

Delaware Compassionate Care, Inc.

c/o Anthony Judson Bennett  
29 Del.C. Ch. 100 Freedom of Information Act

April 8, 2014

Via Hand Delivery

Procurement Administrator  
Division of Management Services  
Delaware Health and Social Services  
Main Administration Building, Sullivan Street  
Second Floor, Room 257  
1901 North DuPont Highway  
New Castle, DE 19720

RE: Transmittal of Proposal for Registration and Operation of a Medical Marijuana  
Compassion Center in the State of Delaware; RFP No. HSS 13 056

Dear Procurement Administrator,

Please find attached hereto the required submission materials for the above referenced  
Request for Proposal No. HSS 13 056 for the Registration and Operation of a Medical Marijuana  
Compassion Center in the State of Delaware.

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THE undersigned bidder recognizes and has reviewed all addenda on the RFP Website;  
<http://bids.delaware.gov>; [http://bids.delaware.gov/bids\\_detail.asp?i=2285&DOT=N](http://bids.delaware.gov/bids_detail.asp?i=2285&DOT=N). In  
addition to the "RFP – Professional Services," the addenda which are recognized and have been  
read include "Addendum 1 - Location Change," "Addendum 2 - Timeline Revision," and  
"Addendum 3 - Q&A."

This proposal will remain active, fixed and binding on the bidder at least through the  
two year contract period and for additional time in the event that the State of Delaware asks  
for an extension of time, if needed.

In the event that bidder is awarded a contract, the bidder agrees to obtain a Delaware  
business license.

Pricing throughout this bid proposal was arrived at without collusion of any sort, with  
any party, but instead by a study of the market of marijuana for medical use.

Pursuant to the instruction contained on page 3 of the RFP, the undersigned bidder  
hereby notifies the Department that neither it nor any predecessor firm has been engaged in  
any contracts with the State of Delaware during the past three years.

Pg. 2

Enclosed please find two original labeled CDs, together with six additional CDs labeled as copies, each of which contains our proposal in both PDF and Microsoft Word formats.

In addition to the required application documents and attachments, please also find attached a check in the amount of \$5,000 made payable to the DPH Medical Marijuana Program in payment of the non-refundable application fee.

Please note that bid enclosed herewith pertains to a property located at 37 Germay in New Castle County. However, the bidder requests that it be permitted to substitute a replacement property, on which information is attached hereto, because of events which were discovered just days prior to submission of this application, to wit; although bidder was in negotiations to obtain the Germay property, bidder's hired consultant apparently 'jumped ship' and facilitated a contingent conveyance of that property to a competing bidder, contrary to a contractual non-compete provision.

As a result of said breach of allegiance, bidder has been hampered in its efforts to finalize its bid. However, I hope that this submission as supplemented will receive your full consideration. I believe that this bidder's inclusion of provisions for participation by one or more independent research facilities has much to offer to Delaware patients by increasing the quality of the medicine produced and reducing the cost of medicine provided to patients. Moreover, ongoing on site research will help Delaware's medical marijuana program to 'raise the bar' as the industry matures.

Fortunately, our group was able to locate a replacement property which is suitable to our needs and I attach information concerning that property hereto. This property meets use, separation and zoning requirements, and benefits from safety and ease of access.

Sincerely,

29 Del.C. Ch. 100 Freedom of Information Act

Anthony Judson Bennett  
Chief Executive Officer

Anthony Judson Bennett  
Delaware Compassionate Care, Inc.  
Post Office Box 615  
Lewes, Delaware 19958

April 8, 2014

Procurement Administrator  
Division of Management Services  
Delaware Health and Social Services  
Main Administration Building, Sullivan Street  
Second Floor, Room 257  
1901 North DuPont Highway  
New Castle, DE 19720

RE: Location Identification Requirements; RFP Section IV.G. et seq.

To Whom It May Concern:

Please note that due to an unfortunate last minute development involving a competing applicant, 37 Germay Drive may not be available to us if we receive the RFP award, although we included a zoning letter for this property.

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We have therefore identified a replacement property which is also located in New Castle County; 196 Quigley Blvd., in the airport industrial park. This specific location is equally suited to our plans if we elect this location upon receipt of the award, is attractive and is industrially zoned as required.

Site control will be secured through a lease purchase agreement with the owner of the building which will be legally binding; see attached letter of intent.

Because of the "eleventh hour" change in plan due to circumstances beyond our control and imminent deadline, I am submitting information on this property as an alternative site to be considered.

If you have any questions, please feel free to contact me at [29 Del.C. Ch. 100 Freedom of Inf.](#)

Respectfully submitted,  
[29 Del.C. Ch. 100 Freedom of Information Act](#)

Anthony Judson Bennett, President  
Delaware Compassionate Care, Inc.



Newark Sales Center  
 890 South College Ave.  
 Newark, DE 19713  
 302-733-7000/110-332-6500  
 FAX 302-733-7048

Also offering...

Mortgage Financing  
 (through State Mortgage)

Relocation  
 Services

REO Services

Property  
 Management

Home Services

Home Trust  
 Warranty



April 7, 2014

Delaware Compassionate Care, Inc.  
 c/o Mr. A. Judson Bennett  
 P.O. Box 615  
 Lewes, DE 19958

Re: Memorandum of Understanding for Site Location

Dear Mr. Bennett,

In conjunction with the State of Delaware Request for Proposal No. HSS 13 056 and your application to become the selected vendor thereunder, this Memorandum of Understanding hereby establishes that your proposed location for Delaware Compassionate Care (DCC) is 196 Quigley Boulevard, New Castle, DE 19720.

Located in the Airport Industrial Park, a lease for 26,600 sf of available space, subject to DCC becoming the selected vendor, is expected to be completed by April 18<sup>th</sup> with possession to begin three weeks after becoming the selectee. DCC will lease the remaining 14,590 sf of space in the building when it becomes available and also establish a purchase option at that time. The attached enclosures further identify and illustrate the desirable aspects of this site location for the scope of services to be performed by DCC.

\* WITH  
 EXECUTED  
 LEASE  
 AGREEMENT  
 TO BE

With reference to the above, this Memorandum of Understanding is established by our below signatures:

COMPLETED  
 BY: MAY 9<sup>th</sup>  
 29 Del.C. C 4-7-14  
 29 Del.C. C 4/7/14

Falco, LLC  
 Owner of 196 Quigley Blvd.

Delaware Compassionate Care, Inc.

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Rebecca Kendall, Member  
 103 Water St.  
 Wilmington, DE 19804  
 Ph: 302-420-5634

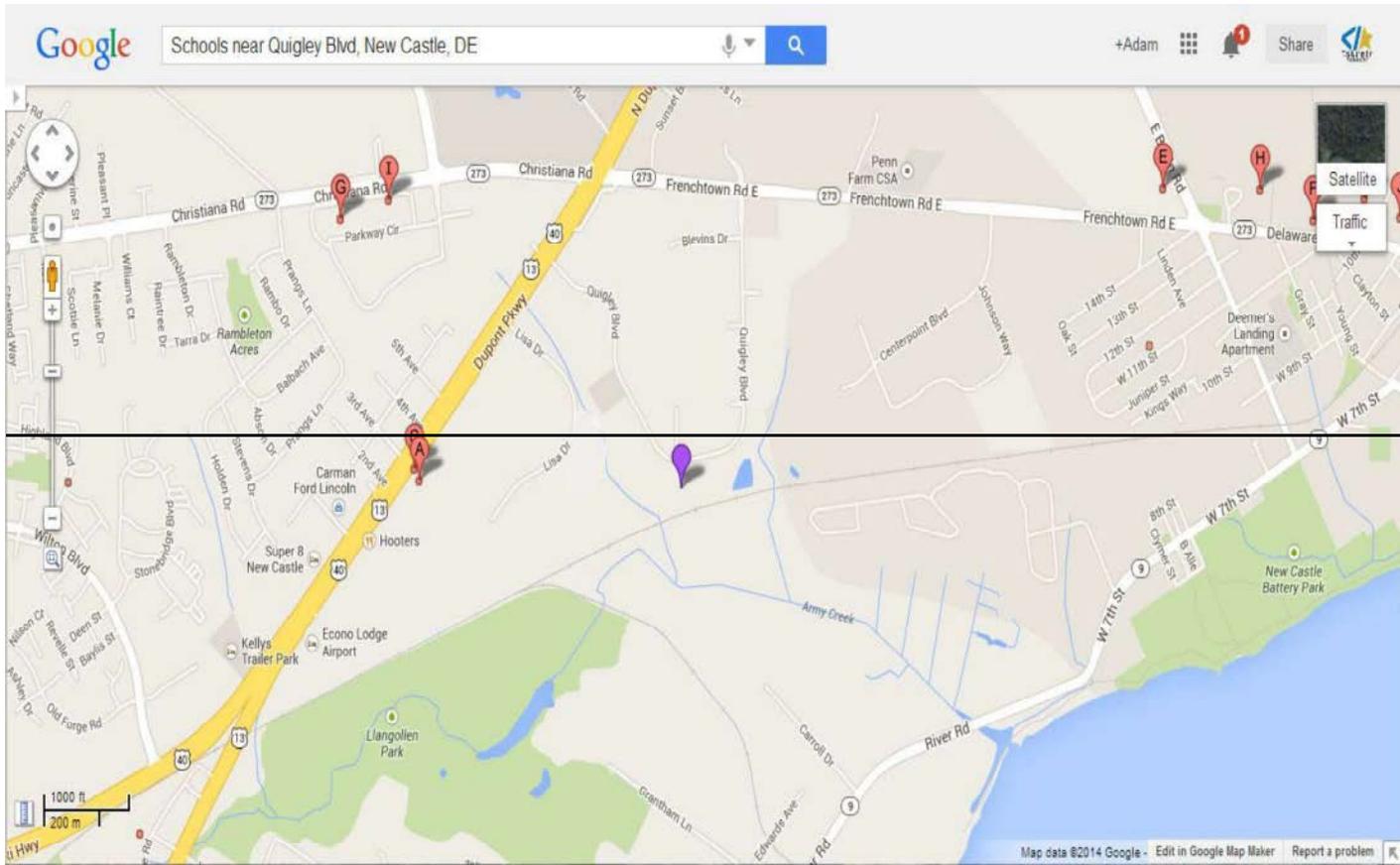
A. Judson Bennett, President  
 P.O. Box 615  
 Lewes, DE 19958  
 Ph: 302-542-0657

Sincerely,

29 Del.C. Ch. 100 Freedom of Information Act

Robert S. Cronin  
 Exclusive Agent for CCC  
 Broker Associate, Patterson-Schwartz Real Estate  
 Ph: 302-521-1998

[pattersonschwartz.com](http://pattersonschwartz.com)



**Parcel # 1003000069**

Property Address: 196 QUIGLEY BL  
 NEW CASTLE, DE 19720-  
 Subdivision: AIRPORT IND PARK  
 Owner: FALCO  
 103 WATER ST  
 Owner Address: WILMINGTON, DE 19804  
 Municipal Info: Unincorporated

Lot #: N	Property Class: INDUSTRIAL
Location:	Lot Size: 3.80
Map Grid: 09203360	Lot Depth: 482.60
Block:	Lot Frontage: 287.20
Census Tract: 163.05	Street Finish:
Street Type:	
Water:	
Microfilm #: 008628	

Related Project Plans	A/P No.	Project Name	Work Type	Status
Details	20130585	196 QUIGLEY BLVD (KAAPS PLASTIC INC)		COMPLETE

- District & Zoning Info**
- Districts
- COUNCIL 12 - JAMES W BELL
  - FIRE/RESCUE - GOODWILL
  - COLONIAL SCHOOL DIST-TRES
  - NORTH OF C&D CANAL
  - COASTAL ZONE DISTRICT-ASMT
  - TRAFFIC ZONE T159 (YR2000)
  - FLOODPLAIN-LU
  - SEWER DISTRICT NORTHERN-ASMT
  - WETLANDS-LU
  - PLANNING 2 - NEW CASTLE
  - DE SEN 12-NICOLE POORE
  - DE REP 17-MICHAEL P PROKROCHET

- Zoning
- I - UDC - INDUSTRIAL

**Sales History**

Owner	Deed	Current Owner?	Multi?	Sale Date	Sale Amount
FALCO	44E 200	N Y	N N	5/1/1982 10/1/1986	\$109,200.00 \$130,800.00

**Tax/Assessment Info**

Assessment

Land: 152000  
 Structure: 719900  
 Homesite: 0  
 Total: 871900  
 County Taxable: 871900  
 School Taxable: 871900

**Tax History as of 4/7/2014 10:54:06 AM**

Tax Year	County				School			
	Principal Due	Penalty Due	Date Paid	Amt Paid	Principal Due	Penalty Due	Date Paid	Amt Paid
2010A	\$0.00	\$0.00	10/1/2010	\$6,246.03	\$0.00	\$0.00	10/1/2010	\$13,366.22
2011A	\$0.00	\$0.00	9/16/2011	\$6,296.78	\$0.00	\$0.00	9/16/2011	\$13,139.53
2012A	\$0.00	\$0.00	9/24/2012	\$6,272.97	\$0.00	\$0.00	9/24/2012	\$12,869.24
2013A	\$0.00	\$0.00	9/12/2013	\$6,272.45	\$0.00	\$0.00	9/12/2013	\$16,182.46

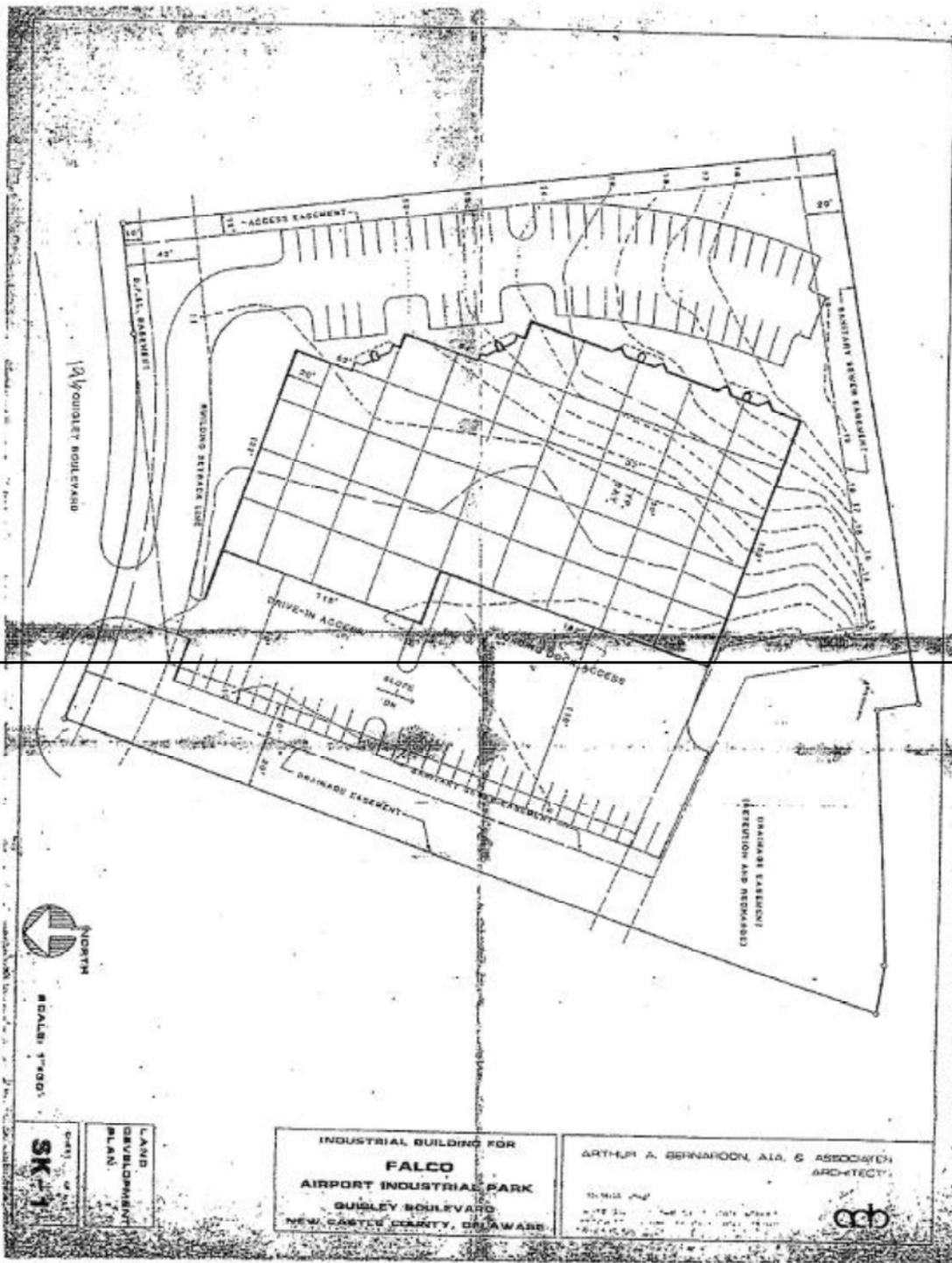
County Balance Due: \$0.00  
 School Balance Due: \$0.00  
 Accounts with delinquent balances do not reflect the most recent statutory penalty, which was imposed on the first of the month. To obtain the exact amount necessary to pay the account in full, please call New Castle County's Treasury Division at (302) 323-2600.

**Sewer History as of 4/7/2014 10:49:34 AM**

Tax Year	Principal Due	Penalty Due	Date Paid	Amount Paid
2007B1	\$0.00	\$0.00	2/26/2007	\$841.26

[p://www3.nccode.org/parcel/Details/Default.aspx?ParcelKey=97072](http://www3.nccode.org/parcel/Details/Default.aspx?ParcelKey=97072)

4/7/2014



FOR LEASE or SALE  
196 Quigley Boulevard  
Airport Industrial Park  
New Castle, DE 19720

Please call FALCO Developers at (302) 994-1232 for showing

Year built: 1987  
Square Footage: 41,000 – One Story Masonry and Metal  
Acreage: 3.8036 – Rectangular Parcel – Land Ratio 4/1  
Zoned: Industrial  
Ample Parking: 84 spaces  
Ceiling Height: 16 feet

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Warehouse Heating, Lighting and Fully Sprinkled

5 – 10 x 10 Loading Docks

3 – 10 x 12 Drive-ins

Service: 120/208v 3 p 800 a

New TPO Roof December 2010

New Castle County Taxes \$ 19,142

New Castle County Sewer \$ 4,839

Ample loading and trailer storage

Minutes from I-95, I-295, I-495, route 40 and route 13

**A. APPLICATION FEE ATTACHED TO COVER LETTER**

A non-refundable application fee in the amount of \$5,000 in the form of an official bank check made payable to DPH Medical Marijuana Program, is attached to the Cover Letter.

