighting conditions are poor upon arrival at the delivery location, delay the delivery and coordinate with your supervisor. The supervisor will contact the customer and require that exterior lighting at their residence be turned on to enhance the safety of the delivery driver upon his or her arrival;
- Keep the doors to the vehicle locked at all times;
- Keep the windows up at all times;
- Always visually inspect the interior of the vehicle prior to entering it;
- Keep the vehicle key separated from any facility keys that you are issued;
- Ensure that your issued cellular phone is always on and kept on your person at all times during your shift;
- Ensure that the cellular 911 equivalent for police is programmed into your issued cell phone for the jurisdiction that you are delivering to. Depending on your proximity to city/county borders, your calls for local police may be diverted to the California Highway Patrol if calling 911 from a cellular phone. This can create delays in your emergency call making its way to the proper local authority;
- When taking breaks, completing paperwork, eating a meal or otherwise, remember that you are still exposed and must be cognizant of your surroundings. Avoid stopping/parking in isolated or dark areas;
- Watch what you say. Avoid making statements indicating that you make for a good target. Avoid telling customers or others that you have been busy, that business is good, or other remarks that may incentivize a person to rob you of product or currency;
- Never disclose your route plan to outside parties or other employees without a legitimate business need to know. If other employees ask about your assigned route, notify a supervisor. This includes a prohibition relative to social media check-ins and use of location sharing applications;
- If upon returning to your vehicle you find a flyer, note or other item upon your delivery vehicle, do not address it. Immediately leave the area and proceed to a populated, lighted area before investigating the item further;

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• If upon returning to your vehicle you find that your vehicle has been blocked in or disabled (flat tire, severe vandalism), retreat to the customer's premises or and request safe harbor while notifying your supervisor and determining a course of action (law enforcement notification, summoning of a security detail).

ROBBERY MANAGEMENT

• A robbery is defined by law as the taking of property by means of force, threat or fear. A weapon is not required for a person to commit a robbery. The threat of a weapon or creating fear by other means is sufficient to accomplish the crime of robbery. Robbery is a significant felony and a crime of violence – even where no injury occurs. Robbery is not theft. Theft is a comparably minor offense that does not involve the use of force, threat or fear. Considering the serious nature of a robbery, those committing this crime are often well aware of the risk they are taking. This can result in heightened stress on the part of the criminal and can contribute to the criminal making rash and thoughtless moves. To reduce the likelihood of violence in these circumstances, it is paramount that you, the victim, try to remain calm, polite and follow the instructions of the robber;

• Assume your assailant is armed, regardless of whether the assailant shows, references or infers that he or she is armed;

• Cooperate. Do not attempt to disarm, disrupt, delay or defend against the taking of property. Cooperate only to degree you are asked to. Do not offer additional insight, information or intelligence that may assist the robber in achieving more than they intended;

• Try to focus on remembering a good description of the suspect(s) and their vehicle(s), as well as a description of any weapons displayed or discussed by the suspect(s);

• Once the suspect(s) have left the area, notify police without delay. Notify police first, before notifying your supervisor/dispatcher;

• Protect any evidence that may be left behind. This includes anything the suspect(s) may have touched, moved or dropped (e.g. cigarette butts, beverage container); and

• If any witnesses were present, ask them to remain until police arrive.

AUTO BURGLARY PREVENTION

Applicant will ensure that delivery vehicles are protected after-hours. Delivery vehicles will be stored in a locked state its alarm armed. No product or currency will remain in vehicles while stored after-hours. Vehicles will be stored within a locked, alarmed facility or within a locked, fenced yard at upon the licensed premises. If parked outdoors after-hours, lighting in the parking area will be at or above 1.5 foot candles of luminance and under consistent monitoring by surveillance cameras.

Drivers will, in the course of delivery operations:

•Ensure that vehicle windows are up, doors and locked, and the alarm is armed at any time that they are away from the vehicle in the course of deliveries or on breaks;

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- Never leave any items in plain view within the vehicle. Drivers who elect to bring a personal bag/lunch/snacks on the road with them will be required to stow these items in the trunk of the vehicle if left unattended in the vehicle;
- Keep the interior of the vehicle free of any visible bags, boxes or valuables that may entice an opportunistic offender to commit a burglary against the vehicle;
- Not park next to occupied vehicles;
- Not park in unlighted, isolated areas; and
- Be cognizant of surveillance cameras and, where possible, park in their viewing area.

AUTO BURGLARY MANAGEMENT

- If suspects are seen or witnesses are present and the crime is fresh, notify police via the emergency number (crime in progress);
- If suspects are not seen and no witnesses are present, notify police via the non-emergency number. Expect to be directed to do an online report for this type of crime;
- Visually canvass the surrounding area for surveillance cameras. If present, include their locations in your police report to assist investigators who may follow up on the crime;
- Notify your supervisor of the crime of what, if any, inventory or currency was acquired; and
- Prior to operating the vehicle, inspect it for safety hazards (see if the ignition has been tampered with, if under-dash wiring has been manipulated, verify the hood and trunk latches have not been released prior to driving the vehicle).

AUTO THEFT PREVENTION

Auto theft is a prevalent crime in California. Auto theft is a crime often accomplished in a matter of seconds, and often by experienced offenders who can perform this crime without arousing suspicion of bystanders. In other cases, it is a crime committed by joyriders who take advantage of an unsuspecting motorist who left their vehicle running or who left their keys in the vehicle or accessible nearby the vehicle.

To reduce the likelihood of auto theft, ECC will ensure that delivery vehicles are protected after-hours. Delivery vehicles will be stored in a locked state with its alarm armed. No product or currency will remain in vehicles while stored after-hours. Vehicles will be stored within a locked, alarmed facility or within a locked, fenced yard at upon the licensed premises. If parked outdoors after-hours, lighting in the parking area will be at or above 1.5 foot candles of luminance and under consistent monitoring by surveillance cameras.

Drivers will, in the course of delivery operations:

- Ensure that vehicle windows are up, doors and locked, and the alarm is armed at any time that they are away from the vehicle in the course of deliveries or on breaks;
- Not park next to occupied vehicles;
- Not park in unlighted, isolated areas;

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- Be cognizant of surveillance cameras and, where possible, park in their viewing area;
- Never leave the vehicle running while unattended;
- Never leave vehicle keys unattended; and
- Never leave vehicle keys in the vehicle (e.g. when refueling)

AUTO THEFT MANAGEMENT

- If a vehicle is stolen from the licensed premises, the facility manager will notify the California Highway Patrol immediately upon the discovery of the theft;
- If a vehicle is stolen in the course of delivery operations, the theft will be deemed a crime in progress and immediately reported to the law enforcement agency of jurisdiction through the emergency number (911 or cellular equivalent);
- Visually canvass the surrounding area for surveillance cameras. If present, include their locations in your police report to assist investigators who may follow up on the crime; and
- Notify your supervisor of the crime of what, if any, inventory or currency was acquired.

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Security Plan Maintenance

ECC acknowledges that an effective security plan requires ongoing maintenance and the assignment of related responsibilities to a Security Director. The Security Director will be responsible for the implementation, supervision and compliance with all aspects of the security plan on a day to day basis. In addition, the Security Director will perform the following tasks as or more frequently as indicated below, immediately implementing corrective actions where warranted:

Daily:

- Physical and digital inventory of products;
- Physical and digital accounting of currency;
- Audit of GPS system functionality where applicable;
- Inspect locks on the distribution vehicles, its tires, lights and fluids;
- Inspect visitor badges and log sheet, account for all passes;
- Inspect employee badges and log sheet, account for all badges;
- At close of business, physically clears each room of the facility of employees and hazards, ensures all interior doors of significance are closed and locked; and
- At close of business, arms alarm system, ensuring all zones arm successfully.

Weekly:

- Inspect perimeter fences and doors for operability and security;
- Inspect exterior and interior doors for proper function and security;
- Inspect exterior lighting for outages or impositions by vegetation/debris;
- Inspect intrusion detection system, test monitoring communications;
- Inspect surveillance system: firmware, software and operating system;
- Inspect surveillance system: viewing angles, cleanliness, operability;
- Inspect key control logs for anomalies/missing keys;
- Inspect property for impositions to natural surveillance (abandoned cars);
- Inspect signage to ensure it remains posted in accordance with plan; and
- Test battery backup systems relied upon by alarms and surveillance.

Monthly:

- Audit performance of private patrol operator;
- Inspect vegetation, ensuring 24-inch shrub limits and 6-foot canopy limits; and
- Audit employee files, determine those due for background investigations.

Quarterly:

- Verify license & insurance status of contracted third party service providers;
- Host team meeting specific to security protocols, test the staff.

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Annually:

- Review security plan in its entirety and update with applicable changes.

EXTERIOR LIGHTING STANDARDS

Exterior lighting will be white light using LED lamps with full cutoff fixtures to limit glare and light trespass. Color temperature will be between 2700K and 4100K with a color rendering index of 80 or higher and a light loss factor of .95 or better.

Light poles will be no higher than 20'. Broken or damaged exterior lighting will be repaired or replaced within 48 hours of being noted.

Entry drives, drive aisles, parking and bicycle parking will be illuminated to a maintained minimum of 1.5 foot candles per square foot of parking area at a 6:1 average to minimum ratio.

Exterior walkways, alcoves and passageways will be illuminated to a maintained minimum of 1/3 foot candles per square foot of surface area at a 6:1 average to minimum ratio.

Exterior lighting will be shielded or otherwise designed to avoid spill-over illumination to adjacent streets and properties.

All mature landscaping will follow the two-foot, six-foot rule. All landscaping will be ground cover, two feet or less and lower tree canopies of mature trees will be above six feet. This increases natural surveillance and eliminates hiding areas within the landscape.

Tree canopies will not interfere with or block lighting. This creates shadows and areas of concealment. The landscaping plan will allow for proper illumination and visibility regarding lighting and surveillance cameras through the maturity of trees and shrubs.

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Section 5

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Sustainability

5. Sustainability

The importance of wellness does not stop with our patients and customers but extends throughout our entire business model, including how we impact our most precious resource—the environment. This is a guiding principle for our business and we strive to be thoughtful in design and operations to reflect an ongoing commitment to sustainability.

This section contains a sustainability plan to illustrate our efforts to ensure the sustainability of the business, including but not limited to a description of energy generation and efficiency measures, high efficiency mechanical systems, and alternative fuel transportation methods. Should we be selected to apply for a commercial cannabis activity land use permit, we will immediately engage our sustainability consultants to further detail site specific plans.

This proposal was informed by many years of sustainability planning by our sustainability consultant. Not only does the plan follow best practices for sustainability; it also incorporates goals from the Contra Costa County Sustainability Commission. We intend to work in concert with the Commission to build on our plan over time to align with the Commission's goals.

Our initiatives that coincide with the Sustainability Commission's include:

- Polystyrene Ban: Embarc is a polystyrene free company.
- Carbon Fee and Dividend: We fully support the carbon fee program proposed by the County.
- Realizing Equity and Fairness: We will dedicate resources from our Community Investment Fund and paid volunteerism program to support the County's initiative to advance countywide environmental justice and climate planning initiatives.
- Communication and Engagement: We will support and amplify the County's Let's Talk Climate workshop monetarily, by utilizing our human resources, and by providing information on these initiatives at our store.
- Fix-it-Clinics: Similar to the Let's Talk Climate Workshop, we will also promote the Fix-it-Clinics hosted by the County and will apply monetary and human resources to the program.

Furthermore, we have a robust set of planned sustainability initiatives outlined in this proposal to make Embarc Contra Costa the most sustainable commercial cannabis operator in the County.

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Would the proposed business meet the requirements of the Zoning Ordinance related to electricity generation, water use and control of any wastewater or runoff?

In consultation with our sustainability consultant, Embarc will develop practices that meet or exceed compliance with the Contra Costa County zoning ordinance relative to electricity generation, water use and control of wastewater and/or runoff.

Although the ordinance, 88-28.412 - Standards applicable to retailers, does not have specific requirements for electricity, water use and runoff, our business will implement standards that exceed industry practices and address the sustainability measure outlined under 88-28.408.

Per the County's Responses to Questions from the June 7, 2019 Meeting Regarding Commercial Cannabis Requests for Proposals (RFP), we are identifying the sanitary or wastewater district that will service the property:

Central San is the wastewater district that services the proposed location at 3503 Pacheco Boulevard, Martinez, CA 94553.

Would the business include any innovative sustainability measures in excess of minimum requirements?

Embarc is aligned with Contra Costa County's goals regarding innovative sustainability and will exceed the minimum standards required. Embarc will strive to be a marquee green business. Some of our initiatives include:

Provide education and outreach highlighting the benefits of energy conservation:

- As a local business, Embarc is committed to promoting the values of Contra Costa County and will work with the Contra Costa Sustainability Commission to utilize and develop sustainability materials that can be shared with our customers.
- We will have a "green building awareness program" to educate and encourage home owners and businesses to use green building techniques.

Reduce urban heat islands through vegetation management and cool surfaces:]

- As part of our plans to upgrade the site location, Embarc will consult with a local arborist to identify an appropriate shade canopy that will help reduce heat islands and contribute to beautification of the property.
- For all surface repaving, Embarc will use solar reflective "cool" pavements. These surfaces stay cooler in the sun than traditional pavements. Pavement reflectance can be enhanced by using reflective aggregate, a reflective or clear binder, or a reflective surface coating.
- When we replace existing infrastructure, we will use cool roof materials on new and existing buildings to reduce the urban heat island effect and corresponding cooling energy consumption.
- We will develop and implement site specific sustainable landscaping standards to reduce urban heat islands and utilize compost and mulch in landscaping as a water conservation measure.

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Promote installation of alternative energy:

- Embarc is committed to renewable energy generation and will use solar energy for power. As we evaluate the feasibility of offering EV charging stations, we will also evaluate the possibility of onsite energy storage.
- As part of our consumer awareness program we will provide information to consumers about savings programs and incentives for residential solar installation.

Save energy used for public lighting:

- Our exterior lighting will be replaced with light-emitting diodes (LEDs).
- When appropriate and not impactful to security measures, we will use "de-lamping" techniques to reduce lighting levels on the exterior and the parking lots.

Conserve water:

- All new equipment will be the best available technology for water efficiency and we will outfit using low-flow restrictors on all faucets.
- We will reduce water usage on our landscaping through a variety of water conservation techniques including landscape material selection and design.
- Employees play a role in water usage, so this is a prime opportunity to get employees involved in our business's green efforts.
- While we will install conventional storm water management techniques, which typically convey and store runoff in large centralized facilities located at the base of drainage areas, as we redevelop the property we will use LID design strategies to control stormwater at the source through the use of an integrated system of small-scale controls distributed around the site (EPA, 2000). These small-scale controls can be integrated into the existing landscape relatively easily, including vegetated or landscaped areas, parking lots, buildings, and streets (Coffman, 2002).

Reduce waste:

- Implement a waste reduction strategy to increase recycling and reuse of materials, except in cases where waste management (such as cannabis waste) is strictly governed by specific regulations.
- Encourage vendors to reduce the use of Styrofoam and/or plastics and increase composting of materials.
- Encourage the reduction of vehicle miles traveled by incentivizing consumers to ride bicycles and utilize public transportation. Incentives can include product discounts and free transportation vouchers.
- Pursuant to Section 5413 (b) Title 16 of California Code of Regulations, all packaging must be resealable, tamper-evident and child resistant. While these requirements limit the products on the market that are recyclable, we have been working with our distributor, Herbl Distribution, to identify vendors that provide products in sustainable packaging. Furthermore, we will use our purchasing power to encourage vendors to adopt sustainable packaging.

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Promote energy saving tools and practices:

- We will prioritize improvements, and upgrade facilities to save energy and develop policies related to powering off lights and appliances after hours.

Provide alternative water resources for irrigation in residential and nonresidential areas:

- We will implement rainwater collection for irrigation purposes and change our landscaping to drought reduction vegetation.

Provide opportunities to grow, sell, and purchase local:

- We will form partnerships with other cannabis licensees in the County to source local products for our store and will provide them premium shelf space to encourage pur chasing local.

Maintain and expand access to goods, services, and other destinations through increased transportation alternatives:

- Our store is within 150 feet of a public transit station.
- We will be providing bike racks to encourage other modes of transportation.
- Employees will be encouraged to carpool and will be provided no-cost public transportation.

Expand the use of alternative fuels in vehicle travel:

- Embarc will use zero emission vehicles for all deliveries.
- We will encourage our employees to adopt this technology for their personal vehicles by providing information on available state and federal incentives.

Implement innovative sustainability solutions:

- Innovation by design is a key component of thoughtful sustainability solutions. We have identified a number of opportunities for highly innovative opportunities to increase sustainability, including:
    - **Biofiltration:** A NASA Clean Air Study identified biofiltration as a powerful tool in controlling odors. Through use of certain plants, we are able to filter pollutants and odors from the air. This is a completely sustainable—and beautiful—way of addressing odor control. Utilizing Naava living walls, we can leverage plants and beneficial microbes to help purify the indoor air.

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- **Building Materials:** We will work with our sustainability consultant and construction team to identify building materials that are sustainable. For example, 3% of the world's emissions come from the production of concrete, so we will work with companies like Blue Planet, which develops carbon neutral concrete products. Additionally, we will only utilize sustainable wood products and will avoid finish materials that are not sustainable.

- **Tesla Solar Wall:** We will install a Tesla solar wall to maximize the efficiency of our solar panels. The solar wall allows for storage of solar energy so it can be allocated day or night.
- **HVAC:** We will install an ice powered air conditioner to minimize energy consumption. Ice Energy, based out of Glendale, uses an ice-powered air-conditioning unit called the Ice Bear to cool buildings and reduce a building's total net energy consumption. In a very abbreviated description, the Ice Bear works by freezing 450 gallons of water in a tank overnight and making that available for cooling the next day. When the Ice Bear is switched from its Ice Charging to Ice Cooling mode, it provides cooling for up to six hours. After the ice has melted, the job of cooling reverts back to the building's conventional commercial A/C unit, which is why the Ice Bear works in conjunction with a conventional unit. The company describes the product as the first effectively loss-less energy solution.
- To further minimize the footprint of the HVAC system, we will utilize Quiet Duct Wrap. It is made from recycled denim fabric that has been diverted from a landfill, and has an aluminum barrier that provides protection from air currents, moisture and vapors and reflects unwanted radiant heat.
- **Energy Star Partner:** We will only utilize appliances and fixtures that Energy Star certified to ensure energy efficient equipment.

As demonstrated, we are committed to implementing innovative sustainability measures and will always be looking for additional ways to be the most sustainable commercial cannabis business in Contra Costa County.

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Would the proposal aggressively avoid and minimize emissions, including vehicle emissions (especially diesel emissions) related to operation of the business?

Embarc plans to fulfill all deliveries through a fleet of zero emission vehicles. This fits our overall company goal of striving to have a net zero impact on our environment. We believe it is possible and affordable to run an environmentally conscience business in Contra Costa County and the best change agent is a business that can successfully demonstrate this principle.

- Use zero emission vehicles for cannabis deliveries
- Work with electric utility and Contra Costa to develop and implement electric vehicle charging infrastructure for our fleet vehicles and our customers

Some believe sustainability is too costly when compared to traditional methods and materials, but we believe it is an investment in the future. We aim to be carbon neutral and we believe this is an achievable goal.

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Section 6

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Community & Economic Benefits

6. Community and Economic Benefits

Introduction

Embarc Contra Costa, LLC ("Embarc") is founded on three core principles including an emphasis on 'Community First.' For us, that means understanding the importance of a positive, communicative and ongoing dialogue with the community at large and particularly the neighborhood immediately surrounding our store.

We understand that while cannabis has existed within communities for decades, legal, regulated cannabis is still an emerging market. And as such, communities are grappling with how to best integrate commercial cannabis activities into existing neighborhoods, balancing the economic opportunity this industry represents with a desire to protect public health, safety and neighborhood integrity.

Embarc believes operating a cannabis business is a privilege and not a right and that a successful business model is predicated on the ability to consistently engage the community to ensure communication, transparency, integrity and collaboration.

By putting the community first, Embarc ensures a positive relationship with local government, community leaders, and the neighborhood, ultimately allowing the company to give back to the community in meaningful ways.

Given the Miller family's multi-generational legacy of commitment to this community, we are committed to the creation of a business that provides meaningful community benefits, integrates thoughtfully into the community using a bottom-up approach, and serves as the type of neighbor the community can be proud of and will value.

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Community & Economic Benefit Summary

Embarc's Community and Economic Benefit Plan is intended to be a living, breathing document that encompasses the company's core values and priorities for ongoing community engagement but will continue to evolve over time through collaboration with our Community Advisory Board.

Importantly, this Plan is rooted in a foundation of more than four decades of serving this community. This Plan is intended to ensure we get legal, compliant cannabis "right" for Contra Costa. Given our deep local roots, we have spoken with many local business owners, residents, local non-profit leaders and community organizers, about the future of local commercial cannabis activities.

In these discussions, one thing is always clear—an operator that understands the unique needs and dynamics of this community and who will meaningfully invest in, and integrate with, Contra Costa is a necessity. As residents, business owners, parents, neighbors, and engaged citizens, we believe Embarc is that partner.

Community Investment Fund

In recognition of our deep commitment to this community, Embarc will voluntarily provide 1% of its sales to a Community Investment Fund ("CIF") to fund key community priorities, resulting in tens of thousands of dollars each year being directly invested back into our community.

In addition to this funding from Embarc operations, we have also sought community benefits funds from brands we have identified as key partners for our retail operations. We have requested that these key partners donate 1% of their sales to our Community Investment Fund to further the fund's impact and reach within our community.

We have already secured that commitment from some of the highest quality and top-selling brands in the state and will continue to secure commitments as we contemplate additional brands to feature on our shelves.

The Miller family and our leadership team have a proven track record of existing support to nonprofits and community-based organizations including:

AAACC African American Art & Culture Complex

APAIC BUILDING API COMMUNITY POWER

PROJECT ANGEL FOOD

West Contra Costa Salesian BOYS & GIRLS CLUB

CLOSE UP WASHINGTON DC

GREAT FUTURES START HERE BOYS & GIRLS CLUBS OF CONTRA COSTA

CONTRA COSTA COLLEGE FOUNDATION

BAWP

ED GERRITHO FIRE

monument CrisisCenter

Early Childhood Mental Health Program

EAST BAY CENTER FOR THE PERFORMING ARTS

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girls inc. of Alameda County

Sacramento Food Bank & Family Services

El Cerrito Police

Friends Front Street Shelter

Hip Hop for Change

International Cannabis Farmers Association — Cultivating Tradition

goodwill — Bring Good Home.

Bay Area Music Project

Kennedy-King Memorial College Scholarship Fund Ltd.

Bay Area Leadership Foundation

MAE Martinez Adult Education

Contra Costa County Office of Education — learn • lead • achieve

Richmond RPAL Police Activities League

Alive Free

npr

American Chemical Society Project SEED

Mt. Diablo Peace & Justice Center

The University of California 1868

Pittsburg Creates

Vallejo Arts & Entertainment

solano county office of education

Richmond Police

City of Richmond Fire Dept.

RHS Oilers

saint john's — program for real change

UC Center Sacramento

United Playaz

Urban Peace Movement

YES Nature to Neighborhoods

the YMCA

Youth on course

The Vacaville Neighborhood Boys & Girls Club

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To ensure our CIF provides benefit to those organizations most intrinsic to the spirit of the community and in need of funds, we have created a Community Advisory Board to work directly with Embarc's senior leadership in identifying funding priorities.

"We look forward to Embarc operating in our community, providing significant, ongoing financial and volunteer support for us and other local organizations. We are also pleased to have a seat on their Community Advisory Board, which will provide a voice for local stakeholders in the company's operations. This commitment to community is exactly what we want to see from a local cannabis operator."

—LARRY SLY, EXECUTIVE DIRECTOR, FOOD BANK OF CONTRA COSTA & SOLANO

Community Advisory Board

Embarc has established a Community Advisory Board composed of residents and community leaders to ensure residents, business owners, stakeholders and the community at large have an integral voice in our operations. Given his extensive network within the community, Congressman George Miller III will serve as our Head of Community Affairs and Chairman of the Community Advisory Board.

Unlike many other operators in the cannabis industry, who attempt to apply their brand and values onto a community using a top-down approach, Embarc seeks to meet the needs of the community from the bottom up—as represented by the fact that much of Embarc's leadership is already engrained within the fabric of the community and broader East Bay. Having an actively engaged Community Advisory Board composed of residents is just another way of achieving that integrated approach.

The primary goal of the Community Advisory Board is to work collaboratively with Embarc leadership to ensure safe, transparent and community-oriented cannabis operations. The Board will also serve as an important representative of Embarc within the community, providing a number of valuable educational and awareness services. We believe an informed and involved Community Advisory Board is just another example of our presence and engagement in the community.

Primary duties of the Community Advisory Board include, but are not limited to:

- Assessing opportunities for financial contributions and determining the best allocation of community funding
- Identifying and/or creating opportunities to help enhance and promote community input, engagement, education and awareness
- Reviewing operational policies and procedures to identify opportunities for community and neighborhood engagement
- Assisting in building community trust through the identification of community priorities, values and needs
- Identifying opportunities for collaboration with local businesses and stakeholders to provide cross-promotions, partnerships and sponsorships
- Providing input on planned education and awareness programs
- Reviewing and approving all marketing plans and advertisements

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Congressman George Miller III will serve as Embarc's Head of Community Affairs and Chairman of the Community Advisory Board. Given his deep local roots, he has already initiated outreach to secure additional members of the Board representing the following key audiences. Importantly, we hope to include a participant from County government and public safety but thought it inappropriate to conduct outreach to such representatives prior to receiving a dispensary permit.

Community Advisory Board		
Title	**Name**	**Organization**
Embarc Leadership	George Miller III	Head of Community Affairs, Embarc Contra Costa
Youth Education & Prevention	Lisa Sweet RN	Founder, Sweet Beginnings Family Resource Center
Business Community	In Process	—
Community Health	Larry Sly	Executive Director, Food Bank of Contra Costa & Solano
Executive Director	Joleen Lafayette	Loaves and Fishes of Contra Costa
Education Community	In Process	—
Public Safety	TBD	—
Local Government	TBD	—

The health, safety and welfare of our community is a top priority and it centers around our community's youth. Embarc will be part of creating and sustaining programs that support a variety of families in our community. This effort ensures that we are directing community dollars to those organizations and causes that are most intrinsic to the values of residents and community leaders who are working collaboratively with us to identify ideal partners. We are in the process of conducting outreach to a number of potential community partners, including:

THE BOYS & GIRLS CLUB OF MARTINEZ

The Boys & Girls Club of Martinez has innovative programs designed to empower youth to excel in school, become good citizens and lead healthy, productive lives. These programs include sports and recreation, education, the arts, health and wellness, career development, and character and leadership. Embarc seeks to provide annual funding to support these vital youth programs.

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FOOD BANK OF CONTRA COSTA & SOLANO

Food insecurity is a pervasive issue plaguing our community – one in eight people within Contra Costa and Solano Counties receive emergency and supplemental food from the Food Bank of Contra Costa & Solano. For every dollar the Food Bank receives it is able to provide enough food for two meals. Embarc seeks to provide annual funding and volunteerism support to address food insecurity in our communities.

MONUMENT CRISIS CENTER

Monument Crisis Center is a community-based non-profit family resource center for Central and East Contra Costa County that provides nutritious food and quality resources and referrals. These resources include youth enrichment, English language classes, employment opportunity workshops, health and wellness programming, senior programming and more to help low-income individuals and families to help them become stable and secure in the community. Embarc seeks to provide both financial and volunteerism support.

JOHN MUIR HERITAGE LAND TRUST

Everything we depend on comes from the earth. Some of these resources are non-renewable, or in limited supply. John Muir Land Trust permanently protects land throughout Alameda County and Contra Costa County to safeguard the environment for people, animals and plants alike. The John Muir Heritage Land Trust has protected 3,100 acres in the East Bay in stewardship of cleaner air, more abundant water supplies and increased opportunities for environmental awareness throughout the East Bay. Embarc seeks to provide funding to support this vital preservation effort to provide abundant space for residents to explore nature.

Workforce Development Program

To further exemplify the company's commitment to the community, we are committed to hiring 100% of our employees locally and to contracting with local businesses for every practicable service. Embarc will keep our dollars local, supporting local residents and businesses.

Our hiring program is built upon the fundamental value of recruiting from proven local job training programs that ensures we are providing meaningful opportunities for local residents. Because of this, we will seek to partner with the Contra Costa Community College District and the Contra Costa Workforce Collaborative to provide job opportunities through their workforce development and work experience programs.

By working with these programs, we can support our employees' educational and professional development. Whether employees come to us through the college program or not, they can be invited and encouraged to enter the work experience program. Students can earn work-experience credits while simultaneously earning a salary while working for Embarc. This partnership will foster personal and professional growth with educational programs focused on valuable life and professional skills including:

- Professional work habits
- Relationship development
- Identifying personal goals
- Overcoming obstacles on the job
- Transferable skills
- Employability and other soft skills

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Public Safety Fund

Public safety refers to the welfare and protection of the general public and while this is typically expressed as a governmental responsibility, it is becoming ever more common to see the private sector sharing this responsibility as public budgets continue to wear thin. At Embarc, we take this responsibility seriously and will provide direct funding and support to a number of programs that will provide a holistic approach to public safety in our community.

To directly fund public safety programs that address the health, safety and welfare of residents as well as community-based organizations that provide resources to directly enhance the public safety for the most vulnerable populations in our community, we are committing 1% of the sales of our in-house brand to a voluntary public safety fund to support public safety programs. This 1% fund is in addition to the 1% Community Investment Fund and is a voluntary community benefit.