**B. BIDDER'S SIGNATURE FORM**

The Bidder's Signature Form is attached on the following page, and is signed by Anthony Judson Bennett, CEO of Delaware Compassionate Care, Inc.

**INTENTIONALLY LEFT BLANK**



DELAWARE HEALTH AND SOCIAL SERVICES  
REQUEST FOR PROPOSAL

BIDDERS SIGNATURE FORM

NAME OF BIDDER: DELAWARE COMPASSIONATE CARE, INC.  
SIGNATURE OF AUTHORIZED PERSON: [Signature]  
TYPE IN NAME OF AUTHORIZED PERSON: ANTHONY JUBIAN BENNETT  
TITLE OF AUTHORIZED PERSON: CEO / PRESIDENT  
STREET NAME AND NUMBER: 29 Del.C. Ch. 100 Freedom of Information Act  
CITY, STATE, & ZIP CODE: 29 Del.C. Ch. 100 Freedom of Information Act  
CONTACT PERSON: ANTHONY JUBIAN BENNETT  
TELEPHONE NUMBER: 29 Del.C. Ch. 100 Freedom of Information Act  
~~FAX NUMBER: 302.441.1111~~ PILOT HAS NO VERIZON.NET  
DATE: 4-7-2017  
BIDDER'S FEDERAL EMPLOYERS IDENTIFICATION NUMBER: 45-42 83108

THE FOLLOWING MUST BE COMPLETED BY THE VENDOR:

AS CONSIDERATION FOR THE AWARD AND EXECUTION BY THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES OF THIS CONTRACT, THE (COMPANY NAME) DELAWARE COMPASSIONATE CARE, INC. HEREBY GRANTS, CONVEYS, Sells, ASSIGNS, AND TRANSFERS TO THE STATE OF DELAWARE ALL OF ITS RIGHTS, TITLE AND INTEREST IN AND TO ALL KNOWN OR UNKNOWN CAUSES OF ACTION IT PRESENTLY HAS OR MAY NOW HEREAFTER ACQUIRE UNDER THE LAWS OF THE UNITED STATES AND THE STATE OF DELAWARE, RELATING THE PARTICULAR GOODS OR SERVICES PURCHASED OR ACQUIRED BY THE DELAWARE HEALTH AND SOCIAL SERVICES DEPARTMENT, PURSUANT TO THIS CONTRACT.

C.TITLE PAGE

**DELAWARE COMPASSIONATE CARE INC'S PROPOSAL**

**NO. HSS 13 056**

**FOR**

**THE REGISTRATION AND OPERATION OF A MEDICAL MARIJUANA COMPASSION CENTER IN THE STATE  
OF DELAWARE**

**FOR**

**THE DIVISION OF PUBLIC HEALTH, DELAWARE HEALTH AND SOCIAL SERVICES**

**417 FEDERAL STREET, JESSE COOPER BUILDING, DOVER, DE 19901**

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APPLICANT:

Anthony Judson Bennett of Delaware Compassionate Care, Inc.

**29 Del.C. Ch. 100 Freedom of Information Act**

29 Del.C. Ch. 100 Freedom of Informa

Please send mail to:

P. O. Box 615, Lewes, DE 19958.

CONTACT PERSON:

Anthony Judson Bennett, Chief Executive Officer, Delaware Compassionate Care, Inc.

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BID OPENING DATE:

April 8, 2014

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## **E. CONFIDENTIAL INFORMATION**

Delaware Compassion Center, Inc. hereby acknowledges the following:

Per Section §4920A Confidentiality of the Act, none of the proposal information will be subject to the Freedom of Information Act (FOIA). All portions of the proposal have been placed on CDs for submission purposes.

### **§ 4920A. Confidentiality**

(a)The following information received and records kept by the Department for purposes of administering this chapter are confidential and exempt from the Delaware Freedom of Information Act [Chapter 100 of Title 29], and not subject to disclosure to any individual or public or private entity, except as necessary for authorized employees of the State of Delaware to perform official duties pursuant to this chapter:

(2) Applications and renewals, their contents, and supporting information submitted by or on behalf of compassion centers and safety compliance facilities in compliance with this chapter, including their physical addressees.

(3) The individual names and other information identifying persons to whom the Department has issued registry identification cards.

(4) Any dispensing information required to be kept under § 4919A of this title or Department regulation shall identify cardholders and registered compassion centers by their registry identification numbers and not contain names or other personally identifying information.

## **F. QUALIFICATIONS AND EXPERIENCE**

This section contains sufficient information to demonstrate Delaware Compassionate Care, Inc. (“DCC”)’s legal status, knowledge, experience and staff expertise which enables DCC to carry out the full measure of establishment and maintenance of a pilot compassion center.

Delaware Compassionate Care, Inc. will secure a Delaware Business License during the contract negotiation process.

### **1. Organizational Structure**

Please see attached organizational chart.

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a. Proposed legal name of the compassion center: **Delaware Compassionate Care, Inc.**

**b. Certificate and articles of incorporation:** Attached hereto; formed January 18, 2012.

# Delaware

PAGE 1

*The First State*

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "DELAWARE COMPASSIONATE CARE, INC.", FILED IN THIS OFFICE ON THE EIGHTEENTH DAY OF JANUARY, A.D. 2012, AT 4:02 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.



5097070 8100

120059525

You may verify this certificate online  
at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

  
Jeffrey W. Bullock, Secretary of State  
AUTHENTICATION: 9306513

DATE: 01-19-12

CERTIFICATE OF INCORPORATION

OF

Delaware Compassionate Care, Inc.

**FIRST:** The name of this corporation is Delaware Compassionate Care, Inc

**SECOND:** The registered office of this corporation is located at 406 South Bedford Street, Georgetown, County of Sussex, State of Delaware 19947, and the registered agent at such address is the corporation itself.

**THIRD:** The sole objective and purpose of this corporation, to be transacted and carried on without profit, shall be to operate in <sup>New Castle</sup> County, Delaware, a registered compassion center as defined in § 4902A(12) in the Delaware Medical Marijuana Act (the "Act") and as more set forth in § 4919A of the Act.

**FOURTH:** In furtherance of and not in limitation of the above powers and of the objectives and purpose set forth herein, it is hereby expressly provided that this corporation shall also have the power and right to preserve, purchase, acquire, take and/or hold, in fee or otherwise, the title to any and every kind of property (real, personal, and/or mixed) wherever situated, which may be either purchased by this corporation or be granted, bequeathed or devised to it, for the aforesaid non-profit purposes for which it is incorporated, without any limitation as to the value of such property (either real, personal and/or mixed) so acquired; and this corporation further shall have the power and right, if for the aforesaid non-profit purposes to grant, bargain, deal in, sell, lease, mortgage, exchange, transfer, lien, or in any other manner whatever, dispose of property (real, personal and/or mixed) or of any interest in property (real, personal and/or mixed) within the State of Delaware, of which it may become seized and possessed; and this corporation shall further have the power and right, if for the aforesaid non-profit purposes to enter into, make and perform contracts of every kind and description and do any or all of the things herein set forth as fully and to the same extent as natural persons might or could do and in any part of the world; and the corporation further has the power and right, if for the aforesaid non-profit purposes to carry on any business in connection therewith, not forbidden by the laws of the State of Delaware, and with all of the powers conferred upon corporations by the laws of the State of Delaware.

- 1 -

**FIFTH:** This corporation shall be a membership corporation without authority to issue capital stock and not organized for profit, and no part of the net earnings, if any, of this corporation shall inure to the benefit of, or be distributable to, its members, trustees, directors, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered. The conditions of and procedure for membership in this corporation shall be such as may be stated from time to time in the Bylaws.

**SIXTH:** In liquidation, dissolution or receivership or other termination of the existence of this corporation, either voluntary or involuntary, or by operation of law, the Board of Directors of this corporation shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of the total net assets of the corporation to any nonprofit entity organized for exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of the United States of America.

**SEVENTH:** To the fullest extent permitted by the General Corporation Law of Delaware as the same exists or may hereafter be amended, a director, officer or volunteer of this corporation shall not be personally liable to this corporation or its members for monetary damages for breach of fiduciary duty as a director or officer. Any repeal or modification of this Article SEVENTH shall not adversely affect any right or protection of a director or officer of this corporation existing at the time of such repeal or modification or with respect to events occurring prior to such time.

**EIGHTH:** (1) This corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of this corporation), by reason of the fact that he is or was a director, officer, employee or agent of this corporation, or is or was serving at the request of this corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such act, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of this corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of this corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

(2) This corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of this corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of this corporation, or is or was serving at the request of this corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of this corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to this corporation unless and only to the extent that the Court of Chancery of the State of Delaware or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery of the State of Delaware or such other court shall deem proper.

(3) Expenses incurred by an officer, director, employee or agent in defending a civil or criminal action, suit or proceeding shall be paid by the corporation in advance of the final disposition of such action, suit or proceeding upon the receipt of an undertaking by or on behalf of such officer, director, employee or agent to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the corporation as authorized in Section 145 of the Delaware General Corporation Law.

(4) In addition to the right of indemnification provided for in this Article EIGHTH, this corporation shall, to the fullest and broadest extent permitted by applicable law, including, without limitation, Section 145 of the Delaware General Corporation Law as it may be amended from time to time, indemnify all persons whom it may indemnify pursuant thereto.

(5) The right of indemnification provided by this Article EIGHTH shall apply as to action by any person in his official capacity and as to action in another capacity while holding such office and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

(6) The right of indemnification provided by this Article EIGHTH shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of members or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

(7) The right of indemnification provided by this Article EIGHTH shall be deemed to be a contract between this corporation and each director, officer, employee or agent of this corporation who serves in such capacity, both as to action in his official capacity and as to action in another capacity while holding such office, at any time while this Article EIGHTH and the relevant provisions of the General Corporation Law of the State of Delaware and other applicable law, if any, are in effect, and any repeal or modification thereof shall not affect any rights or obligations then existing with respect to any state of facts then or theretofore existing or any action, suit or proceeding theretofore or thereafter brought or threatened based in whole or in part upon any such state of facts.

(8) Notwithstanding any provision of this Article EIGHTH to the contrary, this corporation may, but shall not be obligated to, purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of this corporation, or is or was serving at the request of this corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not this corporation would have the power to indemnify him against such liability.

(9) For purposes of this Article EIGHTH, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the corporation" shall include any service as a director, officer, employee or agent of the corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries, and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this Article EIGHTH.

NINTH: The name and mailing address of the incorporator is Louis Ertedman  
977 Gwynns Mill Ct, Owings Mills, MD 21117

TENTH: The duration of this corporation's existence shall be perpetual.

ELEVENTH: The private property of the incorporator, members, members of the Board of Directors and Officers of this corporation shall not be subject to the payment of corporate debts to any extent whatever.

TWELFTH: The business and affairs of this corporation shall be governed and managed by the Board of Directors as the Bylaws shall provide.

In furtherance and not in limitations of the powers conferred by the laws of the State of Delaware, the Board of Directors of this corporation is expressly authorized and empowered, if for a non-profit purpose, to authorize and cause to be executed notes, bonds, mortgages, contracts and liens upon or with respect to any property (real, personal and/or mixed) of this corporation. This corporation may, by its Bylaws, confer such additional powers, if for a non-profit purpose upon the Board of Directors as the laws of the State of Delaware may permit.

**THIRTEENTH:** All voting to be done by the members of this corporation, for any purpose or on any subject, shall be in person or by proxy, as set forth in the Bylaws.

**FOURTEENTH:** The officers of this corporation shall be as provided by the Bylaws.

**FIFTEENTH:** This corporation reserves the right, if for a non-profit purpose, to amend, alter, change or repeal any provision contained in this Certificate of Incorporation in the manner now or hereafter prescribed by law and all rights conferred on the Board of Director, officers or members hereof are granted subject to this reservation.

**THE UNDERSIGNED, THE INCORPORATOR NAMED HEREIN, FOR THE PURPOSES OF FORMING A CORPORATION TO DO BUSINESS WITHIN THE STATE OF DELAWARE, AND IN PURSUANCE OF AND UNDER THE LAWS OF THE STATE OF DELAWARE, DOES MAKE AND FILE THIS CERTIFICATE OF INCORPORATION, HEREBY DECLARING AND CERTIFYING THAT THE FACTS STATED HEREIN ARE TRUE, AND ACCORDINGLY HAS HEREUNTO SET HIS HAND AND SEAL THIS**  
18<sup>th</sup> DAY OF JANUARY, 2012,

29 Del.C. Ch. 100 Freedom of Information Act

 (SEAL)  
INCORPORATOR  
LOUIS FRIEDMAN

### c. Evidence of the organization's not-for-profit status

The Certificate of Incorporation states clearly that the Corporation has been organized as a not-for-profit.

FIFTH: This corporation shall be a membership corporation without authority to issue capital stock and not organized for profit, and no part of the net earnings, if any, of this corporation shall inure to the benefit of, or be distributable to its members, trustees, directors, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered. The conditions of and procedure for membership in this corporation shall be such as may be stated from time to time in the Bylaws.

See Bylaws of the Corporation, attached hereto which also indicate not-for-profit status.

Description of how compassion center will operate on a not-for-profit basis:

The Corporation shall operate to assure the safe and efficient cultivation, harvesting, packaging, labeling, and distribution of marijuana to registered patients in the state of Delaware. Further, the Corporation shall assist in protecting the public by preventing diversion of marijuana to individuals who are not qualified and registered with the Delaware medical marijuana program.

In carrying out these goals, the corporation shall act on a not-for-profit basis. No dividends, liquidating dividends, or distributions shall be declared or paid by the Corporation to any private individual, member, officer, or director of the Corporation. No part of the net earnings or net income of the Corporation shall inure to the benefit of any private individual or officer or director of the Corporation; provided, however, that such a person may receive reasonable compensation for sales, leases or loans, or personal services rendered which are necessary to carrying out the purposes of the Corporation. The Corporation shall not carry on any other activities not permitted to be carried out by a Corporation that is formed under Delaware law for the purpose of operating a Registered Compassion Center.

In the event that Congress removes the Schedule I classification from Marijuana, the Corporation will apply for Internal Revenue Code section 501(c)(3) designation. While members of the Corporation currently believe that its purpose qualifies as charitable, the IRS has said that a charitable organization cannot be established for an illegal purpose. We look forward to when providing medicine to patients with debilitating medical conditions is no longer illegal under Federal law.

d. Proposed operating bylaws

**BY-LAWS**  
**OF**  
**DELAWARE COMPASSIONATE CARE, INC.**  
**A NOT-FOR-PROFIT CORPORATION**

Gender. The personal pronoun "he" or possessive pronoun "his", when appropriate, shall be construed to mean "she" or "her" and the word "chairman" shall be construed to include a female.

**ARTICLE I**  
**PURPOSE**

The sole objective and purpose of this corporation, to be transacted and carried on without profit, shall be to operate in the county of New Castle, Delaware, a registered compassion center as defined in § 4902A(12) of the Delaware Medical Marijuana Act, as may be altered from time to time.

**ARTICLE II**  
**NO PERSONAL LIABILITY**

1. The director(s), members and officers of the Corporation shall not be personally liable for any debt, liability or obligation of the Corporation for or arising out of a breach of fiduciary duty as an officer or director notwithstanding any provision of law imposing such liability; provided, however, that the foregoing shall not eliminate or limit the liability of an officer or director to the extent that such liability is imposed by applicable law (i) for a breach of the officer's or director's duty of loyalty to the Corporation or its members, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law, or (iii) for any transaction from which the officer or director derived an improper personal benefit.
2. All persons, corporations or other entities extending credit to, contracting with, or having any claim against, the Corporation, may look only to the funds and property of the Corporation for the payment of any such contract or claim, or for the payment of any debt, damages, judgment or decree, or of any money that may otherwise become due or payable to them from the Corporation.

**ARTICLE III**  
**CORPORATE INTEGRITY POLICY**

It is the policy of the Corporation to encourage and enable members, directors, officers, and employees to make reports where they believe, in good faith, that acts or omissions unlawful under the laws of the state of Delaware or unethical may have occurred. With this goal in mind, no one who, in good faith, makes a report shall be subject to retaliation in any form, including adverse employment consequences. Moreover, an employee who retaliates against someone who has made a good faith report is subject to

discipline up to and including dismissal from the volunteer position or termination of employment. If after an investigation, the claim is determined to have been made in bad faith or was knowingly false, the individual making the claim will immediately have his or her position in the Corporation revoked.

#### **ARTICLE IV ANTITRUST POLICY**

1. It is the policy of the Corporation to comply fully with all federal and state antitrust laws, which prohibit companies from working together to restrict competition. It is also the policy of the Corporation that it and its members, directors and officers are informed about antitrust laws and recognize possible antitrust issues or questions.

2. It is legal for competitors within the medical use of marijuana industry to work together, unless such work unlawfully restricts competition within the industry. Although the Corporation's activities generally do not present antitrust issues, to ensure against inadvertent violations of federal and state antitrust laws, directors, except to insure that prices are reasonable and affordable for the Corporation's patients, and to prevent diversion for non-medical purposes, officers and employees shall not discuss with competitors:

- Increasing, decreasing, or stabilizing prices for medical marijuana or related products and services;
- Establishing market monopolies for Member products or services;
- Refusal to deal with a company because of pricing or distribution practices for medical marijuana or related products or services;
- Strategies or plans to give business or remove business from a specific company.

3. Furthermore, directors, officers, and employees shall not engage in any actions or understandings arising in the context of the Corporation's activities which appear to be anti-competitive in purpose or inconsistent with this policy.