These dollars will be directed in concert with the Community Advisory Board and in consultation with the local Police Department. We have contemplated that they will be allocated to a Public Safety Impact Mitigation program that would provide for dedicated policing of marijuana businesses and address marijuana-related community impacts. Funds from this fee could be used to cover the cost of a police officer to carry out the following activities that ensure the health, safety and welfare of residents:

- Respond to and investigate marijuana-related calls for service
- Conduct proactive compliance inspections of marijuana businesses
- Gather marijuana-related data and provide periodic reports to City Council
- Coordinate and monitor marijuana education efforts
- Conduct/coordinate illicit marijuana enforcement activities
- Facilitate/coordinate periodic audits of cannabis businesses to ensure transparency in operations, and
- Perform other unanticipated marijuana-related duties

Youth Prevention & Direct Education Programs

Education is paramount. Ensuring adult-use cannabis is indeed used only by adults, except in cases of medical necessity, is vital to the health and well-being of our youth, families and community. Embarc is committed to education programs in the following ways:

1. YOUTH EDUCATION

Embarc will ensure that our education community has the tools it needs to make certain that our community's youth receive prevention education. Working with our Community Advisory Board, Embarc will identify a local non-profit partner for the development and funding of an ongoing youth education and prevention program. Importantly, Embarc will not be interfacing with youth on cannabis; rather, we will dedicate resources to existing community organization(s) to undertake this effort.

2. UNIFIED INDUSTRY EDUCATION

In recognition of the benefits to community when businesses work together, Embarc will create a professional cannabis industry association for Contra Costa County cannabis businesses to facilitate ongoing working relationships and positive collaboration among legal, compliant cannabis operators. Working together ensures a healthy, thriving industry and allows for better collaboration on education and community programs within the community.

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This Association can unify emerging commercial cannabis businesses in the region, provide education and resources, provide access to important regulatory and legislative updates, and create educational opportunities for local businesses and the broader community on the latest products, palliative care regimens, medicinal developments, and more.

The goal of these activities is to ensure that the County's cannabis industry is the most informed, compliant and innovative in the state. In addition to educating and advocating for the industry, the association will play a vital role in developing and disseminating educational materials to community groups, patients and customers on various topics, including:

Medicinal use

- Palliative care
- Guide to consumption
- Responsible use
- Youth and cannabis
- What to do if you over-consume

The Association will base its materials on the content from the California Department of Health's "Let's Talk Cannabis" campaign, but tailor it to Contra Costa County's unique market and environment. The Association will make its materials available online and to all its members. Additionally, it will partner with local organizations to bring education to those who want to understand the product, its uses, impacts, and regulations, including but not limited to:

- Education community K-14
- Non-profits
- Business community
- Healthcare community
- Recreation community

3. CREATION OF A CANNABIS SUBCOMMITTEE AT THE MARTINEZ CHAMBER OF COMMERCE

When implementing a new industry—and particularly when that industry is cannabis—we believe the community will benefit from having unified businesses that work together to achieve common, community-oriented goals. We will soon be meeting with the Martinez Chamber of Commerce to discuss the creation of a Cannabis Subcommittee as part of the Martinez Chamber of Commerce that would include a representative from each legal cannabis business. Through this Subcommittee, we can facilitate ongoing working relationships and positive collaboration among the legal and compliant cannabis operators and educate and engage other businesses through the Chamber's existing membership base.

Compassionate Use Program

Cannabis is recognized as an important medical treatment option for many medical conditions ranging from seizures, to PTSD, to cancer. To help meet the medical needs of patients who are otherwise unable to afford cannabis, Embarc will offer reduced and no-cost medicine to low income and seriously ill patients as well as provide the support these patients need to maneuver the health impacts and side effects of their illnesses and medical regimens. This program will be operated in accordance with regulations set forth by the Bureau of Cannabis Control.

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Patients who want to receive benefits from this program must provide evidence of:

- Residency verification
- Medical need
- Financial need

We believe all patients should have access to affordable medicine that benefits their health and quality of life. We are proud to offer a robust compassionate use program providing low-cost and no cost medicine.

Senior Health Initiative

Seniors are one of the fastest growing consumer demographics for cannabis in California but they are also the most likely to be susceptible to cannabis' long lasting stigma. In recognition of the tremendous medical benefits cannabis can provide this demographic, Embarc is committed to ongoing education and engagement with Martinez/Pacheco senior community to dispel the myths, eliminate the stigma and provide education (without a sales pitch) to help seniors navigate this new normal.

We will explore opportunities to partner with senior citizens' groups and organizations such as the Senior Community Center in Martinez to provide monthly free education workshops on CBD, THC, medical cannabis, dosing, and more, led by our Medical Advisor and/or relevant partners. Topics will include cannabis basics, cannabis and pain, cannabis and sleep, and more. In recognition of fixed incomes, we will also provide a discount to senior citizens on all products.

Employer-Paid Volunteerism

There are few things that feel better than doing a good deed, except maybe doing it with your peers while getting paid. Embarc is committed to providing a rewarding and positive workplace that encourages employees to give back to the community. Partnering our workforce with community organizations will allow the development of a culture of volunteerism among our employees.

Embarc employees will be afforded paid time off to participate in local community support activities and programs, up to 40 hours per year through our volunteerism program. These opportunities for engagement provide employees with tools for professional development by exposing them to a variety of local organizations. In addition, investment in employees reduces turnover and improves workplace performance.

Research shows that the best way to achieve employee participation is to provide structured volunteer opportunities. Embarc will provide our employees with opportunities to work with our community partners and also allow team members to suggest and organize additional activities with their co-workers. Accordingly, our goal is to achieve a 90% employee participation rate in this program. These opportunities help employees:

- Learn new skills
- Gain project management experience
- Grow personal and professional networks
- Create a positive presence in our community
- Participate in off-site team building with purpose

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Embarc will also have a staff member designated as our Community Outreach Coordinator to organize volunteer opportunities as well as to provide a point of contact for community inquiries, concerns and questions.

Supporting Local Community Businesses

Embarc will do its part to support working families by keeping dollars local, thereby growing the Contra Costa County economy. This support drives local tax revenues which in turn supports our tax base and vital local services. It is our intention to obtain/retain goods and services from locally licensed small businesses, including but not limited to those listed below.

- Facility design services
- Construction services
- Maintenance and janitorial services
- Website development and ongoing IT services
- Financial services
- Security services
- Local cannabis products, as available
- Distribution services
- Misc. professional services
- Local artisan goods and products
- Most importantly—our employees

In addition to hiring local employees (see below), partnering with local vendors and relying on local goods and services, Embarc will also create meaningful partnerships with local businesses to cross-promote and market their goods and services. Such opportunities span a variety of businesses, ranging from health and wellness (yoga instruction, outdoor gear, etc.) to restaurants, coffee shops, and entertainment. By solidifying promotional partnerships, our operations can help to drive additional customers to these businesses.

We have already solidified partnerships with many existing businesses and will continue to do so. Our owner and his family are longtime residents with significant ties throughout the community. Unlike outside interests who would have to canvass in order to identify local businesses intrinsic to the community, we will leverage existing relationships to develop appropriate partnerships with that will not appeal to children or otherwise detract from public health and safety.

100% Local Hiring

As small business owners, we believe the health and welfare of local residents is rooted in the need for quality employment opportunities. Accordingly, we are committed to 100% local hiring, thereby ensuring our employees reflect Embarc's customer base and serve as a component of our overarching efforts to reflect, benefit and integrate into the community.

Given that they are local residents, employees will naturally serve as ambassadors in the community. That is why we view our employee training, social equity in hiring, and employee benefits programs as part of our broader community benefits.

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Social Equity in Hiring

History has proven that cannabis has been wielded as a tool to criminalize low income communities and communities of color by creating an ongoing cycle of disenfranchisement and imprisonment. The failed War on Drugs has left a legacy in our communities that continues to plague the victims of cannabis criminalization and future generations, perpetuating a schools to prisons pipeline that continues to entangle our youth. Against the backdrop of California's recent adult use cannabis legalization, the very communities most impacted by the War on Cannabis are finding themselves once again left behind, with fewer resources available and more barriers to entry.

Embarc seeks to be thoughtful in its hiring and operations such that it provides opportunities where others do not. This includes recruitment targeted to communities adversely impacted by the failed War on Drugs. Rather than looking for traditional retail and/or cannabis experience, we will focus on identifying individuals with drive, interest and dedication to learning and growing within our company and provide them the tools they need to succeed. We will partner with organizations actively involved in these communities to recruit employees and will provide additional ongoing job skills training to these individuals.

We will hire those others may not through our support of 'ban the box' employment practices that provide opportunity to non-violent cannabis offenders and provide ongoing job training and employment skills beyond our regular training program.

Inclusive Hiring & Opportunity Ladder for Career Advancement

Inclusivity is about more than who you hire; it requires contemplation of a variety of opportunity barriers. Our outreach will occur through multiple platforms and across our community partners' channels, in local news publications, local Facebook groups and other community networks. Our outreach will be mobile optimized given technology barriers for some low-income individuals.

Living Wage & Meaningful Benefits

We understand that in today's world, employees need flexibility more than ever before. To the greatest extent possible, our benefits program and day-to-day operations seek to provide every employee with the opportunity to maximize their employment and benefits.

LIVING WAGE

Embarc will provide a competitive living wage—at least $2 above the local minimum wage—as a base wage for hourly employees and a generous salary for management positions. Furthermore, we have initiated outreach to the United Food and Commercial Workers to enter into a Labor Peace Agreement.

CAREER ADVANCEMENT

Embarc will promote from within by matriculating employees from associate to management through ongoing training, quarterly performance reviews and annual meetings. To support continued growth, our employee mentorship program matches entry-level employees with seasoned employees in order to provide support and to facilitate a connected, communicative team. And, as the industry continues to evolve, so too will our training. We have allocated a monthly budget to support ongoing employee education.

TUITION ASSISTANCE & SCHOLARSHIP PROGRAM

We intend to offer tuition assistance and a scholarship program for qualifying employees.

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HEALTH, VISION & DENTAL BENEFITS

All employees will be offered a competitive benefits package that allows them to choose from various health, vision and dental insurance programs to best meet their individual needs. Embarc contributes significantly to these programs to reduce out-of-pocket costs, including a matching health savings account. These benefits provide high-quality, low-cost care.

TRANSPORTATION ASSISTANCE

While we have ample parking, Embarc will provide staff with complimentary bus passes and will install bike racks to encourage non-motor transportation.

FINANCIAL LITERACY & SECURITY

Embarc will provide a matching 401k program that invests in our employees' futures. Research has shown that employees often do not contribute to a 401k due to a lack of understanding. Embarc believes that providing financial education is part of a robust and well-rounded benefits program. This financial literacy education has been developed by our Finance Director and is part of the employee training and on-boarding process, explaining how a 401k works, what a 'matching program' means, and how employees can participate.

Unlike nearly all other cannabis operators, Embarc is committed to providing employees meaningful company ownership. The CEO is working with the Head of Finance to establish a stock option package for employees. We want employees to feel invested in the success of the company, as we are investing in their success as well.

LEAVE

We recognize the need for flexibility and for time off from work. Employees will be offered paid time off, sick leave, paid family leave, maternal and paternal leave, and more.

ADDITIONAL BENEFITS

Additional benefits include, but may not be limited to:

- Generous employee discount
- Paid bereavement leave
- Disability leave
- Paid civic duties, including voting, jury duty, etc.
- Paid employee volunteerism program
- Pet adoption stipend if adopted locally

Employee Training

Employee education and training is an ongoing process for the duration of employment as we believe in equipping our staff with the latest information and resources. This training is designed so all staff have a deep understanding of cannabis, health and wellness, and our company values and operations to ensure they are able to comfortably able to assist guests while also providing opportunities for career advancement. This training also includes a significant focus on cannabis compliance with all state and local laws and regulations to ensure public health and safety.

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5-Step Employee Training

STEP 1: HIRED & PAPERWORK COMPLETE

STEP 2: TWO-WEEK TRAINING (CONSISTING OF THREE DISTINCT TIERS)

Tier 1 Training—Cannabis 101

All employees must participate in our 'Cannabis 101' training program that provides a broad overview of all things related to cannabis. This training is also required of any contractors that have consistent interaction with Embarc guests such as our security team. This training details everything from the history of cannabis legalization in California, the laws and regulations that now allow for adult use cannabis, CBD and THC, terpenes and the state's track-and-trace program, among others, and is critical in ensuring consistency in cannabis education.

Importantly, given our focus on medical patients, it is vital that all employees have a basic understanding of cannabis' medicinal use. In addition to our proprietary training program developed by our Head of Operations, we will also use the Americans for Safe Access Patient Focused Certification. This is a non-profit, third-party certification in the medical cannabis industry that includes both in-person and online training components as well as an audit of the facility and operations.

Tier 2 Training—Understanding Embarc

Upon completion of our Tier 1 Training—Cannabis 101, employees are then moved to Tier 2 Training which details Embarc's:

- Company mission, vision and goals
- How company values shape our desired interaction with guests, neighbors and the community
- Employee Code of Conduct
- Community benefits, employee benefits, volunteerism and ongoing engagement
- Experience level tolerance, dosage, and our 'start low, go slow' philosophy

Tier 3 Training—Compliance & Best Practices

Compliance & Best Practices is the final tier before employees begin shadowing on the floor. During this training component, employees are provided an overview of cannabis compliance, a detailed description of daily operations, including role playing scenarios with mock guest ID verification, sales, purchases, inventory and more, including:

- State and local laws governing every aspect of our operations
- Social equity in the cannabis industry
- Standard operating procedures, from compliance and security to opening and closing the retail dispensary
- Daily operational flow
- Inventory controls and management

Note: Additional training is provided for certain roles, including our flower certification, similar to that provided to a sommelier, for managers and assistant managers and track-and-trace seminars for any designee(s). These trainings include specific online, verbal and written test components that must be passed to earn the certification.

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STEP 3: SHADOW SHIFTS

After finishing the two-week initial training course, employees are then paired with an experienced employee for shadow shifts. This typically takes between 1-3 shifts and is intended to provide the new employee with the opportunity to begin gaining work experience in the retail environment while still ensuring consistency in the guest experience. The seasoned employee paired with the new employee will then become a mentor through our employee mentorship program, which pairs entry-level employees with seasoned employees on an ongoing basis to provide support and facilitate a connected, communicative team.

STEP 4: INDEPENDENT SHIFTS

After finishing the two-week initial training course and shadowing shifts, an employee begins independent shifts.

STEP 5: ONGOING EDUCATION AND TRAINING

Our commitment to ongoing employee education is integrated into Embarc's business model. This will include weekly staff meetings where we bring in different vendors to train on new products, annual off-site visits to farms in the region to allow employees to experience the cultivation process, quarterly all-staff workshops and more.

Community & Neighborhood Integration

As existing local business owners, we understand the need for ongoing engagement and collaboration with the community at large and the neighborhood housing our operations. In addition to the extensive community benefits programs detailed above, we have also identified ongoing engagement strategies to ensure thoughtful integration.

Open Houses

We will host at least six (6) Open Houses within one month of obtaining the right to apply for a commercial cannabis activity land use permit to provide ample opportunity for residents, neighbors, businesses and other interested parties to meet our owner, ask questions about our proposed operations, and get a better understanding of our vision for the retail environment. During these Open Houses we will focus on impact mitigation and community benefits but will be available to answer any and all community questions and/or concerns.

Informational Canvassing

Our leadership team will canvass the community, with a particular focus on the immediately surrounding neighborhood, to introduce the company and provide information about our proposed operations.

Email Listserv

Once operational, we will provide email communications at a consistent (but not overly persistent) pace to provide updates on Embarc's operationalization, community benefits, upcoming events and more.

Designated Staff Point of Contact

Our Head of Community Affairs will be responsible for keeping up to date on local opportunities for involvement while simultaneously creating cohesion between the community and the emerging

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cannabis industry. This position will be responsible for handling any and all community concerns, comments, suggestions and/or questions. This individual will serve as a direct point of contact for residents. His contact information will be easily accessible to the public through our business website, and he or a designee will be available by phone and/or email between the hours of 8:00 a.m. and 10:00 p.m.

This position will spend time reviewing and attending City Council meetings to ensure that Embarc has first-hand knowledge of information pertaining to the community. We will use this knowledge to adapt and create our methods of community outreach.

Also, we shall provide the City Manager or his/her designee, County representative(s), and all residents, businesses and property owners within 100 feet of the permitted premises with the current name, phone number, secondary phone number and e-mail address of an on-site community relations staff person to whom notice of any operating problems associated with the premises may be reported. This information shall be updated as necessary to remain current.

Area Beautification in Partnership with the Local Chamber of Commerce

Educating and engaging the neighborhood are critical. But we also believe in the importance of rolling up our sleeves and engaging in ongoing neighborhood beautification efforts. As part of our volunteerism program, our staff will serve as a street team that will volunteer on beautification projects on Pacheco Boulevard. We will also seek to identify opportunities to partner with the Chamber of Commerce and/or local business associations to help on an ongoing basis, from helping to fund and paint crosswalks to picking up litter on the street.

Importantly, our security guards will also engage in periodic neighborhood sweeps, ensuring no littering, loitering or other negative impacts on the neighborhood.

Please see Section 4 – Security Plan for extensive details on Embarc's security measures.

Conclusion

The Miller family understands the importance of supporting the local community with their time and resources. They have spent decades involved in various community groups and organizations and continue to prioritize these activities today. This commitment to community will continue personally and be reflected in the efforts and programs supported by Embarc, including through its many programs, policies, and benefits summarized in this plan.

To summarize the key components of this Community and Economic Benefit Plan:

What benefits would the proposal offer to the community?

Embarc's core principle is "community first" and our Community and Economic Benefit Plan embodies that value, including:

- Community Investment Fund that receives 1% of our profits as well as 1% of profits from our key brand partners
- Community Advisory Board that will be comprised of local stakeholders to direct community

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funding, advise the company's operations and inform community benefits efforts
- Workforce development program to provide meaningful career opportunities
- Public Safety Fund that receives 1% of the sales of our in-house brand to help finance a public safety impact mitigation program
- Youth prevention and direct education program development and funding
- Unified industry education and activation through the Chamber of Commerce and through the creation of a business association
- Compassionate Use program
- Senior Health Initiative
- Paid employee volunteerism
- Supporting local businesses and the creation of local business partnerships
- Commitment to 100% local hiring
- Social equity in hiring
- Meaningful benefits and career advancement opportunities
- Industry-leading employee ongoing education and training
- Community outreach and engagement, including open houses, email newsletters and neighborhood canvassing to create an open dialogue
- Area beautification through an employee "street team"

Would the anticipated tax revenue be substantial relative to other proposals?

Yes –retail has the highest tax rate of all commercial cannabis activities. Furthermore, Embarc is situated between major and minor traffic arteries and has the ability to attract major brands, resulting in increased patronage and correspondingly increased tax revenue. Importantly, we project approximately $1.5 million in tax revenue over the first 36 months of operations.

Would the business serve an unmet need in the community, such as greatly access to cannabis for medicinal or adult-use purposes?

There are no legal cannabis retail locations in Contra Costa County, forcing consumers to travel great distances to obtain legal, regulated cannabis or to procure it from the illicit market. Embarc will provide safe, compliant cannabis operations locally with a focus on education, community engagement and neighborhood integration, thereby meeting this need within the community.

Importantly, the Rossmoor community were vocal advocates for legalization during Proposition 64 and worked closely with members of our team to advance those efforts. Seniors are one of the fastest growing consumer demographics for cannabis in California, but they are also the most likely to be susceptible to cannabis' long lasting stigma and/or have reduced access to cannabis due to limited mobility.

In recognition of the tremendous medical benefits cannabis can provide this demographic, Embarc has created specific efforts targeted to this community to provide ongoing education and engagement through our Senior Health Initiative. Furthermore, we will develop a delivery partnership with this community to provide ease of access to safe, legal cannabis and will also provide access to lower cost and no cost medicine through our Compassionate Use Program.

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Would the business stimulate broader economic development and contribute substantial new jobs?

Embarc is committed to hiring all retail employees locally and contracting with local vendors for all products and services. This commitment will create an economic multiplier effect and will benefit a broader industry base. Retail employees will receive a living wage and industry-leading benefits. Our employment education programs will help develop lifelong transferable jobs skills. Also, our proposed Workforce Development Program will result in meaningful economic development opportunities.

Would the business avoid negative impacts to the community and generally serve as a net community asset?

Embarc is driven to get legal, compliant cannabis "right" for Contra Costa. Embarc will avoid negative impacts to the community and we will provide a net benefit. Public safety will receive grant dollars from the community investment fund and revenue from the increased tax revenue, all contributing to a net benefit. Embarc will direct resources to youth education through our investment fund, bolstering educational programs.

Would the business protect overall public health?

- Education and awareness are critical to protect overall public health. The Community Advisory Board will provide a number of valuable educational and awareness services.
- Embarc will create an industry association that will develop and disseminate educational materials to community groups.
- Embarc will be able to amplify and build upon the state's "Let's Talk Cannabis" campaign.

Is the business a locally-owned business, that is a majority of ownership is held by Contra Costa County residents?

Yes, the majority of ownership is held by Contra Costa residents.

Are the products to be sold, manufactured or handled by the proposed business designed to avoid encouraging use by children?

- Embarc is committed to putting children first and implementing protocols that provide the greatest level protection. We have adopted the following measures to ensure children are not encouraged or able to use cannabis:
    - Exceeding state regulations, all products will be placed in child-resistant exit packaging prior to leaving the premises.
    - Packaging will not imitate any package used for goods that are typically marketed to children.
    - Packaging will be child-resistant until the package is first opened and our exit packing will be resealable.
    - Depictions or images of minors or anyone under 21 years of age will not be on any packaging or marketing.
    - Packaging and marketing will not contain the use of objects, such as toys, inflatables, movie characters, cartoon characters, or include any other display, depiction, or image designed in any manner likely to be appealing to minors or anyone under 21 years of age.

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What other benefits would the business have for the broader community?

As previously detailed, Embarc has best-in-class community benefits programs, financial commitments to community, mechanisms for ongoing community engagement, meaningful programming, and more to ensure we are more than just a cannabis dispensary—we are a member of the community.

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Section 7

Equitable Geographic Distribution

7. Equitable Geographic Distribution

Per the June 7, 2019 Cannabis RFP question and answer session, we understand that staff will make a determination as to whether the proposal will result in an undesirable concentration of a specific type of cannabis activity in an area of the County and whether the proposal would serve an area of the County that would not otherwise be served.

We submit that our proposed location and specific site are ideal for this use when compared to the other 12 locations. While we understand that there is one additional application being submitted at our site, the depth and breadth of our team and relevant experience far outweighs competitor qualifications. We hope staff considers this when making a final recommendation to the Board of Supervisors.

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A.

Voluntary Good Neighbor Policy

Voluntary Good Neighbor Policy

Embarc Contra Costa has four core values including an emphasis on 'Community First'. For us, that means understanding the importance of a positive, communicative and ongoing dialogue with the community at large and particularly the neighborhood immediately surrounding the retail environment.

We understand that while cannabis has existed within communities for decades, legal, regulated cannabis is still an emerging market; and as such, communities are grappling with how to best integrate commercial cannabis activities into existing neighborhoods, balancing the economic opportunity this industry represents with a desire to protect public health, safety and neighborhood integrity.

Embarc Contra Costa believes operating a cannabis business is a privilege and not a right and that a successful business model is predicated on the ability to consistently engage the community to ensure communication, transparency, integrity and collaboration. By putting the community first, Embarc ensures a positive relationship with local government, community leaders, and the neighborhood, ultimately allowing the company to give back to the community in meaningful ways.

One demonstration of this commitment to community is through the voluntary creation of a Good Neighbor Policy we will seek to be included as a condition of awarding Embarc a permit. We have drafted proposed policies but welcome the opportunity to discuss these further with the County.

Importantly, we are in discussions to create a Cannabis Subcommittee as part of the Martinez Chamber of Commerce that would include a representative from each legal cannabis business selected by the City. Through this Subcommittee, we will seek to obtain voluntary commitments from the other cannabis operators to also abide by the Good Neighbor Policy. When implementing a new industry – and particularly when that industry is cannabis – we believe the City will benefit from having a unified industry that works together to achieve common, community-oriented goals.

Below is a draft of the policies that we will request be included as a condition of our permit:

As a responsible cannabis operator, Embarc Contra Costa must:

- Provide outside lighting in a manner that illuminates the outside street and sidewalk areas and adjacent parking as appropriate
- Provide adequate and appropriate ventilation to ensure odor controls result in no emission of noxious odors
- Maintain the premises, adjacent sidewalk and/or alley in good condition at all times
- Prohibit double parking directly outside the premises
- Prohibit loitering in or around the premises

- Prohibit littering in or around the premises
- Prohibit the consumption of cannabis products around the premises
- Post notices on the premises that:
    - Direct patrons to leave the establishment and neighborhood peaceful and in an orderly fashion
    - Direct patrons to not litter or block driveways
    - Advise individuals of the prohibition on loitering
    - Advise individuals that smoking of cannabis is prohibited in public places
- Ensure notices are clear, well-lit, prominently displayed and maintained at all public entrances to and exits from the establishment
- Secure the premises within 50 feet of any public entrance and exit

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B.

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Parcels Within 1200 Feet

geometry	OBJECTID	APN	TRA	N_STR_NM	N_STR_SU	N_ODD_EV	N_STR_NB	N_FRAC
Geocortex	252062	377040005	05176	PACHECO	BLVD		3560	
Geocortex	250827	377030027	05176	BUSH	ST	O	1171	
Geocortex	249533	377050006	05176	ROBINSDA	RD		10	
Geocortex	249951	377030012	05176	MORELLO	AVE		35	
Geocortex	250183	377030015	05176	ROBINSDA	CT		13	
Geocortex	248840	377050052	05176	WILDFLOW	DR		260	
Geocortex	250234	377030011	05176	FINCH	WAY	E	4724	
Geocortex	249087	377050054	05176	WILDFLOW	DR		280	
Geocortex	250239	377030014	05176	ROBINSDA	RD		11	
Geocortex	249085	377050053	05176	WILDFLOW	DR		270	
Geocortex	250236	377030013	05176	ROBINSDA	RD		7	
Geocortex	249578	377050069	05176	ROBINSDA	RD		16	
Geocortex	248599	377040015	05176	ESCONDID	DR		183	
Geocortex	249092	377050055	05176	LAKEWOO	RD	E	200	
Geocortex	250466	377030028	05176	MORELLO	AVE		27	
Geocortex	248841	377050049	05176	BRODIA	CT		31	
Geocortex	249534	377050045	05176	ROBINSDA	RD		12	
Geocortex	249531	377050007	05176	ROBINSDA	RD		6	
Geocortex	249076	377050009	05176	MORELLO	AVE		45	
Geocortex	249617	377050070	05176	ROBINSDA	RD		14	
Geocortex	250467	377030029	05176	MORELLO	AVE		29	
Geocortex	248993	377040018	05176	ESCONDID	DR		178	
Geocortex	249093	377050056	05176	WILDFLOW	DR		275	
Geocortex	250620	377030023	05176	ROBINSDA	RD		17	
Geocortex	251106	377040006	05176	PACHECO	BLVD		3560	
Geocortex	249526	377050008	05176	MORELLO	AVE		43	
Geocortex	248796	377040012	05176	ESCONDID	DR		179	
Geocortex	250142	377040019	05176	ESCONDID	DR		160	
Geocortex	250731	377030019	05176	FRANKLIN	RD	E	2470	
Geocortex	251407	377030020	05176	FRANKLIN	RD	E	2470	
Geocortex	250686	377030017	05176	ROBINSDA	RD	O	17	
Geocortex	253240	378130014	76006	PACHECO	BLVD	O	3503	
Geocortex	251718	377030003	05176	PACHECO	BLVD	E	3574	
Geocortex	251870	377030002	05176	PACHECO	BLVD		3574	
Geocortex	249080	377050010	05176	MORELLO	AVE	O	45	
Geocortex	250020	377030024	05176	ROBINSDA	RD		17	
Geocortex	250696	377030018	05176	ROBINSDA	RD	O	17	
Geocortex	250704	377030026	05176	WINDHOVE	WAY	O	113	
Geocortex	251578	377030004	05176	ROBINSDA	RD	O	17	
Geocortex	252024	377030001	05176	MONUMEN	BLVD	O	1505	
Geocortex	254134	378130006	76006	PO BOX 4369				
Geocortex	250633	161212041	05176	PACHECO	BLVD	O	3503	
Geocortex	253094	378130013	76006	PACHECO	BLVD		3503	
Geocortex	252338	377190008	05176	PACHECO	BLVD	O	3503	

Geocortex	251170	377030025	05176	WINDHOVE	WAY	O	113	
Geocortex	252990	377190009	05179	KINGSTON	AVE	E	360	
Geocortex	252944	377190007	05176	SUTTER	ST	E	1800	
Geocortex	250724	161212040	05176	PACHECO	BLVD	O	3503	
Geocortex	254517	378130019	76006	PO BOX 4369				
Geocortex	251385	380240010	76006	KINCHELO	CT	O	3357	
Geocortex	252989	377190003	05176	GREGORY LN STE 220		O	401	
Geocortex	253912	378130005	76006	PO BOX 4369				
Geocortex	252987	377190004	05176	PO BOX 1709				
Geocortex	252991	377190006	05176	CHAPARRA	DR	O	1841	
Geocortex	257251	378140015	76008	PO BOX 4369				
Geocortex	255232	380240001	76017	PO BOX 4369				
Geocortex	255046	378130021	76006	PO BOX 4369				
Geocortex	252845	380240011	76006	PO BOX 4369				
Geocortex	254846	378140016	76017	PO BOX 4369				
Geocortex	252933	378140014	76006	PO BOX 4369				
Geocortex	257287	378140006	76008	PO BOX 4369				
Geocortex	250726	377040007	05176	PO BOX H2O				
Geocortex	253046	377020048	05176	GOLDEN G	AVE	E	450	
Geocortex	250945	377030022	05176	PACHECO	BLVD	E	3594	