4. In the event that additional directors are appointed, and Board of Director meetings occur, Corporation meetings shall follow a pre-approved agenda and meeting minutes will be prepared and available. Any questions regarding antitrust issues and the Corporation's activities shall be directed to the Chair of the Board, if any, and referred to counsel if deemed necessary.

#### **ARTICLE V NOT-FOR-PROFIT OPERATION**

No dividends, liquidating dividends, or distributions shall be declared or paid by the Corporation to any private individual, member, officer, or director of the Corporation. No part of the net earnings or net income of the Corporation shall inure to the benefit of any private individual or officer or director of the

Corporation; provided, however, that such a person may receive reasonable compensation for sales, leases or loans, or personal services rendered which are necessary to carrying out the purposes of the Corporation. Notwithstanding any other provision of these Certificate of Organization, the Corporation shall not carry on any other activities not permitted to be carried out by a Corporation that is formed under Delaware law for the purpose stated herein.

## **ARTICLE VI OFFICES**

The principal office of the Corporation shall be located in the City of Wilmington, County of New Castle and State of Delaware. The Corporation may also have such offices at such other places within or outside of the State as the Board of Directors may from time to time determine although any such office locations will comply with the laws of the State of Delaware, including but not limited to 17 DE Reg. 4470, the “State of Delaware Medical Marijuana Code.”

## **ARTICLE VII MEMBERS**

1. (a) The persons signing the Certificate of Incorporation as Incorporators shall be the first members of the Corporation, unless they shall have resigned as such members or unless membership shall otherwise have been terminated. Thereafter, the eligibility and qualifications for membership, and the manner of and admission into membership shall be prescribed by resolutions duly adopted by the Board of Directors of the Corporation or by such rules and regulations as may be prescribed by the Board of Directors. All such resolutions or rules and regulations relating to members adopted by the Board of Directors of the Corporation shall be affixed to the By-Laws of the Corporation, and shall be deemed to be a part thereof. Such resolutions or rules and regulations adopted by the Board of Directors may prescribe, with respect to all members, the amount and manner of imposing and collecting any initiation fees, dues or other fees, assessments, fines and penalties, the manner of suspension or termination of membership, and for reinstatement of membership, and, except as may hereinafter otherwise be provided, the rights, liabilities and other incidents of membership.

(b) The right or interest of a member shall not terminate except upon the happening of any of the following events: death, resignation, expulsion, dissolution or liquidation of the Corporation.

2. (a) The Annual Meeting of Members of the Corporation shall be held on such date or dates as shall be fixed from time to time by the Board of Directors of the Corporation. The first Annual Meeting shall be held on a date within twelve months after the formation of the Corporation. Each successive Annual Meeting shall be held on a date not more than twelve months following the preceding Annual Meeting. Special Meetings of members may be held on such date or dates as may be fixed by the Board of Directors of the Corporation from time to time and by the members on such date or dates as shall be permitted by law.

(b) Any Annual or Special Meeting of Members may be held at such place within or without the State as the Board of Directors of the Corporation may from time to time fix. In the event the Board of Directors

shall fail to fix such place or time, or in the event members are entitled to call or convene a Special Meeting in accordance with law, then, in such event, such meeting shall be held at the principal office of the Corporation.

(c) Annual or Special Meetings of Members may be called by the Board of Directors or by any officer of the Corporation instructed to do so by the Board of Directors, except to the extent that directors may be required by law to call a meeting, and shall be called by the Secretary on behalf of the members, when required to do so by law.

(d) Written notice stating the place, day and hour of the meeting shall be given for all meetings. Such notice shall state the person or persons calling the meeting. Notice for an Annual Meeting shall state that the meeting is being called for the election of directors and for the transaction of such other business as may properly come before the meeting. Notices of Special Meeting shall state the purpose or purposes for which the meeting is called. At any Special Meeting, only the business stated in the Notice of Meeting may be transacted thereat. Notice of Meeting shall be given either personally or by first class mail not less than 10 days nor more than 50 days before the date of the meeting, to each member at his address recorded on the records of the Corporation, or at such other address which the member may have furnished in writing to the Secretary of the Corporation. Notice shall be deemed to have been given when deposited with postage prepaid in a post office or other official depository under the exclusive jurisdiction of the United States Post Office. Any meeting of members may be adjourned from time to time. In such event, it shall not be necessary to provide further notice of the time and place of the adjourned meeting if announcement of the time and place of the adjourned meeting is given at the meeting so adjourned. In the event the Board of Directors fixes a new record date for an adjourned meeting, a new notice shall be given, in the same manner as herein provided. No notice need be given to any member who executes and delivers a Waiver of Notice before or after the meeting. The attendance of a member in person or by proxy at the meeting without protesting the lack of notice of a meeting, shall constitute a waiver of notice by such member. Any notice of meeting to members relating to the election of directors, shall set forth any amendments to the By-Laws of the Corporation adopted by the Board of Directors, together with a concise statement of the changes made.

(e) At every meeting of members, there shall be presented a list or record of members as of the record date, certified by the officer responsible for its preparation, and upon request therefor, any member who has given written notice to the Corporation, which request shall be made at least 10 days prior to such meeting, shall have the right to inspect such list or record at the meeting. Such list shall be evidence of the right of the persons to vote at such meeting, and all persons who appear on such list or record to be members may vote at such meeting.

3. At each Annual Meeting of Members, the Board of Directors shall present an Annual Report. Such report shall be filed with the records of the Corporation and entered in the minutes of the proceedings of such Annual Meeting of Members.

4. (a) Meetings of the members shall be presided over by the following officers, in order of seniority - the Chairman of the Board, Vice Chairman of the Board, President, Executive Vice-President, Vice-

President or, if none of the foregoing is in office or present at the meeting, by a Chairman to be chosen by a majority of the members in attendance. The Secretary or an Assistant Secretary of the Corporation shall act as Secretary of every meeting. When neither the Secretary nor an Assistant Secretary is available, the Chairman may appoint a Secretary of the meeting.

(b) The order of business at all meetings of members shall be as follows:

Roll call.

Reading of the minutes of the preceding meeting.

Report of standing committees.

Officers' reports.

Old business.

New business.

5. Every member may authorize another person to act for him by proxy in all matters in which a member may participate, including waiving notice of any meeting, voting or participating in a meeting, or expressing consent or dissent without a meeting. Every proxy shall be signed by the member or his attorney in fact, and shall be revocable at the pleasure of the member executing it, except as otherwise provided by law. Except as otherwise provided by law, no proxy shall be valid after the expiration of eleven months from its date.

6. The directors may, but need not, appoint one or more inspectors to act at any meeting or any adjournment thereof. If inspectors are not appointed, the presiding officer of the meeting may, but need not, appoint inspectors. Each appointed inspector shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his ability. The inspectors shall determine the number of memberships outstanding, the voting power of each, the number of memberships represented at the meeting, the existence of a quorum, and the validity and effect of proxies. The inspectors shall receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the result and do such acts as are proper to conduct the election or vote of all members. The inspectors shall make a report in writing of all matters determined by them with respect to such meeting.

7. Except as provided by law, the members entitled to cast a majority of the total number of votes entitled to be cast at the meeting, shall constitute a quorum at a meeting of members for the transaction of any business. The members present may adjourn the meeting despite the absence of a quorum. Each membership shall entitle the holder thereof to one vote. In the election of directors, a plurality of the votes cast shall elect. Except to the extent provided by law, all other action shall be by a majority of the votes cast, provided that the majority of the affirmative votes cast shall be at least equal to a quorum. Whenever the vote of members is required or permitted, such action may be taken

without a meeting on the written consent setting forth the action taken signed by all the members entitled to vote.

8. The Board of Directors of the Corporation shall fix a record date for the purpose of determining members entitled to notice of, to vote, to express consent or dissent from any proposal without a meeting, to determine members entitled to receive allotment of rights, or for any other proper purpose. Such record date shall not be more than 50 days nor less than 10 days prior to the date of such meeting or consent or the date on which any allotment of rights is to be made. In the event no record date is fixed, the record date for the determination of members entitled to vote at a meeting of members shall be the close of business on the day next preceding the day on which notice is given, or, if no notice is given, the day on which the meeting is held. The record date for determining members for any purpose other than that specified in the preceding sentence shall be the close of business on the day on which the resolution of directors relating thereto is adopted. Establishment of a record date shall apply to any adjournment of any meeting, unless a new record date is fixed by the Board of Directors for such adjourned meeting.

9. The Board of Directors may cause to be issued certificates, cards or other instruments permitted by law evidencing membership in the Corporation. Such membership certificate, card or other instrument shall be nontransferable, and a statement to that effect shall be noted on the certificate, card or other instrument. Membership certificates, cards or other instruments, if issued, shall bear the signatures or facsimile signatures of an officer or officers designated by the Board of Directors and may bear the seal of the Corporation or a facsimile thereof.

#### **ARTICLE VIII BOARD OF DIRECTORS**

1. The Corporation shall be managed by a Board of Directors. Each director shall be at least 18 years of age, and shall be a member of the Corporation during his directorship. The initial Board of Directors shall consist of 5 persons. Thereafter, the number of directors constituting the entire Board shall be no less than three. Subject to the foregoing, the number of Board of Directors may be fixed from time to time by action of the members or of the Directors. The number of Directors may be increased or decreased by action of the members or the Board of Directors, provided that any action by the Board of Directors to effect such increase or decrease shall require the vote of a majority of the entire Board of Directors. No decrease shall shorten the term of any director then in office, unless consented to by that director.

2. The first Board of Directors shall consist of those persons elected by the incorporator or named as the initial Board of Directors in the Certificate of Incorporation of the Corporation, and they shall hold office until the first Annual Meeting of Members, and until their successors have been duly elected and qualified. Thereafter, at each Annual Meeting of Members, the membership shall elect directors to hold office until the next Annual Meeting. Each director shall hold office until the expiration of the term for which she was elected, and until her successor has been duly elected and qualified or until her prior resignation or removal as hereinafter provided.

3. (a) Any or all of the members of the Board of Directors may be removed with or without cause by vote of the members of the Corporation. The Board of Directors may remove any director thereof for cause only.

(b) A director may resign at any time by giving written notice to the Board of Directors or to an officer of the Corporation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Board of Directors or officer of the Corporation. Acceptance of such resignation shall not be necessary to make it effective.

4. Newly-created directorships or vacancies in the Board of Directors may be filled by a vote of majority of the Board of Directors then in office, although less than a quorum, unless otherwise provided in the Certificate of Incorporation of the Corporation. Vacancies occurring by reason of the removal of directors without cause shall be filled by a vote of the members. A director elected to fill a vacancy caused by resignation, death, or removal shall be elected to hold office for the unexpired term of his predecessor.

5. (a) A regular Annual Meeting of the Board of Directors shall be held immediately following the Annual Meeting of Members. All other meetings shall be held at such time and place as shall be fixed by the Board of Directors from time to time.

(b) No notice shall be required for regular meetings of the Board of Directors for which the time and place have been fixed. Special meetings may be called by or at the direction of the Chairman of the Board, the President, or by a majority of the directors then in office.

(c) Written, oral, or any other method of notice of the time and place shall be given for special meetings of the Board of Directors in sufficient time for the convenient assembly of the Board of Directors. The notice of any meeting need not specify the purpose of such meeting. The requirement for furnishing notice of a meeting may be waived by any director who signs a Waiver of Notice before or after the meeting or who attends the meeting without protesting the lack of notice to him.

6. Except to the extent herein or in the Certificate of Incorporation of the Corporation provided, a majority of the entire members of the Board of Directors shall constitute a quorum. At any meeting held to remove one or more directors a quorum shall consist of a majority of the directors present at such meeting. Whenever a vacancy on the Board of Directors shall prevent a quorum from being present, then, in such event, the quorum shall consist of a majority of the members of the Board of Directors excluding the vacancy. A majority of the directors present, whether or not a quorum is present, may adjourn a meeting to another time and place. Except to the extent provided by law and these By-Laws, the act of the Board of Directors shall be by a majority of the directors present at the time of vote, a quorum being present at such time. Any action authorized by resolution, in writing, by all of the directors entitled to vote thereon and filed with the minutes of the corporation shall be the act of the Board of Directors with the same force and effect as if the same had been passed by unanimous vote at a duly called meeting of the Board.

7. The Chairman of the Board, if any, shall preside at all meetings of the Board of Directors. If there be no Chairman or in his absence, the President shall preside and, if there be no President or in his absence, any other director chosen by the Board, shall preside.

8. Whenever the Board of Directors shall consist of more than three persons, the Board of Directors may designate from their number, an executive committee and other standing committees. Such committees shall have such authority as the Board of Directors may delegate, except to the extent prohibited by law. In addition, the Board of Directors may establish special committees for any lawful purpose, which may have such powers as the Board of Directors may lawfully delegate.

## **ARTICLE IX OFFICERS**

1. The Board of Directors may elect or appoint a Chairman of the Board of Directors, a President, one or more Vice-Presidents, a Secretary, one or more Assistant Secretaries, a Treasurer, one or more Assistant Treasurers, and such other officers as they may determine. The President may but need not be a director. Any two or more offices may be held by the same person except the office of President and Secretary.

2. Each officer shall hold office until the Annual Meeting of the Board of Directors and until his successor has been duly elected and qualified. The Board of Directors may remove any officer with or without cause at any time.

3. (a) The President shall be the chief executive officer of the Corporation, shall have the responsibility for the general management of the affairs of the Corporation, and shall carry out the resolutions of the Board of Directors.

(b) During the absence or disability of the President of the Corporation, the Vice-President, or, if there be more than one, the Executive Vice-President shall have all the powers and functions of the President. The Vice-President shall perform such duties as may be prescribed by the Board of Directors from time to time.

(c) The Treasurer shall have the care and custody of all of the funds and securities of the Corporation, and shall deposit said funds in the name of the Corporation in such bank accounts as the Board of Directors may from time to time determine. The Treasurer shall, when duly authorized by the Board of Directors, sign and execute all contracts in the name of the Corporation when counter-signed by the President; he may also sign checks, drafts, notes and orders for the payment of money, which shall have been duly authorized by the Board of Directors and counter-signed by the President.

(d) The Secretary shall keep the minutes of the Board of Directors and the minutes of the members. He shall have custody of the seal of the Corporation, and shall affix and attest the same to documents duly authorized by the Board of Directors. He shall serve all notices for the Corporation which shall have been authorized by the Board of Directors, and shall have charge of all books and records of the Corporation.

**ARTICLE X  
PROCEDURES FOR OVERSIGHT OF THE COMPASSION CENTER**

The CEO shall be responsible for the oversight of the compassion center. Wilmington and New Castle law enforcement shall have the CEO's cell phone number in case of any emergency.

Department heads, cultivation, dispensary, security and testing shall meet with the CEO and COO on a monthly basis to discuss any issues in need of input from the CEO. The COO shall be available full time to respond to concerns from department heads, and shall report to the CEO on a weekly basis.

Every issue raised by department heads shall be memorialized, and shall be kept in a log which will be available to the Division of Public Health.

**ARTICLE XI  
PROCEDURES TO ENSURE ACCURATE RECORD KEEPING AND SECURITY MEASURES**

The Corporation shall maintain a director of security who will report to the COO with any security breaches or concerns. At a minimum the following security policies will be maintained.

All Delaware Compassion Center, Inc. staff will be required to visibly wear a facility-issued identification badge at all times while on-site and when making deliveries. All outside vendors, contractors, patients, caregivers, and visitors must obtain a visitor identification badge prior to entering a limited access area, and shall be escorted at all times by an agent authorized to enter the limited access area. The visitor identification badge must be visibly displayed at all times while the visitor is in any limited access area. All visitors must be logged in and out, and that log shall be available for inspection by the Department at all times. All visitor identification badges shall be returned to the RMD upon exit.

Delaware Compassion Center, Inc. will employ security personnel who will routinely patrol the dispensary and cultivation facility perimeters and grounds to prevent loitering, nuisance activity or crime. Security personnel will be trained prior to deployment in industry standards and crime prevention. Security personnel will ensure that only eligible patients who comply with the facility's Code of Conduct and other dispensary policies are served and will patrol the area to ensure non-diversion and prevent use of medicine in public areas.

When medicine or plants are disposed of, Delaware Compassion Center, Inc. will create and maintain a written record of the date, the type and quantity disposed of, the manner of disposal, and the persons present during the disposal, with their signatures. Disposal records will kept for at least two years.

Delaware Compassion Center, Inc. will establish limited access areas accessible only to specifically authorized personnel. Delaware Compassion Center, Inc. will post the following statement (at a minimum size of 12" x 12" with lettering no smaller than 1 inch in height) at all areas of ingress or egress to identify limited-access areas: "Do Not Enter – Limited Access Area – Access Limited to Authorized Personnel Only."

Delaware Compassion Center, Inc. will provide all dispensary agents with varying levels of access to limited access areas depending on their position.

Delaware Compassion Center, Inc. will store all medical marijuana at its dispensary site in a private, secured Vault Room that is climate-controlled and monitored 24-hours a day, for both security and changes in environment (temperature and humidity). Rather than using a traditional safe, we will convert the storage space into a walk-in safe (“vault”). We will store cash and other valuables in a secure safe located inside the vault room.

Access to the secure storage area will be heavily restricted and monitored through the use of electronic locks. For example, only select employees who have been authorized by management will have access to the secured storage area. This will be monitored through staff credentials.

Delaware Compassion Center, Inc. will use electric locks with associated card readers to manage exit and entry into limited access areas. We will restrict the availability of access cards only to authorized personnel, which will reduce the risk of access by unauthorized personnel. All access cards must be returned to security personnel at the end of each shift to ensure proper and safe storage.

Delaware Compassion Center, Inc. will go to great lengths to protect the confidentiality of our security measures, such as combination numbers, passwords, and electronic lock activators, against threats from unauthorized personnel.

Delaware Compassion Center, Inc. will install sufficient lighting outside of the registered premises for use each day between sunset and sunrise that adequately illuminates the facilities and their immediate surrounding areas, including the parking and entry areas.

Delaware Compassion Center, Inc. will install a 'duress alarm' (silent alarm to signal alarm user being forced to turn off system), a 'holdup alarm' (robbery in progress), and a 'panic alarm' (life threatening or emergency situation). Alarms will be coordinated with local public officials.