N_APT_NB	N_CTY_ST	N_ZIP	N_ZIP_EXT	DESC_	VIEW_	ACREAGE	C_DED_NB	C_DED_DT
	MARTINEZ	94553	2127	RO LAS JU	N	0.35	18168317	20181024
	MARTINEZ	94553	2755	POR RO LA	N	0.096	06980802	19730626
	MARTINEZ	94553	3054	VINE VALLI	N		16168856	20160822
	MARTINEZ	94553	3041	VINE VALLI	N		03315359	20030702
	MARTINEZ	94553	3053	RO LAS JU	N	0.25	17016453	20170126
	MARTINEZ	94553	3060	T6695 L7	N		09015993	20090128
	DUBLIN CA	94568	7504	VINE VALLI	N		14132563	20140808
	MARTINEZ	94553	3060	T6695 L9	N		14221820	20141215
	MARTINEZ	94553	3053	VINE VALLI	N		10278993	20101209
	MARTINEZ	94553	3060	T6695 L8	N		13092387	20130412
	MARTINEZ	94553	3053	VINE VALLI	N		12239872	20120928
	MARTINEZ	94553	3054	PCL MAP 1	N		00139490	20000630
	MARTINEZ	94553	3033	TRACT 454	N		08001841	20080104
	WALNUT C	94598	4826	T6695 L10	N		14152035	20140908
	MARTINEZ	94553	3041	T189PM42	N	0.123	05136963	20050419
	MARTINEZ	94553	3000	T6695 L4	N		18078031	20180517
	MARTINEZ	94553	3054	PCL MAP 1	N	0.24	03374215	20030731
	MARTINEZ	94553	3054	VINE VALLI	N		18196568	20181207
	MARTINEZ	94553	3057	VINE VALLI	N		99049485	19990223
	MARTINEZ	94553	3054	PCL MAP 1	N		16089140	20160511
	MARTINEZ	94553	3041	T189PM42	N	0.102	15197403	20150923
	MARTINEZ	94553	3034	TRACT 454	N		05014918	20050113
	MARTINEZ	94553	3060	T6695 L11	N		15100150	20150519
	MARTINEZ	94553	3053	RO LAS JU	N	0.89	16253577	20161122
	MARTINEZ	94553	2127	RO LAS JU	N	1.1	18168317	20181024
	MARTINEZ	94553	3057	VINE VALLI	N		17236843	20171218
	MARTINEZ	94553	3033	TRACT 454	N		96022928	19960207
	MARTINEZ	94553	3034	TRACT 454	N		01294426	20011001
	MARTINEZ	94553	9672	RO LAS JU	N	0.27	11260948	20111130
	MARTINEZ	94553	9672	RO LAS JU	N	0.32	11260948	20111130
	MARTINEZ	94553	3053	RO LAS JU	N	0.12	96072794	19960422
	MARTINEZ	94553	2126	POR RO LA	N	0.18	07327410	20071130
	MARTINEZ	94553	2127	RO LAS JU	N	0.52	11052151	20110310
	MARTINEZ	94553	2127	RO LAS JU	N	0.66	06244256	20060802
	MARTINEZ	94553	3057	VINE VALLI	N		99049485	19990223
	MARTINEZ	94553	3053	RO LAS JU	N	0.44	01304517	20011010
	MARTINEZ	94553	3053	RO LAS JU	N	0.12	96072794	19960422
	MARTINEZ	94553	2136	VINE VALLI	N		09027010	20090210
	MARTINEZ	94553	3053	RO LAS JU	N	0.47	96072794	19960422
	CONCORD	94520	4201	RO LAS JU	N	0.67	16139565	20160714
	HOUSTON	77210	4369	RO LAS JU	N	0.46	98151951	19980701
	MARTINEZ	94553	2126	POR RO LA	N	1.845	16057117	20160331
	MARTINEZ	94553	2126	POR RO LA	N	0.75	10156642	20100803
	MARTINEZ	94553	2126	POR RO LA	N	1.518	10156644	20100803

	MARTINEZ	94553	2136	RO LAS JU	N	0.116	09027012	20090210
	MARTINEZ	94553	4048	REC OF SU	N	1.95	13094279	20130416
#550	CONCORD	94520	2563	RECORD O	N	3.362	00000000	19901226
	MARTINEZ	94553	2126	POR RO LA	N	0.157	16057117	20160331
	HOUSTON	77210	4369	RO LAS JU	N	3.29	98151951	19980701
	LAFAYETTE	94549	2308	RO LAS JU	N	1.767	05363756	20050923
	PLEASANT	94523	2846	REC OF SU	N	0.92	05101076	20050324
	HOUSTON	77210	4369	RO LAS JU	N	0.465	98151951	19980701
	MARTINEZ	94553	0709	REC OF SU	N	1.13	13033481	20130206
	PITTSBURG	94565	6459	POR RO LA	N	0.6	10202032	20100922
	HOUSTON	77210	4369	RO LAS JU	N	63.56	98151951	19980701
	HOUSTON	77210	4369	POR RO LA	N	15.12	98151951	19980701
	HOUSTON	77210	4369	POR RO LA	N	8.255	98151951	19980701
	HOUSTON	77210	4369	POR RO LA	N	5.47	98151951	19980701
	HOUSTON	77210	4369	RO LAS JU	N	13.739	98151951	19980701
	HOUSTON	77210	4369	POR RO LA	N	5.93	98151951	19980701
	HOUSTON	77210	4369	RO LAS JU	N	97.973	98151951	19980701
	CONCORD	94524	2099	RO LAS JU	N	7.65	07316479	19740906
	SAN FRAN	94102	3661	JOHN KEL	N	31.04	00663058	19430903
	MARTINEZ	94553	2127	VINE VALL	N		19223718	19931202

USE_CODE	LAND_VAL	PER_PRPT	TOT_AREA	TLA	YR_BUILT	BLDG_SQF	full_addre	full_addre
10	2085	0	15240				3560 PACH	3560 PACH
10	832	0	4400					
11	18933	0	14592	1364			10 ROBINS	10 ROBINS
11	209921	0	11715	1500			35 MORELI	35 MORELI
11	238680	0	10890	1275			13 ROBINS	13 ROBINS
11	143400	0	5000	1400			260 WILDF	260 WILDF
11	167769	0	12540	1455			33 MORELI	33 MORELI
11	96439	0	4000	1214			280 WILDF	280 WILDF
11	250190	0	14935	2749			11 ROBINS	11 ROBINS
11	124093	0	8000	1275			270 WILDF	270 WILDF
11	162337	0	13050	2199			7 ROBINSD	7 ROBINSD
11	151283	0	16000	1833			16 ROBINS	16 ROBINS
11	115437	0	23400	2214			183 ESCON	183 ESCON
11	205626	0	4200	1400			285 WILDF	285 WILDF
11	309160	0	5358	1752			27 MORELI	27 MORELI
11	120473	0	8400	1275			31 BRODIA	31 BRODIA
11	84425	0	4400	1532			12 ROBINS	12 ROBINS
11	242797	0	15960	2750			6 ROBINSD	6 ROBINSD
11	16563	0	11900	1471			45 MORELI	45 MORELI
11	301716	0	16000	2310			14 ROBINS	14 ROBINS
11	280158	0	4443	1752			29 MORELI	29 MORELI
11	30425	0	14375	2336			178 ESCON	178 ESCON
11	290471	0	8400	1275			275 WILDF	275 WILDF
12	259664	0	38690	2129			17 ROBINS	17 ROBINS
12	12559	0	47850	1540			3560 PACH	3560 PACH
12	119046	0	18480	1004			43 MORELI	43 MORELI
12	149370	0	15400	1518			179 ESCON	179 ESCON
12	389500	0	144400	1517			160 ESCON	160 ESCON
13	19849	0	11790	572			3592 PACH	3592 PACH
13	24828	0	13940	1162			3592 PACH	3592 PACH
14	35447	0			1953	992	None PACH	None PACH
14	12638	0			1947	1544	4 WYGAL D	4 WYGAL D
14	157635	0	22680	991			3578 PACH	3578 PACH
14	202104	0	28710	1591			3574 PACH	3574 PACH
17	5352	0	11550				None MOR	None MOR
18	168778	0	19110				17 ROBINS	17 ROBINS
21	35447	0	5227	1232			None PACH	None PACH
24	131395	0	9550	1250			25 MORELI	25 MORELI
24	122675	0			0	2601	3580 PACH	3580 PACH
25	1122000	0			1952	6848	3570 PACH	3570 PACH
30	165331	0			0		22 WYGAL	22 WYGAL
31	1510660	0			1959	16000	3610 PACH	3610 PACH
31	73906	0			1948	4429	3503 PACH	3503 PACH
31	491165	0			1974	12000	3550 PACH	3550 PACH

33	94845	0			1960	2012	3594 PACH	3594 PACH
33	274103	0			0000	29400	3440 PACH	3440 PACH
35	126723	0			1992	2831	3520 PACH	3520 PACH
36	127969	0			1959	960	3600 PACH	3600 PACH
36	1382205	0			0000	7308	3555 PACH	3555 PACH
48	1441251	0			2018	2160	3765 PACH	3765 PACH
48	195151	0			1977	4000	3430 PACH	3430 PACH
50	165331	0			0		18 WYGAL	18 WYGAL
53	442865	0			0000	19456	3410 PACH	3410 PACH
53	647437	0			1970	8160	3490 PACH	3490 PACH
54	7629506	53282			0			
54	1814942	0					None PACH	None PACH
54	990890	0			0		3475 PACH	3475 PACH
54	656591	0			0		None PACH	None PACH
54	2219257	0			0		3485 PACH	3485 PACH
54	712285	0			0		None PACH	None PACH
54	11760317	0					None PACH	None PACH
79	99086	0	333180				None PACH	None PACH
79	64181	0					3470 PACH	3470 PACH
85	96341	0					None MOR	None MOR

full_n_adc	parcel_da	s_city	assr_url	Shape	OBJECTID	USE_CODE	Descriptio
3560 PACH	377-040-0	MARTINEZ	gis.cccounty.us/HTM		1	10	Vacant Lar
1171 BUSH	377-030-0	MARTINEZ	gis.cccounty.us/HTM		1	10	Vacant Lar
10 ROBINS	377-050-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
35 MORELI	377-030-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
13 ROBINS	377-030-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
260 WILDF	377-050-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
4724 FINC	377-030-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
280 WILDF	377-050-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
11 ROBINS	377-030-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
270 WILDF	377-050-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
7 ROBINSD	377-030-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
16 ROBINS	377-050-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
183 ESCON	377-040-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
200 LAKEV	377-050-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
27 MORELI	377-030-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
31 BRODIA	377-050-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
12 ROBINS	377-050-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
6 ROBINSD	377-050-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
45 MORELI	377-050-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
14 ROBINS	377-050-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
29 MORELI	377-030-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
178 ESCON	377-040-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
275 WILDF	377-050-0	MARTINEZ	gis.cccounty.us/HTM		2	11	Single Fam
17 ROBINS	377-030-0	MARTINEZ	gis.cccounty.us/HTM		4	12	Single Fam
3560 PACH	377-040-0	MARTINEZ	gis.cccounty.us/HTM		4	12	Single Fam
43 MORELI	377-050-0	MARTINEZ	gis.cccounty.us/HTM		4	12	Single Fam
179 ESCON	377-040-0	MARTINEZ	gis.cccounty.us/HTM		4	12	Single Fam
160 ESCON	377-040-0	MARTINEZ	gis.cccounty.us/HTM		4	12	Single Fam
2470 FRAN	377-030-0	MARTINEZ	gis.cccounty.us/HTM		5	13	Single Fam
2470 FRAN	377-030-0	MARTINEZ	gis.cccounty.us/HTM		5	13	Single Fam
17 ROBINS	377-030-0	MARTINEZ	gis.cccounty.us/HTM		6	14	Single Fam
3503 PACH	378-130-0	MARTINEZ	gis.cccounty.us/HTM		6	14	Single Fam
3574 PACH	377-030-0	MARTINEZ	gis.cccounty.us/HTM		6	14	Single Fam
3574 PACH	377-030-0	MARTINEZ	gis.cccounty.us/HTM		6	14	Single Fam
45 MORELI	377-050-0	MARTINEZ	gis.cccounty.us/HTM		9	17	Vacant, 1
17 ROBINS	377-030-0	MARTINEZ	gis.cccounty.us/HTM		10	18	Vacant, 2
17 ROBINS	377-030-0	MARTINEZ	gis.cccounty.us/HTM		13	21	Duplex
113 WINDH	377-030-0	MARTINEZ	gis.cccounty.us/HTM		16	24	Combinati
17 ROBINS	377-030-0	MARTINEZ	gis.cccounty.us/HTM		16	24	Combinati
1505 MON	377-030-0	MARTINEZ	gis.cccounty.us/HTM		17	25	Apartment
	378-130-0	MARTINEZ	gis.cccounty.us/HTM		22	30	Vacant Lar
3503 PACH	161-212-0	MARTINEZ	gis.cccounty.us/HTM		23	31	Commerci
3503 PACH	378-130-0	MARTINEZ	gis.cccounty.us/HTM		23	31	Commerci
3503 PACH	377-190-0	MARTINEZ	gis.cccounty.us/HTM		23	31	Commerci

113 WINDH	377-030-0	MARTINEZ	gis.cccounty.us/HTM	25	33	Office Bui
360 KINGS	377-190-0	MARTINEZ	gis.cccounty.us/HTM	25	33	Office Bui
1800 SUTT	377-190-0	MARTINEZ	gis.cccounty.us/HTM	27	35	Service St
3503 PACH	161-212-0	MARTINEZ	gis.cccounty.us/HTM	28	36	Auto Repa
	378-130-0	MARTINEZ	gis.cccounty.us/HTM	28	36	Auto Repa
3357 KINC	380-240-0	MARTINEZ	gis.cccounty.us/HTM	40	48	Multiple a
	377-190-0	MARTINEZ	gis.cccounty.us/HTM	40	48	Multiple a
	378-130-0	MARTINEZ	gis.cccounty.us/HTM	42	50	Vacant La
	377-190-0	MARTINEZ	gis.cccounty.us/HTM	45	53	Light Indu
1841 CHAF	377-190-0	MARTINEZ	gis.cccounty.us/HTM	45	53	Light Indu
	378-140-0	MARTINEZ	gis.cccounty.us/HTM	46	54	Heavy Ind
	380-240-0	MARTINEZ	gis.cccounty.us/HTM	46	54	Heavy Ind
	378-130-0	MARTINEZ	gis.cccounty.us/HTM	46	54	Heavy Ind
	380-240-0	MARTINEZ	gis.cccounty.us/HTM	46	54	Heavy Ind
	378-140-0	MARTINEZ	gis.cccounty.us/HTM	46	54	Heavy Ind
	378-140-0	MARTINEZ	gis.cccounty.us/HTM	46	54	Heavy Ind
	378-140-0	MARTINEZ	gis.cccounty.us/HTM	46	54	Heavy Ind
	377-040-0	MARTINEZ	gis.cccounty.us/HTM	71	79	Governme
450 GOLDI	377-020-0	MARTINEZ	gis.cccounty.us/HTM	71	79	Governme
3594 PACH	377-030-0	MARTINEZ	gis.cccounty.us/HTM	77	85	Public and

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Employee Handbook

Welcome

On behalf of the Embarc Contra Costa team, I want to welcome you to the company and wish you every success as you embark on this adventure with us. As lifelong residents, parents and local small business owners, Embarc Contra Costa is truly a dream realized for and it brings us great joy to be growing our team.

We believe that each employee contributes directly to the Company's growth and success, and we hope you will take pride in being a member of our team.

This handbook was developed to describe some of the expectations of our employees and to outline the policies, programs, and benefits available to eligible employees. Employees should familiarize themselves with the contents of the employee handbook as soon as possible for it will answer many questions about employment.

Importantly, we believe in the following guiding principle: conduct yourself with integrity, community-mindedness and an excitement at being part of this team. We are stronger together than apart – leverage the knowledge, creativity, compassion, and determination of your peers to inspire your own growth. After all, our employees inspire us every day.

We hope that your experience here will be enjoyable, challenging, and rewarding. Again, welcome!

Sincerely,

George Miller IV
Co-Founder & Chief Executive Officer

Section 1 – About Us

Our Mission and Values

The Embarc Contra Costa ('Embarc ' or 'Company') will redefine the relationship between consumers and cannabis, focusing on health, relaxation, recreation, wellness and approachability rather than the traditional emphasis on 'getting high.' We believe a cannabis Company can do well while doing good – integrating into and enhancing the local community while operating with integrity and transparency.

We effectuate this mission through 3 key tenets that serve as the basis for everything we undertake as a Company:

- Enrich Rather Than Alter
  Whether a 'medical' or 'adult use' consumer, all cannabis is about wellness and is just one component of an individual's broader health and wellbeing journey. Whether using cannabis for a specific ailment. general aches and pains, anxiety or sleeplessness, at its root cannabis use is about enriching one's life. We believe in embracing that core truth through a focus on cannabis as a way of enriching one's life and integrating into one's existing lifestyle, rather than altering it. Our product types focus on high CBD, low THC ratios and a variety of topicals to address aches and pains. We will offer the fullest line of high-quality, consciously crafted cannabis products available, including organically grown sustainable flower, concentrates, edibles, topicals, and administering tools. This ensures use of cannabis achieves our goal of enrichment – enrichment of the self, one's lifestyle, and the broader community.

- Community First
  While cannabis has existed within communities for decades, legal, regulated cannabis is still an emerging market. As such, communities are grappling with how to best integrate commercial cannabis activities into existing neighborhoods, balancing the economic opportunity this industry represents with a desire to protect public health and safety. Embarc understands that operating such a business is a privilege and not a right and that a successful business model is thus predicated on the ability to consistently engage the community to ensure communication, transparency, integrity and collaboration. By putting the community first, Embarc ensures a positive relationship with local government, community leaders, and the neighborhood, ultimately allowing the Company to give back to the community in meaningful ways. By putting the community first, everything else will take care of itself.

- Experience Matters
  Experience matters. Best practices matter. Embarc is comprised of local community members and business leaders with unparalleled experience operating compliant retail dispensaries and navigating tough regulatory environments. Embarc brings over 200 years of combined experience and represents the vision and operational track record of executive-level leadership in cannabis, retail, supply chain and other highly regulated industries. This expertise is integral to the development and execution of a new type of cannabis dispensary – one that communities can be proud to host.

Corporate Values

As respected leaders with significant experience across all aspects of the cannabis industry, we have built our success on adhering to shared core values including:

- Respectful Inclusivity

As minorities and first-generation Americans, respectful inclusivity is the core of our experiential model. The retail experience is welcoming and open to all.

- Choice
  A variety of strains and cannabis consumption methods are available. A highly trained and diverse staff must always be approachable and knowledgeable to ensure guests understand these choices.

- Nurturing Education
  A well-informed customer is the best customer because they develop trust in our brand, our leadership and our staff

- Leadership by Example
  We're setting the standard for a new type of cannabis experience rooted in education, approachability and wellness.

- Reverence for Nature
  We believe cannabis is part of a holistic health and wellness lifestyle. Our passion for this plant and its medicinal value is showcased throughout our business model.

- Integrity
  We hold our products and ourselves to the highest standards.

Section 2 - Governing Principles of Employment

2-1 About This Handbook / Disclaimer

We prepared this handbook to help employees find the answers to many questions that they may have regarding their employment with Embarc . Please take the necessary time to read it.

We do not expect this handbook to answer all questions. Employment at Embarc is on an at-will basis unless otherwise stated in a written individual employment agreement signed by the CEO of the Company.

Neither this handbook nor any other verbal or written communication by a management representative is, nor should it be considered to be, an agreement, contract of employment, express or implied, or a promise of treatment in any particular manner in any given situation, nor does it confer any contractual rights whatsoever. Embarc adheres to the policy of employment at will, which permits the Company or the employee to end the employment relationship at any time, for any reason, with or without cause or notice.

No Company representative other than the CEO may modify at-will status and/or provide any special arrangement concerning terms or conditions of employment in an individual case or generally and any such modification must be in a signed writing.

Many matters covered by this handbook, such as benefit plan descriptions, are also described in separate Company documents. These Company documents are always controlling over any statement made in this handbook or by any member of management.

This handbook states only general Company guidelines. The Company may, at any time, in its sole discretion, modify or vary from anything stated in this handbook, with or without notice, except for the rights of the parties to end employment at will, which may only be modified by an express written agreement signed by the employee and the CEO.

This handbook supersedes all prior handbooks.

2-2 Equal Employment Opportunity

Embarc is an Equal Opportunity Employer that does not discriminate on the basis of actual or perceived race, color, national origin , ancestry, sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), gender, gender identity, and gender expression, religious creed, disability (mental and physical) including HIV and AIDS, medical condition (cancer and genetic characteristics), genetic information, age, marital status, sexual orientation, military and veteran status, denial of family and medical care leave , or any other characteristic protected by federal, state or local law. Our management team is dedicated to this policy with respect to recruitment, hiring, placement, promotion, transfer, training, compensation, benefits, employee activities and general treatment during employment.

The Company will endeavor to accommodate the sincere religious beliefs of its employees to the extent such accommodation does not pose an undue hardship on the Company's operations. If you wish to request such an accommodation, please speak to the Manager.

If you feel that you have been subjected to conduct which violates this policy, you should immediately report the matter to your supervisor. If you are unable for any reason to contact this person, or if you have not received a

satisfactory response within five (5) business days after reporting any incident of what you perceive to be a violation of this policy, please contact your second level supervisor.

Note: If your supervisor or next level manager is the person toward whom the complaint is directed you should contact any higher-level manager in your reporting chain. The Company will not allow any form of retaliation against individuals who raise issues of equal employment opportunity.

If you feel you have been subjected to any such retaliation, report it in the same manner you would report a perceived violation of this policy. To ensure our workplace is free of artificial barriers, violation of this policy including any improper retaliatory conduct will lead to discipline, up to and including discharge.

2-3 Discrimination, Harassment and Retaliation Prevention

Embarc does not tolerate and prohibits discrimination, harassment or retaliation of or against job applicants, contractors, interns, volunteers or employees by another employee, supervisor, vendor, customer or any third party on the basis of race, religious creed, color, age, sex, sexual orientation, gender, gender identity, gender expression, national origin, ancestry, marital status, medical condition as defined by state law (cancer or genetic characteristics), disability, military and veteran status, pregnancy, childbirth and related medical conditions, or any other characteristic protected by applicable federal, state or local laws and ordinances. The Company is committed to a workplace free of discrimination, harassment and retaliation.

Discrimination Defined

Discrimination under this policy means treating differently or denying or granting a benefit to an individual because of the individual's protected characteristic.

Harassment Defined

Harassment is defined in this policy as unwelcome verbal, visual or physical conduct creating an intimidating, offensive or hostile work environment that interferes with work performance. Harassment can be verbal (including slurs, jokes, insults, epithets, gestures or teasing), graphic (including offensive posters, symbols, cartoons, drawings, computer displays or emails) or physical conduct (including physically threatening another, blocking someone's way, etc.) that denigrates or shows hostility or aversion towards an individual because of any protected characteristic. Such conduct violates this policy, even if it is not unlawful. Because it is difficult to define unlawful harassment, employees are expected to behave at all times in a professional and respectful manner.

Sexual Harassment Defined

Sexual harassment can include all of the above actions, as well as other unwelcome conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, conversations regarding sexual activities and other verbal or physical conduct of a sexual nature.

Examples of conduct that violates this policy include:

- Unwelcome sexual advances, flirtations, advances, leering, whistling, touching, pinching, assault, blocking normal movement;
- Requests for sexual favors or demands for sexual favors in exchange for favorable treatment;
- Obscene or vulgar gestures, posters or comments;
- Sexual jokes or comments about a person's body, sexual prowess or sexual deficiencies;
- Propositions or suggestive or insulting comments of a sexual nature;
- Derogatory cartoons, posters and drawings;

- Sexually-explicit emails or voicemails;
- Uninvited touching of a sexual nature;
- Unwelcome sexually-related comments;
- Conversation about one's own or someone else's sex life;
- Conduct or comments consistently targeted at only one gender, even if the content is not sexual; and,
- Teasing or other conduct directed toward a person because of the person's gender.

Retaliation Defined

Retaliation means adverse conduct taken because an individual reported an actual or perceived violation of this policy, opposed practices prohibited by this policy, or participated in the reporting and investigation process described below. "Adverse conduct" includes but is not limited to:

- Shunning and avoiding an individual who reports harassment, discrimination or retaliation;
- Express or implied threats or intimidation intended to prevent an individual from reporting harassment, discrimination or retaliation; and,
- Denying employment benefits because an applicant or employee reported harassment, discrimination or retaliation or participated in the reporting and investigation process described below.

All discrimination, harassment and retaliation is unacceptable in the workplace and in any work-related settings such as business trips and business-related social functions, regardless of whether the conduct is engaged in by a supervisor, co-worker, client, customer, vendor or other third party.

Reporting Procedures

The following steps have been put into place to ensure the work environment is respectful, professional, and free of discrimination, harassment and retaliation. If an employee believes someone has violated this policy or the Equal Employment Opportunity Policy, the employee should promptly bring the matter to the immediate attention of Manager. (Phone numbers are available through the Company directory.) If this individual is the person toward whom the complaint is directed the employee should contact any higher-level manager in the reporting chain. If the employee makes a complaint under this policy and has not received a satisfactory response within five (5) business days, he or she should contact CEO immediately. (Phone numbers are available through the Company directory.)

Every supervisor who learns of any employee's concern about conduct in violation of this policy, whether in a formal complaint or informally, must immediately report the issues raised to CEO.

Investigation Procedures

Upon receiving a complaint, the Company will promptly conduct a fair and thorough investigation into the facts and circumstances of any claim of a violation of this policy or our Equal Employment Opportunity policy. To the extent possible, the Company will endeavor to keep the reporting employee's concerns confidential. However, complete confidentiality may not be possible in all circumstances.

During the investigation, the Company generally will interview the complainant and the accused, conduct further interviews as necessary and review any relevant documents or other information. Upon completion of the investigation, the Company shall determine whether this policy has been violated based upon its reasonable evaluation of the information gathered during the investigation. The Company will inform the complainant and the accused of the results of the investigation.

The Company will take corrective measures against any person who it finds to have engaged in conduct in violation of this policy, if the Company determines such measures are necessary. These measures may include, but are not limited to, counseling, suspension or immediate termination. Anyone, regardless of position or title, whom the Company determines has engaged in conduct that violates this policy will be subject to discipline, up to and including termination.

Remember, the Company cannot remedy claimed discrimination, harassment or retaliation unless employees bring these claims to the attention of management. Employees should not hesitate to report any conduct which they believe violates this policy.

2-4 Drug-Free and Alcohol-Free Workplace

To help ensure a safe, healthy and productive work environment for our employees and others, to protect Company property, and to ensure efficient operations, the Company has adopted a policy of maintaining a workplace free of drugs and alcohol. This policy applies to all employees and other individuals who perform work for the Company.

The unlawful or unauthorized use, abuse, solicitation, theft, possession, transfer, purchase, sale or distribution of controlled substances, drug paraphernalia or alcohol by an individual anywhere on Company premises, while on Company business (whether or not on Company premises) or while representing the Company, is strictly prohibited. Employees and other individuals who work for the Company also are prohibited from reporting to work or working while they are using or under the influence of alcohol or any controlled substances, which may impact an employee's ability to perform his or her job or otherwise pose safety concerns, except when the use is pursuant to a licensed medical practitioner's instructions and the licensed medical practitioner authorized the employee or individual to report to work. However, this does not extend any right to report to work under the influence of medical marijuana or to use medical marijuana as a defense to a positive drug test, to the extent an employee is subject to any drug testing requirement, to the extent permitted by and in accordance with applicable law. This restriction does not apply to responsible drinking of alcohol at business meetings and related social outings.

Violation of this policy will result in disciplinary action, up to and including discharge.

The Company maintains a policy of non-discrimination and will endeavor to make reasonable accommodations to assist individuals recovering from substance and alcohol dependencies, and those who have a medical history which reflects treatment for substance abuse conditions. However, employees may not request an accommodation to avoid discipline for a policy violation. We encourage employees to seek assistance before their substance abuse or alcohol misuse renders them unable to perform the essential functions of their jobs or jeopardizes the health and safety of any Company employee, including themselves.

2-5 Smoking

Smoking, including the use of e-cigarettes, is prohibited on Company premises and in all Company vehicles.

2-6 Workplace Violence

Embarc is strongly committed to providing a safe workplace. The purpose of this policy is to minimize the risk of personal injury to employees and damage to Company and personal property.

We do not expect employees to become experts in psychology or to physically subdue a threatening or violent individual. Indeed, we specifically discourage employees from engaging in any physical confrontation with a violent or potentially violent individual. However, we do expect and encourage employees to exercise reasonable judgment in identifying potentially dangerous situations.

Experts in the mental health profession state that prior to engaging in acts of violence, troubled individuals often exhibit one or more of the following behaviors or signs: over-resentment, anger and hostility; extreme agitation; making ominous threats such as bad things will happen to a particular person, or a catastrophic event will occur; sudden and significant decline in work performance; irresponsible, irrational, intimidating, aggressive or otherwise inappropriate behavior; reacting to questions with an antagonistic or overtly negative attitude; discussing weapons and their use, and/or brandishing weapons in the workplace; overreacting or reacting harshly to changes in Company policies and procedures; personality conflicts with co-workers; obsession or preoccupation with a co-worker or Supervisor; attempts to sabotage the work or equipment of a co-worker; blaming others for mistakes and circumstances; or demonstrating a propensity to behave and react irrationally.

Prohibited Conduct

Threats, threatening language or any other acts of aggression or violence made toward or by any Company employee WILL NOT BE TOLERATED. For purposes of this policy, a threat includes any verbal or physical harassment or abuse, any attempt at intimidating or instilling fear in others, menacing gestures, flashing of weapons, stalking or any other hostile, aggressive, injurious or destructive action undertaken for the purpose of domination or intimidation. To the extent permitted by law, employees and visitors are prohibited from carrying weapons onto Company premises.

Procedures for Reporting a Threat

All potentially dangerous situations, including threats by co-workers, should be reported immediately to any member of management with whom the employee feels comfortable. Reports of threats may be maintained confidential to the extent maintaining confidentiality does not impede our ability to investigate and respond to the complaints. All threats will be promptly investigated. All employees must cooperate with all investigations. No employee will be subjected to retaliation, intimidation or disciplinary action as a result of reporting a threat in good faith under this policy.