Delaware Compassion Center, Inc. will undertake an annual security system audit using a Department-approved vendor. The findings of this audit will be submitted to the Department no later than 30 days after the audit is conducted.

Each department head shall be responsible for record keeping for their department. Each department will work with seed to sale tracking providers to maintain records regarding the disposition of marijuana.

## **ARTICLE XII DESCRIPTION OF ENCLOSED AND LOCKED FACILITY**

The Corporation will operate the compassion center at 37 Germa y Dr., Wilmington, DE 19804. The free standing single tenant building will be locked, marijuana will not be visible from the exterior, and the facility will comply with the security requirements outlined in these by-laws and as may be updated from time to time.

**ARTICLE XIII  
DISPOSITION OF REVENUES**

All revenue will be spent on operational costs such as utilities, salaries, lease payments, loan payments, bonuses, insurance, consulting, materials, testing, maintenance and other related and required expenses, other than withholding funds for pensions, health insurance, charities, and taxes and all other similar expenditures allowed by the Internal revenue service. The Compassion Center by its charter and by-laws is to maintain a "not-for-profit status" by following the guidelines stated above.

**ARTICLE XIV  
MISCELLANEOUS**

1. The Corporation shall keep at the principal office of the Corporation, complete and correct records and books of account, and shall keep minutes of the proceedings of the members, the Board of Directors, or any committee appointed by the Board of Directors, as well as a list or record containing the names and address of all members.
2. The corporate seal shall be in such form as the Board of Directors shall from time to time prescribe.
3. The fiscal year of the Corporation shall be fixed by the Board of Directors from time to time, subject to applicable law.
4. (a) All By-Laws of the Corporation shall be subject to alteration or repeal, and new by-laws may be made, by a majority vote of the members entitled to vote in the election of directors, at a special meeting of the members called for such purpose.  
  
(b) The Board of Directors shall have the power to make, alter or repeal, from time to time, By-Laws of the Corporation, except that the Board may not amend or repeal any by-law in which control thereof is vested exclusively in the members. If any by-law regulating an impending election of directors is adopted, amended or repealed by the Board, there shall be set forth in the notice of the next meeting of members for the election of directors, the by-law so made, amended or repealed, together with a concise statement of the changes made.
5. The President and the Secretary have the exclusive authority to sign agreements jointly to purchase, assign, borrow or distribute revenue according to these bylaws, unless otherwise directed by a vote of a simple majority of the Board not to do so or to specifically do otherwise.

**ARTICLE XV  
DISSOLUTION**

1. Dissolution of the Corporation will comply with the laws of the state of Delaware. The directors or members may authorize a petition for the dissolution of the Corporation. A two-thirds vote will be required for such dissolution. The Certificate of Dissolution form will be filed with the Delaware Division of Corporations. All annual reports for the last ten years will be filed with the Division of Corporations. All outstanding business will be completed. All outstanding debts will be paid. Any remaining funds in

the Corporation will be distributed as per the direction of the director(s) at the meeting authorizing the dissolution. A notice will be published in a newspaper of regular circulation in the County where the Corporation is located.

2. In the event that the dissolution also requires the Medical Marijuana Dispensary to close, i.e. the dissolution is not because of a transfer of the Dispensary to another nonprofit entity, the following actions will also take place: the Division of Public Health will be notified; the patients and caregivers that obtain medical marijuana will be notified of the Corporation's dissolution via mail, or in-person if the opportunity to notify the patient or caregiver arises prior to the closing of the doors of the Corporation's place of business; any remaining medical marijuana and products that contain medical marijuana will be destroyed at the time the doors of the registered compassion center are closed, or disposed of in any way consistent with the direction of the Delaware regulations for the use of medical marijuana and the policies and procedures of the Dispensary.

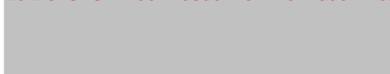
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**ARTICLE XI  
SEVERABILITY**

The invalidity or unenforceability of any provisions of these Bylaws shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

These Bylaws have been adopted by a vote of the board and affirmed by the Chief Executive Officer, Anthony Judson Bennett, as an officer of the Corporation on this 27<sup>th</sup> day of April, 2014.

29 Del.C. Ch. 100 Freedom of Information Act

  
Anthony Judson Bennett, Chief Executive Officer, Delaware Compassion Center, Inc.

I, Martin Whitehair, the Secretary of Delaware Compassion Center, Inc., hereby attest that these are the Bylaws of the Delaware Compassion Center, Inc. and that these Bylaws have been duly adopted by a vote of the Board of Directors on this 27<sup>th</sup> day of April, 2014.

29 Del.C. Ch. 100 Freedom of Information Act

  
Martin Whitehair, Secretary, Delaware Compassion Center, Inc.

## 2. Agents of the Compassion Center and Organization

The specific individuals, or agents, who will perform work on behalf of the compassion center, identified by name and title along with explanation of the nature and extent of their involvement:

Note: None of the prospective principal officers or board members have been convicted of an excluded felony offense or drug misdemeanor of any sort, nor have they served as principal officers or board members for a registered compassion center that has had its registration revoked. They are all over 21 years of age.

Please see the attached resumes for the principals in DCC.

### **Brief Bio of Anthony Judson Bennett:**

Anthony Judson Bennett is a former Delaware River and Bay Pilot, a former Lewes City Councilman, Political Consultant, Lobbyist in the Delaware Legislature, and Entrepreneur. He has owned and operated several successful businesses and also served as Commodore of the Lewes Yacht Club. He recognized the need for medical marijuana legislation based partly on experience with a family member and founded Delaware Compassionate Care, Inc. in 2012 to assist the state in moving forward with enabling legislation. Judson is a long term advocate of legalizing marijuana for medical use in Delaware.

**Resume of Anthony Judson Bennett: attached hereto.**

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Anthony Judson Bennett  
P.O. Box 615  
Lewes, DE 19958  
29 Del.C. Ch. 100 Freedom of Information Act

## RESUME

### JOB EXPERIENCE

Delaware River Pilot for 33 years (command position), May, 1967 to January, 2000 with The Pilot Association for Bay & River Delaware (retired). Owner & Manager of Several businesses from 1968 to 1999. Served as Lobbyist & Personal Assistant to the President of American Communications Group, Inc. (ACG, Inc.-a lobbying & marketing firm). I worked part time lobbying & marketing nationally with the owner of the company from January, 1993 to January, 2001.

### EDUCATION

Graduate of St. Andrew's School-Middletown, DE, Graduated Suma Cum Laude from Delaware Technical Community College in 1988 with an Associates Degree. Graduated Cum Laude from The University of Delaware in 1992 with a Bachelor of Arts Degree. 2013- completed Master's Degree from The University of Delaware in Liberal Studies.

### HOBBIES:

Writing, Reading, Swimming, Fishing, and Biking

### CHARITIES & CLUBS

Past Chairman of Sussex County Delmarva Easter Seals Rehabilitation Center. Member of Lewes Yacht Club-recent past Commodore. Member of Rehoboth Beach Country Club. Member of Lewes- Rehoboth Rotary Club.

### POLITICAL EXPERIENCE & JOB RELATED ACTIVITIES

Elected to the Lewes City Council-May 1998 to 2004. Member of the Sussex County Association of Towns (SCAT). Chairman of the 37<sup>th</sup> Republican Committee-1994 to 2003, Current Chairman of the 14<sup>th</sup> Republican Committee, Working relationship with all members of the Delaware legislature & special friendships with leadership. Managed & worked in numerous Federal, State, & Local political campaigns as the paid organizational director. Sussex County at Large Rep of the Family Law Commission, Candidate for Sussex County Council-2004 election.

### SPECIAL SKILLS

Excellent management & organizational skills. Able to work well with people. Very effective oral & writing skills. Computer literate. Excellent salesman, promoter, marketing consultant, lobbyist, & political consultant.

### OBJECTIVES

To work in a people oriented environment-writing, sales, marketing, and promotion.

29 Del.C. Ch. 100 Freedom of Information Act



COMMONWEALTH OF PENNSYLVANIA  
 DEPARTMENT OF HEALTH  
 VITAL STATISTICS  
 CERTIFICATION OF BIRTH

DATE OF BIRTH: 29 Del.C. Ch. 100 Freq. (No. 24; 164; 1088)  
 CITY, BOROUGH, OR TOWNSHIP OF BIRTH: PHILADELPHIA  
 COUNTY OF BIRTH: PHILADELPHIA

FILE NO.: 29 Del.C. Ch. 100 Freq.  
 DATE FILED: 29 Del.C. Ch. 100 F (No. 24; 164)  
 DATE ISSUED: 29 Del.C. Ch. 100 Freq. (No. 24; 164)

SUBJECT: ANTHONY JUDSON BENNETT

SEX: MALE

This is a true certification of name and birth facts on file in Vital Statistics, Pennsylvania Department of Health.

*Charles Handwerker*  
 CHARLES HANDWERKER  
 STATE REGISTRAR

*Loraine Bachman*  
 LORAIN BACHMAN, M.D.  
 SECRETARY OF HEALTH

WARNING: IT IS ILLEGAL TO DUPLICATE THIS COPY BY PHOTOSTAT OR PHOTOGRAPH.

**Brief Bio of Jose R. Capiro M.D.:**

Dr. Jose R. Capiro, MD is a licensed Delaware psychiatrist, former President of the Delaware Psychiatric Society of Delaware, and a member of the American Psychiatric Association (APA). He is well known in Delaware as an excellent physician and mental health advocate. He is an advocate of the use of Medical Marijuana as a useful tool in many aspects of medicine, and will oversee our production and distribution staff.

**Resume and credentials of Jose R. Capiro M.D.: attached hereto.**

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**José R. Capiro, M.D.**

Post Office Box 100  
Nassau, DE 19969-0100  
Office (302) 644-3777  
Fax (302) 644-3535  
Email: [REDACTED]

**POSITION HISTORY**

- 02/2013 - **La Red Health Center**, Georgetown, DE. A leading provider of medical, dental and mental health services in Sussex County, Delaware. Providing Administrative oversight of the mental health/behavioral program with two (2) hours per week on-site duties and seven (7) hours per month of consultative & case review, including collaborative agreements with two (2) Nurse Practitioners [*current position*].
- 11/2012 - **Division of Substance Abuse and Mental Health (DSAMH)**, Wilmington, DE. Providing *Pre-Admission Screening and Resident Review (PASRR)* services by conducting evaluations of individuals who are applying for care in a *Nursing Facility*, determining if an individual can be properly supported in a *Nursing Facility* if that individual has a mental illness, or if an alternative to a *Nursing Facility* is needed. Clients are visited at their residence (home, hospital, *Nursing Facility* or other living facilities), in order to complete a face-to-face assessment [*current position*].
- 06/2012 - **Horizon House Delaware – ACT Alliance Team**, Lewes, DE. A program providing *Assertive Community Treatment (ACT)* services to individuals with severe and persistent mental illness [*current position*].
- 01/2011 - **Pikeville College**, Pikeville, KY. Adjunct Clinical Professor of Psychiatry. Teaching and guidance of students of *Pikeville College School of Osteopathic Medicine* [*current position*].
- 04/2007 - **Connections CSP, Inc.**, Roxana, Camden & Smyrna, DE. Five (5) structured & supervised living environments – *residential treatment programs* – for ten (10) individuals in each with severe and persistent mental illness [*current position*].
- 12/2005 - **Fellowship Health Resources, Inc.**, Ellendale, DE. A *Community Continuum of Care Program (CCCP)* providing services to individuals with severe and persistent mental illness; Georgetown, Milford & Milton, DE. Three (3) structured & supervised living environments – *group homes* – for eight (8) individuals in each with severe and persistent mental illness [*program ended 6/2012*].
- 09/2003 - **New Castle & Kent Community Mental Health Centers**, Newark & Dover, DE. Outpatient mental health services, provided by the State, to individuals with no health insurance coverage or who are underinsured. Worked in Newark, Delaware, then transferred to Dover, Delaware, in January 2005, due to shortage of psychiatric coverage [*resigned 06/2006, upon completion of contract*].
- 09/2003 - **Brandywine Counseling – Project Renewal**, Georgetown, DE. A substance abuse treatment facility, providing psychiatric evaluation and treatment of individuals with existing substance abuse disorder [*resigned 06/2005, to expand private practice*].
- 02/2002 - **Sussex Correctional Institution**, Georgetown, DE. A correctional facility, providing psychiatric evaluations and treatment of individual incarcerated in the pretrial and violation of probation sections of the facility [*resigned 08/2003, to expand private practice*].
- 07/2001 - **La Red Health Center**, Georgetown, DE. A multi-group, health facility, providing psychiatric care to the Hispanic population of Sussex County [*resigned 3/2008, to expand private practice*].



REPUBLICA DE CUBA  
MINISTERIO DE JUSTICIA  
DIRECCION GENERAL DE EMBAJADAS

LEOPOLDO CRISTO...  
COMANDANTE EN JEFE  
MONTE ALIJO BRUNO



La Habana, 27 ABR 1961

29 Del.C. Ch. 100



REPUBLICA DE CUBA  
MINISTERIO DE RELACIONES EXTERIORES  
DIRECCION JURIDICA  
DR. ARMANDO GARCIA GARAGARZA  
JEFE DEL DEPARTAMENTO DE ASUNTOS

29 Del.C. Ch. 100 Freedom

CERTIFICO que la firma del Sr.

que aparece en el presente documento es, al parecer, auténtica por la semejanza que guarda con la que acostumbra a usar en sus actos oficiales, así como que, en la fecha indicada, el que dicho funcionario firmara el mismo, ocupaba el cargo mencionado.  
En fe de lo cual autorizo la presente con mi firma y el sello de este Ministerio.

29 Del.C. Ch. 100 Freedom



Número \_\_\_\_\_ Derechos \_\_\_\_\_

SERVICIO CONSULAR MEXICANO

EL suscrito \_\_\_\_\_  
Cónsul \_\_\_\_\_ de México en \_\_\_\_\_

certifica que la firma que antecede es de \_\_\_\_\_

29 Del.C. Ch. 100 Freedom of Information Act  
y la misma que acostumbra usar en todos los documentos que autoriza; por lo cual se le debe dar fe y crédito.

de \_\_\_\_\_ de \_\_\_\_\_

NOTA: ESTA OFICINA NO ASUME RESPONSABILIDAD ALGUNA POR EL CONTENIDO DEL DOCUMENTO ANEXO

JUAN SORIANO BELLO  
Cónsul de México

Visto bueno en el Ministerio de Asuntos  
Extr. 29 Del.C. Ch. 100 Freedom of Information Act  
D. 29 Del.C. Ch. 100 Freedom of Information Act  
29 Del.C. Ch. 100 Freedom of Information Act  
de España en 29 Del.C. Ch. 100 Freedom of Information Act  
por ser, al parecer, la suya. 29 Del.C. Ch. 100 Freedom of Information Act  
Madrid, 29 Del.C. Ch. 100 Freedom of Information Act

P. El Subsecretario,  
EL MINISTERIO DE ASUNTOS  
EXTRANJEROS - LEGALIZACIONES  
EL JAUME GONZALEZ

VISTO BUENO de este Consulado General para  
legalizar la presente fotocopia que ha sido  
debidamente cotejada con su original y para  
que conste, ha sido estampado en este, el  
sello oficial de esta Representación.  
En Miami, Florida, a, 29 Del.C. Ch. 100 Freedom of Information Act

29 Del.C. Ch. 100 Freedom of Information Act

EL CONSUL GENERAL DE ESPAÑA

JOSE LUIS DE LA GUARDIA





# Universidad Ceteo

Fundada el 19 de Julio de 1971.

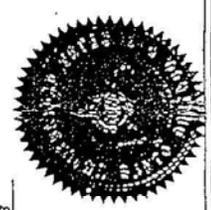


La Junta de Directores de la Universidad en virtud de las disposiciones legales vigentes y en cumplimiento de las disposiciones legales vigentes y en cumplimiento de las disposiciones legales vigentes ha acordado en la Escuela de Medicina de esta Universidad las siguientes resoluciones y ha sido aprobado en los exámenes correspondientes. Por tanto, ha venido en otorgarle y le otorga el título de

## Doctor en Medicina

Y para que sea notorio y constante lo expone el presente Diploma firmado y sellado en Santo Domingo, Distrito Nacional, República Dominicana hoy día 10 de diciembre de 1983

*Uta M. ...*  
Requisado bajo No. 12255. ...  
del Libro de Grados y Títulos



*J. ...*  
Presidente Junta de Directores  
Director Escuela de Medicina



*Jeannette Maria Sanley Pou*  
Intérprete Judicial

I, JEANNETTE MARIA SANLEY POU, JUDICIAL INTERPRETER  
of the Court of First Instance of the National District,  
duty sworn for the legal exercise of my duties;

CERTIFY: That I have proceeded with the translation  
of a document written in the Spanish language, the English  
version of which, according to the judgement of the under-  
signed, reads as follows:

(DOMINICAN SHIELD)  
PRESIDENCY OF THE DOMINICAN REPUBLIC.  
NATIONAL BOARD OF HIGHER EDUCATION  
(C O N E S)

No. 5378-84

LIC. JULIO CESAR SANCHEZ MARINEZ, Assistant to the  
PRESIDENT OF THE NATIONAL BOARD OF HIGHER EDUCATION

CERTIFIES THAT THE SIGNATURE WHICH APPEARS AT THE FOOT OF THE:  
ATTACHED ORIGINAL DOCTOR OF MEDICINE DIPLOMA,

ISSUED IN FAVOR OF JOSE REGINO CAPIRO  
BELONGS TO Doctor of CETEC, Lic., Margarita Paez de Abreu AND IT IS  
THE SAME SIGNATURE USED BY SUCH PERSON IN SIMILAR DOCUMENTS.

THIS HAS BEEN ISSUED UPON THE REQUEST OF THE INTERESTED PARTY IN  
SANTO DOMINGO, NATIONAL DISTRICT, CAPITAL OF THE DOMINICAN REPUBLIC,  
ON THE 17th. DAY OF THE MONTH OF September OF THE  
YEAR NINETEEN HUNDRED AND EIGHTY FOUR (1984).