If the Company determines, after an appropriate good faith investigation, that someone has violated this policy, the Company will take swift and appropriate corrective action.

If an employee is the recipient of a threat made by an outside party, that employee should follow the steps detailed in this section. It is important for us to be aware of any potential danger in our offices. Indeed, we want to take effective measures to protect everyone from the threat of a violent act by an employee or by anyone else.

Section 3 - Operational Policies

3-1 Employee Classifications

For purposes of this handbook, all employees fall within one of the classifications below.

Full-Time Employees - Employees who regularly work at least 30 hours per week who were not hired on a short-term basis.

Part-Time Employees - Employees who regularly work fewer than 30 hours per week who were not hired on a short-term basis.

Short-Term Employees - Employees who were hired for a specific short-term project, or on a short-term freelance, per diem or temporary basis. Short-Term Employees generally are not eligible for Company benefits but are eligible to receive statutory benefits.

Employees who regularly work at least 30 or more hours per week who were not hired on a short-term basis are eligible for health insurance benefits.

In addition to the above classifications, employees are categorized as either "exempt" or "non-exempt" for purposes of federal and state wage and hour laws. Employees classified as exempt do not receive overtime pay; they generally receive the same weekly salary regardless of hours worked. Such salary may be paid less frequently than weekly. The employee will be informed of these classifications upon hire and informed of any subsequent changes to the classifications.

3-2 Your Employment Records

In order to obtain their position, employees provided us with personal information, such as address and telephone number. This information is contained in the employee's personnel file.

The employee should keep his or her personnel file up to date by informing the employee's supervisor of any changes. The employee also should inform the employee's supervisor of any specialized training or skills he or she may acquire in the future, as well as any changes to any required visas. Unreported changes of address, marital status, etc. can affect withholding tax and benefit coverage. Further, an "out of date" emergency contact or an inability to reach the employee in a crisis could cause a severe health or safety risk or other significant problem.

3-3 Working Hours and Schedule

Embarc normally is open for business from 9:00 a.m. to 9:00 p.m., Monday through Sunday. The employee will be assigned a work schedule and will be expected to begin and end work according to the schedule. To accommodate the needs of our business, at some point we may need to change individual work schedules on either a short-term or long-term basis.

Rest Breaks

Non-exempt employees who work three-and-one-half (3-1/2) or more hours per day are provided one 10-minute rest break for every four (4) hours or major fraction thereof worked. For purposes of this policy, "major fraction" means any time greater than two (2) hours. For example, if an employee works more than six (6) hours, but no more than 10 hours in a workday, he or she is provided and should take two 10-minute rest breaks: one during the first half of a shift and a second rest break during the second half of the shift. If an employee works more than 10 hours but no more than 14 hours in a day, he or she is provided, and should take, three 10-minute rest breaks, and so on.

Rest breaks should be taken as close to the middle of each work period as is practical. Employees do not need to obtain their supervisor's approval when taking a rest break.

Employees must take their rest breaks; they are prohibiting from working during their rest breaks. Non-exempt employees are paid for all rest break periods. Accordingly, employees do not need to clock out when taking a rest break.

Meal Periods

If employees work more than 5 hours in a workday, they are provided an unpaid, off-duty meal period of at least 30 minutes. If six (6) hours of work will complete the day's work, they may voluntarily waive the meal period in writing. Employees should see Human Resources if they would like to sign and submit a form that waives their right to a meal period if they work no more than six (6) hours in a day. Employees who work more than 10 hours in a day are entitled to a second unpaid, off-duty 30-minute meal period. If an employee works no more than 12 hours, the employee can waive his or her second meal period, but only if the first one was not waived in any manner. Any waiver of the second meal period must be in writing and submitted before the second meal period. Employees should see Human Resources if they would like to sign and submit a form that waives their right to a second meal period, as explained above. If they work more than 12 hours they may not waive and shall take their second unpaid, off-duty 30-minute meal period.

Employees are responsible for scheduling their own meal periods, but they should begin no later than the end of the fifth hour of work. For example, an employee who begins working at 8:00 a.m. must begin his or her meal period no later than 1:00 p.m. When scheduling a meal period, employees should try to anticipate workflow and deadlines. Employees are encouraged to and should take their meal periods; they are not expected to work during their meal periods.

During meal periods, employees are relieved of all duty and should not work during this time. When taking a meal period, employees should be completely off work for at least 30 minutes. Employees are prohibited from working "off the clock" during their meal period. Those employees who use a time clock must clock out for their meal periods. These employees are expected to clock back in and then promptly return to work at the end of any meal period. Those employees who record their time manually must accurately record their meal periods by recording the beginning and end of each work period.

Unless otherwise directed by a supervisor in writing, employees do not need to obtain a supervisor's approval when taking a meal period.

General Requirements for Rest Periods and Meal Breaks

All rest breaks and meal periods must be taken outside the work area. Employees should not visit or socialize with employees who are working while they are taking a rest break or meal period. Employees may leave the premises during meal periods.

Employees are required to immediately notify their supervisor, manager, or Human Resources if they believe they are being pressured or coerced by any manager, supervisor, or other employee to not take any portion of a provided rest break or meal period.

3-4 Timekeeping Procedures

Employees must record their actual time worked for payroll and benefit purposes. Non-exempt employees must record the time work begins and ends, as well as the beginning and ending time of any departure from work for any non-work-related reason, on forms as prescribed by management.
Altering, falsifying or tampering with time records is prohibited and subjects the employee to discipline, up to and including discharge.

Exempt employees are required to record their daily work attendance and report full days of absence from work for reasons such as leaves of absence, sick leave or personal business.

Non-exempt employees may not start work until their scheduled starting time.

It is the employee's responsibility to sign time records to certify the accuracy of all time recorded. Any errors in the time record should be reported immediately to a Supervisor, who will attempt to correct legitimate errors.

3-5 Overtime

Like most successful companies, we experience periods of extremely high activity. During these busy periods, additional work is required from all of us. Supervisors are responsible for monitoring business activity and requesting overtime work if it is necessary. Effort will be made to provide employees with adequate advance notice in such situations.

Non-exempt employees generally will be paid overtime at the rate of time and one-half (1.5) times their normal hourly wage for all hours worked in excess of eight (8) hours in one day or forty (40) hours in one week, or for the first eight (8) hours on the seventh day in the same workweek.

Non-exempt employees generally will be paid double-time for hours worked in excess of twelve (12) in any workday or in excess of eight (8) on the seventh day of the workweek.

Employees may work overtime only with management authorization.

For purposes of calculating overtime for non-exempt employees, the workweek begins at 12 a.m. on Monday and ends 168 hours later at 12 a.m. on the following Sunday.

3-6 Safe Harbor Policy for Exempt Employees

It is Company policy and practice to accurately compensate employees and to do so in compliance with all applicable state and federal laws. To ensure employees are paid properly and no improper deductions are made, employees must review their pay stubs promptly to identify and to report all errors.

If an employee believes a mistake has occurred or if an employee has any questions, the employee should use the reporting procedure outlined below.

Exempt salaried employees receive a salary which is intended to compensate for all hours worked for the Company. This salary will be established at the time of hire or when an employee becomes classified as an exempt employee. While it may be subject to review and modification from time-to-time, such as during salary review times, the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work performed.

Under state law, salary is subject to certain deductions. For example, an employee's salary can be reduced for the following reasons:

- full-day absences for personal reasons;
- full-day absences for sickness or disability, if the available paid sick leave has been exhausted;
- intermittent absences, including partial-day absences, covered by the federal Family and Medical Leave Act, if other available paid leave has been exhausted;
- to offset amounts received as payment for jury and witness fees or military pay;
- during the first or last week of employment in the event an employee works less than a full week; and,
- any work week in which an employee performs no work for the Company.

Salary also may be reduced for certain types of deductions, such as the employee portion of health, dental or life insurance premiums; state, federal or local taxes, social security; or, voluntary contributions to a 401(k) or pension plan.

In any workweek in which an employee performed any work, the employee's salary will not be reduced for any of the following reasons:

- partial-day absences for personal reasons, sickness or disability;
- absence on a holiday when the facility is closed or because the facility is otherwise closed on a scheduled workday;
- absences for jury duty, attendance as a witness or military leave in any week in which an employee has performed any work; and,
- any other deductions prohibited by state or federal law.

If employees believe they have been subject to any improper deductions, they should immediately report the matter to their supervisor. If the supervisor is unavailable or if employees believe it would be inappropriate to contact that person (or if they have not received a prompt and fully acceptable reply), they should immediately contact CEO or any other supervisor in the Company with whom an employee feels comfortable. If employees are unsure of whom to contact if they have not received a satisfactory response within five (5) business days after reporting the incident, they should immediately contact the CEO.

Every report will be fully investigated and corrective action will be taken where appropriate, up to and including termination for any employee who violates this policy. In addition, the Company will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the investigation of such reports. Retaliation is unacceptable, and any form of retaliation in violation of this policy will result in disciplinary action, up to and including termination.

3-7 Your Paycheck

The employee will be paid bi-weekly for all the time worked during the past pay period.

Payroll stubs itemize deductions made from gross earnings. By law, the Company is required to make deductions for Social Security, federal income tax and any other appropriate taxes. These required deductions also may include any court-ordered garnishments. Payroll stubs also will differentiate between regular pay received and overtime pay received.

If there is an error in an employee's pay, the employee should bring the matter to the attention of your Supervisor immediately so the Company can resolve the matter quickly and amicably.

Paychecks will be given only to the employee, unless he or she requests that they be mailed, or authorize in writing another person to accept the check.

3-8 Direct Deposit

Embarc strongly encourages employees to use direct deposit. Authorization forms are available from your Supervisor.

3-9 Performance Review

Depending on the employee's position and classification, Embarc endeavors to review performance quarterly and we encourage employees and supervisors to discuss performance on a frequent ongoing basis. However, a positive performance evaluation does not guarantee an increase in salary, a promotion or continued employment. Compensation increases and the terms and conditions of employment, are determined by and at the discretion of management.

Section 4 – Benefits

4-1 Benefits Overview

In addition to good working conditions and competitive pay, it is Embarc ′s policy to provide a combination of supplemental benefits to all eligible employees. In keeping with this goal, each benefit program has been carefully devised. These policies have been developed over the years and continue to be refined to keep up with changing times and needs.

The next few pages contain a brief outline of the benefits programs Embarc provides employees and their families. Of course, the information presented here is intended to serve only as guidelines.

Further, Embarc (including the officers and administrators who are responsible for administering the plans) retains full discretionary authority to interpret the terms of the plans, as well as full discretionary authority with regard to administrative matters arising in connection with the plans and all issues concerning benefit terms, eligibility and entitlement.

While the Company intends to maintain these employee benefits, it reserves the absolute right to modify, amend or terminate these benefits at any time and for any reason.

If employees have any questions regarding benefits, they should contact the Head of Human Resources.

4-2 Paid Holidays

Full-time, Part-time employees will be paid for the following holidays:

New Year′s Day

Memorial Day

Independence Day

Labor Day

Thanksgiving Day

Day After Thanksgiving

Christmas Day

When holidays fall or are celebrated on a regular work day, eligible employees will receive one (1) day′s pay at their regular straight-time rate.

If a holiday falls within an eligible employee′s approved vacation period, the eligible employee will be paid for the holiday.

If a holiday falls within a jury duty or bereavement leave, the eligible employee will be paid for the holiday (at the regular straight-time rate and will receive an additional day off at the option of the Company.

4-3 Paid Time Off (PTO)

Embarc believes that its employees are the key to what makes a great Company. Although work makes up a large portion of an employee's life, we believe that a balance between work and non-work activities is essential to maintain quality performance and a positive work atmosphere. To support this philosophy, the Company has designed a paid time off (PTO) plan that incorporates vacation, personal and sick leave into one program.

The Company provides PTO in compliance with California's Healthy Workplaces, Healthy Families Act (HWHFA).

All full-time employees will accrue PTO hours according to the following schedule:

Years of Service	Days per Year
0-1 years	12 days
1-3 years	15 days
3-5 years	18 days
5-7 years	20 days
7+ years	25 days

For purposes of this policy, the year begins on employee's date of hire.

Part-time employees will receive one hour of PTO for every 30 hours worked, paid at the employee's regular wage rate. Accrual shall begin on the first day of employment

Procedures:

In addition to vacation, PTO is designed to cover leave for personal sickness, family sickness, family activities and extra holiday time. Employees may find they need time away from work prior to accruing the hours necessary. In such cases, an employee may build up a negative balance with the prior approval of his or her supervisor.

In general, all PTO must be preapproved by and prescheduled with the employee's supervisor and may be taken in hourly increments. Approval for all scheduled time away is subject to applicable workloads. In case of an emergency, however, employees shall be allowed to take unscheduled PTO with less than 24 hours' notice and regardless of applicable workload.

A maximum of 48 hours of accrued and unused PTO time may be carried over from one calendar year to the next.

Accrued, unused PTO is paid out upon separation.

4-4 Workers' Compensation

On-the-job injuries are covered by our Workers' Compensation Insurance Policy, which is provided at no cost to you. If you are injured on the job, no matter how slightly, report the incident immediately to your Supervisor. Failure to follow Company procedures may affect your ability to receive Workers' Compensation benefits.

Any leave of absence due to a workplace injury runs concurrently with all other Company leaves of absence. Reinstatement from leave is guaranteed only if required by law. Employees who need to miss work due to a workplace injury must also request a formal leave of absence. See the Leave of Absence sections of this handbook for more information.

4-5 Jury Duty

Embarc realizes that it is the obligation of all U.S. citizens to serve on a jury when summoned to do so. All employees will be allowed time off to perform such civic service as required by law. Employees are expected, however, to provide proper notice of a request to perform jury duty and verification of their service.

Employees also are expected to keep management informed of the expected length of jury duty service and to report to work for the major portion of the day if excused by the court. If the required absence presents a serious conflict for management, employees may be asked to try to postpone jury duty.

Employees on jury duty leave will be paid for their jury duty service in accordance with state law; however, exempt employees will be paid their full salary for any week in which time is missed due to jury duty if work is performed for the Company during such week.

Section 5 - Leaves of Absence

5-1 Parental Leave Policy

The California New Parent Leave Act (S.B. 63) provides eligible employees the opportunity to take up to 12 weeks of unpaid leave to bond with a new child within one year of the child's birth, adoption or foster care placement. The maximum amount of leave an employee may use under this policy is 12 weeks within a 12-month period.

To be eligible for parental leave under this policy, an employee must:

- Have worked at least 12 months for Embarc .
- Have worked at least 1,250 hours for Embarc over the 12 months preceding the date the leave would commence.

Parental leave may be taken for any the following reasons:

- To bond with a newly born child.
- To bond with a child placed with the employee for adoption or foster care.

In the case where both parents are employed by Embarc and are otherwise eligible for leave, the combined total leave amount for both employees may not exceed 12 weeks.

Parental leave will be provided in addition to any entitlement of pregnancy disability leave (PDL) due to an employee's own pregnancy-related disability.

Parental leave must be concluded within 12 months of the child's birth, adoption or foster care placement.

Intermittent Leave

Eligible employees may take parental leave in at least two-week increments, with shorter increments allowed on two occasions. Employees who require intermittent or reduced-schedule leave must try to schedule their leave so that it will not unduly disrupt Embarc 's operations. Intermittent leave is permitted in intervals of at least one hour, or at the same intervals as provided in Embarc 's [sick leave, vacation or PTO] policy, whichever increments are smaller.

Use of Accrued Paid Leave

Employees may choose to use accrued paid leave (such as sick leave, vacation or PTO) concurrently with some or all of their parental leave. To use paid leave concurrently with parental leave, eligible employees must comply with Embarc 's normal procedures for the applicable paid-leave policy (e.g., call-in procedures, advance notice).

Employees may also apply for California's Paid Family Leave insurance benefits through the California Employment Development Department (EDD).

Maintenance of Health Benefits

If employees and/or their families participate in Embarc 's group health plan, Embarc will maintain coverage during parental leave on the same terms as if an employee had continued to work. If applicable, an employee must make arrangements to pay his or her share of health plan premiums while on leave. In some instances, Embarc may recover premiums it paid to maintain health coverage or other benefits for the employee and/or his or her family. Use of parental leave will not result in the loss of any employment benefit that accrued prior to the start of leave under this policy. Employees should consult the applicable plan document for information regarding eligibility, coverage and benefits.

Embarc may recover the premium amount that it paid as required by this section for maintaining coverage for the employee under the group health plan, if both of the following conditions occur:

1. The employee fails to return from leave after the period of leave to which the employee is entitled has expired.
2. The failure of the employee to return from leave is for a reason other than the continuation, recurrence or onset of a serious health condition or other circumstances beyond the control of the employee.

Procedures

When seeking leave under this policy, employees must provide to [Human Resources/Other Job Title] the following:

1. Reasonable advance notice of the need to take parental leave, if the need for leave is foreseeable, or notice as soon as practicable in the case of unforeseeable leave and in compliance with Embarc 's normal call-in procedures, absent unusual circumstances.
2. Periodic reports as deemed appropriate during the leave regarding the employee's status and intent to return to work.

Failure to comply with the foregoing requirements may result in delay or denial of leave or disciplinary action, up to and including termination.

Employer Responsibilities

To the extent required by law, Embarc will inform employees whether they are eligible for leave under the New Parent Leave Act. Should employees be eligible for parental leave, Embarc will provide eligible employees with a notice that specifies any additional information required as well as the employee's rights and responsibilities. Embarc will also inform employees if leave will be designated as New Parent Leave Act-protected and, to the extent possible, note the amount of leave counted against the employee's leave entitlement. A notice of guarantee of employment and reinstatement to the same or a comparable position will be provided. If an employee is not eligible for parental leave, Embarc will provide a reason for the ineligibility.

Job Restoration

Upon returning from parental leave, an employee will typically be restored to his or her original position or to a comparable position with equivalent pay, benefits and other employment terms and conditions.

Failure to Return After Parental Leave

If an employee fails to return to work as scheduled after parental leave or if an employee exceeds the 12-week parental leave entitlement, the employee will be subject to Embarc 's other applicable leave of absence, accommodation and attendance policies. This may result in termination if the employee has no other Embarc -provided leave available to her or him that applies to the continued absence. Likewise, following the conclusion of parental leave, Embarc 's obligation to maintain the employee's group health plan benefits ends (subject to any applicable COBRA and CAL-COBRA rights).

5-2 Paid Family Leave Benefits

An employee who is off work to care for a child, spouse, parent, grandparent, grandchild, sibling, parent-in-law, or registered domestic partner, with a serious health condition, or to bond with a new child, may be eligible to receive benefits through the California "Paid Family Leave" (PFL) program, which is administered by the Employment Development Department (EDD).

These benefits are financed solely through employee contributions to the PFL program. That program is solely responsible for determining if an employee is eligible for such benefits. Generally, there is a waiting period during which no PFL benefits are available. The EDD can provide additional information about any applicable waiting period.

If an employee needs to take time off work to care for a child, spouse, parent, grandparent, grandchild, sibling, parent-in-law, or registered domestic partner with a serious health condition or to bond with a new child, he or she must advise the Company, and the employee will be given information about the EDD's PFL program and how to apply for benefits. Employees also may contact their local Employment Development Department Office for further information. The employee should maintain regular contact with the Company during the time off work so we may monitor the employee's return-to-work status. In addition, the employee should contact the Company when he or she is ready to return to work so we may determine what positions, if any, are open.

When an employee applies for PFL benefits, the Human Resources Department will determine if the employee has any accrued but unused vacation and personal days available. If the employee has accrued but unused time available, then the employee will be required to use up to two (2) weeks of such time before becoming eligible for PFL benefits.

Job Reinstatement Not Guaranteed

Employees taking time off work to care for a child, spouse, parent, grandparent, grandchild, sibling, parent-in-law, or domestic partner with a serious health condition or to bond with a new child are not guaranteed job reinstatement unless they qualify for such reinstatement under federal or state family and medical leave laws.

Any time off for Paid Family Leave purposes will run concurrently with other leaves of absence, such as Family and Medical Leave, if applicable. Please see the "Family and Medical Leave" policy in this handbook for eligibility requirements, if applicable.

5-3 Lactation Breaks

The Company will provide a reasonable amount of break time for an employee who wishes to express breast milk for her infant child. If possible, the break time must run concurrently with rest and meal periods already provided to the employee. If break time cannot run concurrently with rest and meal periods, it will be unpaid.

The Company will make reasonable efforts to provide the use of a room or location other than a bathroom stall for the employee to express milk in private. This location may be the employee's private office, if applicable.

The Company may not be able to provide additional break time if doing so would seriously disrupt operations. Please consult Human Resources if you have questions regarding this policy.

5-4 Personal Leave

If employees are ineligible for any other Company leave of absence, Embarc , under certain circumstances, may grant a personal leave of absence without pay. A written request for a personal leave should be presented to management at least two (2) weeks before the anticipated start of the leave. If the leave is requested for medical reasons and employees are not eligible for FMLA and CFRA, medical certification also must be submitted. The request will be considered on the basis of staffing requirements and the reasons for the requested leave, as well as performance and attendance records. Normally, a leave of absence will be granted for a period of up to eight (8) weeks. However, a personal leave may be extended if, prior to the end of leave, employees submit a written request for an extension to management and the request is granted. During the leave, employees will not earn vacation, personal days or sick days. We will continue health insurance coverage during the leave if employees

submit their share of the monthly premium payments to the Company in a timely manner, subject to the terms of the plan documents.

When the employee anticipates returning to work, he or she should notify management of the expected return date. This notification should be made at least one week before the end of the leave.

Upon completion of the personal leave of absence, the Company will attempt to return employees to their original job or a similar position, subject to prevailing business considerations. Reinstatement, however, is not guaranteed.

Failure to advise management of availability to return to work, failure to return to work when notified or a continued absence from work beyond the time approved by the Company will be considered a voluntary resignation of employment.

Personal leave runs concurrently with any Company-provided Short-Term Disability Leave of Absence.

5-5 Witness Leave

The Company encourages employees to appear in court for witness duty when subpoenaed to do so.

An employee subpoenaed or otherwise requested to testify as a witness by the Company will receive his/her regular base pay for the entire period of witness duty.

Employees will also be granted time off to appear in court as a witness when requested by a party other than the Company. For non-exempt employees, such time off is not compensated. In accordance with state and federal law, salaried exempt employees will receive their regular salary if they have worked any part of the applicable workweek.

A subpoena or other request to appear as a witness should be shown to the employee's Supervisor immediately after it is received so that operating requirements can be adjusted, where necessary, to accommodate the employee's absence. Employees are expected to report for work whenever the court schedule permits.

5-6 Bereavement Leave

We know the death of a family member is a time when employees wish to be with their families. If the employee is a full-time, part-time employee and loses a close relative, he or she will be allowed paid time off of up to 3 days to assist in attending to his or her obligations and commitments. For the purposes of this policy, a close relative includes a spouse, domestic partner, child, parent, sibling or any other relation required by applicable law. Paid leave days only may be taken on regularly scheduled, consecutive workdays following the day of death. Employees must inform their Supervisors prior to commencing bereavement leave. In administering this policy, the Company may require verification of death.

5-7 Voting Leave

In the event an employee does not have sufficient time outside of working hours to vote in a statewide election, the employee may take off sufficient working time to vote. This time should be taken at the beginning or end of the regular work schedule, whichever allows the most free time for voting and the least time off from work. An employee will be allowed a maximum of two (2) hours of voting leave on Election Day without loss of pay. Where possible, the supervisor should be notified of the need for leave at least three (3) working days prior to the Election Day.

5-8 Military Leave

If employees are called into active military service or enlist in the uniformed services, they will be eligible to receive an unpaid military leave of absence. To be eligible for military leave, employees must provide management with advance notice of service obligations unless they are prevented from providing such notice by military necessity or it is otherwise impossible or unreasonable to provide such notice. Provided the absence does not exceed applicable statutory limitations, employees will retain reemployment rights and accrue seniority and benefits in accordance with applicable federal and state laws. Employees should ask management for further information about eligibility for Military Leave.

If employees are required to attend yearly Reserves or National Guard duty, they can apply for an unpaid temporary military leave of absence not to exceed the number of days allowed by law (including travel). They should give management as much advance notice of their need for military leave as possible so that we can maintain proper coverage while employees are away.

5-9 Bone Marrow Donation Leave

An employee who has been employed for at least 90 days may request a leave of absence for up to five business days in any one-year period to undergo a medical procedure to donate bone marrow. Employees must provide a certification from their physician regarding the purpose and length of each leave requested. An employee must use any accrued vacation time, sick leave or paid time off for this leave, but the use of vacation accrual, sick leave or paid time off does not extend the term of this leave. If accrued vacation, sick leave or paid time off is not available, the time off for such procedure shall be paid, but the paid time off shall not exceed five days. Bone marrow donation leave will not be designated as FMLA or CFRA leave time. Employees will receive health benefits for the duration of their Bone Marrow Donation Leave and upon returning from such leave will have a right to return to the same or equivalent positions they held before such leave.

5-10 Organ Donation Leave

An employee who has been employed for at least 90 days may request a leave of absence for up to 30 business days in any one-year period to undergo a medical procedure to donate an organ. Employees must provide a certification from their physician regarding the purpose and length of each leave requested. An employee must use up to two weeks of accrued vacation, sick leave or paid time off for this leave, but the use of vacation accrual, sick leave or paid time off does not extend the term of the leave. If accrued vacation, sick leave or paid time off is not available, the time off for such procedure shall be paid however the paid time off shall not exceed 30 days. Organ donation leave will not be designated as FMLA or CFRA leave time. Employees will receive health benefits for the duration of their organ donation leave and upon returning from such leave will have a right to return to the same or equivalent positions they held before such leave.

5-11 Time Off for Crime Victims

Employees who have been victims of serious or violent felonies, as specified under California law, or felonies relating to theft or embezzlement, may take time off work to attend judicial proceedings related to the crime. Employees also may take time off if an immediate family member has been a victim of such crimes and the employee needs to attend judicial proceedings related to the crime. "Immediate family member" is defined as spouse, registered domestic partner, child, child of registered domestic partner, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father, or stepfather.

Employees must give their supervisors a copy of the court notice given to the victim of each scheduled proceeding before taking time off, unless advance notice to Company of the need for time off is not feasible. When advance notice is not feasible, the employee must provide Company with documentation evidencing the judicial proceeding, within a reasonable time after the absence. The documentation may be from the court or government

agency setting the hearing, the district attorney or prosecuting attorney's office, or the victim/witness office that is advocating on behalf of the victim.

Employees may elect to use accrued paid vacation time, paid sick leave time, or other paid time off for the absence. If the employee does not elect to use paid time off, the absence will be unpaid. However, exempt employees will be paid their full salary for any workweek interrupted by the need for time off under this policy.

5-12 Time Off for Volunteer Firefighters, Reserve Peace Officers & Emergency Rescue Personnel

An employee who is a volunteer firefighter, reserve peace officer or emergency rescue personnel is permitted unpaid time off, not to exceed fourteen (14) days per calendar year, for the purpose of engaging in fire, law enforcement or emergency rescue training. If an employee requests time off under the policy he or she must notify his or her direct supervisor immediately after the need for the leave becomes known.

Section 6 - General Standards of Conduct

6-1 Workplace Conduct

Embarc endeavors to maintain a positive work environment. Each employee plays a role in fostering this environment. Accordingly, we all must abide by certain rules of conduct, based on honesty, common sense and fair play.

Because everyone may not have the same idea about proper workplace conduct, it is helpful to adopt and enforce rules all can follow. Unacceptable conduct may subject the offender to disciplinary action, up to and including discharge, in the Company's sole discretion. The following are examples of some, but not all, conduct which can be considered unacceptable:

1. Obtaining employment on the basis of false or misleading information;
2. Stealing, removing or defacing Embarc property or a co-worker's property, and/or disclosure of confidential information;
3. Completing another employee's time records;
4. Violation of safety rules and policies;
5. Violation of Embarc 's Drug and Alcohol-Free Workplace Policy;
6. Fighting, threatening or disrupting the work of others or other violations of Embarc 's Workplace Violence Policy;
7. Failure to follow lawful instructions of a supervisor;
8. Failure to perform assigned job duties;
9. Violation of the Punctuality and Attendance Policy, including but not limited to irregular attendance, habitual lateness or unexcused absences;
10. Gambling on Company property;
11. Willful or careless destruction or damage to Company assets or to the equipment or possessions of another employee;
12. Wasting work materials;
13. Performing work of a personal nature during working time;
14. Violation of the Solicitation and Distribution Policy;
15. Violation of Embarc 's Harassment or Equal Employment Opportunity Policies;
16. Violation of the Communication and Computer Systems Policy;
17. Unsatisfactory job performance; or,
18. Any other violation of Company policy.

Obviously, not every type of misconduct can be listed. Note that all employees are employed at-will, and Embarc reserves the right to impose whatever discipline it chooses, or none at all, in a particular instance. The Company will deal with each situation individually and nothing in this handbook should be construed as a promise of specific treatment in a given situation. However, Embarc will endeavor to utilize progressive discipline but reserves the right in its sole discretion to terminate an employee at any time for any reason.

The observance of these rules will help to ensure that our workplace remains a safe and desirable place to work.

6-2 Customer Service Expectations

Employees are responsible for providing the best customer service possible and are empowered to make decisions that will ensure the best experience for each customer. However, giveaways or free customer gifts that are not Company sponsored and/or authorized, are strictly prohibited.

6-3 Neighborly Expectations

First impressions are important. Employees are responsible for keeping both the interior and exterior of the store clean, visually appealing, orderly and aligned with Embarc 's brand vision.

Our Community Benefits & Integration Plan details the Company's extensive efforts to maintain a positive, communicative relationship with the neighbors. Furthermore, Embarc is committed to voluntarily adopting a Good Neighbor Policy further stipulating expectations of the Company, including:

- Provide outside lighting in a manner that illuminates the outside street and sidewalk areas and adjacent parking as appropriate
- Provide adequate and appropriate ventilation to ensure odor controls result in no emission of noxious odors
- Maintain the premises, adjacent sidewalk in good condition at all times
- Prohibit double parking directly outside the premises
- Prohibit loitering in or around the premises
- Prohibit littering in or around the premises
- Prohibit the consumption of cannabis products around the premises
- Post notices on the premises that:
    - Direct patrons to leave the establishment and neighborhood peaceful and in an orderly fashion
    - Direct patrons to not litter or block driveways
    - Advise individuals of the prohibition on loitering
    - Advise individuals that smoking of cannabis is prohibited in public places
- Ensure notices are clear, well-lit, prominently displayed and maintained at all public entrances to and exits from the establishment
- Secure the premises within 50 feet of any public entrance and exit

6-5 Punctuality and Attendance

Employees are hired to perform important functions at Embarc . As with any group effort, operating effectively takes cooperation and commitment from everyone. Therefore, attendance and punctuality are very important. Unnecessary absences and lateness are expensive, disruptive and place an unfair burden on fellow employees and Supervisors. We expect excellent attendance from all employees. Excessive absenteeism or tardiness will result in disciplinary action up to and including discharge.

We do recognize, however, there are times when absences and tardiness cannot be avoided. In such cases, employees are expected to notify Supervisors as early as possible, but no later than the start of the work day. Asking another employee, friend or relative to give this notice is improper and constitutes grounds for disciplinary action. Employees should call, stating the nature of the illness and its expected duration, for every day of absenteeism.

Unreported absences of three (3) consecutive work days generally will be considered a voluntary resignation of employment with the Company.

6-6 Use of Communications and Computer Systems

Embarc 's communication and computer systems are intended primarily for business purposes; however limited personal usage is permitted if it does not hinder performance of job duties or violate any other Company policy. This includes the voice mail, e-mail and Internet systems. Users have no legitimate expectation of privacy in regard to their use of the Embarc systems.

Embarc may access the voice mail and e-mail systems and obtain the communications within the systems, including past voice mail and e-mail messages, without notice to users of the system, in the ordinary course of business when the Company deems it appropriate to do so. The reasons for which the Company may obtain such access include, but are not limited to: maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that Company operations continue appropriately during an employee's absence.

Further, Embarc may review Internet usage to ensure that such use with Company property, or communications sent via the Internet with Company property, are appropriate. The reasons for which the Company may review employees' use of the Internet with Company property include, but are not limited to: maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that Company operations continue appropriately during an employee's absence.

The Company may store electronic communications for a period of time after the communication is created. From time to time, copies of communications may be deleted.

The Company's policies prohibiting harassment, in their entirety, apply to the use of Company's communication and computer systems. No one may use any communication or computer system in a manner that may be construed by others as harassing or offensive based on race, national origin, sex, sexual orientation, age, disability, religious beliefs or any other characteristic protected by federal, state or local law.

Further, since the Company's communication and computer systems are intended for business use, all employees, upon request, must inform management of any private access codes or passwords.

Unauthorized duplication of copyrighted computer software violates the law and is strictly prohibited.

No employee may access, or attempt to obtain access to, another employee's computer systems without appropriate authorization.

Violators of this policy may be subject to disciplinary action, up to and including discharge.

6-7 Use of Social Media

Embarc respects the right of any employee to maintain a blog or web page or to participate in a social networking, Twitter or similar site, including but not limited to Facebook and LinkedIn. However, to protect Company interests and ensure employees focus on their job duties, employees must adhere to the following rules:

Employees may not post on a blog or web page or participate on a social networking platform, such as Twitter or similar site, during work time or at any time with Company equipment or property.

All rules regarding confidential and proprietary business information apply in full to blogs, web pages and social networking platforms, such as Twitter, Facebook, LinkedIn or similar sites. Any information that cannot be disclosed through a conversation, a note or an e-mail also cannot be disclosed in a blog, web page or social networking site.

Whether an employee is posting something on his or her own blog, web page, social networking, Twitter or similar site or on someone else's, if the employee mentions the Company and also expresses either a political opinion or an opinion regarding the Company's actions that could pose an actual or potential conflict of interest with the Company, the poster must include a disclaimer. The poster should specifically state that the opinion expressed is his/her personal opinion and not the Company's position. This is necessary to preserve the Company's good will in the marketplace.

Any conduct that is impermissible under the law if expressed in any other form or forum is impermissible if expressed through a blog, web page, social networking, Twitter or similar site. For example, posted material that is discriminatory, obscene, defamatory, libelous or violent is forbidden. Company policies apply equally to employee social media usage.

Embarc encourages all employees to keep in mind the speed and manner in which information posted on a blog, web page, and/or social networking site is received and often misunderstood by readers. Employees must use their best judgment. Employees with any questions should review the guidelines above and/or consult with their manager. Failure to follow these guidelines may result in discipline, up to and including discharge.

6-8 Inspections

Embarc reserves the right to require employees while on Company property, or on client property, to agree to the inspection of their persons, personal possessions and property, personal vehicles parked on Company or client property, and work areas. This includes lockers, vehicles, desks, cabinets, work stations, packages, handbags, briefcases and other personal possessions or places of concealment, as well as personal mail sent to the Company or to its clients. Employees are expected to cooperate in the conduct of any search or inspection.

6-9 Personal Visits and Telephone Calls

Disruptions during work time can lead to errors and delays. Therefore, we ask that personal telephone calls be kept to a minimum, and only be made or received after working time, or during lunch or break time.

For safety and security reasons, employees are prohibited from having personal guests visit or accompany them anywhere in our facilities other than the reception areas.

6-10 Confidential Company Information

During the course of work, an employee may become aware of confidential information about Embarc 's business, including but not limited to information regarding Company finances, pricing, products and new product development, software and computer programs, marketing strategies, suppliers and customers and potential

customers. It is extremely important that all such information remain confidential, and particularly not be disclosed to our competitors. Any employee who improperly copies, removes (whether physically or electronically), uses or discloses confidential information to anyone outside of the Company may be subject to disciplinary action up to and including termination. Employees may be required to sign an agreement reiterating these obligations.

6-11 Conflict of Interest and Business Ethics

It is Embarc ′s policy that all employees avoid any conflict between their personal interests and those of the Company. The purpose of this policy is to ensure that the Company′s honesty and integrity, and therefore its reputation, are not compromised. The fundamental principle guiding this policy is that no employee should have, or appear to have, personal interests or relationships that actually or potentially conflict with the best interests of the Company.

It is not possible to give an exhaustive list of situations that might involve violations of this policy. However, the situations that would constitute a conflict in most cases include but are not limited to:

1. holding an interest in or accepting free or discounted goods from any organization that does, or is seeking to do, business with the Company, by any employee who is in a position to directly or indirectly influence either the Company′s decision to do business, or the terms upon which business would be done with such organization;
2. holding any interest in an organization that competes with the Company;
3. being employed by (including as a consultant) or serving on the board of any organization which does, or is seeking to do, business with the Company or which competes with the Company; and/or
4. profiting personally, e.g., through commissions, loans, expense reimbursements or other payments, from any organization seeking to do business with the Company.

A conflict of interest would also exist when a member of an employee′s immediate family is involved in situations such as those above.

This policy is not intended to prohibit the acceptance of modest courtesies, openly given and accepted as part of the usual business amenities, for example, occasional business-related meals or promotional items of nominal or minor value.

It is your responsibility to report any actual or potential conflict that may exist between you (and your immediate family) and the Company.

6-12 Use of Facilities, Equipment and Property, Including Intellectual Property

Equipment essential in accomplishing job duties is often expensive and may be difficult to replace. When using property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards and guidelines.

Employees should notify their Supervisor if any equipment, machines, or tools appear to be damaged, defective, or in need of repair. Prompt reporting of loss, damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. The Supervisor can answer any questions about an employee′s responsibility for maintenance and care of equipment used on the job.

Employees also are prohibited from any unauthorized use of the Company's intellectual property, such as audio and video tapes, print materials and software.

Improper, careless, negligent, destructive, or unsafe use or operation of equipment can result in discipline, up to and including discharge.

Further, the Company is not responsible for any damage to employees' personal belongings unless the employee's Supervisor provided advance approval for the employee to bring the personal property to work.

6-13 Health and Safety

The health and safety of employees and others on Company property are of critical concern to Embarc . The Company intends to comply with all health and safety laws applicable to our business. To this end, we must rely upon employees to ensure that work areas are kept safe and free of hazardous conditions. Employees are required to be conscientious about workplace safety, including proper operating methods, and recognize dangerous conditions or hazards. Any unsafe conditions or potential hazards should be reported to management immediately, even if the problem appears to be corrected. Any suspicion of a concealed danger present on the Company's premises, or in a product, facility, piece of equipment, process or business practice for which the Company is responsible should be brought to the attention of management immediately.

Periodically, the Company may issue rules and guidelines governing workplace safety and health. The Company may also issue rules and guidelines regarding the handling and disposal of hazardous substances and waste. All employees should familiarize themselves with these rules and guidelines, as strict compliance will be expected.

Any workplace injury, accident, or illness must be reported to the employee's Supervisor as soon as possible, regardless of the severity of the injury or accident.

6-14 Hiring Relatives/Employee Relationships

A familial relationship among employees can create an actual or at least a potential conflict of interest in the employment setting, especially where one relative supervises another relative. To avoid this problem, Embarc may refuse to hire or place a relative in a position where the potential for favoritism or conflict exists.

In other cases, such as personal relationships where a conflict or the potential for conflict arises, even if there is no supervisory relationship involved, the parties may be separated by reassignment or discharged from employment, at the discretion of the Company. Accordingly, all parties to any type of intimate personal relationship must inform management.

If two employees marry, become related, or enter into an intimate relationship, they may not remain in a reporting relationship or in positions where one individual may affect the compensation or other terms or conditions of employment of the other individual. The Company generally will attempt to identify other available positions, but if no alternate position is available, the Company retains the right to decide which employee will remain with the Company.

For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

6-15 Employee Dress and Personal Appearance

You are expected to report to work well groomed, clean, and dressed according to the requirements of your position.

Badges must be worn by all employees, at all times. Employees who are not wearing their badges will be subject to disciplinary action.

Employees will be required to wear specific Embarc branded items. If you report to work dressed or groomed inappropriately, you may be prevented from working until you return to work well-groomed and wearing the proper attire.

6-16 Publicity/Statements to the Media

All media inquiries regarding the position of the Company as to any issues must be referred to the Head of Human Resources. Only the Head of Human Resources is authorized to make or approve public statements on behalf of the Company. No employees, unless specifically designated by the Head of Human Resources, are authorized to make those statements on behalf of Company. Any employee wishing to write and/or publish an article, paper, or other publication on behalf of the Company must first obtain approval from the Head of Human Resources.

6-17 Operation of Vehicles

All employees authorized to drive Company-owned or leased vehicles or personal vehicles in conducting Company business must possess a current, valid driver's license and an acceptable driving record. Any change in license status or driving record must be reported to management immediately.

An employee must have a valid driver's license in his or her possession while operating a vehicle off or on Company property. It is the responsibility of every employee to drive safely and obey all traffic, vehicle safety, and parking laws or regulations. Drivers must demonstrate safe driving habits at all times.

Portable Communication Device Use While Driving

Employees who drive on Company business must abide by all state or local laws prohibiting or limiting portable communication device (PCD) use, including cell phones or personal digital assistants, while driving. Further, even if use is permitted, employees may choose to refrain from using any PCD while driving. "Use" includes, but is not limited to, talking or listening to another person or sending an electronic or text message via the PCD.

Regardless of the circumstances, including slow or stopped traffic, if any use is permitted while driving, employees should proceed to a safe location off the road and safely stop the vehicle before placing or accepting a call. If acceptance of a call is absolutely necessary while the employee is driving, and permitted by law, the employee must use a hands-free option and advise the caller that he/she is unable to speak at that time and will return the call shortly.

Under no circumstances should employees feel that they need to place themselves at risk to fulfill business needs.

Since this policy does not require any employee to use a PCD while driving, employees who are charged with traffic violations resulting from the use of their PCDs while driving will be solely responsible for all liabilities that result from such actions.

Texting and e-mailing while driving is prohibited in all circumstances.

6-18 Business Expense Reimbursement

Employees will be reimbursed for reasonable approved expenses incurred in the course of business. These expenses must be approved by the employee's Supervisor, and may include air travel, hotels, motels, meals, cab fare, rental vehicles, or gas and car mileage for personal vehicles. All expenses incurred should be submitted to Human Resources along with the receipts in a timely manner.

Employees are expected to exercise restraint and good judgment when incurring expenses. Employees should contact their Supervisor in advance if they have any questions about whether an expense will be reimbursed.

6-19 References

Embarc will respond to reference requests through the Human Resources Department. The Company will provide general information concerning the employee such as date of hire, date of discharge, and positions held. Requests for reference information must be in writing, and responses will be in writing. Please refer all requests for references to the Human Resources Department.

Only the Human Resources Department may provide references.

6-20 If You Must Leave Us

Should an employee decide to leave the Company, we ask that he or she provide a Supervisor with at least 2 weeks advance notice of departure. Thoughtfulness will be appreciated. All Company, property including, but not limited to, keys, security cards, parking passes, laptop computers, fax machines, uniforms, etc., must be returned at separation. Employees also must return all of the Company's Confidential Information upon separation. To the extent permitted by law, employees will be required to repay the Company, (through payroll deduction, if lawful) for any lost or damaged Company, property. As noted previously, all employees are employed at-will and nothing in this handbook changes that status.

6-21 Exit Interviews

Employees who resign are requested to participate in an exit interview with Human Resources, if possible.

6-22 A Few Closing Words

This handbook is intended to give employees a broad summary of things they should know about Embarc . The information in this handbook is general in nature and, should questions arise, any member of management should be consulted for complete details. While we intend to continue the policies, rules and benefits described in this handbook, Embarc , in its sole discretion, may always amend, add to, delete from or modify the provisions of this handbook and/or change its interpretation of any provision set forth in this handbook. Employees should not hesitate to speak to management if they have any questions about the Company or its personnel policies and practices.

General Handbook Acknowledgment

This Employee handbook is an important document intended to help you become acquainted with Embarc Contra Costa. This document is intended to provide guidelines and general descriptions only; it is not the final word in all cases. Individual circumstances may call for individual attention.

Because the Company's operations may change, the contents of this handbook may be changed at any time, with or without notice, in an individual case or generally, at the sole discretion of management.

Please read the following statements and sign below to indicate your receipt and acknowledgment of this Employee handbook.

> I have received and read a copy of Embarc Contra Costa's Employee handbook. I understand that the policies, rules and benefits described in it are subject to change at the sole discretion of the Company at any time.
>
> I further understand that my employment is terminable at will, either by myself or the Company, with or without cause or notice, regardless of the length of my employment or the granting of benefits of any kind.
>
> I understand that no representative of Embarc Contra Costa other than the CEO may alter "at will" status and any such modification must be in a signed writing.
>
> I understand that my signature below indicates that I have read and understand the above statements and that I have received a copy of the Company's Employee handbook.

Employee's Printed Name: _____

Employee's Signature: _____

Position: _____

Date: _____

The signed original copy of this acknowledgment should be given to management - it will be filed in your personnel file.

Receipt of California: Discrimination, Harassment and Retaliation Prevention Policy

Embarc Contra Costa does not tolerate and prohibits discrimination, harassment or retaliation of or against job applicants, contractors, interns, volunteers or employees by another employee, supervisor, vendor, customer or any third party on the basis of race, religious creed, color, age, sex, sexual orientation, gender, gender identity, gender expression, national origin, ancestry, marital status, medical condition as defined by state law (cancer or genetic characteristics), disability, military and veteran status, pregnancy, childbirth and related medical conditions, or any other characteristic protected by applicable federal, state or local laws and ordinances. The Company is committed to a workplace free of discrimination, harassment and retaliation.

Discrimination Defined

Discrimination under this policy means treating differently or denying or granting a benefit to an individual because of the individual's protected characteristic.

Harassment Defined

Harassment is defined in this policy as unwelcome verbal, visual or physical conduct creating an intimidating, offensive or hostile work environment that interferes with work performance. Harassment can be verbal (including slurs, jokes, insults, epithets, gestures or teasing), graphic (including offensive posters, symbols, cartoons, drawings, computer displays or emails) or physical conduct (including physically threatening another, blocking someone's way, etc.) that denigrates or shows hostility or aversion towards an individual because of any protected characteristic. Such conduct violates this policy, even if it is not unlawful. Because it is difficult to define unlawful harassment, employees are expected to behave at all times in a professional and respectful manner.

Sexual Harassment Defined

Sexual harassment can include all of the above actions, as well as other unwelcome conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, conversations regarding sexual activities and other verbal or physical conduct of a sexual nature.

Examples of conduct that violates this policy include:

- unwelcome sexual advances, flirtations, advances, leering, whistling, touching, pinching, assault, blocking normal movement;
- requests for sexual favors or demands for sexual favors in exchange for favorable treatment;
- obscene or vulgar gestures, posters or comments;
- sexual jokes or comments about a person's body, sexual prowess or sexual deficiencies;
- propositions or suggestive or insulting comments of a sexual nature;
- derogatory cartoons, posters and drawings;
- sexually-explicit emails or voicemails;
- uninvited touching of a sexual nature;
- unwelcome sexually-related comments;
- conversation about one's own or someone else's sex life;
- conduct or comments consistently targeted at only one gender, even if the content is not sexual; and,
- teasing or other conduct directed toward a person because of the person's gender.

Retaliation Defined

Retaliation means adverse conduct taken because an individual reported an actual or perceived violation of this policy, opposed practices prohibited by this policy, or participated in the reporting and investigation process described below. "Adverse conduct" includes but is not limited to:

- shunning and avoiding an individual who reports harassment, discrimination or retaliation;
- express or implied threats or intimidation intended to prevent an individual from reporting harassment, discrimination or retaliation; and
- denying employment benefits because an applicant or employee reported harassment, discrimination or retaliation or participated in the reporting and investigation process described below.

All discrimination, harassment and retaliation is unacceptable in the workplace and in any work-related settings such as business trips and business-related social functions, regardless of whether the conduct is engaged in by a supervisor, co-worker, client, customer, vendor or other third party.

Reporting Procedures

The following steps have been put into place to ensure the work environment is respectful, professional, and free of discrimination, harassment and retaliation. If an employee believes someone has violated this policy or the Equal Employment Opportunity Policy, the employee should promptly bring the matter to the immediate attention of Manager. (Phone numbers are available through the Company directory.) If this individual is the person toward whom the complaint is directed the employee should contact any higher level manager in the reporting chain. If the employee makes a complaint under this policy and has not received a satisfactory response within five (5) business days, he or she should contact CEO immediately. (Phone numbers are available through the Company directory.)

Every supervisor who learns of any employee's concern about conduct in violation of this policy, whether in a formal complaint or informally, must immediately report the issues raised to CEO.

Investigation Procedures

Upon receiving a complaint, the Company will promptly conduct a fair and thorough investigation into the facts and circumstances of any claim of a violation of this policy or our Equal Employment Opportunity policy. To the extent possible, the Company will endeavor to keep the reporting employee's concerns confidential. However, complete confidentiality may not be possible in all circumstances.

During the investigation, the Company generally will interview the complainant and the accused, conduct further interviews as necessary and review any relevant documents or other information. Upon completion of the investigation, the Company shall determine whether this policy has been violated based upon its reasonable evaluation of the information gathered during the investigation. The Company will inform the complainant and the accused of the results of the investigation.

The Company will take corrective measures against any person who it finds to have engaged in conduct in violation of this policy, if the Company determines such measures are necessary. These measures may include, but are not limited to, counseling, suspension or immediate termination. Anyone, regardless of position or title,

whom the Company determines has engaged in conduct that violates this policy will be subject to discipline, up to and including termination.

Remember, the Company cannot remedy claimed discrimination, harassment or retaliation unless employees bring these claims to the attention of management. Employees should not hesitate to report any conduct which they believe violates this policy.

I have read and I understand Embarc Contra Costa California: Discrimination, Harassment and Retaliation Prevention policy.

Employee's Printed Name: _____

Employee's Signature: _____

Position: _____

Date: _____

The signed original copy of this receipt should be given to management - it will be filed in your personnel file.

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D.

Training Manual

Our Mission

Embarc Contra Costa ('Embarc') will redefine the relationship between consumers and cannabis, focusing on health, relaxation, recreation, wellness and approachability rather than the traditional emphasis on 'getting high.' We believe a cannabis company can do well while doing good – integrating into and enhancing the local community while operating with integrity and transparency.

We believe a cannabis company can do well while doing good – integrating into and enhancing the local community while operating with integrity and transparency.

We effectuate this mission through 3 key tenets that serve as the basis for everything we undertake as a company:

- Enrich Rather Than Alter

  Whether a 'medical' or 'adult use' consumer, all cannabis is about wellness and is just one component of an individual's broader health and wellbeing journey. Whether using cannabis for a specific ailment, general aches and pains, anxiety or sleeplessness, at its root cannabis use is about enriching one's life. We believe in embracing that core truth through a focus on cannabis as a way of enriching one's life and integrating into one's existing lifestyle, rather than altering it. Our product types focus on high CBD, low THC ratios and a variety of topicals to address aches and pains. We will offer the fullest line of high-quality, consciously crafted cannabis products available, including organically grown sustainable flower, concentrates, edibles, topicals, and administering tools. This array of products ensures achieves our goal of enrichment – enrichment of the self, one's lifestyle, and the broader community.

- Community First

  While cannabis has existed within communities for decades, legal, regulated cannabis is still an emerging market. As such, communities are grappling with how to best integrate commercial cannabis activities into existing neighborhoods, balancing the economic opportunity this industry represents with a desire to protect public health and safety. Embarc understands that operating such a business is a privilege and not a right and that a successful business model is thus predicated on the ability to consistently engage the community to ensure communication, transparency, integrity and collaboration. By putting the community first, Embarc ensures a positive relationship with local government, community leaders, and the neighborhood, ultimately allowing the company to give back to the community in meaningful ways.

- Experience Matters

  Experience matters. Best practices matter. Embarc is comprised of local community members and business leaders with unparalleled experience operating compliant retail dispensaries and navigating tough regulatory environments. Embarc brings over 200 years of combined experience and represents the vision and operational track record of executive-level leadership in cannabis, retail, supply chain and other highly regulated industries. This expertise is integral to the development and execution of a new type of cannabis dispensary – one that Contra Costa County can be proud to host.

Whether using cannabis for a specific ailment, general aches and pains, anxiety or sleeplessness, at its root cannabis use is about enriching one's life by enhancing health and wellness.

Corporate Values

As respected leaders with significant experience across all aspects of the cannabis industry, we have built our success on adhering to shared core values including:

- Respectful Inclusivity
  As minorities and first-generation Americans, respectful inclusivity is the core of our experiential model. The retail experience is welcoming and open to all.

- Choice
  A variety of strains and cannabis consumption methods are available. A highly trained and diverse staff must always be approachable and knowledgeable to ensure guests understand these choices.

- Nurturing Education
  Well-informed customers are the best customer because they develop trust in our brand, our leadership and our staff

- Leadership by Example
  We are
  setting the standard for a new type of cannabis experience rooted in education, approachability and wellness.

- Reverence for Nature
  We believe cannabis is part of a holistic health and wellness lifestyle. Our passion for this plant and its medicinal value is showcased throughout our business model.

- Integrity
  We hold our products and ourselves to the highest standards. If we conduct ourselves with integrity by putting our guests and our community first, everything else will handle itself.

Importantly, we believe in the following guiding principle: conduct yourself with integrity, community-mindedness and an excitement at being part of this team. We are stronger together than apart – leverage the knowledge, creativity, compassion and determination of your peers and this organization to inspire your own growth.

Section 1 - Business Principles

1-1 Environmental Stewardship

Embarc seeks to promote the health of our community and our planet. We strive to follow the guidelines below:

- **Compliance with Environmental Requirements** – Embarc will comply with all applicable federal, state and local environmental laws, statutes, regulations and other environmental requirements. When environmental quality improvements are feasible, we will establish and maintain our own standards that exceed existing laws and regulations.

- **Healthy Built Environment** – Embarc will promote public health, workforce wellness, and quality of work-life by integrating the development of buildings and grounds with the natural environment and by promoting indoor environmental quality.

- **Environmentally Responsible Facilities Operations** – Embarc will assess environmental implications in the design, construction and operation of retail infrastructure grounds and buildings. To the extent practical, facilities development and maintenance will promote environmental sustainability through resource conservation, ecologically-sound landscaping practices, sustainable building design and operation, and transportation that minimizes environmental impact.

- **Pollution Prevention** – Embarc will minimize solid waste generation and the potential release of pollutants into the environment first through source reduction, secondarily through reuse and recycling, and finally through treatment and disposal.

- **Environmentally Responsible Acquisition** – Embarc will promote environmental responsibility through its contracting and purchasing choices. When purchasing products and services, Embarc will strive to obtain the best value by considering life cycle environmental impacts along with cost and functional performance.

- **Conservation of Energy, Water and Other Resources** – Embarc will reduce resource consumption by eliminating wasteful practices and promoting efficient use, and by evaluating and implementing feasible and practical conservation measures in existing buildings, renovations, and new construction.

- **Green Technology** – Embarc will recognize the significant impacts of computing, communication, refrigeration and other technologies on human health and the environment and will actively promote the efficient and sustainable use of technology.

- **Environmental Education and Awareness** – Embarc will provide ongoing education for all employees, contractors and visitors concerning the importance of environmental responsibility in all it's operations. Further, Embarc will share relevant and accurate information on its environmental performance with the public.

1-2 Green Team

One can improve a neighborhood with strategic building design, but it is equally important to improve a neighborhood through businesses practices.

We have already begun integrating some of the Program's recommended best practices into our design and operations. We will have a "green team" - a volunteer committee - that will lead our sustainability efforts and continually review our operations through the lens of environmental stewardship. The "green team" will meet regularly and be tasked with guiding our tenant improvements, focusing on energy and water efficiency that match the County's Green Business Program requirements. We recognize that sustainability starts with leadership, our executives are committed and passionate about this core business principle.

1-3 Philanthropy

Being philanthropic and charitable is a part of the culture at Embarc. We place a high value on philanthropy in the workplace and we want to attract talented individuals who care about their community. Therefore, we encourage our employees to volunteer and to spend time in the community through our paid volunteerism program, detailed in the Community Benefits & Integration Plan.

1-4 Our Products

We believe it is more about the journey than the destination. Every touchpoint from our digital, retail, customer and brand experience is meant to elevate beyond the regular consumer shopping journey.

Our products are carefully curated to meet the needs of medical users and to reflect the needs of a discerning cannabis and lifestyle guest. Our retail experience is carefully crafted with local, California-based artisans. And above all, we believe that consumers should be guided through their cannabis journey with the most informative and approachable employees in the industry.

1-5 Safe Consumption

Happy guests are returning guests. Embarc's main goal is to ensure the safe and proper consumption of our products for all customers. Therefore, all employees will be educated and trained on proper consumption quantities, product information and safe product handling. This education will be a cornerstone of the customer experience, whereby sales employees ensure that patients and customers leave our store with an understanding of safe consumption.

1-6 Neighborly Expectations

First impressions are important. Employees are responsible for keeping both the interior of the store and exterior grounds clean, orderly, visually appealing and aligned with Embarc's brand vision.

Our Community Benefits & Integration Plan details the company's extensive efforts to maintain a positive, communicative relationship with the neighbors. Furthermore, Embarc is committed to voluntarily adopting a Good Neighbor Policy further stipulating expectations of the company, including:

- Provide outside lighting in a manner that illuminates the outside street and sidewalk areas and adjacent parking as appropriate
- Provide adequate and appropriate ventilation to ensure odor controls result in no emission of noxious odors
- Maintain the premises, adjacent sidewalk in good condition at all times
- Prohibit double parking directly outside the premises
- Prohibit loitering in or around the premises
- Prohibit littering in or around the premises
- Prohibit the consumption of cannabis products around the premises
- Post notices on the premises that:
    - Direct patrons to leave the establishment and neighborhood peaceful and in an orderly fashion
    - Direct patrons to not litter or block driveways
    - Advise individuals of the prohibition on loitering
    - Advise individuals that smoking of cannabis is prohibited in public places
- Ensure notices are clear, well-lit, prominently displayed and maintained at all public entrances to and exits from the establishment
- Secure the premises within 50 feet of any public entrance and exit

Section 2 – Recruitment & Training

2-1 Recruitment

Embarc is committed to employing the best qualified candidates while engaging in recruitment and selection practices that comply with all applicable employment laws. It is Embarc's policy to provide equal employment opportunity to all applicants and employees.

Embarc will hire employees from the community with a diverse background, experience and skills.

Authorization from Human Resources (HR) is required to initiate any action for an open position, including recruitment expenditures, advertising, interviewing and offers of employment.

Recruitment Process

- The hiring manager submits a completed requisition to the HR department.
- The HR department will assign a requisition number to assist in tracking and reporting.
- The HR department will meet with the hiring manager to discuss the position and determine the most effective recruitment and selection process.
- Recruitment sources will include some or all of the following:
    1. Embarc's website
    2. Internal posting
    3. Online job boards
    4. Social media sites (Facebook and LinkedIn)
    5. Newspaper advertising
    6. Retained agency search
    7. Temporary agency placement
    8. Employee referrals
    9. Partnership with local workforce development programs
    10. Partnership with local non-profits focused on job placement opportunities
- HR and the hiring manager will review resumes of qualified candidates to identify the most appropriate candidates for interviewing.
- HR will conduct telephone pre-screening of identified candidates and schedule in-person interviews with the hiring manager and potentially others identified by HR.

Selection Process

This process applies for external hires only.

- Hiring managers are responsible for conducting timely, effective interviews of qualified candidates. The HR department is available to advise hiring managers on interview techniques and final candidate selection.
- A candidate evaluation form will be completed for each candidate interviewed and will be used to make a final candidate selection.
- Upon the selection of the final candidate, the hiring manager and the HR department will collaborate to develop an appropriate offer of employment (including position, title, compensation, etc.).
- The HR department or hiring manager will extend the verbal offer of employment to the candidate selected. The HR department will prepare a written offer of employment that is contingent upon the successful completion of required background checks.