INTERNAL REVENUE STAMPS: SIGNATURE: Lic. Julio C. Sanchez Maríñez  
Assistant to the President of CONES

RDS 2:00 No. 0533817  
RDS 0.25 No. 19289961  
RDS 50.00 No. 007697 (CONES DRY SEAL)

NOTE: THIS CERTIFICATE SHALL BE VALID AS LONG AS NO ERASURES OR ALTERA-  
TIONS ARE EFFECTED IN ITS CONTENTS.

IN FAITH OF WHICH, I sign and seal this translation upon the request  
of the interested party in Santo Domingo, Dominican Republic, on this  
eighteenth (13th.) day of the month of September of the year  
nineteen hundred and eighty four (1984).  
I, Jeannette Maria Sanley Pou, Judicial Interpreter, me, regist-  
ered in under No. A- 123884. For the Court of First Instance of the National District, Santo Domingo, Dominican Republic, on this eighteenth day of September of the year nineteen hundred and eighty four (1984).  
Jeannette Maria Sanley Pou  
Judicial Interpreter  
Card No. 4983 (S-1)



INTERNAL REVENUE STAMPS:  
1- RDS1.00 No. 19281723  
1- RDS0.25 No. 19281270

EDUCATIONAL COMMISSION  
for  
FOREIGN MEDICAL GRADUATES

CERTIFIES THAT

JOSE REGINO CAPIRO

HAS SATISFIED ALL THE REQUIREMENTS OF THE COMMISSION,  
SUCCESSFULLY PASSED ITS EXAMINATIONS  
AND HAS BEEN AWARDED THIS CERTIFICATE.

CERTIFICATE NUMBER

360-403-C

MEDICAL EXAMINATION

JULY 27, 1983

ENGLISH EXAMINATION

JULY 27, 1983

VALID THROUGH

English Examination

*January 23, 1986*

Valid Indefinitely

No 4909B



*Madison B. Brown, MD*  
CHAIRMAN, BOARD OF TRUSTEES

*Samuel P. Ayer, M.D.*  
PRESIDENT, CHIEF EXECUTIVE OFFICER

*Ray L. C. ...*  
VICE PRESIDENT, CHIEF OPERATING OFFICER

DATE ISSUED

JUL 18 1985

Commonwealth of Pennsylvania



Department of State  
Bureau of Professional and Occupational Affairs

WHEREAS, IT APPEARS THAT BY THE REPORT OF THE

STATE BOARD OF MEDICINE

JOSE R. CAPIRO

HAS GIVEN SATISFACTORY EVIDENCE OF FITNESS AS TO AGE, CHARACTER, PRELIMINARY EDUCATION, MEDICAL INSTRUCTION AND ALL OTHER MATTERS REQUIRED BY LAW, HAVING BEEN EXAMINED AND FOUND DULY QUALIFIED FOR THE PRACTICE OF MEDICINE AND SURGERY, IS HEREBY GRANTED, IN ACCORDANCE WITH THE PROVISIONS OF THE MEDICAL PRACTICE ACT OF 1985, AND AMENDMENTS HERETO, THIS UNRESTRICTED LICENSE TO PRACTICE AS A



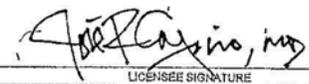
MEDICAL PHYSICIAN AND SURGEON  
IN THE COMMONWEALTH OF PENNSYLVANIA

For Witness Hereof, we have hereunto set our Hand and caused the Seal of the Bureau of Professional and Occupational Affairs to be affixed at Harrisburg,

APRIL 22, 1988 LICENSE NUMBER WD-040987-L

Joseph T. Mancinella M.D.  
Chairperson

George L. Sheulin  
Commissioner

LICENSE NO.	C1-0003516	STATE OF DELAWARE DIVISION OF PROFESSIONAL REGULATION 861 Silver Lake Blvd. Cannon Building, Suite 203 Dover, DE 19904-2467	NOT TRANSFERABLE
PROFESSION:	Physician M.D.		EXPIRATION DATE: 03/31/2015
ISSUED TO:	Jose R Capiro		
	MAILING ADDRESS		
	Jose R Capiro <small>29 Del.C. Ch. 100 Freedom of Inform</small>	<b>PROFESSIONAL LICENSE</b>	
THIS CERTIFIES THAT THE PERSON NAMED IS HEREBY LICENSED TO CONDUCT OR ENGAGE IN THE PROFESSION INDICATED ABOVE. THIS DOCUMENT IS DULY ISSUED UNDER THE LAWS OF THE STATE OF DELAWARE.		 LICENSEE SIGNATURE	352221

# The American Board of Psychiatry and Neurology

Incorporated 1934  
Member of the American Board of Medical Specialties

*This is to certify that*

**Jose R. Caputo, M.D.**

*has satisfied the requirements of the Board*

*and is hereby certified as a Diplomate in the specialty of  
Psychiatry*

October, 1995 - October, 2005

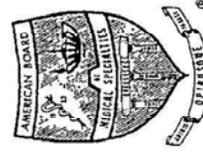
*Mark V. Dyden* President *Leone C. Tenn* Vice-President

*Stephen C. Schuler* Executive Vice-President *[Signature]* Secretary

*R. O. [Signature]* Treasurer

Certificate No 41657

*Certification is subject to the continued unimpaired licensure  
to practice medicine in Diplomate's state of practice.*



CAPIRO, JOSE R MD  
 POST OFFICE BOX 100  
 NASSAU, DE 19969-0100-000



DEA REGISTRATION NUMBER	THIS REGISTRATION EXPIRES	FEE PAID
BC1404223	08-31-2015	\$731
SCHEDULES	BUSINESS ACTIVITY	ISSUE DATE
2,2N, 3,3N,4,5,	PRACTITIONER	08-20-2012
CAPIRO, JOSE R MD <small>29 Del.C. Ch. 100 Freedom of Information Act</small>		

CONTROLLED SUBSTANCE REGISTRATION CERTIFICATE  
 UNITED STATES DEPARTMENT OF JUSTICE  
 DRUG ENFORCEMENT ADMINISTRATION  
 WASHINGTON D.C. 20537

Sections 304 and 1008 (21 USC 824 and 958) of the Controlled Substances Act of 1970, as amended, provide that the Attorney General may revoke or suspend a registration to manufacture, distribute, dispense, import or export a controlled substance.

THIS CERTIFICATE IS NOT TRANSFERABLE ON CHANGE OF OWNERSHIP, CONTROL, LOCATION, OR BUSINESS ACTIVITY, AND IT IS NOT VALID AFTER THE EXPIRATION DATE.

CONTROLLED SUBSTANCE REGISTRATION CERTIFICATE  
 UNITED STATES DEPARTMENT OF JUSTICE  
 DRUG ENFORCEMENT ADMINISTRATION  
 WASHINGTON D.C. 20537

DEA REGISTRATION NUMBER	THIS REGISTRATION EXPIRES	FEE PAID
BC1404223	08-31-2015	\$731
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2,2N, 3,3N,4,5,	PRACTITIONER	08-20-2012
CAPIRO, JOSE R MD <small>29 Del.C. Ch. 100 Freedom of Information Act</small>		

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Form DEA-223 (4/07)

REGISTRATION NO. <b>MD1963</b>	<b>STATE OF DELAWARE</b> DIVISION OF PROFESSIONAL REGULATION 861 Silver Lake Blvd. Cannon Building, Suite 203 Dover, DE 19904-2467	<b>NOT TRANSFERABLE</b>
PROFESSION: <b>Physician CSR Controlled Substance Registration</b>		EXPIRATION DATE: <b>06/30/2015</b>
ISSUED TO: <b>Jose R Capiro</b>		<b>Drug Schedules</b>
MAILING ADDRESS: <b>Jose R Capiro</b> <small>29 Del.C. Ch. 100 Freedom of Inform</small>		II Yes III Yes IV Yes V Yes
<b>CONTROLLED SUBSTANCE REGISTRATION</b>		
Location: <b>36066 Tarpon Drive, Lewes DE 19958</b>	 REGISTRANT SIGNATURE	<b>039469</b>
<small>THIS CERTIFIES THAT THE PERSON NAMED IS HEREBY REGISTERED TO CONDUCT OR ENGAGE IN THE PROFESSION INDICATED ABOVE. THIS DOCUMENT IS DULY ISSUED UNDER THE LAWS OF THE STATE OF DELAWARE.</small>		

LICENSE NO. 1990078863	STATE OF DELAWARE	VALID
POST CONSPICUOUSLY	DIVISION OF REVENUE	01/01/13 - 12/31/15 NOT TRANSFERABLE
DLN: 12 98543 13	BUSINESS CODE 560 GROUP CODE 007	LICENSED ACTIVITY
DATE ISSUED: 12/31/12	PROFESSIONAL SERVICES-MEDICAL OFFICE PROFESSIONAL AND/OR PERSONAL SERVICES	
LICENSE FEE: \$ 225.00	**VALIDATED**	
MAILING ADDRESS	<b>BUSINESS LICENSE</b>	<b>2015</b>
CAPIRO JOSE R MD PO BOX 100 NASSAU DE 19969-0100		BUSINESS LOCATION CAPIRO JOSE R MD <small>29 Del.C. Ch. 100 Freedom of Information Act</small>
IS HEREBY LICENSED TO PRACTICE, CONDUCT OR ENGAGE IN THE OCCUPATION OR BUSINESS ACTIVITY INDICATED ABOVE IN ACCORDANCE WITH THE LICENSE APPLICATION DULY FILED PURSUANT TO TITLE 30, DEL. CODE.	PATRICK T. CARTER DIRECTOR OF REVENUE	

### **Bio of George Chiartas:**

Board Member George Chiartas is an extremely successful entrepreneur in Rehoboth Beach, Delaware. He was the former owner of George's Lunch on the Boardwalk in Rehoboth and currently owns a motel and several rental properties. George will serve as our Maintenance Officer. As owner of a construction business and being well versed in all aspects of the building trades, especially plumbing, air-conditioning, and heating, George will assist by overseeing the build-out of our center and the overall maintenance of our facility. George is a 'people person' and often volunteers with the boy-scouts.

**Resume of George Chiartas: attached hereto.**

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## RESUME for George Nickolas Chiartas

29 Del.C. Ch. 100 Freedom of Information Act

29 Del.C. Ch. 100 Freedom of Information Act

29 Del.C. Ch. 100 Freedom of Information Act

### EDUCATION:

1983 Graduated from Lower Moreland High School in PA.

1988 Graduated with a BS in Business from Kutztown University in Kutztown, PA

### WORK EXPERIENCE:

Worked in the family restaurant from age 12 and became full owner in 1989 until 1999 (George's Beach Luncheon) located on the Boardwalk in Rehoboth Beach, Delaware.

Owner of Atlas General Contracting, specializing in Plumbing, Heating, and Air Conditioning from 1998 till present.

Owner of several rental properties-maintaining and managing. Owner of High Seas Motel and Apartments in Rehoboth Beach, Delaware.

Investor in County Bank in Rehoboth

### STRENGTHS:

Much Knowledge of business operations. Acumen in making successful business decisions.

### HOBBIES: and Charities

Cub Scout Leader-Pack 1 in Delaware. Camping, Hunting, and Fishing

(Fee for this certificate, \$1.00)

Whichever it is illegal to duplicate this copy by photostat or photograph.

No. [Redacted]



1. PLACE OF BIRTH

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF HEALTH  
VITAL STATISTICS  
CERTIFICATION OF BIRTH

File No. [Redacted]

County [Redacted]

29 Del.C. Ch. 100 F

29 Del.C. Ch. 1

Township [Redacted]

Date Filed [Redacted] 19 [Redacted]

Borough [Redacted]

Date of [Redacted]

29 Del.C. Ch. 100 Freedom of

29 Del.C. Ch.

City [Redacted]

2. Birth [Redacted] 19 [Redacted]  
(Month, day, year)

3. Name of Child

*George Nicholas Chartas* 4. Sex *Male*

29 Del.C. Ch. 100 Freedom of Information Act

5. Name of Father [Redacted]

29 Del.C. Ch. 100 Freedom of Information Act

6. Maiden Name of Mother [Redacted]

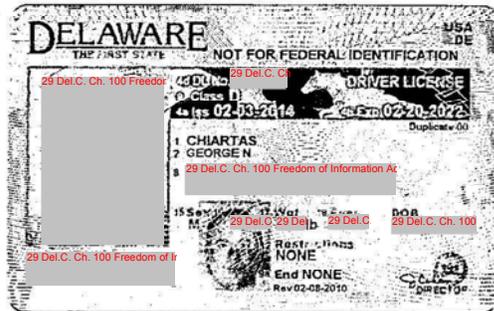
This is to certify, that this is a correct certification of birth as filed in the Vital Statistics office, Pennsylvania Department of Health, Harrisburg.

*C. L. Walbar Jr.*

Secretary of Health

NOV 14 1966

Date Issued



29 Del.C. Ch. 100 Freedom of Information Act

**Brief Bio of Edward Flemming:**

Edward Flemming will serve as our Chief Cultivation Consultant and Grower. Ed has over 35 years of experience in and expertise in growing. He is a certified Agronomist and has degrees in horticulture and Agronomy. Ed owns Lawns Unlimited, the largest company of its kind in the State of Delaware. Ed brings a unique method of maximizing yield by means of his specialized growing techniques, which will result in lower medicine costs to Delaware patients.

**Resume of Edward W. Fleming: attached hereto.**

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# Edward W. Fleming

29 Del.C. Ch. 100 Freedom of Information Act

Home: 29 Del.C. Ch. 100 Fr. • Cell: 29 Del.C. Ch. 100 Fr. Work: 29 Del.C. Ch. 100 Free  
29 Del.C. Ch. 100 Freedom of Inform

## PROFESSIONAL PROFILE

An accomplished professional who has a solid background and experience in the field of Agronomy, Environmental and Plant Sciences. Committed to outstanding Customer service, Productivity, Quality and high Performance.

## EXPERIENCE

### Owner and Operator, 01/1987 to Current Lawns Unlimited Ltd. — Milton, DE

- Started the Plant Health Care lawn business from experience and knowledge from Agronomy Degree and Monsanto Company.
- Professional services include deluxe organic plus lawn care, irrigation installations and service, well drilling, tree and shrub maintenance.
- Grew business from the ground up to 3500 customers annually
- Special focus and success is the soil first approach in balancing chemistry in the soil and feeding the soil with the proper nutrients. Also focus on the identification and controlling plant diseases, insect control, plant and water relationships in irrigation design, installation and well drilling experience and techniques in ground water technologies.

### Field Sales Representative, Research and Development Technician, 06/1979 to 01/1990 Monsanto Chemical Company — St. Louis, Missouri

- Represented Monsanto Chemical Company in a 5 county territory in Northwest Missouri.
- Duties included calling on distributors, dealers and farmers for the safe handling and applications of Monsanto herbicides.
- Completed research on new herbicide compounds for corn and soybean field plots.
- Maintained and grew Monsanto market share from 26% to 53% in a seven year period.
- Later transferred to the Delmarva Peninsula and represented Monsanto in the same responsibilities growing the territory from 19% to 47%.
- Other duties included bulk herbicide coordinator and Safety coordinator for both territories.

## EDUCATION

**Bachelor of Science:** Agronomy and Environmental Sciences, 1979  
**Delaware Valley College of Science and Agriculture** — Doylestown, PA, Bucks County

**High School Diploma:** 1975  
**West Morris Central High School** — Chester, NJ, Morris County

## CERTIFICATIONS AND LICENSES

Delaware Dept. of Agriculture Commercial Nutrient Management #1110  
Delaware Dept. of Agriculture Certified Applicator License #86-735  
Maryland Dept. of Agriculture Pest Control Applicator Cert.#30709-41013  
Maryland Dept of Agriculture Professional Fertilizer Applicator PFA-0454  
Delaware Dept. of Natural Resources and Environmental Control Water Well Driller License #5451  
Rainbird Select Irrigation Contractor  
Weathermatic Select Irrigation Contractor

## PROFESSIONAL AFFILIATIONS

Member Planet Professional Land Care Network, National Groundwater Association, Bayer Environmental Science Advisory Board, Delaware Livable Lawns, Lewes Yacht Club and St. Edmond's Catholic Church.

## COMMUNITY SERVICE

Boy Scouts of America, Troops 4, (West and Doylestown), Troop 2540, Lewes Little League, Millsboro Little League and Sineus elementary school ground maintenance, St. Edmond's Catholic Church Grounds Maintenance.

NEW JERSEY DEPARTMENT OF HEALTH AND SENIOR SERVICES  
TRENTON, N.J.

29 Del.C. Ch. 100 Freedom of Information Act



THIS IS TO CERTIFY THAT THE FOLLOWING IS A TRUE COPY OF A RECORD FILED IN THIS DEPARTMENT.

*Donald L. Lipira*

Donald L. Lipira, State Registrar  
Bureau of Vital Statistics

*Christine Grant*

Christine Grant, J.D., M.B.A., Commissioner  
Department of Health and Senior Services

REG-32  
Revised 3/99

DO NOT accept this copy unless the RAISED GREAT SEAL  
of the State of New Jersey is affixed hereon.