- The HR department will conduct reference checks and background checks on the selected final candidate.
- Upon receipt of an offer letter signed by the candidate and the successful completion of background checks, the HR department will close out the requisition on the tracking report.

2-2 Professional Development

Employee education and training is an ongoing process for the duration of employment, as we believe in equipping our staff with the latest information and resources. This training is designed so all staff have a deep understanding of cannabis, health and wellness and our company values and operations to ensure that they are able to comfortably assist guests while also providing opportunities for career advancement. This training also includes a significant focus on cannabis compliance with all state and local laws and regulations to ensure public health and safety.

Importantly, Embarc's training program relies heavily on a library of training materials and interactivity. Given the confidential and proprietary nature of these materials, they will only be provided to employees upon hire and commencement of the training program. Embarc expects employees to maintain strict confidentiality with Embarc training materials.

Embarc 5-Step Employee Training

- Step 1: Hired & Paperwork Complete

- Step 2: Two-Week Training (consisting of three distinct tiers)

    - Tier 1 Training – Cannabis 101
      All employees must participate in our 'Cannabis 101' training program that provides a broad overview of all things related to cannabis. This training is also required of any contractors that have consistent interaction with Embarc guests such as our security team. This training details everything from the history of cannabis legalization in California, the laws and regulations that now allow for adult use cannabis, CBD and THC, terpenes and the state's track-and-trace program, among others, and is critical in ensuring consistency in cannabis education.

      Importantly, given our focus on medical patients, it is vital that all employees have a basic understanding of cannabis' medicinal use. In addition to our proprietary training program developed by Embarc, we will also use the Americans for Safe Access Patient Focused Certification. This is a non-profit, third-party certification in the medical cannabis industry that includes both in-person and online training components as well as an audit of the facility and operations.

    - Tier 2 Training – Understanding Embarc
      Upon completion of our Tier 1 Training – Cannabis 101, employees are then moved to Tier 2 Training which details Embarc's:

        - Company mission, vision and goals
        - How company values shape our desired interaction with guests,

neighbors and the community
    - Employee Code of Conduct
    - Community benefits, employee benefits, volunteerism and ongoing engagement
    - Experience level tolerance, dosage, and our 'start low, go slow' philosophy

- Tier 3 Training – Compliance & Best Practices
  Compliance & Best Practices is the final tier before employees begin shadowing on the floor. During this training component, employees are provided an overview of cannabis compliance, a detailed description of daily operations, including role playing scenarios with mock guest ID verification, sales, purchases, inventory and more, including:

    - State and local laws governing every aspect of our operations
    - Social equity in the cannabis industry
    - Standard operating procedures, from compliance and security to opening and closing the retail dispensary
    - Daily operational flow

Note: Additional training is provided for certain roles, including our flower certification, similar to that provided to a sommelier, for managers and assistant managers and track-and-trace seminars for any designee(s). These trainings include specific online, verbal and written test components that must be passed to earn the certification.

- Step 3: Shadow Shifts
  After finishing the two-week initial training course, employees are then paired with an experienced employee for shadow shifts. This typically takes between 1-3 shifts and is intended to provide the new employee with the opportunity to begin gaining work experience in the retail environment while still ensuring consistency in the guest experience. The seasoned employee paired with the new employee will then become a mentor through our employee mentorship program, which pairs entry-level employees with seasoned employees on an ongoing basis to provide support and facilitate a connected, communicative team.

- Step 4: Independent Shifts
  After finishing the two-week initial training course and shadowing shifts, an employee begins independent shifts.

- Step 5: Ongoing Education and Training
  Our commitment to ongoing employee education is integrated into Embarc's business model. This will include weekly staff meetings where we bring in different vendors to train on new products, annual off-site visits to farms in the region to allow employees to experience the cultivation process, quarterly all-staff workshops and more.

2-3 Professional Development

Embarc encourages employees to enhance their knowledge and skills and to network with other professionals, thus improving potential for future opportunities. Embarc recognizes that for development purposes, employees may need to attend training seminars or workshops conducted off-site or join professional associations that will enable them to remain abreast of best practices in their respective fields. Thus, the purpose of this policy is to outline company parameters for attending external training functions and joining/renewing memberships in professional associations. Please note that this policy is subject to annual company budgets established for external training and memberships.

Policy

In support of this program, we offer a training benefit to full-time employees who have been employed by the company for six months. The benefit can be used for costs associated with:

- Professional exams and exam preparation courses
- Certificate programs and credentials
- Courses offered by an accredited institution, including e-learning
- Workshops, seminars and conferences
- Membership in professional organizations
- Magazine subscriptions

Employees may be permitted to attend one off-site seminar, conference or workshop annually that will be paid for by the company. The training event to be attended must have a direct relationship to the job the employee performs. For work scheduling purposes, the employee's request for attendance must be received at least one month in advance of the event, and the employee's department manager must approve the request.

Employees may be permitted to join one professional association, membership fees for which will be paid for by the company. The association selected must have a direct relationship to the job the employee performs. The employee must provide a membership-request supporting document that outlines the benefits to be gained by the employee and company as a result of such membership, and the association application and supporting document must be presented to the employee's department manager for approval.

Embarc reserves the right to determine which training functions and association memberships are in the best interests of the company, its future planning and direction. Thus, the company has established a development committee that will review all requests for external training and memberships, determine priorities and approve or disapprove requests based on the company's annual budget established for these programs. The development committee meets monthly, and all requests received by the committee prior to the meeting will be acted on and department managers advised accordingly.

Training that requires time away from work during an employee's normal work schedule is limited to 40 hours per employee's anniversary year and must be documented on the timecard under "training."

Procedure

To participate in this program, the employee must submit a request by completing a professional development request form and forwarding it to his or her supervisor. If approved, the supervisor will

send the form to HR which will then forward the request to the development committee and obtain a final decision. HR will then notify the employee and supervisor when the request is approved or denied.

The employee may incur expenses only after receiving approval from the development committee. All expenses must be charged to the company's business expense card in order to be processed. If for some reason the expense was charged personally, the Chief Revenue Officer will review documentation. The employee must then submit the following documents to the finance department:

1. Expense report form
2. Receipt
3. Copy of the approved professional development request form

After concluding training, the employee must submit a certificate of completion or similar document and a professional development report (when applicable) to HR to be filed in the employee's personnel file.

Section 3 – Customer Service

3-1 Expand Your Definition of Service

How you define service shapes every interaction you have with our guests. Limited definitions of service based on an exchange of monies for goods or service misses the overall point of customer service. "Service" should provide the customer with more than a product or action taken on his/her behalf. It should provide satisfaction. In essence, the customer should walk away pleased at the result of the transaction – not just content but actually happy. A happy customer will continue to be a returning customer.

3-2 Customer First Approach

One commonality among all companies or organizations that provide good service is the development of a system and attitude promoting customer friendly service. By "customer friendly" we mean viewing the customer as the most important part of your job. The cliché, "The customer is always right" is derived from this customer friendly environment.

Two critical qualities to the "Customer Friendly Approach:"

- Communication
- Relationships

The two main tasks of successful customer relations are to communicate and develop relationships. They do not require a significant effort, but do not happen instantaneously either. Positive dialogue/communication with your customers and developing ongoing relationships with your customers are perhaps the two most important qualities to strive for in customer service.

Section 4 – Retail

4-1 Store Environment

The store influences the perceptions that customers form in their minds about our brand, products, services and staff. The store itself is a critical asset of the retail business and it is imperative that the operations are managed well to achieve and sustain customer satisfaction.

4-2 Legal Compliance

Strict compliance with all laws and regulations is not just smart – it is required in order to maintain our license to operate. Compliance is paramount to our business model and must be taken seriously at all times. Embarc will:

- Ensure that the store follows employment laws, including those regarding wage and hour, human rights and equal employment opportunities
- Maintain safe working conditions for the employees and customers coming in the store, resolve any safety concerns quickly
- Ensure store security from internal and external theft and get to know the proper apprehension and prosecution procedures for Contra Costa County

4-3 Hours of Operation

Embarc's operation hours are 9:00 a.m. to 9:00 p.m., Monday through Sunday. Employees will be assigned a work schedule and will be expected to begin and end work according to the schedule. To accommodate the needs of our business, individual work schedules may be modified on either a short-term or long-term basis.

4-4 Rest and Meal Breaks

Non-exempt employees who work three-and-one-half (3-1/2) or more hours per day are provided one 10-minute rest break for every four (4) hours or major fraction thereof worked. For purposes of this policy, "major fraction" means any time greater than two (2) hours. For example, if an employee works more than six (6) hours, but no more than 10 hours in a workday, he or she is provided and must take two 10-minute rest breaks: one during the first half of a shift and a second rest break during the second half of the shift. If an employee works more than 10 hours but no more than 14 hours in a day, he or she is provided, and shall take, three 10-minute rest breaks, and so on.

Rest breaks should be taken as close to the middle of each work period as is practical. Employees do not need to obtain their supervisor's approval when taking a rest break.

Employees are required to take their rest breaks; they are prohibited from working during their rest breaks. Non-exempt employees are paid for all rest break periods. Accordingly, employees do not need to clock out when taking a rest break.

Meal Periods

If employees work more than 5 hours in a workday, they are provided an unpaid, off-duty meal period of at least 30 minutes. If six (6) hours of work will complete the day's work, they may voluntarily waive the meal period in writing. Employees should see HR if they would like to sign and submit a form that waives their right to a meal period if they work no more than six (6) hours in a day. Employees who work more than 10 hours in a day are entitled to a second unpaid, off-duty 30-minute meal period. If an employee

works no more than 12 hours, the employee can waive his or her second meal period, but only if the first one was not waived in any manner. Any waiver of the second meal period must be in writing and submitted before the second meal period. Employees should see HR if they would like to sign and submit a form that waives their right to a second meal period, as explained above. If they work more than 12 hours they may not waive and shall take their second unpaid, off-duty 30-minute meal period.

Employees are responsible for scheduling their own meal periods, but they should begin no later than the end of the fifth hour of work. For example, an employee who begins working at 8:00 a.m. must begin his or her meal period no later than 1:00 p.m. When scheduling a meal period, employees should try to anticipate workflow and deadlines. Employees are encouraged to and shall take their meal periods.

During meal periods, employees are relieved of all duty and shall not work during this time. When taking a meal period, employees should be completely off work for at least 30 minutes. Employees are prohibited from working "off the clock" during their meal period. Those employees who use a time clock must clock out for their meal periods and are expected to clock back in and then promptly return to work at the end of any meal period. Those employees who record their time manually must accurately record their meal periods by recording the beginning and end of each work period.

Unless otherwise directed by a supervisor in writing, employees do not need to obtain a supervisor's approval when taking a meal period.

General Requirements for Rest Periods and Meal Breaks

All rest breaks and meal periods must be taken outside the work area. Employees should not visit or socialize with employees who are working while they are taking a rest break or meal period. Employees may leave the premises during meal periods.

Employees are required to immediately notify their supervisor, manager, or HR if they believe they are being pressured or coerced by any manager, supervisor, or other employee to not take any portion of a provided rest break or meal period.

4-5 Timekeeping Procedures

Employees must record their actual time worked for payroll and benefit purposes. Non-exempt employees must record the time work begins and ends, as well as the beginning and ending time of any departure from work for any non-work-related reason, on forms as prescribed by management.
Altering, falsifying or tampering with time records is prohibited and subjects the employee to discipline, up to and including discharge.

Exempt employees are required to record their daily work attendance and report full days of absence from work for reasons such as leaves of absence, sick leave or personal business.

Non-exempt employees may not start work until their scheduled starting time.

It is the employee's responsibility to sign time records to certify the accuracy of all time recorded. Any errors in the time record should be reported immediately to a supervisor, who will attempt to correct legitimate errors.

4-6 Employee Dress and Personal Appearance

You are expected to report to work well groomed, clean, and dressed according to the requirements of your position.

Badges must be worn by all employees at all times. Employees who are not wearing their badges will be subject to disciplinary action.

Employees will be required to wear specific Embarc branded items. If you report to work dressed or groomed inappropriately, you may be prevented from working until you return to work well-groomed and wearing the proper attire.

4-7 Store Opening and Closing Duties

When scheduled for opening or closing shifts, you must wait for the manager that is also scheduled with you to arrive or depart, as he or she has the keys to open or close the store. After that, do not forget to clock in and out. Typically, an opening and closing shift will start and end two hours prior to the store opening or closing for business. This gives you enough time to complete the required duties listed below.

- **Dusting** - The entire store must be dusted
- **Sweeping** - The floor must be swept using the large sweeper. Be sure to sweep in the small areas as well, as these are the areas where trash and dust accumulate the most
- **Mopping** - There will be parts of the store that will need to be moped daily
- **Cleaning Surfaces** - All surfaces must be cleaned using Windex and paper towels. These areas include tabletops, mirrors, shelves, windows, and the counters next to the registers. Be sure to get rid of all spots and fingerprints

By doing these few activities, you will make the store more presentable, help enhance the customer experience, and encourage customer retention.

Section 5 – Safety and Security

5-1 Health and Safety Program

The health and safety of employees and others on company property are of critical concern. The Company intends to comply with all health and safety laws applicable to our business. To this end, we must rely upon employees to ensure that work areas are kept safe and free of hazardous conditions. Employees are required to be conscientious about workplace safety, including proper operating methods, and recognize dangerous conditions or hazards. Any unsafe conditions or potential hazards should be reported to management immediately. Any suspicion of a concealed danger present on the company's premises, or in a product, facility, piece of equipment, process or business practice for which the Company is responsible should be brought to the attention of management immediately.

Periodically, the company may issue rules and guidelines governing workplace safety and health. The Company may also issue rules and guidelines regarding the handling and disposal of hazardous substances and waste, if any. All employees should familiarize themselves with these rules and guidelines, as strict compliance will be expected.

Any workplace injury, accident, or illness must be reported to the employee's supervisor as soon as possible, regardless of the severity of the injury or accident.

5-2 Environmental Health and Safety Policy

Embarc is committed to identifying and mitigating incidents which result in associate injury or illness and to comply with the Standards established by CAL/OSHA in GISO and Title 8 3203. Accordingly, Embarc hereby adopts this Safety and Health Policy as the leading element of our Safety and Health Program.

The purpose of this Policy is to ensure we provide our employees a safe healthy work environment. Our goal is to attain a workplace free from known hazards and/or practices which could result in harming the safety and health of our employees. This Policy is intended as the foundation for our programs and plans designed to recognize hazards and continuously improve our safety and accountability system to fulfill our obligation as defined below.

Standards in CAL/OSHA Title 8 3203 establish that every employer shall furnish a place of employment which is safe and healthful for employees therein, and shall furnish and use such devices and safeguards, and shall adopt and use such practices, means, methods, operations and processes as are reasonably necessary to render such employment and place of employment safe and healthful, and shall do every other thing reasonably necessary to protect the life, safety and health of such employees.

It is recognized in this Policy that CAL/OSHA incorporates standards that meet or exceed the federal Occupational Safety and Health Act of 1970 requirements (OAR 654.003 (6)). For the purpose of our policy, plans, and programs we will refer to the OAR standard which applies to the area of compliance.

Compliance Methods - To fulfill all regulatory compliance needs, we will develop programs to identify engineering control, administrative controls, and identify personal protective equipment to keep our employees safe and healthy. We will get commitment and hold accountable all employees to safe workplace practices. These methods will include:

Management Commitment - All levels of management will actively demonstrate commitment towards the safety and health of all employees. Management will provide adequate training and resources to all employees to ensure their understanding and ability to work in safe and healthy manner at all times. Management will ensure all employees are following established procedures and working in a safe manner by observation, and through accident/incident investigation. When necessary management will provide retraining; remove hazards; reevaluate the established programs, procedures, and practices; and if other means fail, issue corrective disciplinary action to ensure a safe workplace for all employees.

Management is directly responsible and accountable for the execution, in a safe manner, of the work performed under their supervision; and the safe conduct of their employees while under their supervision; and the safety of all employees under their supervision.

Associate Commitment - All employees will adopt all safety related procedures and practices as part of their safe work habits to ensure a safe and healthy workplace. Employees will actively demonstrate safe work practices; use proper safety devices; follow procedures; make safety related improvement suggestions; and promptly report all hazards and work-related injuries and/or illnesses to a supervisor; and encourage and remind fellow employees to work in a safe manner.

Safety Committee Team Commitment - The safety committee will commit to continuous safety education and training of all employees. They will meet monthly to review branch safety performance through reviewing accidents resulting in illness or injury; and conducting monthly safety inspections of the facility; and considering safety suggestions and recommendations by employees. They will work with management to identify safety deficiencies and continually improve safety practices and procedures. They will make recommendations for changes to improve branch safety performance. They will coordinate our Emergency Response Management Plan with management. All new members will be provided adequate training for them to fulfill their responsibilities.

Programs and Plans- Management will establish programs and plans to provide structure for a successful Safety and Health Plan. New programs will be created and adopted as regulations change and new areas of compliance are identified. The programs currently established are:

Safety Committee Program- Will set goals and standards for continuous safety improvement. By working with management and fellow employees they will establish new levels of safety and health for our company.

Emergency Management Plan - Will address all areas related to emergency management including but not limited to:

- evacuation procedures
- fire prevention
- fire extinguishers
- earthquake procedures
- ammonia recognition training

- emergency medical response procedures.

Hazardous Materials Communication Plan- Identifies needed job specific procedures and training for all employees who handle, purchase or sell hazardous materials, if any. Standards will meet all OSHA, CAL/OSHA and DOT requirements.

Training & Evaluations- Training shall be conducted as established within our individual programs to ensure compliance within the identified compliance area. All training will be conducted upon initial assignment and retraining will be as frequently as required by CAL/OSHA standards and no less frequently than every five years. All training will have formal documentation and kept on file.

Evaluations and/or audits of programs and procedures by management and safety committee shall be as frequently as required by CAL/OSHA. All evaluations and/or audits will have formal documentation kept on file.

Recordkeeping- Embarc will maintain records including: OSHA 300 log, training documentation for all safety compliance areas, audits and evaluations for all programs, job hazard analysis and personal protective equipment assessments, accident investigations, and occupational injury and illness records. In addition, they will provide the corporate office any documentation required to ensure compliance with the corporate established safety policy.

All policies, plans, programs, procedures and reviews not subject to confidentiality issues, are available for review by any associate. The records are available through the Chief Operations Officer and Head of Human Resources.

5-3 Inspections

Embarc reserves the right to require employees while on company property, to agree to the inspection of their persons, personal possessions and property, personal vehicles parked on company property, and work areas. This includes lockers, vehicles, desks, cabinets, workstations, packages, handbags, briefcases and other personal possessions or places of concealment, as well as personal mail sent to the company. Employees are expected to cooperate in the conduct of any search or inspection.

5-3 Surveillance in the Workplace

Embarc prohibits employee use of personal cameras in the workplace, including camera-equipped phones, tablets and other devices, to secure patient/client privacy and/or to protect trade secrets and other proprietary business information.

California prohibits the recording of conversations or meetings unless the consent of all parties involved is obtained. As such, secret recordings or recordings without permission of the employer are prohibited.

Company Monitoring

Embarc reserves the right to install security cameras in parking and work areas for specific business reasons, such as security, theft protection or protection of proprietary information.

- Embarc may find it necessary to monitor work areas with security cameras when there is a specific job- or business-related reason to do so. The company will do so only after first ensuring that such action is in compliance with state and federal laws
- Employees should not have any expectation of privacy in parking and work-related areas
- Employee privacy in nonwork areas will be respected to the extent possible. Embarc' reasonable suspicion of onsite theft, safety or similar circumstances would be possible exceptions
- Employees should contact their supervisor or HR if they have questions about this policy
- Tampering with CCTV equipment will result in termination

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E.

Herbl MOU

HERBL

Memorandum of Understanding

This Memorandum of Understanding (the "Memorandum") is made on May 1, 2019, by and between Embarc Contra Costa, 3501 Pacheco Boulevard, Martinez, CA 94553 (hereinafter referred to as "Embarc") and Herbl Distribution Services, LLC, of 3158 Condo Court, Santa Rosa California 95403 (hereinafter referred to as "Herbl") for the purpose of achieving the various aims and objectives relating to the Licensed Distribution Services (the "Relationship").

WHEREAS Embarc and Herbl desire to enter into an agreement in which Embarc and Herbl will work together to further the Relationship;

AND WHEREAS Embarc and Herbl are desirous to enter into a Memorandum of Understanding between them, setting out the working arrangements that each of the partners agree are necessary to further the Relationship;

Purpose
The purpose of this Memorandum is to provide the framework for any future binding contract regarding the Licensed Distribution Services between Embarc and Herbl. No contract will be executed until Embarc obtains both local and state licenses required to engage in commercial cannabis activities in accordance with local and state laws.

Obligations of the Partners
The Partners acknowledge that no contractual relationship is created between them by this Memorandum, but agree to work together in the true spirit of partnership to ensure that there is a united visible and responsive leadership of the Relationship and to demonstrate financial, administrative and managerial commitment to the Relationship by means of the following individual services.

Cooperation
The activities and services for the Relationship shall include, but not limited to:

a. Services to be rendered by Embarc include: Receive

compliant, tested, and packaged cannabis goods

b. Services to be rendered by Herbl include:

Provide compliant, tested and packaged cannabis goods

Resources
The Partners will endeavor to have final approval and secure any financing necessary to fulfill their individual financial contributions at the start of the planning for the development of the Relationship.

a. Embarc agrees to provide the following financial, material and labor resources in respect of the Relationship:

100% of all costs associated with the goods purchased.

b. Herbl hereby agrees to provide the following financial, material and labor resources in respect of the Relationship:

100% of the goods provided.

Communication Strategy

Marketing of the vision and any media or other public relations contact should always be consistent with the aims of the Relationship and only undertaken with the express agreement of both parties. Where it does not breach any confidentiality protocols, a spirit of open and transparent communication should be adhered to. Coordinated communications should be made with external organizations to elicit their support and further the aims of the Relationship.

Liability

No liability will arise or be assumed between the Partners as a result of this Memorandum.

Dispute Resolution

In the event of a dispute between the Partners in the negotiation of the final binding contract relating to this Relationship, a dispute resolution group will convene consisting of the Chief Executives of each of the Partners together with one other person independent of the Partners appointed by the Chief Executives. The dispute resolution group may receive for consideration any information it thinks fit concerning the dispute. The Partners agree that a decision of the dispute resolution group will be final. In the event the dispute resolution group is unable to make a compromise and reach a final decision, it is understood that neither party is obligated to enter into any binding contract to further the Relationship.

Term

The arrangements made by the Partners by this Memorandum shall remain in place from May 2019 until May 2020. The term can be extended only by agreement of all of the Partners.

Notice

Any notice or communication required or permitted under this Memorandum shall be sufficiently given if delivered in person or by certified mail, return receipt requested, to the address set forth in the opening paragraph or to such other address as one party may have furnished to the other in writing.

Governing Law

This Memorandum shall be construed in accordance with the laws of the State of California.

Assignment

Neither party may assign or transfer the responsibilities or agreement made herein without the prior written consent of the non-assigning party, which approval shall not be unreasonably withheld.

Amendment

This Memorandum may be amended or supplemented in writing, if the writing is signed by the party obligated under this Memorandum.

Severability

If any provision of this Memorandum is found to be invalid or unenforceable for any reason, the remaining provisions will continue to be valid and enforceable. If a court finds that any provision of this Memorandum is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision will be deemed to be written, construed, and enforced as so limited.

Prior Memorandum Superseded
This Memorandum constitutes the entire Memorandum between the parties relating to this subject matter and supersedes all prior or simultaneous representations, discussions, negotiations, and Memorandums, whether written or oral.

Understanding
It is mutually agreed upon and understood by and among the Partners of this Memorandum that:

g. Each Partner will work together in a coordinated fashion for the fulfillment of the Relationship.

b. In no way does this agreement restrict involved Partners from participating in similar agreements with other public or private agencies, organizations, and individuals.

c. To the extent possible, each Partner will participate in the development of the Relationship.

d. Nothing in this memorandum shall obligate any Partner to the transfer of funds. Any endeavor involving reimbursement or contribution of funds between the Partners of this Memorandum will be handled in accordance with applicable laws, regulations, and procedures. Such endeavors will be outlined in separate agreements that shall be made in writing by representatives of the Partners involved and shall be independently authorized by appropriate statutory authority. This Memorandum does not provide such authority.

e. This Memorandum is not intended to and does not create any right, benefit, or trust responsibility.

f. This Memorandum will be effective upon the signature of both Partners.

g. Any Partner may terminate its participation in this Memorandum by providing written notice to other Partner.

The following Partners support the goals and objectives of the Licensed Distribution Services:
Signatories

This Agreement shall be signed on behalf of Embarc Contra Costa, LLC., CEO, and on behalf of Herbl Distribution Services by Mike Beaudry, its President. This Agreement shall be effective as of the date first written above.

Contra Costa Embarc By George Miller , its CEO

Herbl Distribution Services
By Mike Beaudry, its President

ABOUT

Beginning in early 2016, CEO Mike Beaudry founded HERBL on the idea of bringing collaborative solutions to a complex and transitioning industry. Two years of full time research on the industry coupled with decades of high volume perishable distribution experience have guided HERBL to create a best in class cannabis distribution model.

Serving specifically the State of California, we are laser focused on all areas of our business; our customers, our supply partners, and our team members.

We provide world class service, delivering high-quality products that have undergone the highest standards of testing to ensure the safety and health of the consumer.

HERBL provides supply chain solutions to the industry with the use of innovative technology, information management experts, security specialists, and sales/marketing professionals. Utilizing proven distribution methods, our model is based on a perishable supply chain strategy that emphasizes the importance of customer satisfaction. We are the final gate of quality inspection and testing and additionally we provide tax collection and fulfill all state reporting requirements.

All of HERBL's products will come from state licensed cultivators and manufacturers which are thoroughly vetted and approved by HERBL.

We are distribution professionals, guided by a proven team with extensive experience in cannabis and quality-assured perishable distribution.

Passion with Purpose, Naturally.

DISTRIBUTOR ROLE

What does a distributor do? The simple answer; a distributor purchases product from a grower or manufacturer, stores the product in their warehouses, creates a products catalog, consolidates orders, and sells it to dispensary partners. *But there is so much more that the right distributor has to offer.*

- **Category management** – HERBL understands the marketplace by having boots on the ground and utilizing market data. With this information, HERBL curate's products that are relevant to the dispensary. We take a wide-angle view of the market, and make recommendations based on data and trends.

- **Purchasing** – HERBL purchases product from growers or manufacturers, and coordinates logistics with suppliers to get products to the distributor warehouse.

- **Inventory management** – HERBL conducts continual forecasting of product supply and demand to determine the proper inventory levels at the warehouse. We work closely with our suppliers to assist them in managing their production output and timing, and with dispensaries on promotional forecasting and seasonal or holiday lift.

- **Order picking** – HERBL picks products from their inventory to fill dispensary orders, aggregating all products into one shipment. Quality control procedures take place in every step of the process.

- **Quality testing** – HERBL sends product to a 3rd party testing lab, holds inventory in quarantine until test results are in hand, and releases product for sale once test results are satisfactory.

- **Transportation** – HERBL delivers quality tested products to licensed dispensaries, at an agreed upon scheduled basis.

- **Compliance** – HERBL is responsible for Track & Trace, and enters all pertinent information into Metrc, the California Track & Trace systems chosen compliance vendor. We also conduct mandated tax collection from suppliers and dispensaries.

- **Sales & Marketing** – HERBL territory sales managers are in the field working closely with retail partners; educating dispensaries about new products, promoting brands, sharing market data, conducting presales training and demos on behalf of suppliers, and supporting all dispensary needs.

- **Execution** – HERBL takes execution very seriously, and we follow through on all our commitments. We also hold ourselves accountable for key metrics that are important to a supplier or dispensary such as order fulfillment rates, on time deliveries, returns management, sales call frequency, customer service, etc.

- **Focus** – HERBL is laser focused on cannabis distribution only, giving all our attention to supporting brands and retailers in what's best for their business. We believe having company owned brands inherently creates a conflict of interest, so we have chosen to be a pure play cannabis distribution company. By not having company owned competing brands, you can take comfort in knowing that every action we take is in the best interest of a brand or dispensary.

SERVICES

HERBL provides an unparalleled full range of services and capabilities to the cannabis industry. Whether you are a grower/manufacturer, processor or dispensary, HERBL is uniquely qualified to be your collaborative supply chain partner.

Category Management: HERBL curates and purchases the highest-quality product from cultivators and manufacturers. By forming relationships with producers of top-quality products, we ensure you have nothing but the best to choose from so your business can focus on providing a best in class retail experience.

Warehousing: Our state-of-the-art distribution centers are designed with safety and quality front-of-mind. On site Quality Assurance inspections, third party testing protocols, and climate controlled warehouses ensure that only the best product makes it safely into your inventory.

Transportation: With safety and quality as a top priority, climate-controlled vehicles ensure your product is delivered in the same state it left our distribution center. Our delivery vehicles are equipped with boundary-safeguarded GPS trackers and state of the art high security features. Our drivers are trained professionals, with a laser focus on customer service.

Quality: Quality control is evident in every step of our process. From the warehouse to your front door, rest assured that only the highest quality products will arrive. We take on the vital responsibility of assuring the overall quality and third-party testing of the products our customers receive, as well as ensuring that they have been properly cared for and stored every step along the way.

Compliance & Regulatory: We are well versed in all aspects of compliance and the regulatory process for Local and State government. We have on staff experts who have been immersed in the regulatory and legal aspects of the industry for years, and have a comprehensive understanding of MAUCRSA. From origin to final point-of-sale, we ensure that products are delivered in full compliance with all state regulations.

Market Research: By keeping on the pulse of industry and regulatory progressions, we will not only adapt our

business to provide better service, but also share insights with our trading partners to help refine their business. HERBL will continually utilize market data to support decisions that our suppliers and customers are making for their business.

Supply Chain Audit: Our vetting process starts long before the product reaches our shelves. We take great care to scrutinize where our products come from as far back as its origin point to ensure only the highest quality products are stocked in our distribution centers. Everything from production methods, volume capabilities, and quality control standards are taken into consideration when we consider a new product line.

Sales & Marketing: We work hard to find the best brands available and assist our partners in how to communicate the brand story. Our sales associates are a support team who understand the customer's needs first-hand and provide solutions to help our customers grow their business. Think of them as Sherpa guides.

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F.

—

Treez LOI

TREEZ, INC.
1611 Telegraph Avenue, suite 300
Oakland, CA 94612

1 (888) 318-4191
www.treez.io

June 8, 2019
Embarc Contra Costa, LLC.
3503 Pacheco Boulevard
Martinez, CA 94553

RE: Letter of Intent for Inventory Control Services for Embarc Contra Costa, LLC, for a Commercial Cannabis Retailer Located at 3503 Pacheco Boulevard, Martinez, CA 94553

Dear Mr. Miller:

TREEZ provides effective cutting-edge technology solutions for the emerging legal cannabis industry. Our services provide (1) state of the art inventory loss prevention; (2) assists business owners with running retail operations to better comply with all applicable local and State laws; (3) all within a secure SaaS platform that protects business and consumer data.

Specifically, TREEZ is a seed-to-sale software system with complete inventory tracking, point of sale, financial reporting, and regulatory compliance features. The TREEZ system offers advanced security features that protect business and patient data and automatically updates to reflect changing local, state and federal regulations. Our compliance department has engaged with local and state regulators to ensure the TREEZ platform is METRC-integrated and in compliance with the Medical and Adult-Use Cannabis Regulation and Safety Act beginning January 1, 2018.

This Will Serve Letter confirms TREEZ's intentions to enter into a formal agreement with Main Street Supply to provide software solutions to satisfy CA and Contra Costa County reporting, regulation, and compliance guidelines for a medical cannabis dispensary in the event that the client is successful in obtaining an authorized license from the City.

We appreciate your consideration of TREEZ and look forward to assisting you in your efforts to secure a license. TREEZ is eager to enter into a software solution agreement upon issuance of all necessary permitting.

Yours truly,

Shareef El-Sissi
Chief Product Officer

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G.

Waste Management Plan

June 23, 2019

George Miller
3503 Pacheco Boulevard
Martinez, CA 94553

Subject: **Cannabis Waste Management Services for the Cannabis Retail Dispensary Located at 3503 Pacheco Boulevard in Martinez, California**

Dear Mr. Miller,

This letter is to confirm GAIACA's intent to provide Cannabis Waste Management Services for the (the "Company") cannabis retail dispensary located at 3503 Pacheco Boulevard in Martinez, California.

Waste management services include, but are not limited to:

- Preparation of site-specific waste management plan and other SOP documents in compliance with State and local requirements to regulate Commercial Cannabis Activity
- Delivery of compliant containers for cannabis byproduct accumulation in compliance with State and local waste requirements for storage and handling
- Routine collection of cannabis byproduct
- Proper 'rendering' of collected byproduct into waste per State Regulations
- Thorough documentation of all activity via manifest
- Ongoing waste management training and support

Thank you for the opportunity to submit our letter of intent to you. We look forward to working with you on this project. If you have any questions please call us at 833.225.4242.

Sincerely
Gaiaca, LLC

Garrett Rodewald
Co-Founder / COO

Attachments:

Motor Carrier Permit
DTSC Hazardous Waste Transporter
Weighmaster License

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1. PURPOSE

The Company is committed to the safe and responsible management of cannabis waste, not only because failure to do so may result in civil and criminal penalties, but also because the Company endeavors to be a good entity with respect to the local and global environment. The purpose of this plan is to provide information and guidance to the company with regard to the accumulation, storage, handling, transportation, disposal, and documentation of cannabis waste.

2. DEFINITIONS

i. Cannabis Goods

As defined in Title 16 CCR, Division 42 Bureau of Cannabis Control (BCC), Chapter 1, Article 1, Section 5000 – "Cannabis Goods means cannabis, including dried flower, and products containing cannabis."

ii. Cannabis Product

As defined in CDPH's California Code of Regulations (CCR), Title 17, Div. 1, Chapter 13 Manufactured Cannabis Safety, Section 40100 – "Cannabis product as used in the chapter means cannabis that has undergone a process whereby the plant material has been transformed into a concentrate, edible, topical or other product containing cannabis or concentrated cannabis and other ingredients".

iii. Cannabis Byproduct

Unusable or unwanted Cannabis Products, or byproducts from cannabis cultivation, manufacturing, distribution, retail, and laboratory testing including but not limited to raw plant, flower, leaf, trim, stalk, stem, root ball; soil, mulch, or other grow medium; cannabis concentrates, infused edibles, expired goods, and products failing laboratory testing.

iv. Cannabis Waste

As defined in Title 16 CCR, Division 42 Bureau of Cannabis Control (BCC), Chapter 1, Article 1, Section 5000 – "Cannabis Waste means waste that is not hazardous waste, as defined in Public Resources Code section 40141, that contains cannabis and that has been made unusable and unrecognizable in the manner prescribed in sections 5054 and 5055 of this division." Furthermore, Cannabis Byproducts that have been rendered unusable and unrecognizable by the methods outlined in Section 4B of this document.

v. Cannabis Waste Management

The management of Cannabis Byproducts generated by a licensed cannabis cultivator, manufacturer, distributer, dispensary, or testing laboratory pursuant to relevant State and local regulation. Cannabis Waste Management can be achieved internally, or by a Licensed Cannabis Waste Handler. Duties required of a Licensed Cannabis Waste Handler may include, but are not limited to the following:

(a) Consulting
(b) Facility Inspections
(c) Waste Profiling
(d) Waste Collection
(e) Waste Processing (Rendering)
(f) Waste Disposal
(g) Record Keeping

vi. Client

Any participating cannabis cultivation, manufacturing, distribution facility, testing laboratory, or medical or recreational dispensary, that has utilized a third-party to provide Cannabis Waste Management.

vii. Container

An approximately 15-gallon or 55-gallon, non-reactive, polyethylene plastic drum with an air-tight, lockable lid, and appropriate UN rating. The containers allow for the secure and safe accumulation, transportation, and disposal of both solid (open-head) and liquid (tight-head) materials.

viii. Cultivation

As defined in CDFA's Title 3 CCR, Food and Agriculture Division 8, Cannabis Cultivation Chapter 1, Article 1 – "Cultivation means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis." Cultivation license types include the following:

(a) Specialty Cottage
(b) Specialty
(c) Small
(d) Medium
(e) Nursery
(f) Processor

ix. Distribution

Distribution is defined as the procurement, sale, and transport of cannabis and cannabis products between licensed entities. A Licensed Distributor is licensed to engage in the business of purchasing cannabis from a licensed cultivator, and cannabis products from a licensed manufacturer, for sale to a licensed dispensary. Distributors ensure that products have been batch-tested and verified as safe before entering the retail dispensary.

x. Hazardous Waste

As adopted by Department of Toxic Substances Control (DTSC) pursuant to Section 25117 HSC of the EPA, a waste is hazardous if:

(a) it has the property of ignitability, corrosivity, is toxic or reactive, or is infectious.
(b) it causes, or contributes to an increase in mortality, serious irreversible or incapacitating reversible illness.
(c) It poses a substantial present or potential hazard to human health or the environment.

xi. Licensee

An individual or business entity that is applying for a cannabis license to conduct in the business of dispensing, cultivating, laboratory testing, or manufacturing cannabis products and in whose name the license will be issued.

xii. Licensed Cannabis Waste Handler

A Cannabis Waste Management unit that is properly licensed to transport and process Cannabis Byproducts into rendered Cannabis Waste on behalf of the Client.

xiii. Local Landfill/Compost Facility

A waste management unit at which Cannabis Byproduct is discharged in or on land for disposal only in which the Cannabis Byproduct has first been properly rendered into Cannabis Waste.

xiv. Manufacture

As defined in CDPH's Title 17 CCR, Div. 1, Chapter 13 Manufactured Cannabis Safety, Section 40100 – "Manufacture means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product. The term "manufacture" includes the following process:

(a) Extraction processes;

(b) Infusion processes;
(c) Packaging and repackaging of cannabis products;
(d) Labeling or relabeling the packages of cannabis products.

Manufacturing means all aspects of the extraction and/or infusion process, including processing, preparing, holding, storing, packaging, or labeling of cannabis products. Manufacturing also includes any processing, preparing, holding, or storing of components and ingredients."

xv. Non-Cannabis Material

An organic, non-hazardous material that is not classified as Municipal Solid Waste (MSW), and contains no form of cannabis or its chemical constituents.

xvi. Non-Hazardous Waste

Waste that is not considered Hazardous Waste. Waste that does not pose immediate or potential danger to human health or the environment.

xvii. Occupational Safety and Health Administration

The Occupational Safety and Health Administration (OSHA) is an agency of the US government under the Department of Labor with the responsibility of ensuring safety at work and a healthful work environment. OSHA's mission is to prevent work-related injuries, illnesses, and deaths.

xviii. Rendering

The process of making Cannabis Byproducts unusable and unrecognizable. Cannabis Byproducts are rendered into Cannabis Waste. Rendering may be performed onsite by internal personnel, or off-site by a Licensed Cannabis Waste Handler. This process is outlined in Section 4B of this document.

Per the CDPH's Title 17, Div. 1, Chapter 13 Manufactured Cannabis Safety, Article 1, Section 40290 "Waste Management", part (c) – No cannabis product shall be disposed of in its packaging, and all cannabis products shall be unrecognizable and unusable at the time of disposal.

xix. Retail Area

As defined in BCC's Title 16 CCR, Div. 42, Chapter 1 All Bureau Licensees, Article 1, Section 5000 Definitions – "Retail area means a building, room, or other area that is open to the public, upon the retailer premises in which cannabis goods are sold or displayed."

xx. Track-and-Trace

As defined in the CDPH's Title 17, Div. 1, Chapter 13 Manufactured Cannabis Safety, Section 40100 – Track and trace system means the program for reporting the movement of cannabis and cannabis products through the distribution chain established by the Department of Food and Agriculture in accordance with section 26067 of the Act.

Per the CDPH's Title 17, Div. 1, Chapter 13 Manufactured Cannabis Safety, Article 1, Section 40290 "Waste Management", part (d) – Cannabis waste shall be entered into the track-and-trace system as required under Section 40512.

Furthermore, all waste generated by the licensee shall be thoroughly tracked-and-traced from its origin to final resting place. This form of recordkeeping is commonly referred to as "cradle to grave" documentation. Documentation should include, but is not limited to, the following:

(a) Licensed generator info
(b) Licensed transporter info
(c) Description of waste
(d) UID/tracking number
(e) Net weight/volume
(f) Vehicle Info
(g) Date, time, and place of origin
(h) Date, time, and place of disposal

xxi. Unique Identifier (UID)

A UID is an alphanumeric code or designation used to uniquely identify a specific plant, cannabis, and/or cannabis product on a licensed premises. UIDs are specifically provisioned as plant tags or package labels and are ordered by and assigned to the annual licensee within the CCTT-Metrc system. Assigned UIDs track the cannabis and cannabis products when they are transferred from one licensee to another licensee.

xxii. Waste Manifest

A system designed to track waste from the time it leaves the generator facility where it was produced, until it reaches the off-site waste management facility that will store, treat, or dispose of the waste. The waste manifest should contain the above information listed in Section 2 xx – "Track-and-Trace". The waste manifest should contain the name and signature of the designated generator facility personnel signing off on the waste, as well as the name and signature of the individual collecting and transporting the waste off-site.

3. SCOPE AND RESPONSBILITY

Cannabis Waste is used to define any Cannabis Byproducts which are unusable or unwanted, and have been properly rendered per Section 4B of this document. For simplicity, we will refer to Cannabis Byproduct as Cannabis Waste throughout the remainder of this document.

Non-hazardous streams of cannabis waste that are generated during cannabis cultivation, manufacturing, distribution, and laboratory testing, include, but are not limited to, raw plant, leaf, stalk, stem, trim, flower; soil, mulch, or other grow medium; cannabis concentrates, edibles, infused products; expired, retired, or failed goods; and cannabis-contaminated disposables.

Hazardous streams of cannabis waste that are generated during cannabis cultivation, manufacturing, and laboratory testing, include, but are not limited to, spent organic solvents and refining chemicals, used reactants, biohazards, aerosols/compressed gases, bulk or residual pesticides and fertilizers, cleaning solutions, contaminated disposables, and universal waste (lighting/ballasts, batteries, etc.). Hazardous waste is defined above.

It is the duty of all who generate hazardous waste to ensure that all waste is handled in a manner that is safe, environmentally conscious, and complies with all local, State and Federal regulations. This is meant to include wastes that are not, by statute, hazardous but which, if carelessly discarded, could possibly cause harm to public health or the environment.

A. WASTE CHARACTERIZATION

As outlined in the Code of Federal Regulation (CFR) Title 40 Part 261, it is the responsibility of the waste generator (owner) to determine whether their waste exhibits characteristic of hazards waste. All streams of waste generated by a facility should be characterized using a combination of general knowledge and laboratory analysis. Laboratory analysis includes methods defined by the EPA's SW-846 Compendium, such as toxicity characterization leaching procedure (TLCP), flash point, ignitability, corrosivity, etc.

i. Hazardous Waste

Entities that generate hazardous waste are required to register with the Environmental Protection Agency (EPA) to obtain either a State EPA ID Number or a Federal EPA ID Number depending upon the type and quantity of waste they generate. Temporary EPA ID numbers can be granted to operators that generate small, inconsistent quantities of hazardous waste. The EPA has certain rules and regulations specific to the type of generator, pertaining to accumulation, storage, and handling of hazardous waste. Hazardous waste must be transported by an EPA-registered entity, and disposed of at a permitted hazardous waste treatment, storage, and disposal facility (TSDF). The 'cradle-to-

grave' concept requires operators to notify the EPA when disposing of hazardous waste via Uniform Hazardous Waste Manifest. OSHA regulations regarding employee safety and handling of hazardous waste will apply. Hazardous wastes are described in further detail in the Hazardous Cannabis Waste Management Plan.

ii. Non-Hazardous Waste

Non-hazardous waste is defined above in section 2 xi. Although these wastes are not considered to be, by statute, hazardous, proper care and handling still apply. The following sections apply strictly to non-hazardous waste.

4. STANDARD OPERATING PROCEDURES

A. WASTE ACCUMULATION

The Company should have a designated waste coordinator that oversees and manages the accumulation of non-hazardous cannabis waste on-site.

Each area that produces cannabis waste must have a satellite accumulation site. A satellite accumulation site is a safe location that has a sign indicating that it is an area for accumulating cannabis waste. Except in certain cases, the area must be used only as a collection place for wastes until they are removed to the main waste storage area.

The main waste storage area must be at or near the point where the waste is generated and be easily controlled and easily visually inspected.

i. Containers & Labeling

Containers must be compatible with the substances they are to contain. Manufactured containers are labelled with a specific UN Rating (number and letter code) that shows what a container is regulated to handle. (i.e. containers rated for solid waste should not have liquids stored in them.). Current UN Regulations are enforced by the Department of Transportation (DOT).

Cannabis waste should be stored in durable, sealable, non-reactive, secured receptacles. Physical access to the receptacles should be restricted to the licensee and its employees and the local agency, local agency franchiser, or permitted private waste hauler. Public access to the designated receptacles should be prohibited. Except when waste is being added, the containers should be closed and secured.

Different streams of cannabis waste should be disposed of in separate containers. For example, dry cannabis trim material should not be disposed of in the same container as edible food waste. Separation of waste streams will

allow for more accurate documentation and more efficient processing. Waste containers should be properly labelled with the type of waste accumulated. Cannabis plant and/or product UIDs should be documented upon disposal.

ii. Storage & Handling

Once a container is full, the waste coordinator should deliver it to the main waste storage area and note the fill date.

This main waste storage area should be easily accessible, yet secure. The area should be finished with durable surfaces, both water and odor resistant. The area should have good ventilation and, where possible, secondary containment in case the primary container leaks. The area should be kept clean and free of debris, and should be inspected regularly. Physical access to the area should be restricted to the licensee and its employees and the local agency, local agency franchiser, or permitted private waste hauler. Public access to the area should be prohibited.

All containers of waste entering the main storage area should be properly logged in as part of the Company's track and trace program. Containers should be identified with the following information:

(a) UID/tracking number
(b) Waste description
(c) Net weight
(d) Volume
(e) Date of origin

B. WASTE PROCESSING

Pursuant to State Regulation, all Cannabis Byproducts must be rendered unusable and unrecognizable prior to disposal.

Cannabis Byproducts can be rendered unrecognizable by grinding, pulverizing, mulching, mixing, etc. Cannabis Byproducts can be rendered unusable by mixing with other non-cannabis material. The above tasks can be achieved through the use of manual labor or heavy machinery such as commercial/industrial grinders and mixers.

Cannabis Byproducts can be rendered onsite or contracted by a licensed third-party cannabis waste handler. Cannabis Byproducts shall be rendered unusable and unrecognizable in a secure location, under constant video surveillance.

C. WASTE REMOVAL

i. Rendered

Cannabis Byproducts that have been properly rendered onsite into Cannabis Waste can now be transported offsite for disposal, or kept onsite for uses including, but not limited to, composting, landfill, and soil amendment. The Cannabis Waste must still be tracked-and-traced to its final resting place, and a non-hazardous Waste Manifest, bill of lading, or certified weight ticket issued upon disposal.

ii. Non-Rendered

Cannabis Byproducts that have not yet been properly rendered shall be collected by a Licensed Cannabis Waste Handler for off-site rendering. Since the waste is still considered Cannabis Byproducts, the Licensed Cannabis Waste Handler should follow all rules and regulations applicable to the transportation and handling of cannabis. The Cannabis Waste shall be Tracked-and-Traced to its final resting place, and a non-hazardous Waste Manifest, bill of lading, or certified weight ticket issued upon disposal.

5. SAFETY

A. Training

Any person handling waste should be made known as to the type of waste they are handling. Workers should be trained to identify non-hazardous wastes from potentially hazardous ones. It is the responsibility of the designated waste management personnel to ensure that all employees are properly trained and aware of the waste management plan.

B. PPE

It is required that employees donne personal protective equipment (PPE) when in contact with both hazardous and non-hazardous waste. PPE is equipment worn to minimize exposure to hazards that cause serious workplace injuries and illnesses.

Personal protective equipment includes, but is not limited to, coveralls, steel-toe boots, gloves, safety glasses, hearing protection, hard hats, and respirators or dust masks.

When required to wear PPE, employees shall be trained on when it is necessary, what kind is necessary, how to properly pit it on, adjust, wear, and take it off, limitations of equipment, proper care and maintenance. If PPE is to be used, a PPE program should be implemented. This program should address the hazards present; the selection,

maintenance, and use of PPE; the training of employees; and monitoring of the program to ensure its ongoing effectiveness.

C. Emergencies

In the event of any emergency – fire, spill, accident, injury, etc. - notification should be given to the designated site safety officer or supervisor. The officer will then contact the appropriate civil agencies – police department, fire department, ambulance, etc. Following emergency response, a report must be generated and submitted to upper management.

MANAGEMENT PLAN OUTLINE

A. Generator Information:

Business Name: **Embarc Contra Costa**
Address: **3503 Pacheco Boulevard, Martinez, CA 94553**
Contact: **George Miller**
State License #: _____
License Type: **Type-10 (Retail Dispensary)**

B. Waste Generated:

1. Non-Hazardous: **Cannabis retail byproduct – failed, returned, expired, retired, or non-compliant cannabis product (with or without packaging)**

Approx. Quantity: _____ pounds / gallons (circle one) per_____

C. Onsite Accumulation, Labeling, and Storage Procedures for Untreated Cannabis Waste:

1. Untreated wastes (listed above) placed in polyethylene plastic, steel, or fiber containers with the appropriate UN rating for the material being stored.

2. Designated waste containers labelled with placard for identification and tracking.

3. Designated waste containers stored in a lockable, secured location within the premises.

D. Waste Treatment:

☐ **Onsite, self-rendering** *(complete Section E if treated waste stays onsite; complete Section F if treated waste leaves site)*

Describe Onsite Self-Rendering Method Utilized:_____

_____

_____

■ **All waste managed by a Licensed Cannabis Waste Handler** *(complete Section G)*

E. Final Resting Place of Self-Rendered Waste (if applicable): _____

_____

_____

_____

F. Transportation of Treated Waste Off-Site (if applicable):

1. Frequency waste is removed from site:

   _____ (weekly, bi-weekly, monthly, bi-monthly, quarterly)

2. Facility personnel designated to sign off on waste removal:

   I. Name: _____ Title: _____

   II. Name: _____ Title: _____

3. Waste Transporter:

   Company Name: _____
   Address: _____
   City, State, Zip: _____
   Contact: _____

G. Off-site Treatment of Cannabis Waste by a Licensed Cannabis Waste Handler (if applicable):

1. Licensed Cannabis Waste Handler (waste transportation and off-site rendering):

   Business Name: **Gaiaca, LLC**
   Address: **120 Calle Del Oaks, Suite B, Del Rey Oaks, CA 93940**
   Contact: **Garrett Rodewald - (833) 225-4242**
   State License #: **A11-18-0000135-TEMP; M11-18-0000179-TEMP**

2. Frequency waste is removed from site:

   monthly (weekly, bi-weekly, monthly, bi-monthly, quarterly)

3. Facility personnel designated to sign off on waste removal:

   I. Name: _____ Title: _____

   II. Name: _____ Title: _____

4. Waste disposal (final resting place):

   Company Name: **Gaiaca Waste Revitalization**
   Address: **120 Calle Del Oaks, Suite B**
   City, State, Zip: **Del Rey Oaks, CA 93940**
   Contact: **Jonathan Lee - (833) 225-4242**

H. Track-and-Trace

System: _____
User Info: _____
Personnel: _____

I. Training of employees:

1. All employees are trained to recognize regulated wastes and how to properly manage the waste according to local, state, and federal regulations.

2. _____ conducts the training and documents the training for each employee in employee's file and the company's Waste Management File.

3. Plan is posted (where) _____.

4. Any other measures taken to avoid exposure and emergency procedures in the event of exposure.

Department of Toxic Substances Control

Jared Blumenfeld
Secretary for
Environmental Protection

Meredith Williams, Ph.D.
Acting Director
1001 "I" Street
P.O. Box 806
Sacramento, California 95812-0806

Gavin Newsom
Governor

HAZARDOUS WASTE TRANSPORTER REGISTRATION

NAME AND ADDRESS OF REGISTERED TRANSPORTER:

GAIACA
120 CALLE DEL OAKS, STE. B
DEL REY OAKS, CA 93940

TRANSPORTER REGISTRATION NO.: 6636

EXPIRATION DATE: MARCH 31, 2020

THIS IS TO CERTIFY THAT THE FIRM NAMED ABOVE IS DULY REGISTERED TO TRANSPORT HAZARDOUS WASTE IN THE STATE OF CALIFORNIA IN ACCORDANCE WITH THE PROVISIONS OF CHAPTER 6.5, DIVISION 20 OF THE HEALTH AND SAFETY CODE AND TITLE 22 OF THE CALIFORNIA CODE OF REGULATIONS, DIVISION 4.5.

THIS REGISTRATION CERTIFICATE MUST BE CARRIED WITH EACH SHIPMENT OF HAZARDOUS WASTE.

FOR REGISTRATION INFORMATION, PLEASE CALL (916) 440-7145.

Elizabeth Lizzy Rosen

(AUTHORIZED SIGNATURE)

March 8, 2019

(DATE)

Printed on Recycled Paper

CALIFORNIA STATE TRANSPORTATION AGENCY

DEPARTMENT OF MOTOR VEHICLES
Registration Operations Division MS H875
P.O. BOX 932370 Sacramento, CA. 94232-3700
(916) 657-8153

01/11/2019

GAIACA LLC
120 Calle Del Oaks Ste B
DEL REY OAKS, CA 93940

STATE OF CALIFORNIA
DMV
DEPARTMENT OF MOTOR VEHICLES
A Public Service Agency

MOTOR CARRIER PERMIT

DEPARTMENT OF MOTOR VEHICLES
Registration Operations Division
P.O. BOX 932370 Sacramento, CA. 94232-3700

GAIACA LLC
120 Calle Del Oaks Ste B
DEL REY OAKS, CA 93940

Valid From:	01/10/2019	**Valid Through:**	12/31/2019
CA#:	**0521367**		

The carrier named on this permit, having made written application to the Department of Motor Vehicles for a permit to operate as a motor carrier of property as defined in vehicle code section 34601, and having met the requirements and paid the appropriate fees, is granted a permit of the following classification:

For Hire
Full Year
Limited Liability Company

Pmt Date:	01/10/2019	Office #:	154
Account #:	680069	Tech ID:	CD
Sequence #:	0004	Amt Paid:	$250.00

!!!IMPORTANT REMINDERS!!!

1. Your permit will expire at midnight on the 'Valid Through' date. If you do not receive a renewal notice 30 days prior to the expiration date, please submit an original application and check the "Renewal" box.
2. Your insurance must remain valid through the term of your permit or a suspension action could occur.
3. Changes to your fleet are not required to be reported until your renewal.
4. Changes to your business entity may require a new CA# and application for another Motor Carrier Permit.
5. If you decide to no longer operate as a motor carrier of property, you must submit a 'Voluntary Withdrawal' form.
6. For changes to the address, business name, officers, or authorized representative's name, please complete the 'Notice of Change' form. Changes during your renewal period may be submitted on your renewal application.
7. You may download forms from the Internet at www.dmv.ca.gov or receive further information by calling: (916) 657-8153.

California Relay Telephone Service for the Deaf or Hard of Hearing from TDD Phones: 1-800-735-2929; from Voice Phones: 1-800-735-2922

MC 2100 M (REV. 01/2011)

A Public Service Agency

Facility/Site Summary Details: Gaiaca Waste Revitalization (27-AA-0125)

LEA Contact: See the "Local Enforcement Agency (LEA)" information below
CalRecycle Contact: Eric Kiruja (916) 341-6427

Search New Facility

Detail Inspection Enforcement Maps Documents

Identification:		**Local Enforcement Agency (LEA):**
Location:	Gaiaca Waste Revitalization 120 Calle Del Oaks Del Rey Oaks, CA 93940	County of Monterey County Health Department Division of Environmental Health 1270 Natividad Rd Salinas, CA 93906-3198 Phone: (831) 755-4508 Fax: (831) 755-4880
Latitude:	36.3507	
Longitude:	-121.4953	
GIS Confidence:	Map	
US EPA FRS ID:	Not Available	

Operator/Business Owner:	**Land Owner(s):**
Gaiaca Waste Revitalization 120 Calle Del Oaks, Suite B Del Rey Oaks, CA 93940 Phone: (831) 899-2022 Fax:	Jim Russo 120 Calle Del Oaks, Suite B Del Rey Oaks, CA 93940 Phone: Fax:

Surrounding Land Use:

Not Available

Permit Details:

Current - Permit or EA Notification Issue Date: **October 17 , 2017 Type: Notification**

Unit Specifications:

Data Dictionary

Unit: 01

Activity:	Chipping and Grinding Activity Fac./ Op.	Inspection Frequency:	Quarterly
Classification:	Solid Waste Facility	Max.Permitted Throughput:	200.00 Tons/day
Category:	Composting	Permitted Capacity:	200 Tons
Regulatory Status:	Notification	Total Acreage:	1.0000 Acres
Operational Status:	Active		
Operational Type:	Not Available		
Closure Date:			
Closure Type:	Not Available		
Waste Type:	Green Materials, Wood waste		

Top of Page Page: 1 of 1

Last updated: Data updated continuously.
Solid Waste Information System(SWIS), http://www.CalRecycle.ca.gov/SWFacilities/Directory/
Melissa Parker, Melissa.Parker@CalRecycle.ca.gov (916) 341-6398

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Department of Food and Agriculture
Division of Measurement Standards
6790 Florin Perkins Rd., Ste. 100, Sacramento, California 95828-1812
Email: dms@cdfa.ca.gov Web Address: www.cdfa.ca.gov/dms/programs/wm/wm.html
Phone # : (916) 229-3000 Fax # : (916) 229-3055
Remit fees payable to: **CDFA 90361,** PO Box 942872, Sacramento, CA 94271-2872

Weighmaster License

Weighmaster

GAIACA LLC
120 CALLE DEL OAKS SUITE B
DEL REY OAKS, CA 93940
Attn: GARRETT RODEWALD

License No: **100332**
Total Fees Remitted: **$377.50**
Issue Date: **3/14/2019**

License Year: 3/1/2019 - 3/1/2020

The Weighmaster is responsible to renew this license. (Division 5, Chapter 7, Section 12707, Business and Professions Code)

THIS LICENSE SHALL BE AVAILABLE TO WEIGHTS AND MEASURES OFFICIALS AT EACH WEIGHING LOCATION.
This license is not transferable. Any change in ownership requires a new license.