%G6951

REGISTRAR'S NO 29 Del.C. Ch. 100	NEW JERSEY STATE DEPARTMENT OF HEALTH		BIRTH NO. 29 Del.C. Ch. 100 Freedom of Information Act
SPACES BELOW RESERVED FOR STATE OFFICE USE ONLY	(Will be inserted by State)		
RESIDENCE 29 Del.C. Ch. 100 Freedom of Information Act	1. Place of Birth a. County <b>MORRIS</b> b. City (Check box and give name) <b>MORRISTOWN</b> Borough <input type="checkbox"/> Township <input type="checkbox"/>		2. Usual Residence of Mother (Where does mother live?) a. State <b>N.J.</b> b. County <b>MORRIS</b> c. City (Check box and give name) <input type="checkbox"/> Borough <input type="checkbox"/> Township <input type="checkbox"/>
HOSPITAL 29 Del.C. Ch. 100	3. CHILD'S NAME (Type or Print) <b>Edward William Fleming</b> a. (First) b. (Middle) c. (Last)		d. Street Address of Mother If Rural, P.O. Address
WEIGHT 29 Del.C. Ch. 100	4. Sex <b>M</b> 5a. This Birth Single <input checked="" type="checkbox"/> Twin <input type="checkbox"/> Triplet <input type="checkbox"/> 5b. If Twin or Triplet (This child born) 1st <input type="checkbox"/> 2nd <input type="checkbox"/> 3rd <input type="checkbox"/>		6. Date of Birth
	7. Full Name <b>FATHER OF CHILD</b> 8. Color or Race <b>X W</b>		
	9. Age (at time of this birth) Years <b>Chesec, N.J.</b>		10. Usual Occupation <b>Mason</b> 11. Kind of Business or Industry
	12. Full Maiden Name <b>MOTHER OF CHILD</b> 13. Color or Race <b>X W</b>		
	14. Age (at time of this birth) Years		15. Children Previously Born to This Mother (Do NOT include this child)
	17. Information		18a. Signature <b>29 Del.C. Ch. 100 Freedom of Information Act</b> 18b. Attendant at Birth M.D. <input type="checkbox"/> Midwife <input type="checkbox"/> Other <input type="checkbox"/> 18c. Date Signed <b>29 Del.C. Ch. 100 Freedom of Information Act</b>
	19. Date Rec'd by Local Reg.		20. Registrar's Signature <b>29 Del.C. Ch. 100 Freedom of Information Act</b> 21. Date on which Given Name Added by (Registrar)

**DELAWARE**  
THE FIRST STATE

NOT FOR FEDERAL IDENTIFICATION

29 Del.C. Ch. 100 Freedom of Information Act

0 CHILD  
Exp: 01/21/2014 Exp: 12/10/2014  
Duplicate 01

1 FLEMING  
2 EDWARD W  
3 29 Del.C. Ch. 100 Freedom of Information Act

10 Sex **M** 11 Hgt **5'11"** 12 Wgt **175** 13 Eyes **BRN** 14 Hair **BRN**

15 Restrictions **NONE**  
16 End **NONE**  
Rev 02-08-2010

### **Brief Bio of Eric Kafka, Ph.D.:**

Dr. Eric Kafka is a licensed psychologist in Delaware and has been a member of the National Register of Health Care Providers in Psychology since 1976. He has been a professor in the Counseling Department at the University of Maryland with special recognition for teaching high level graduate courses in Group Counseling and Therapy, Director of the Office of International Services and Title 9 federal grant coordinator for the University of Pennsylvania, and was a psychologist providing mental health services to the elderly in three separate facilities, providing counseling and rehabilitation services In Fairfax, Virginia. Dr. Kafka is very well known in Delaware for treating drug abuse patients.

**Resume of Eric Kafka, Ph. D.: attached hereto.**



## Eric Kafka, Ph. D.

29 Del.C. Ch. 100 Freedom of Information Act

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### Qualifications

Until 2014 I was a licensed psychologist in Maryland and for the last ten years in Delaware(#B1-0000684). I was a member of the member of National Register of Health Care Providers in Psychology since 1976.

I have been an educator, a psychologist, an administrator in higher education and community mental health clinics, and in private practice, I have secured and administered local, state, and federal grants, I currently have a one-person, half-time private practice in Lewes, Delaware. I consulted in numerous long and short term situations and have provided countless programs from local presentations to national conventions. I have provided direct clinical services of all types with very diverse populations for 40 years. I have worked extensively with violence, the elderly, with death/dying/and grief, chronically mentally ill, college populations, and cross-cultural populations. I have been on county and state-wide task forces, and have worked in many media venues. I am trained for crisis intervention, and I am a trained and certified mediator. I communicate well, and easily form productive relationships with all types of people.

My recent six year (2007-2013) experience on the non-profit Board of Trustees for the Rehoboth Beach Film Society may be relevant. This is a 16 year very respected program with nearly a half-million dollar budget, and three full-time employees. The Board contracts with, supports, and monitors the Executive Director, and assures the public that the policies and operations are ethically in line with its non-profit charter. I served three years as Vice President, and two as President.

### Education

B. A. SUNY at Albany 1960  
M. Ed. SUNY at Albany 1964  
Ph. D. Michigan State University 1968

### Relevant Experience

2004-2013 - Private Practice with active and varied caseload

of up to 25 clients weekly. Lewes, Delaware

2003-2004 Psychologist providing mental health services to the elderly in three different settings for Counseling and Rehabilitation Services (Fairfax, Va) 1(800) 688-7733 - References: Leo Loevner (Supervisor), Dr Joe Rainey (Clinical Director), Zee Friedman (President)

1993-2003 Director, Counseling (Services, St Mary's College of Maryland - References: Dr Michael Freeman (Dean of College and Vice President ( <sup>29 Del.C. Ch. 100 Freedom of Informatic</sup> ), JoAnne Goldwater (Supervisor ( <sup>29 Del.C. Ch. 100 Freedom of Informatic</sup> )

1976-1993 Community Mental Health, Prince George's County Health Dept Psychologist, and clinic director, supervisor, and consultant to women's shelter, hospice, and director of Asian Refugee Mental Health program, etc.

1970-1976 Assistant Professor, Counseling Dept, University of Maryland, and Associate staff at the University Counseling and Psychological Services Center.

I was noted for teaching the graduate courses in Group Counseling and Therapy.

1968-1970 Director, Office of International Services, and Title 9 federal grant program coordinator, University of Pennsylvania

1964-1968 Residence Hall Director (2 yrs), Assistant Director, Study Abroad (2 yrs), Michigan State University

1962-1964 Social Studies teacher, Hauppauge Union Free School District, Hauppauge, New York

Revised February, 2014

**CERTIFICATION OF BIRTH**

This is a certification of name and birth facts on file in the Office of Vital Records, Department of Health and Mental Hygiene, City of New York.

DATE OF BIRTH: [REDACTED] CERTIFICATE NO.: [REDACTED] 29 Del.C. Ch. 100 F  
 BIRTHPLACE: [REDACTED] DATE OF ISSUE: [REDACTED] 29 Del.C. Ch. 100 F  
 NAME: ERIC PHILIP KAFKA \*\*\*  
 SEX: MALE

MOTHER'S MAIDEN NAME: [REDACTED] 29 Del.C. Ch. 100 Freedom of Information Act  
 FATHER'S NAME: [REDACTED] 29 Del.C. Ch. 100 Freedom of Information Act

  
 Steven P. Schwartz, PH.D.  
 City Registrar

Do not accept this transcript unless it bears the security features listed on the back.  
 Reproduction or alteration of this transcript is prohibited by §3.21 of the New York City Health Code if the purpose is the evasion or violation of any provision of the Health Code or any other law.

Doc. No. [REDACTED] 29 Del.C. Ch. 100 F

[REDACTED] 29 Del.C. Ch. 10

**DELAWARE The First State**

I.D. No. [REDACTED] 29 Del.C. Ch. 100 F  
 CLASS: D DRIVER LICENSE  
 EXPIRES: 06-25-2009  
 EYE COLOR: [REDACTED] 29 Del.C. Ch. 100 F  
 SEX: M  
 HEIGHT: [REDACTED] 29 Del.C. Ch. 100 F  
 WEIGHT: [REDACTED] 29 Del.C. Ch. 100 F  
 HAIR: [REDACTED] 29 Del.C. Ch. 100 F  
 SIGNATURE: [REDACTED] 29 Del.C. Ch. 100 F

ERIC PHILIP KAFKA  
 29 Del.C. Ch. 100 Freedom of Information Act

**Brief Bio of Lt. Col. John E. Lingo:**

John Lingo is a former Delaware State Trooper who served from 1968 to 1988. He is former Captain of Troop 2 and was head of detectives. From 1984 to 1988, John was the Lt Col. of the Delaware State Police and 2nd in command. He now owns Lingo Real Estate in Lewes and Rehoboth, one of the largest and most successful real estate firms in the State of Delaware. John will serve as our chief security officer and assistant CEO, and will focus center on security and surveillance . His experience in law enforcement and narcotics, and leadership and management, make him a huge asset to the Board.

**Resume of Lt. Col. John E. Lingo: attached hereto.**

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Lt. Col John E. Lingo

29 Del.C. Ch. 100 Freedom of In

29 Del.C. Ch. 100 Freedom of Information Act

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## RESUME

### EDUCATION:

Graduated Lewes High School -1964

Delaware State Police Academy-1967

### WORK EXPERIENCE:

Delaware State Trooper from 1968 to 1988. Captain of Troop 2 and was later head of Detectives. Total Experience with all levels of police work and security planning. From 1984 to 1988 was promoted to Lt. Col. and was 2<sup>nd</sup> in command of the entire Delaware State Police organization with high level administrative duties.

Now the owner and CEO of Lingo Real Estate, one of Delaware's most successful and largest real estate firms.

### CLUBS, CHARITIES, and HOBBIES:

Member of Rehoboth Beach Country Club, Lewes Yacht Club. Delaware Fraternal Order of Police, Supporter of Easter Seals, Positive Growth Alliance, Farm Land Preservation. Member of various Boards and civic organizations.

Golf, Exercise, Traveling are major interests.

### STRENGTHS:

Excellent skills in organizational techniques, management, and planning. Multi-tasking and book keeping. Expert on Security, as well.

29 Del.C. Ch. 100 Freedom of Information Act



**STATE OF DELAWARE  
CERTIFICATE OF BIRTH**  
BOARD OF HEALTH

BUREAU OF VITAL STATISTICS

REG. NO. \_\_\_\_\_ BIRTH NO. \_\_\_\_\_ 29 Del.C. Ch. 100

1. PLACE OF BIRTH \_\_\_\_\_ 29 Del.C. Ch. 100 F  
a. COUNTY \_\_\_\_\_ 29 Del.C. Ch. 100 Freedom of Information Act

b. CITY (if outside corporate limits, write RURAL) \_\_\_\_\_ 29 Del.C. Ch. 100  
OR TOWN \_\_\_\_\_

c. FULL (if NOT in hospital or institution, give street address or location) \_\_\_\_\_ 29 Del.C. Ch. 100 Freedom of Information Act  
NAME OF HOSPITAL OR INSTITUTION \_\_\_\_\_

3. FULL NAME \_\_\_\_\_ 29 Del.C. Ch. 100  
a. (First) John b. (Middle) IIIIS c. (Last) Lingo, Jr.

4. SEX Male  Single  Twin  Triplet  5a. THIS BIRTH \_\_\_\_\_ 29 Del.C. Ch. 100  
5b. IF TWIN OR TRIPLET (This child born) \_\_\_\_\_ 29 Del.C. Ch. 100  
1st \_\_\_\_\_ 2nd \_\_\_\_\_ 3rd \_\_\_\_\_ DATE OF BIRTH \_\_\_\_\_ (Month) \_\_\_\_\_ (Day) \_\_\_\_\_ (Year) \_\_\_\_\_

6. FATHER OF CHILD \_\_\_\_\_ 29 Del.C. Ch. 100  
a. (First) \_\_\_\_\_ b. (Middle) \_\_\_\_\_ c. (Last) \_\_\_\_\_

7. AGE (At time of this birth) \_\_\_\_\_ 29 Del.C. Ch. 100  
YEARS \_\_\_\_\_ 29 Del.C. Ch. 100  
10. BIRTHPLACE (State or foreign country) \_\_\_\_\_ 29 Del.C. Ch. 100  
11a. USUAL OCCUPATION \_\_\_\_\_ 29 Del.C. Ch. 100  
11b. KIND OF BUSINESS OR INDUSTRY \_\_\_\_\_ 29 Del.C. Ch. 100

8. COLOR OR RAC \_\_\_\_\_ 29 Del.C. Ch. 100

9. MOTHER OF CHILD \_\_\_\_\_ 29 Del.C. Ch. 100  
a. (First) \_\_\_\_\_ b. (Middle) \_\_\_\_\_ c. (Last) \_\_\_\_\_

12. FULL MAIDEN NAME \_\_\_\_\_ 29 Del.C. Ch. 100  
a. (First) \_\_\_\_\_ b. (Middle) \_\_\_\_\_ c. (Last) \_\_\_\_\_

13. COLOR OR RAC \_\_\_\_\_ 29 Del.C. Ch. 100

14. AGE (At time of this birth) \_\_\_\_\_ 29 Del.C. Ch. 100  
YEARS \_\_\_\_\_ 29 Del.C. Ch. 100  
15. BIRTHPLACE (State or foreign country) \_\_\_\_\_ 29 Del.C. Ch. 100  
16. CHILDREN PREVIOUSLY BORN TO THIS MOTHER (Do NOT include this child) \_\_\_\_\_ 29 Del.C. Ch. 100  
a. How many OTHER children are now living? \_\_\_\_\_ 29 Del.C. Ch. 100  
b. How many OTHER children were born alive but are now dead? \_\_\_\_\_ 29 Del.C. Ch. 100  
c. How many stillborn (born dead or West pregnancy)? \_\_\_\_\_ 29 Del.C. Ch. 100

17. SIGNATURE OF FATHER \_\_\_\_\_ 29 Del.C. Ch. 100  
I hereby certify that this child was born on the date listed above. \_\_\_\_\_ 29 Del.C. Ch. 100

18. SIGNATURE OF ATTENDANT AT BIRTH \_\_\_\_\_ 29 Del.C. Ch. 100  
Margebeth J. Lingo  
I hereby certify that this child was born on the date listed above. \_\_\_\_\_ 29 Del.C. Ch. 100

19. DATE REC'D BY LOCAL REG. \_\_\_\_\_ 29 Del.C. Ch. 100  
20. REGISTRAR'S SIGNATURE \_\_\_\_\_ 29 Del.C. Ch. 100  
Claudia B. Orr

21. DATE ON WHICH GIVEN NAME ADDED \_\_\_\_\_ 29 Del.C. Ch. 100  
BY \_\_\_\_\_ 29 Del.C. Ch. 100

22. DATE SIGNED \_\_\_\_\_ 29 Del.C. Ch. 100  
M.D.  M.I.  Other \_\_\_\_\_ (Specify) \_\_\_\_\_

23. DATE ON WHICH GIVEN NAME ADDED \_\_\_\_\_ 29 Del.C. Ch. 100  
BY \_\_\_\_\_ 29 Del.C. Ch. 100

24. DATE \_\_\_\_\_ 29 Del.C. Ch. 100

25. DATE \_\_\_\_\_ 29 Del.C. Ch. 100

26. DATE \_\_\_\_\_ 29 Del.C. Ch. 100

27. DATE \_\_\_\_\_ 29 Del.C. Ch. 100

28. DATE \_\_\_\_\_ 29 Del.C. Ch. 100

29. DATE \_\_\_\_\_ 29 Del.C. Ch. 100

30. DATE \_\_\_\_\_ 29 Del.C. Ch. 100

31. DATE \_\_\_\_\_ 29 Del.C. Ch. 100

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97. DATE \_\_\_\_\_ 29 Del.C. Ch. 100

98. DATE \_\_\_\_\_ 29 Del.C. Ch. 100

99. DATE \_\_\_\_\_ 29 Del.C. Ch. 100

100. DATE \_\_\_\_\_ 29 Del.C. Ch. 100

Nº

I certify that this information is true and correct as taken from the records of this office

Doyle, Delaware  
PLACE

29 Del.C. Ch. 100 Freedom of Information Act

DELAWARE STATE BOARD OF HEALTH

VS-B4 10M 7-52 S.P.

**Brief Bio of Marty Whitehair:**

Marty Whitehair will serve as COO and Chief Accountant. Marty has over 25 years of senior level accounting, management, and retail operations experience. He managed and operated Top 20 Video, Inc. from 1988 to 2002 which grossed \$10 million annually, was the comptroller for Country Life Homes, Inc. from 2002 to 2005, one of Delaware's leading home builders, was the Director of Finance and Administration for Sussex Habitat for Humanity from 2012 to 2013, and is currently the comptroller for SecureNetMD, LLC at Beebe Hospital in Lewes, Delaware. Marty will oversee daily operations.

**Resume of Martin Whitehair: attached hereto.**

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Confidential resume of:

Marty Whitehair

29 Del.C. Ch. 100 Freedom of Information Act

29 Del.C. Ch. 100 Freedom of Information Act

29 Del.C. Ch. 100 Freedom of Information Act

Email: 29 Del.C. Ch. 100 Freedom of Information Act

## OBJECTIVE

Obtain a management position requiring innovative solutions to the company needs and wants with emphasis on profit and loss.

## EMPLOYMENT SUMMARY

Over twenty five years experience at a senior level of accounting and retail operations management, reflecting increasing responsibility with proven communication skills. Emphasis has been on operations, marketing, financials, hiring and training employees.

## BUSINESS EXPERIENCE

SecureNetMD, LLC & DelmarvaVOIP, LLC Controller / HR Manager 12/16/13- Now

Supervise reporting and controls including accounts receivable, auditing, payroll, income audit, budgets and forecasts, conduct audits for internal, external or government agencies, preparation of the yearly budget and monthly forecasts, spend time with departments and assist on operational issues to drive revenues and control costs, financial analysis of Center's operations, communicate goals and objectives and inspire employees to achieve those goals, participate in the associates' performance appraisal process, providing feedback as needed, ensure disciplinary procedures and documentation are followed according to HIPPA policies.

SUSSEX HABITAT FOR HUMANITY Director of Finance and Administration 2012- 12/13

Responsible for the daily operations of all accounting functions, general ledger, accounts payable, and payroll. Maintenance of the Donor database, perform financial analysis and related reports to Habitat International. Manage banking relationships and Line of Credit. Prepare timely, accurate and comprehensive monthly and annual financial statements, activity reports, cash flow forecasts, annual budgets and other reports to continuously monitor the organization's financial performance. Coordinate the annual budget and forecast process for each functional group, prepare the consolidated budget / forecast for the entire organization. Develop and implement finance and accounting policies and procedures, ensure appropriate financial controls exist, ensure compliance with laws, regulations, grants, contracts, and donor requirements. Prepare for and facilitate the annual audit of the financial statements, coordinate with external auditors. Serve as a staff liaison to the Finance Committee, Development Committee and Board of Trustees. Software used: Quickbooks Pro.