Principal Location and Non-Fixed

DBA: GAIACA
120 CALLE DEL OAKS
DEL REY OAKS, CA 93940
COUNTY: MONTEREY
8315214212

Additional Location(s) - 0

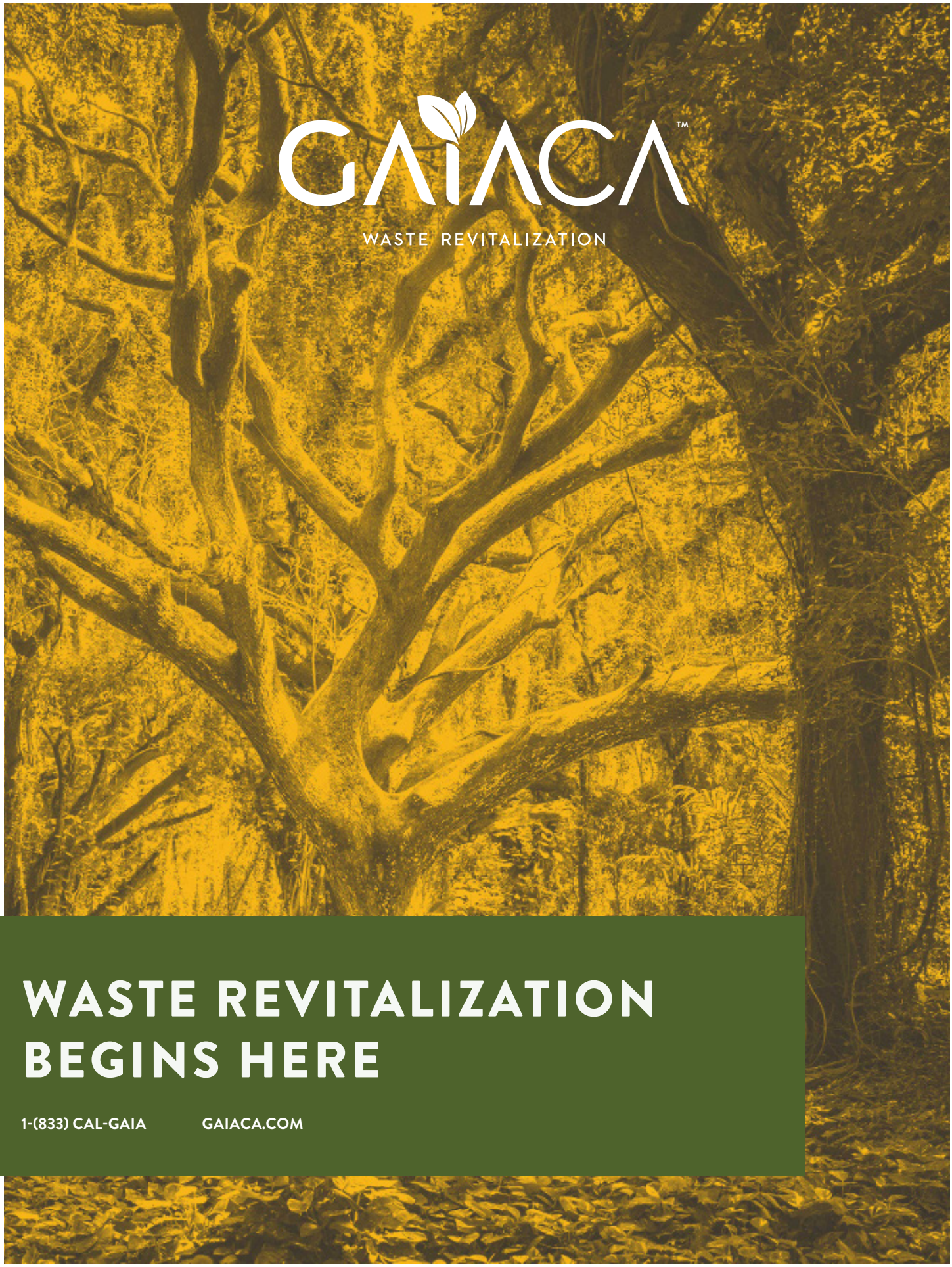
Only persons listed below may perform the functions of a Deputy Weighmaster for the licensed Weighmaster.

(Division 5, Chapter 7, Section 12703, Business and Professions Code)

For instructions on adding/deleting Deputies to your license, refer to the instruction sheet on our website.
http://www.cdfa.ca.gov/dms/programs/wm/wm.html.

Deputy Weighmaster(s) - 0

Number of vacant deputy positions: 1


GAIACA™
WASTE REVITALIZATION
WASTE REVITALIZATION
BEGINS HERE
1-(833) CAL-GAIA
GAIACA.COM

WASTE

/wāst/ *noun*

An important area of compliance that is crucial to the environment and public health, but often-times gets overlooked

California; 2018 - Cannabis took a monumental leap that will undoubtedly go down in history as the second end of Prohibition.

AS WITH ANY NEW BEGINNING COMES NEW RESPONSIBILITY

The burgeoning Cannabis Industry has caused the birth of various cultivation, manufacturing, distribution, retail dispensary, and testing laboratory businesses, small and large. From 'mom & pop' companies creating hand-crafted, specialty products to complex, vertically-integrated industry giants.

These cannabis-related businesses are subject to strict regulatory compliance, and like any other industry, require technical solutions to maintain and grow operations.

Whether you are growing, manufacturing, distributing, selling, testing cannabis or planning an event, you will generate more than one stream of waste. Raw plant material (flower, leaf, stalk, root ball), post-manufactured biomass, infused products, edibles, retired displays, expired or failed goods, contaminated disposables, hazardous materials, etc. are all forms of cannabis waste that are regulated by the State and Local Health Department.

GAIACA WASTE REVITALIZATION IS CALIFORNIA'S FIRST PROPERLY LICENSED CANNABIS WASTE MANAGEMENT COMPANY.

SERVICES

01

WASTE COLLECTION

- Subscription-based weekly waste collection
- Securable, non-reactive, polyethylene drums provided (15-gallon & 55-gallon)
- Non-hazardous and hazardous waste

02

WASTE TRANSPORT

- Transport of non-hazardous waste to Gaiaca Facility for processing
- Transport of hazardous waste to TSDF
- Thorough documentation via waste manifest to meet State's Track-and-Trace requirements

03

WASTE PROCESSING

- Waste sorted for safe processing
- Waste rendered on behalf of Client
- Waste revitalized and diverted from landfill

04

COMPLIANCE CERTIFICATION

- Facility inspection to develop waste management program
- Waste streams identified and profiled
- Issuance of Gaiaca Certificate of Waste Compliance

We assist all types of cannabis operators in properly managing, tracking, rendering, and disposing of their cannabis waste. Our team of developers, consultants, and hygienists work to help cannabis operators maintain local and State compliance so they can focus solely on what they do best.

CONSULTING

HAZARD ANALYSIS

- Identify potential hazards (biological, chemical, physical)
- Evaluation and reporting
- Remediation and preventative control

ENVIRONMENTAL CONSULTING

- Inspections, sample collection, reporting (waste, emissions, discharge, quality control)
- Samples submitted to qualified, 3rd-party lab
- Maintain compliance with local and State regulations

WASTE CHARACTERIZATION

- Site inspection and profile waste generated
- Segregate waste into categories for disposal
- Assistance with EPA generator registration

SOIL TESTING

- Visual inspection of soil / grow mediums
- Documentation of relevant amendments, fertilizers, and supplements used
- Sampling: residual pesticides/fertilizer, heavy metals, microbial, nutrients levels, pH, etc.

WATER SOURCE / DISCHARGE TESTING

- ID of source, diversion, and discharge points
- Documentation of physical conditions
- Sampling: res. chlorine, perchlorate, heavy metals, Coliforms, pH, conduct., BOD, etc.

QUALITY CONTROL SAMPLING

- ID of source, diversion, and discharge points
- Documentation of product batch selection
- Reporting to meet local and/or State requirements

CREATING A MORE SUSTAINABLE FUTURE, ONE BIN AT A TIME

GAIACA WASTE MANAGEMENT

BY : _____

ON : _____

100% COMPLIANT

Through comprehensive facility inspections, laboratory certified waste characterization, detailed waste manifesting, proprietary waste rendering procedures, and sustainable disposal methods,

GAIACA is proud to be the industry leader in responsible, compliant, and environmentally conscience cannabis waste.

P.O. Box 188
Gonzales, CA
93926

1-833-CAL-GAIA
(1-833-225-4242)
GAIACA.COM

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H.

Testing and Tracking

Product Testing and Safety

Embarc Contra Costa shall fully comply with all state and local standards and rules regarding product testing and safety standards. As a company policy, no employee, owner, or agent of the business (the "staff" hereafter) shall have a financial interest in a state licensed testing facility.

In addition, the business will only purchase its inventory from other licensees that have already submitted that inventory to quality assurance testing pursuant to state and local laws. We shall also require licensed testing laboratory vendors to conduct quality assurance tests of cannabis and cannabis-infused products for moisture content, a foreign matter inspection, microbiological screening, pesticides, and other chemical residue and metals screening, and residual solvent levels.

Embarc Contra Costa will comply with Division 10, Chapter 10 of the California Business & Professions Code [26100 - 26106] and ensure that only cannabis and cannabis-infused products that meet the below guidelines are sold to customers:

A. Except as otherwise provided by law, cannabis or cannabis products shall not be sold pursuant to a license provided for unless a representative sample of the cannabis or cannabis products has been tested by a licensed testing laboratory.

B. All testing of the samples shall be performed on the final form in which the cannabis or cannabis product will be consumed or used.

C. Testing of batches to meet the requirements of the State of California and shall only be conducted by a licensed testing laboratory.

D. For each batch tested, the testing laboratory shall issue a certificate of analysis for selected lots at a frequency determined by the Bureau of Cannabis Control with supporting data, to report both of the following:

    1. Whether the chemical profile of the sample conforms to the labeled content of compounds, including, but not limited to, all of the following, unless limited through regulation by the Bureau of Cannabis Control:

        a. Tetrahydrocannabinolic Acid (THCA)
        b. Cannabidiol (CBD)
        c. Cannabidiolic Acid (CBDA)
        d. Cannabinol (CBN)
        e. Cannabigerol (CBG)
        f. The terpenes required by the Bureau of Cannabis Control in regulation.
        g. Any other compounds or contaminants requires by the Bureau of Cannabis Control.

    2. That the presence of contaminants does not exceed the levels established by the Bureau of Cannabis Control. In establishing the levels, the Bureau shall consider the American Herbal Pharmacopoeia monograph, guidelines set by the Department of Pesticide Regulation pursuant to subdivision (d) of Section 26060, and any other relevant

sources. For purposes of this paragraph, "contaminants" includes, but is not limited to, all of the following:

a. Residual solvent or processing chemicals.
b. Foreign material, including, but not limited to, hair, insects, or similar or related adulterant.
c. Microbiological impurities as identified by the Bureau in regulation.
d. Standards for residual levels of volatile organic compounds shall be established by the Bureau.
e. The testing laboratory shall conduct all required testing in a manner consistent with general requirements for the competence of testing and calibrations activities, including sampling and using verified methods.
f. All testing laboratories performing tests pursuant to this section shall obtain and maintain ISO/IEC 17025 accreditation as required by the Bureau in regulation.
g. If a test result falls outside the specifications authorized by law or regulation, the testing laboratory shall follow a standard operating procedure to confirm or refute the original result.
h. A testing laboratory shall destroy the remains of the sample of medical cannabis or medical cannabis product upon completion of the analysis, as determined by the Bureau through regulations.
i. Any presale inspection, testing transfer, or transportation of cannabis products pursuant to this section shall conform to a specified chain of custody protocol and any other requirements imposed under this division.
j. This division does not prohibit a licensee from performing testing on the licensee's premises for the purposes of quality assurance of the product in conjunction with reasonable business operations. This division also does not prohibit a licensee from performing testing on the licensee's premises of cannabis or cannabis products obtained from another licensee. Onsite testing by the licensee shall not be certified by the Bureau and does not exempt the licensee from the requirements of quality assurance testing at a testing laboratory pursuant to this section.

Embarc Contra Costa will utilize the State's seed-to-sale traceability system to cross check prospective inventory prior to engaging in purchasing that inventory. The following are the protocol and procedures that we shall adhere to prior to the sale of any product in order to verify that the cannabis has been tested and passed all applicable tests (subject to change depending on State regulations): we shall first enter the ID tracking number of the tested product into its seed- to-sale tracking system to ensure that dates, times, and applicable results match-up between the State and the Commercial Cannabis Manufacturers list for the tested products.

Embarc Contra Costa will utilize designated employees, agents, and owners on-site to inspect the tested products to ensure that no product has been opened and/or tampered with upon its receipt at the licensed location. Should staff discover such tampering, staff shall immediately enter that information into the businesses traceability system and shall notify the previous licensee that it must retrieve the product or that staff shall destroy the product in accordance with the businesses destruction plan for cannabis waste.

If the tested cannabis or cannabis products are intact, Embarc Contra Costa shall request from the previous licensee the identity and contact information of the laboratory that performed the testing. Staff shall then contact that laboratory and ask for a full report regarding the tested product in question to verify that the product meets quality assurance standards. Each and every confirmation of tested product shall be entered into the State's and business' traceability system. Additionally, upon customer request, we shall provide every customer with all testing information and results regarding the cannabis they wish to purchase.

Embarc Contra Costa will only purchase from other properly licensed cannabis businesses products (including edibles) that have been tested for quality assurance and that have patent expiration dates for fitness of consumption on all packaging and labeling.

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EMBARC™

PROPERTY OWNER CONSENT FORM

Commercial Cannabis Retailing

PROPERTY OWNER INFORMATION

BRUDADEN PROPERTIES LLC — Name

☑ Owner ☐ Manager ☐ Other: _____ — Title

BRUDADON PROPERTIES LLC — Business Name (if applicable)

(925) 228-6150 — Phone Number

4 WYGAL DR — Mailing Address

MARTINEZ — City

CA — State

94553 — Zip Code

PREMISES INFORMATION

3503 PACHECO BLVD — Physical Address

MARTINEZ — City

CA — State

94553 — Zip Code

THE AXIOM GROUP — Applicant

DECLARATIONS AND SIGNATURE

I hereby certify that I am the property owner and/or manager of the premises referenced in the Premises Information section and authorized to complete this form on the property owner's behalf. The property owner acknowledges that the above-mentioned applicant has executed a Real Estate Letter of Intent to purchase the property and acknowledges and consents to the conduct of commercial cannabis retailing activities on the property.

William R Ulygal — Signature

5/2/19 — Date

See Attached for Notarization

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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT **CIVIL CODE § 1189**

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

State of California)
County of Contra Costa)
On 05/02/2019 before me, Deana Ridge, Notary Public
Date *Here Insert Name and Title of the Officer*
personally appeared William Wygal
Name(s) of Signer(s)

_____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

DEANA RIDGE
Notary Public - California
Contra Costa County
Commission # 2265005
My Comm. Expires Nov 25, 2022

Signature Deana Ridge
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Property Owner Consent Form Document Date: _____

Number of Pages: 1 Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____	Signer's Name: _____
☐ Corporate Officer — Title(s): _____	☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General	☐ Partner — ☐ Limited ☐ General
☑ Individual ☐ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other: _____	☐ Other: _____
Signer Is Representing: _____	Signer Is Representing: _____

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J.

Site Plans & Floor

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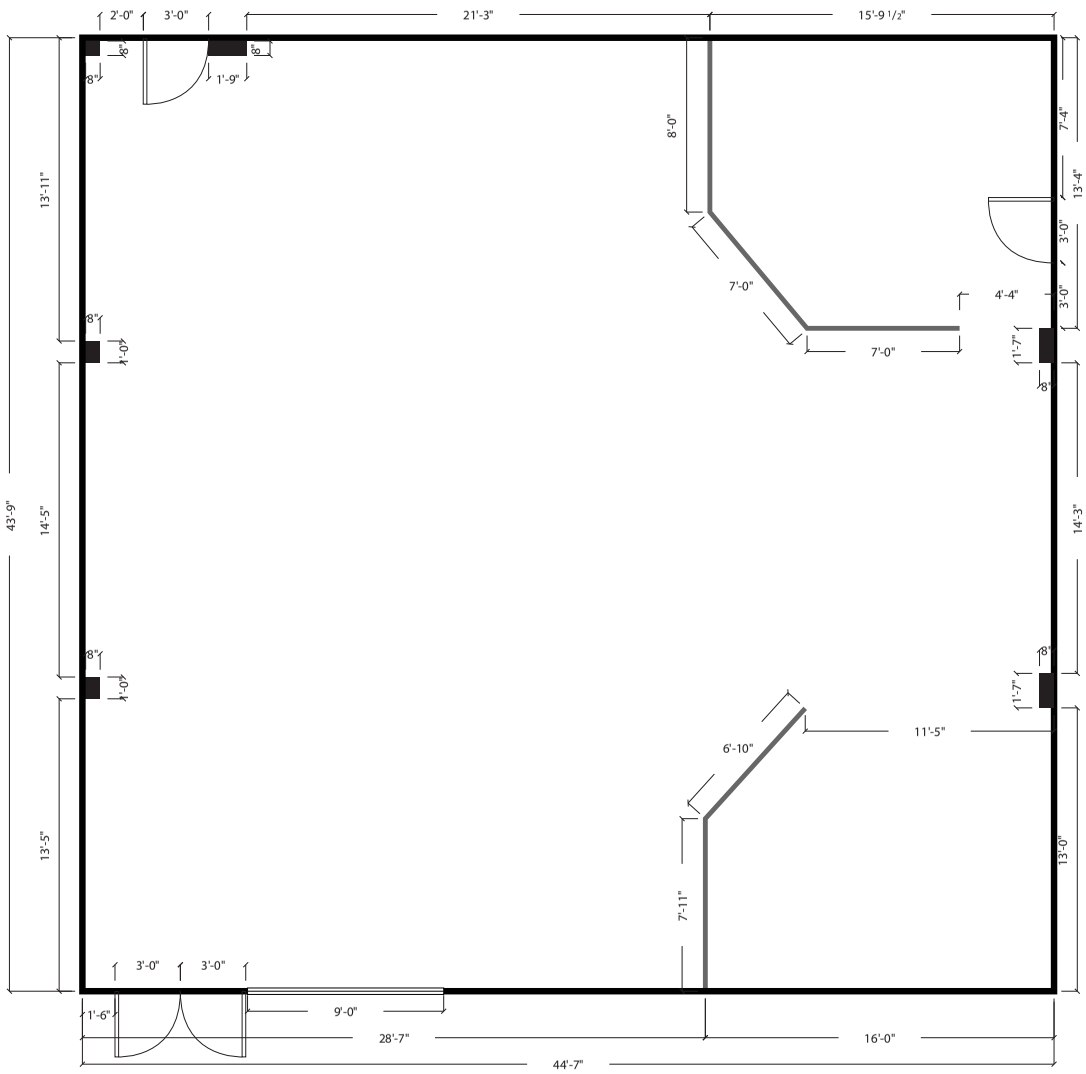

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Embarc Contra Costa
PROJECT

George Miller
CLIENT

3503 Pacheco Boulevard,
Martinez, CA 94553
ADDRESS

378-130-013
ASSERSOR'S PARCEL #

Temeka Group
DESIGNER

06.23.19
DATE

NOTE

REVISION DATE

CUSTOMER APPROVAL	
SIGNATURE	DATE

DESCRIPTION

Existing Floorplan

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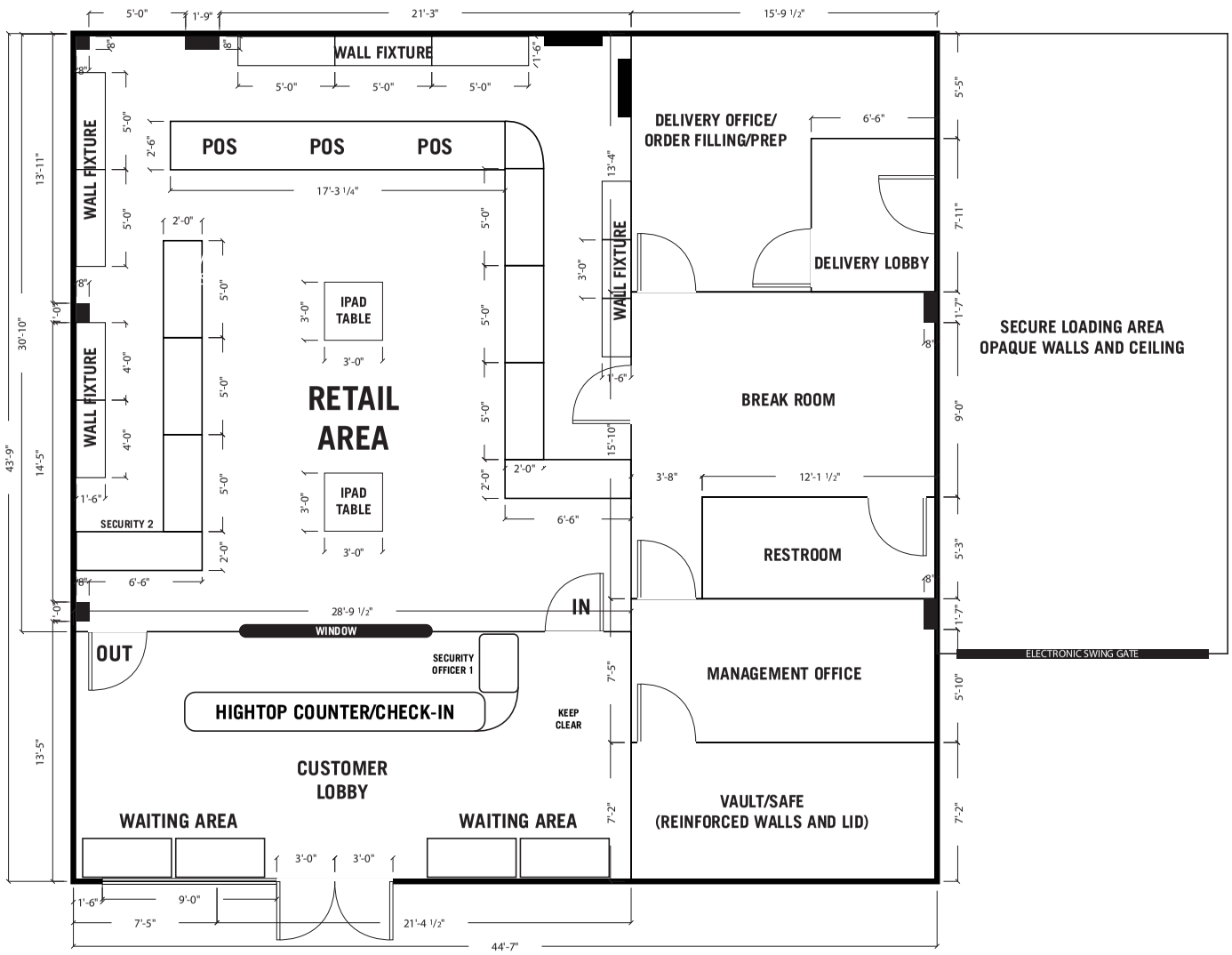

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Proposed Floorplan

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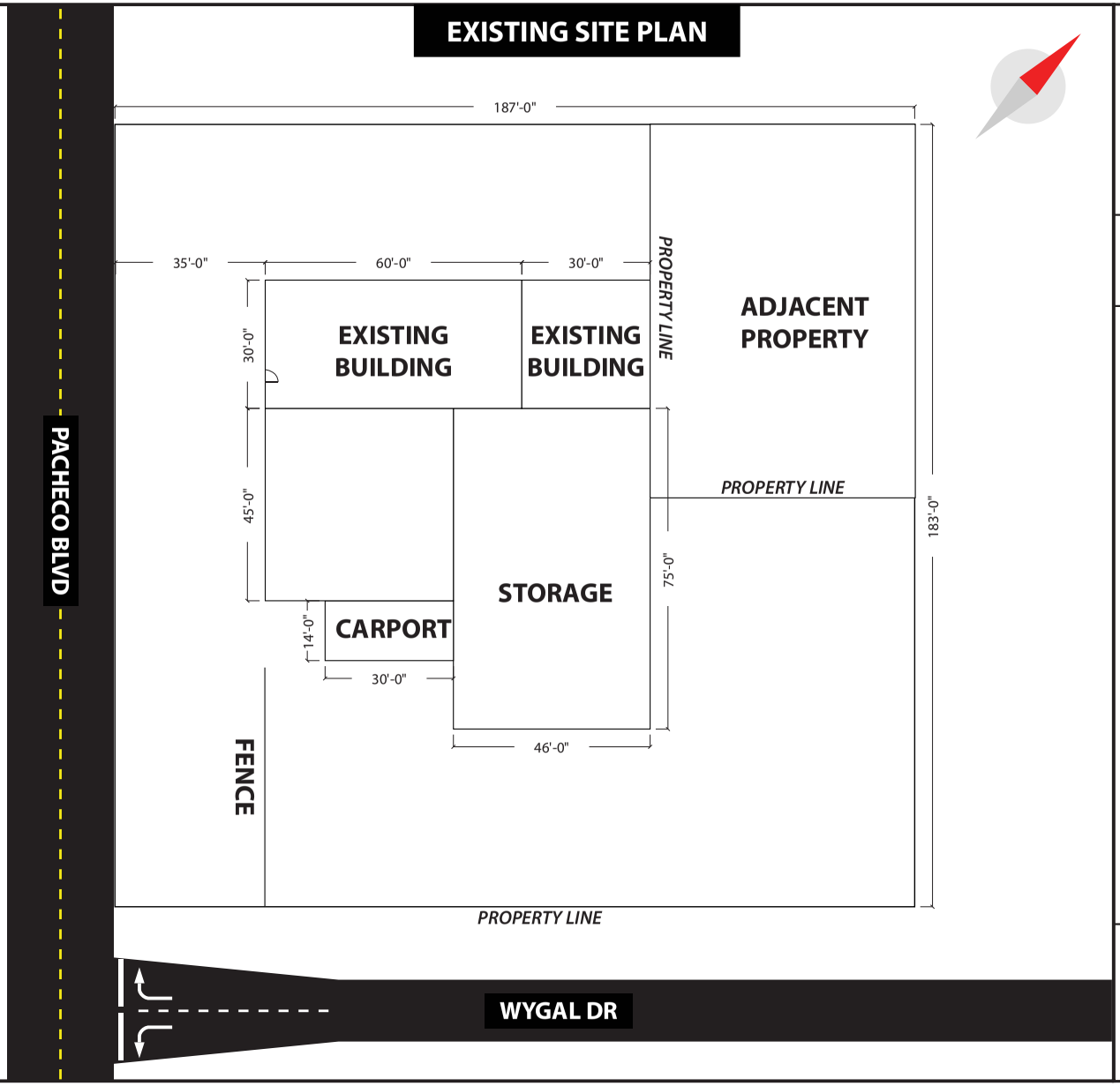
EXISTING SITE PLAN



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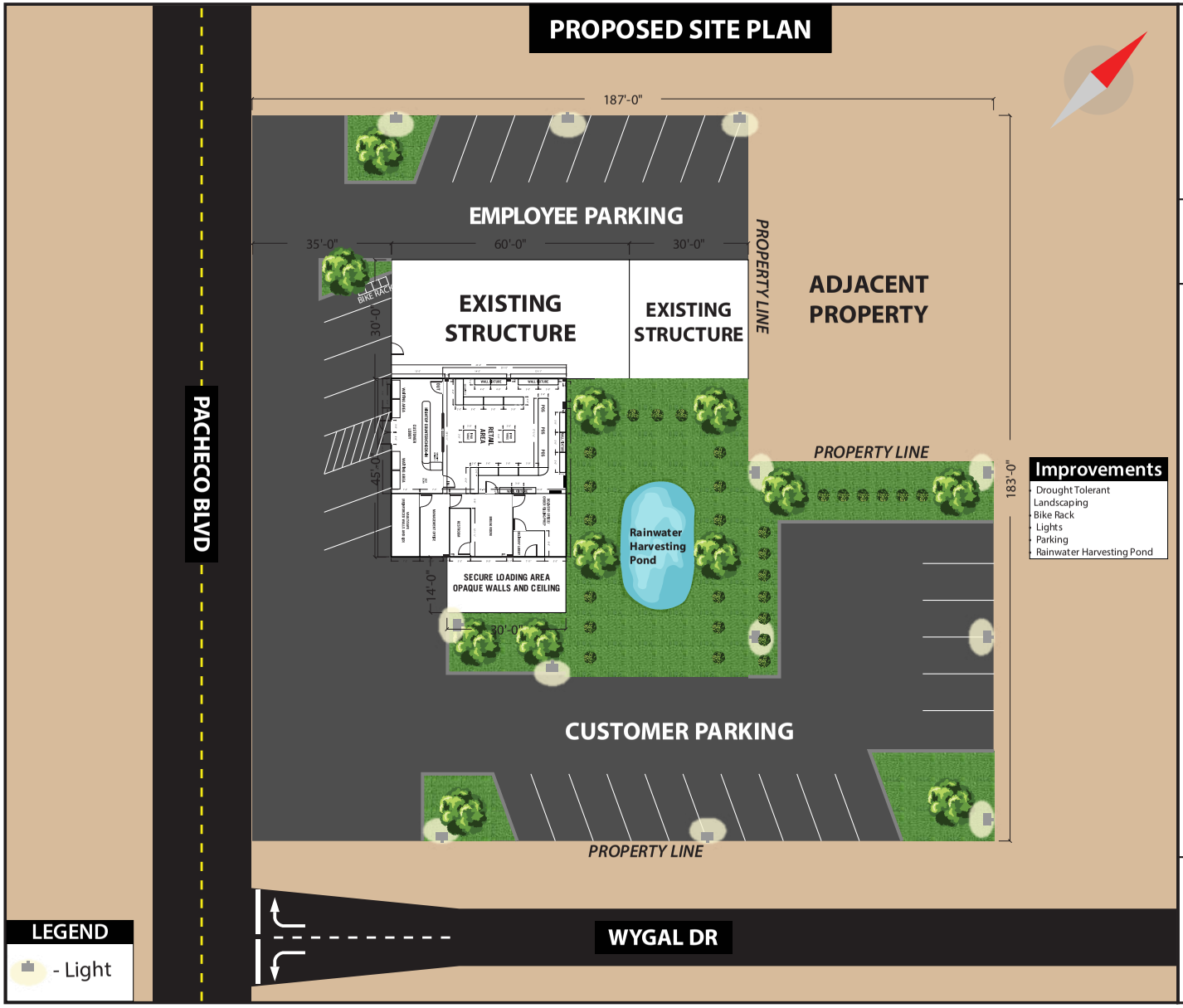
PROPOSED SITE PLAN



Improvements

- Drought Tolerant Landscaping
- Bike Rack
- Lights
- Parking
- Rainwater Harvesting Pond

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