ENGINEERING CONSULTANTS INTL., LLC dba ECI CFO 2005 -- Closed 2011

(An Engineering, Surveying and Land Planning Firm.) Responsible for all financial activities: G/L's, J/E's, Invoicing, A/P, A/R, Reconciliations, Budgeting, Planning, Payroll, 1099s, Financial Statements, all taxes with year end tax attorney assistance and Bank Relations, HR benefits including health plans and 401k administration at The Principal including IRS Form

5500 and IT activities. Accounting Software used: WIND2 & Quickbooks Pro Firm. Direct confidential client contact with extreme deadlines. (Large salary increase over previous employer.)

COUNTRY LIFE HOMES, INC. (\$40MM annually)      Comptroller      2002-2005

Responsible for 5 year plan calculation, analysis and justification; establish, negotiate and administer all ADC loans; produce all departmental and production/manufacturing construction budgets; settlements; land acquisition reviews; prepare monthly and annual financial statements for all sister companies and all HR functions, purchasing and training of total computerization (IHMS) of all transactions including construction scheduling for cash flow, paperless work orders, on-line scheduling for subs, job costing, projected profitability for current and prospective land deals contracts, originate and attend all HOA meetings to review development progress, transition of HOA's of finished developments to home owners, establish budgets and provide financial statements in Quickbooks Pro, Production/Manufacturing (all phases from land purchase to infrastructure to home building); all taxes with tax attorney assistance. Supervise: Accounting staff of 7, HR staff of 2, IT staff of 2 and a Receptionist.

TOP 20 VIDEO, INC.(\$10MM annually; Co. sold 9/20/02)      GM/Controller      1988-2002

First employee hired for start up of new business. Responsible for all marketing, operations, and financials, cash flow scheduling, payroll processing 70+, pricing, costing, inventory, A/P, A/R, G/L, workers compensation (VA & WV), weekly to quarterly tax filings, annual personal property tax filings, commercial leases, store build outs, studio revenue sharing contracts negotiations and administration, hire, train and inspire store managers.

#### EDUCATION

Shepherd College- BS Business Admin. concentrating in Accounting, Minor Math

#### REFERENCES

Friedman & Associates, Inc.

Lou Friedman, CPA/Tax Attorney (Former Principal of Ernst & Young, LLP)

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410-363-1780 (W)  
29 Del.C. Ch. 100 Freedom of Information Act  
(C)

Country Life Homes, Inc.

Carol Wilkins, Controller

29 Del.C. Ch. 100 Freedom of Information Act

302-265-2257 (W)  
29 Del.C. Ch. 100 Freedom of Information Act  
(C)

More references provided upon request.



DISTRICT OF COLUMBIA  
DEPARTMENT OF HUMAN SERVICES  
WASHINGTON, D.C.

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# CERTIFICATE OF BIRTH

This is to certify that the following information has been taken from the original record of birth.

Name **GEORGE MARTIN WHITEHAIR, SR.**

Date of Birth [Redacted] **MALE** Certificate Number [Redacted]

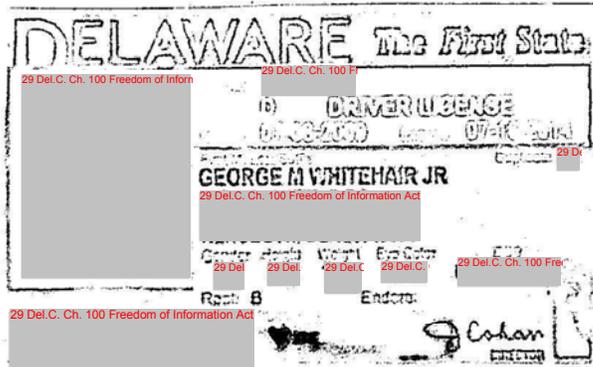
Name of Father [Redacted]

Maiden Name of Mother [Redacted]

Date Issued [Redacted] Date Recorded [Redacted]

DHS 1610 (3/83)

*John H. Crandall*  
JOHN H. CRANDALL  
REGISTRAR



SS # [Redacted]





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29 Del.C. Ch. 100 Freedom of Information Act





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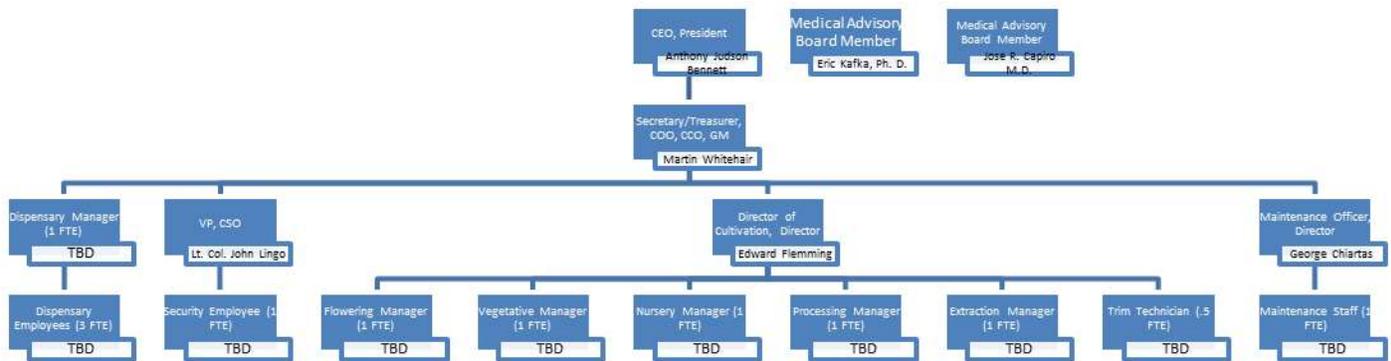




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## Organizational Chart:



## JOB DESCRIPTIONS

### Job Descriptions for Cultivation Employees

#### Managing Director of Cultivation (1 FTE)

##### **Job Description:**

The Managing Director of Cultivation is responsible for all cultivation processes and protocols culminating in the successful and compliant cultivation of top shelf medical marijuana for the consumption of qualifying patients of the State of Delaware.

- Ensuring that product supply meets demand without sacrificing quality;
- That production complies with all Delaware regulations regarding production of marijuana for medical use;
- That the cultivation operation is fully OSHA compliant;
- That the cultivation operation complies with all pertinent state and federal environmental laws and building code laws;
- An incident reporting protocol is implemented;
- An efficient and hygienic workspace is maintained;
- Best practices to produce organic marijuana, dried concentrates and tinctures are followed;
- For ensuring that all cultivation staff receive proper training relating to company policy and industry best practices;
- For implementing IPM (“integrative pest management”) protocols including mandatory use of non-toxic pest management methods;
- For reporting to the executive management team with required and up-to-date cultivation reports.

**Qualifications:** The Managing Director of Cultivation must have the following minimum credentials and/or experience:

- A bachelor’s of science in horticulture, botany or a master grower certificate from an approved institute. In lieu of the above the candidate may apply if they can show that they managed a commercial greenhouse or horticulture operation for a minimum of three years and that the commercial operation was at least 500 square feet in size and that the skills attained in this position are applicable to cultivation of medical marijuana, including: hydroponics, organic soil cultivation, IPM, utilization of supplemental lighting, pruning, organic fertilization.
- Staff management experience including hiring and firing, reporting, management of schedules and implementation of company policy.

### Flowering Manager (1 FTE)

#### **Job Description:**

The Flowering Manager is responsible for managing and directing the daily operations of all flowering plant life cycles and delegating tasks to Cultivation Technicians.

- Report directly to Managing Director of Cultivation;
- Manage daily operation of flowering department;
- Delegate daily tasks to Cultivation Technicians;
- Responsible for all record keeping in flowering rooms with regards to feeding schedules and pest management programs;
- Daily flowering plant inspection of all rooms.

#### **Qualifications:**

- A.S. in Horticulture or related field with completed coursework in plant physiology, plant anatomy, entomology, botany, chemistry or equivalent combination of education and experience;
- Computer skills as required by seed to sale tracking software MJ Freeway;
- Ability to establish and maintain effective communication with designated supervisor.

### Vegetative Manager (1 FTE)

#### **Job Description:**

The Vegetative Manager is responsible for managing and directing the daily operation of the vegetative plant lifecycle and delegating tasks to Cultivation Technicians.

#### **Characteristics and Responsibilities:**

- Reports directly to Managing Director of Cultivation;
- Manage daily operation of vegetative department;
- Delegate daily tasks to Cultivation Technician;
- Responsible for all record keeping in vegetative room with regards to feeding schedules and pest management programs;
- Coordinates daily with Nursery Manager;
- Prepare properly labeled plant cuttings for Nursery Manager;

**Qualifications:**

- A.S. in Horticulture or related field with completed coursework in plant physiology, plant anatomy, entomology, botany, chemistry or equivalent combination of education and experience;
- Computer skills as required by seed to sale tracking software;
- Ability to establish and maintain effective communication with designated supervisor.

**Nursery Manager (1 FTE)****Job Description:**

Responsible for hands on management of propagation including IPM program, climate control, maintaining plug inventory, growing plants, ordering supplies and managing maintenance/upkeep of all propagation equipment and supplies. Manager will be responsible for execution of propagation plan. Responsible for stock plant planning and management and maintenance of stock plants to ensure the maximum amount of high quality cuttings.

**Characteristics and Responsibilities:**

- Reports directly to Managing Director of Cultivation;
- Responsible for execution of propagation plan;
- Propagation and growing;
- Coordinates daily with Vegetative Manager with regards to plant material moving to and from each room;
- Receives plant cuttings directly from Vegetative Manager;
- Genetic research;
- Seed germination;
- Clone propagation.

**Qualifications:**

- A.S. in Horticulture or related field with completed coursework in plant physiology, plant anatomy, entomology, botany, chemistry or equivalent combination of education and experience;
- Computer skills as required for seed to sale tracking;
- Ability to establish and maintain effective communication with designated supervisor.

### Processing Manager (1 FTE)

#### **Job Description:**

Responsible for all post harvest operations of marijuana flowers including packaging medicine. Instructs Trim Technicians on daily tasks and goals to ensure maximum output of processing operation.

#### **Characteristics and Responsibilities:**

- Reports directly to Managing Director of Cultivation;
- Assigns daily tasks to Trim Technicians;
- Coordinates directly with Flowering Manager with regards to harvest schedules;
- Oversight of harvests;
- Responsible for monitoring climate controlled curing room;
- Provide Extraction Manager with the trim of flowers.

#### **Qualifications:**

- A.S. in Horticulture, Floriculture or related field with extensive knowledge of the process of medical marijuana curing procedures and protocols;
- Previous experience with managing employees and stating goals which need to be achieved on a daily basis;
- Computer skills to perform daily functions;
- Ability to establish and maintain effective communication with designated supervisor.

### Extraction Manager (1 FTE)

#### **Job Description:**

This position is solely responsible for the extraction of essential medical cannabis oils for the use in all extracts and tinctures products. Operate lab equipment within standards set forth by designated supervisor and to ensure a consistent product.

#### **Characteristics and Responsibilities:**

- Reports directly to Managing Director of Cultivation;
- Maintains laboratory equipment performance by establishing quality standards;
- Developing operations, quality, and troubleshooting procedures;

- Complies with quality standards set forth;
- Operates CO2 extraction machine;
- Sterilizing lab equipment;
- Coordinates with outside lab for testing of extracts;
- Daily contact with Processing Manager with regards to readily available plant material.

**Qualifications:**

- B.S. in Biology, Chemistry or related major with 5 + years in a professional laboratory work setting or combination of education and actual experience with the extraction of medical cannabis oils;
- Computer skills necessary to perform necessary functions within lab setting;
- Ability to establish and maintain effective communication with designated supervisors and daily onsite contacts within cultivation site.

*Cultivation Technician (1 FTE)*

**Job Description:**

Under general supervision of designated manager, maintain cultivation plant materials; including watering, feeding, pruning, propagation, testing and pest management. Maintain cultivation facility which includes installation, maintenance, all janitorial tasks and repair of cultivation site equipment.

**Characteristics and Responsibilities:**

- Reports directly to departmental manager;
- Must be flexible in day to day tasks;
- Has knowledge of commonly-used concepts, practices and procedures within cultivation site environment;
- Relies on instructions and pre-established guidelines to perform the functions of the job;
- Works under immediate supervision and little creativity is required;
- Must be able to lift 50 pounds;
- Assists in planning and production of plant stock as required and mandated by departmental manager;

- Oversees plant irrigation and is responsible for monitoring nutrient and pH levels of feeding tanks;
- Plant pruning;
- Use and maintain personal protective equipment;
- Responsible for all janitorial tasks that are needed.

**Qualifications:**

- Preferably hold A.S. Degree in horticulture;
- Knowledge of cultivation and/or greenhouse standards;
- Ability to perform assigned tasks from departmental manager;
- Computer skills as required by department;
- Ability to establish and maintain effective communication with departmental manager.

*Trim Technician (.5 FTE)*

**Job Description:**

Under general supervision of designated manager, process all harvested marijuana flowers and assist in all aspects of the curing process. Maintain sterile work conditions to ensure no contamination of medicine.

**Characteristics and Responsibilities:**

- Relies on instructions and pre-established guidelines to perform the functions of the job;
- Assist in harvesting of marijuana flowers;
- Process all harvested marijuana flowers;
- Follow direction and orders of Processing Manager;
- Maintain clean and safe work conditions;
- Responsible for sterilizing work environment on daily basis;
- Assist in all tasks deemed necessary by Processing Manager;
- Plant pruning;
- Use and maintain all personal protective equipment;

- Works under immediate supervision and little creativity is required.

**Qualifications:**

- Ability to follow instructions and abide by set forth standards and procedures;
- Capable of sitting for extended periods of time;
- Good hand-eye coordination;
- Ability to establish and maintain effective communication with Processing Manager;

**Job Descriptions for Dispensary Employees**

In addition to cultivation personnel, the compassion center will need to hire two classes of dispensary personnel.

*Dispensary Manager (1 FTE)*

Job Description: The Dispensary Manager reports directly to the Chief Operating Officer. The Dispensary Manager is responsible for:

- Managing all dispensary staff including hiring and firing, scheduling, duties and assignments, implementing all company policies;
- Implementing seed-to-sale inventory tracking;
- Training dispensary staff;
- Ensuring customer satisfaction through web-based and direct feedback tools;
- Reporting all incidents and complaints to the CCO;
- Working with bookkeeping to ensure precise data flow;
- Maintaining efficient and effective product inventory.

Qualifications: The Dispensary Manager must have previous successful retail and/or pharmacy management experience for at least 3 years that included hiring and firing responsibilities, database management, training, security protocols, customer feedback data collection and interpretation, incident reporting, inventorying and cash management.

*Dispensary Associate (3 FTE)*

Job Description: The Dispensary Associate reports directly to the Dispensary Manager. The Dispensary Associate is responsible for:

- Providing polite, patient, articulate and compassionate patient service;
- Implementing seed-to-sale inventory tracking;

- Providing competent product information in an effective manner to all patients;
- Ensuring customer satisfaction through web-based and direct feedback tools;
- Reporting all incidents and complaints to the Dispensary Manager;
- Working with bookkeeping to ensure precise data flow;
- Maintaining efficient and effective product inventory.

Qualifications: The Dispensary Associate must have previous successful retail and/or pharmacy management experience for at least 3 years that included sales related responsibilities, database utilization, customer feedback data collection and interpretation, incident reporting, inventorying and cash management.

If subcontractors are to be used, the proposal shall also contain similar information regarding each subcontractor.

At a minimum, the following information shall be included in this section:

**a. For each proposed agent, provide the name, address and date of birth**

Board of Directors:

Anthony Judson Bennett

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[Redacted]

Mailing Address:

P.O. Box 615

Lewes, DE 19958

DOB 29 Del.C. Ch. 100 Freedom

Jose R. Capiro, M.D.

Post Office Box 100

Nassau, DE 19969-0100

DOB 29 Del.C. Ch. 100 Freedom

George Chiartas

29 Del.C. Ch. 100 Freedom of Information Act

[Redacted]

DOB 29 Del.C. Ch. 100 Freedom

Edward Flemming

29 Del.C. Ch. 100 Freedom of Information

[Redacted]

DOB 29 Del.C. Ch. 100 Freedom of

Eric Kafka, Ph. D.

DOB [REDACTED]

Subcontractor(s):

Dorian Des Lauriers of Pro Verde Labs is our proposed subcontractor for testing medical marijuana. Pro Verde has agreed to train us, or a state sanctioned lab for testing, or operate in Delaware to perform the testing.

Dorian A. Des Lauriers, Founder, President, ProVerde Labs  
ProVerde Laboratories, Inc.  
101 Constitution Blvd., Suite D  
Franklin, MA 02038  
DOB [REDACTED]

**b. For each proposed agent, provide the report of criminal history background check**

FBI and SBI Background checks have been ordered for Anthony Judson Bennett, Jose R. Capiro, M.D. , George Chiartas, Edward Flemming, Eric Kafka, Ph. D., Lt. Col. John E. Lingo, Marty Whitehair. The results of those requests have not been returned, but will be supplied to the Division immediately upon receipt thereof.

**c. Any instances in which a business or not-for-profit that any of the prospective board members managed or served on the board was convicted, fined, censured, or had a registration or license suspended or revoked in any administrative or judicial proceeding**

There are no instances that fit this category for any of the agents listed in this application.

**d. A list of all persons or business entities having five percent (5%) or more ownership in the compassion center, whether direct or indirect and whether the interest is in profits, land or building, including owners of any business entity which owns all or part of the land or building**

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Also see the attached letters from [REDACTED] and [REDACTED] regarding funding.

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**e. A list of all persons or business entities having direct or indirect authority over the management or policies of the compassion center**

Anthony Judson Bennett, Jose R. Capiro, M.D. , George Chiartas, Edward Flemming, Eric Kafka, Ph. D., Lt. Col. John E. Lingo, Marty Whitehair.

**f. The identities of all creditors holding a security interest in the premises, if any**

None; as such we have no information responsive to this section.

**3. Ability, capacity, skills and expertise of the organization**

**a. Describe your organization’s ability, capacity, skills and other expertise in product and industry knowledge, including but not limited to the following**

In conjunction with our subcontractor Dr. Seth Bock, CEO of Greenleaf Compassionate Care Center, Inc., one of two state licensed medical marijuana dispensaries in the state of Rhode Island, we will provide industry best practices in the implementation of HSS. Dr. Bock will oversee start-up implementation and on-going consultation to ensure that the company exceeds all parameters set forth in HSS 13056. Given his experience and track record in the state of Rhode Island, as well as the similarities between Rhode Island and Delaware medical marijuana statute, partnering with an individual with this experience is the most logical and failsafe method of achieving full and successful implementation of HSS 13056.

**• How marijuana or agricultural products are grown, cultivated, harvested, cured, processed, packaged, labeled and prepared for retail sale**

Dr. Bock has been a licensed caregiver in Rhode Island since 2010 producing organic only medicine for the benefit of patients. Since receiving a license in to operate a Compassion Center he has overseen marijuana gardens of a similar proportion to that now permitted in Delaware. His expertise is in the indoor cultivation of organic medical marijuana using Integrative Pest Management practices that are compliant with all state and federal horticultural workplace laws, including OSHA and USDA Organic practices.

His skill set includes the following, for example:

- Full seed-to-sale tracking implementation
- Complete organic hydroponic and aeroponic production
- Complete organic soil and soilless production
- Phenotype selection methodology
- Hygiene protocol implementation
- Gram per kilowatt hour production capabilities
- Scrog, SOG and vertical layout
- Organic fertigation
- Harvesting, dry and curing of marijuana.

- Developing a research driven and experience based menu of marijuana strains with deference to how they impact qualifying debilitating medical conditions, giving special attention to the conditions accepted by the Delaware Medical Marijuana Program;

## Cultivation Plan

The Cultivation Manager is responsible for implementing this comprehensive marijuana production/cultivation plan. The Cultivation Manager shall receive approval for all significant updates to this plan by either the CEO or COO.

### 1) Facility Engineering

The first, and possibly most important, step in medical marijuana production is to most efficiently and effectively utilize the horticultural facility. This stage includes determining the appropriate allocation of square footage, electrical and HVAC supply, best plumbing layout and ceiling heights. These factors are the main determinants of which growing methodology best suits the the facility and will produce the highest yield.

Based on the limited available production parameters of under 150 marijuana plants it is vital to grow the largest plants possible. Therefore, **29 Del.C. Ch. 100 Freedom of Information Act**. This will ensure the highest production quotient possible.

**29 Del.C. Ch. 100 Freedom of Information Act**

The facility will be completely sealed to ensure maximum energy efficiency, climate control and pest protection.

**29 Del.C. Ch. 100 Freedom of Information Act**. This will ensure that maximum plant growth will be achieved.

### 2) Genetics Selection

Genetics selection is an ongoing process ultimately determined by the patients served. Regular patient surveys will be conducted to determine overall patient satisfaction with all marijuana products. Patient satisfaction will be taken into consideration as will strain productivity in choosing the best strains for our operation. It is the Cultivation Manager's role to formulate a strain menu that addresses known key trends in patient usage from other medical marijuana states, including:

- Cultivation of sativa and indica dominant strains
- Cultivation of strains that have known medicinal affects across the disease spectrum
- Cultivation of high CBD strains
- Cultivation of at least 15 strains at any one time

- The Cultivation Manager must also cultivate strains based on specific genetic traits, including:
  - Yield
  - Pest and mold resistance
  - True breeding lineages
  - Life cycle chronicity

The Cultivation Manager may be required to embark on a selective breeding program if it is determined that specific traits need to be replicated.

Grow Techniques:

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[Redacted]

Harvesting Techniques:

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[Redacted]

Drying and Curing:

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[Redacted]

Packaging, labeling and preparation:

Marijuana placed into the retail inventory will be allocated and processed for either flower usage or extract production. Customer demand for these products will determine proportions allocated for each. The seed-to-sale tracking program ensures that all marijuana will be labeled, whether as seed, plant, flower or extract. Other sections of this application describe the labeling for retail consumption.

There are a variety of packaging options available for the sale of medical marijuana. Our packaging and labeling will not be overtly or subtly appealing to, nor promote access to children. It is of utmost importance that packaging allows for the protection of children and adults, alike. It must also properly maintain the freshness and effectiveness of the product.

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a) Every unit of sale will have an individual label bearing the required information to ensure full compliance with state law.

b) Every label will be produced in conjunction with, and tracked through the use of, our inventory software and barcode system provided by MJ Freeway™.

DCC has a letter of intent and will work with MJ Freeway to provide much of its seed to sale tracking, packaging, labeling and diversion prevention.

MJ Freeway was founded in 2010 by a group of IT professionals to provide a compliant business management platform specific to the cannabis industry. Built from the ground up and tailored specifically to meet the unique regulatory and workflow nuances of cannabis operations, MJ Freeway holds industry leading market share with over 500 clients and over 1000 licenses issued between 14 states, the District of Columbia, Canada, and Europe. MJ Freeway earned this market share by providing best of breed chain of custody control, reporting capabilities, and work flow transparency for all aspects of cannabis operations from growing, to processing, to dispensing, to managing patient records. The backbone of the female owned and operated Colorado based business platform is compliance, and the company guarantees to meet existing and emerging regulatory requirements.

(a) The MJ Freeway® system maintains features to track patient registration number, expiration date, a field to document that all paperwork is complete, photo validation that the person presenting the card is the individual represented in the compassion center's system, and that the registered compassion center is the OMM designated for the qualifying patient. The system also tracks quantity of marijuana dispensed to a given patient and maintains features to block sales when patient purchase limits are being exceeded.

(b) The MJ Freeway® system will issue package labels to include:

- (1) The name and registration number of the compassion center,
- (2) The name of the patient, and/or the patient registry card number,
- (3) The strain being dispensed,
- (4) The batch associated with the product being dispensed,

- (5) The quantity of product being dispensed,
- (6) A Medical Use Only disclaimer the content of which may be customized,
- (7) A statement that the product has been tested to be free of contaminants the content of which may be customized,
- (8) Test results for active cannabinoid profile of product being dispensed.

• *Various types of marijuana strains and how they impact qualifying debilitating medical conditions, giving special attention to the conditions accepted by the Delaware Medical Marijuana Program*

It is imperative to develop a research driven and experience based menu of marijuana strains with deference to how they impact qualifying debilitating medical conditions, giving special attention to the conditions accepted by the Delaware Medical Marijuana Program;

We will utilize the experience of subcontractors and consultants, such Dr. Bock, who brings valuable experience from his Rhode Island operation, in developing a successful strain menu that meets the needs of all licensed patients. We will provide a spectrum of menu options that account for the physical conditions permitted under Delaware law.

Our menu will consist of the following types of strains:

- Landrace sativas
- Landrace indicas
- Sativa dominant strains
- Indica dominant strains
- CBD rich Sativas
- CBD rich Indicas

What we have discovered through thousands of patient interactions is that strain-to-illness specificity is not always consistent and one particular strain may not help all people with a specific illness. For example, an indica-dominant strain such White Widow can be very good at reducing pain. However, not all people have this response. Recent research has revealed that the make-up of the endo-cannabinoid receptor system varies from person to person. We do, however, find consistent response for some strains for specific symptoms, for example the use of high-cbd strains for the treatment of seizure related disorders. We will offer high cbd strains such as The Remedy and Medihaze.

Certain approved conditions such as cancer, AIDs, cirrhosis, PTSD and pain, for example, have a variety of presentations and symptoms and cannot simply be used as predictors of which strains would be most beneficial for an individual patient. This variability requires a staff with an extensive working knowledge of a wide-variety of strains plus a well-documented trial-and-error process of strain administration.

Other conditions or symptoms such as seizure disorders, nausea, vomiting, wasting syndrome, certain neurogenic conditions and ALS for example seem to respond more consistently to strains rich in cannabidiol and other well research cannabinoids.

It is therefore important for all medical marijuana dispensaries to provide cannabinoid rich strains, given available data. It is also important for medical marijuana dispensaries to provide a wide-spectrum of strains and phenotypes inclusive the major medicinal lineages of cannabis such as: kush, Jamaican, Haze, Columbian, Hawaiian. It is also important to develop new strains on a reoccurring basis to ensure that patients are being exposed to new cannabinoid profiles.

• *Different forms in which to buy or sell marijuana (i.e. dried, concentrates, tinctures, etc.)*

The Cultivation Manager will be responsible for overseeing the production of concentrates, tinctures, transdermal patches, and other forms of marijuana. Delaware Compassionate Care, Inc. will produce and offer the following forms of marijuana: dried flower, hash, kief, honey oil, tinctures, capsules, and transdermal patches. As new dosing methods become available we will research and offer those methods that conform to best practices and Delaware statute.

• *How marijuana should be packaged, labeled, transported, and sold at retail level*

Procedures for Packaging and Labeling

Packaging

There are a variety of packaging options available for the sale of medical marijuana. Our packaging and labeling will not be overtly or subtly appealing to, nor promote access to children. It is of utmost importance that packaging allows for the protection of children and adults, alike. It must also properly maintain the freshness and effectiveness of the product.

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Every unit of sale will have an individual label bearing the required information to ensure full compliance with state law. Every label will be produced in conjunction with, and tracked through the use of, our inventory software and barcode system provided by MJ Freeway™.

(a) MJ Freeway will track all plants in the grow, including plant count, type, strain, location, stage, and expected time of maturity along with expected yield. Plant count may be set to 150 plants, and the system maintains color coding features to warn operators if the 150 plant limit is exceeded.

(b) MJ Freeway® will generate barcodes for each individual marijuana plant and inventory item entered into the system. Bar codes may be issued back to the mother source for a given plant clone. These bar codes will maintain chain of custody for batch and strain information throughout the grow, harvest, processing, testing, and distribution processes. The system will keep track of every gram throughout the entire process, including waste, trim for extraction or disposal, finished product, product used for testing, product allocated to storage locations, and product distributed to the end-user.

(c.i) Customizable storage locations can be set up for bulk and working inventory, and bar codes can be used to track inventory back to the assigned inventory location. MJ Freeway® will track gross and net weight of each storage container in each location.

(c.ii) MJ Freeway® shall provide the compassion center's inventory tracking system as defined herein.

(c.iii) The MJ Freeway® system maintains granular user access controls to limit people who have access to bulk inventory in the system as well as who is authorized to perform inventory reconciliations. Every inventory activity is time stamped with the who, what, when, and where of the activity, and reports may be run on such activity.

(c.vi) MJ Freeway's® tracking system maintains a strict chain of custody of all marijuana related product throughout the entire seed to sale process. Data collected may be used to help with root-cause analysis of any inventory related discrepancies, such as where the discrepancy was likely to have occurred in the chain of custody, and who had system access to the discrepant inventory.

MJ Freeway® will capture and record patient registration information, and such information may be used to cross reference validation with DPH. Once validation is complete, the system maintains fields to capture the expiration date of such validation, and to document that all paperwork is complete, and such information may be viewed by staff at time of patient check in. The MJ Freeway® system maintains functionality to block sales to a patient with an expired DPH registration. It is anticipated MJ Freeway® will NOT interface with the DPH validation system, but instead, as per the regulations DCC will create the requisite interface.

- *How retail marijuana should be recalled and accounted for*

#### Recall Management Program

We have developed a Recall Management Program to establish policies and procedures for documenting, reporting and managing adverse incidents requiring product recall, consumer complaints and related operational concerns. Our Program involves all executive management, staff and agents and is designed to not only ensure the highest standards of recall management across departments but to also ensure that we are on the cutting-edge of operational performance, safety and patient satisfaction.

#### 1) Product Identification

All marijuana products sold at DCC will be appropriately labeled with batch and lot numbers as well as a unique bar code generated by MJ Freeway. All marijuana products will be sold at the point-of-sale and thus be easily and immediately traceable to specific patients. Should any product become associated with an attributable adverse event or contamination a list will be generated immediately and involved parties will be immediately notified.

#### 2) Policies and Procedures for Adverse Incident Management

Appropriate measures will be taken if a patient reports adverse effects. These measures include:

- Assisting the patient, their family members, caregiver(s) and/or their healthcare providers to determine causality and how best to address the situation
- Determining, through testing, whether a particular product, batch or lot is defective.
- Documenting and reporting the source problem
- Destroying products that are deemed harmful or hazardous and issuing a recall.
- Immediate notification of local and state health authorities.

### 3) Policies and Procedures for Consumer Complaints

- a. Determine the category of the complaint and determine whether the cause of the complaint could lead to additional harm or operational problems.
- b. If the cause of the reported complaint is determined to be on-going problem that could cause harm or adversely affect operations, we will immediately take corrective actions.
- c. If the complaint does not pose an immediate health risk, an employee should report the incident to their supervisor who will list important details of the incident in the complaint log.

### 4) Policies and Procedures for Operational Concerns

It is our mission to develop a company-wide policy of awareness, identification, documentation and reporting for all operational concerns. Management of operational concerns involves proper checks-and-balances at all levels of the operation and includes:

- a. System reviews and data collection
- b. Regular and comprehensive audits
- c. Customer surveys to detect issues
- d. Regular staff meetings to gather employee input

### 5) Policies and Procedures for Documentation

- a. All incidents and concerns must be documented.
- b. All departments must maintain an up-to-date incident log
- c. The Compliance Officer must be informed of all incidents.
- d. Each incident or concern must be tracked until a resolution has been achieved and documented by the CCO.

### 6) Policies and Procedures for Reporting

We will, within 10 calendar days, provide written notice to the Department of any incident described below, by submitting an incident report in the form and manner determined by the Department which details the circumstances of the event, any corrective actions taken, and confirmation that the appropriate regulatory bodies were notified.

We will maintain all documentation related to an incident that is reportable for no less than one year and make it available to the Department acting health authorities within their lawful jurisdiction upon request.

Our incident reporting policies and procedures require that all of the following incidents be appropriately managed and reported:

- (a) Discrepancies identified during inventory, diversion, theft, loss, and any criminal action involving the RMD or a dispensary agent
- (b) Any suspicious act involving the sale, cultivation, distribution, processing, or production of marijuana by any person
- (c) Unauthorized destruction of marijuana
- (d) Any loss or unauthorized alteration of records related to marijuana, registered qualifying patients, personal caregivers, or dispensary agents
- (e) An alarm activation or other event that requires response by public safety personnel
- (f) The failure of any security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last longer than eight hours
- (g) Any other breach of security.

#### 4) Corrective Actions

All incidents will fully documented and undergo a corrective actions assessment and implementation process under the supervision of the Executive Management Team, COO and BOD. We shall seek corrective action feedback from law enforcement, the Department or any governing regulatory body.

#### • *How marijuana should be destroyed if overproduced, contaminated, or recalled*

Our plan to dispose of damaged plants, products and medical marijuana waste is simple, secure and avoids diversion. 29 Del.C. Ch. 100 Freedom of Information Act

Our MJ Freeway's GrowTracker™ software maintains permanent records of all plants within the operation, including those that are destroyed. These records include measures to track the who, what, when, where, and why of any given destroyed plant, and reports may be run specifically to gather information about destroyed plants.

Using MJ Free Way software, we will provide tracking down to the gram of all of our waste, including damaged plants, products, medical marijuana waste of any kind, and extracts or tinctures that have reached their expiration date. Material to be disposed of will be segregated, stored, secured and managed in accordance with all state and local laws, rules and regulations, in our grow facility and then transferred to our composting facility, located in the same building, but with special access requirements. We will weigh, inventory, and account for, on video, all marijuana and extracts or tinctures to be destroyed.

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• *DCC's contractor experience with the marijuana industry that shows our level of expertise*

Our consultants including Seth Bock and MJ Freeway have unparalleled experience in the industry. While we hope to utilize them extensively, we realize the limitations imposed by the Act, particularly with regard to residency, and therefore we hope to have them as contractors to train our employees, and not actually agents. Once we are in operation we will not have them at the premises or perform work for the Compassion Center.

Please see attached resume of Seth Bock.

**Seth Harrison Bock, D.A.**

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**PROFESSIONAL EXPERIENCE**

**CEO/Founder**  
**Greenleaf Compassionate Care Center, Inc.**  
*2010 – Present*  
Portsmouth, RI

**CEO/Founder**  
**Blue Moon Consulting, LLC.**  
*2013 - Present*  
Portsmouth, RI

**Doctor of Acupuncture**  
**Owner**  
Newport Acupuncture and Wellness Spa, Inc.  
*2002- Present*  
Middletown, RI

**Staff Acupuncturist**  
All That Matters, Inc.  
*2008-2009*  
Wakefield, R.I.

**Credentialed Acupuncturist**  
Grand Islander  
*2007-Present*  
Middletown, R.I.

**Staff Acupuncturist**  
Newport Athletic Club  
*2005-2006*  
Middletown, R.I.

**Manager of Regulatory Affairs**  
**Interventional Cardiology**  
Brigham and Women's Hospital  
*2001-2002*  
Boston, M.A.

**Protocol Manager**

Brigham and Women's Hospital  
1999-2001  
Boston, M.A.

**Protocol Tracking Officer**  
Dana Farber Cancer Institute, Boston  
1996-1999

#### **EDUCATION**

**New England School of Acupuncture**  
Master of Acupuncture and Herbal Medicine

**UNIVERSITY OF MASSACHUSETTS**  
B.S. Biology – Premedical Program  
B.A. Geology

**LICENSURE**  
Doctor of Acupuncture  
Rhode Island

#### **PRESENTATIONS**

Bock, Seth (October 2013) Medical Marijuana, Conference presentation, Hospice and Palliative Care Federation of Massachusetts

Bock, Seth (2013) Medical Marijuana in Rhode Island, Visiting Nurses Association of Newport County

Bock, Seth (2012) Medical Marijuana and Drug Policy, Panel Discussion with the Director of the Rhode Island Department of Health, Hosted by Students for Sensible Drug Policy, Brown University, Providence, RI

Bock, Seth (2012) Medical Marijuana in Rhode Island, Yearly physician lecture series, Newport Hospital

Bock, Seth (2011) Medical Marijuana for the Pharmacist, University of Rhode Island School of Pharmacy

Bock, Seth (2011) Medical Marijuana in Rhode Island, Holistic Health Series, Miriam Hospital, Pawtucket, RI

Bock, Seth (2006-2009) Chinese Medicine and Philosophy 101, Salve Regina University, Holistic Health Counseling

Bock, Seth (2007) Applying the principles of Chinese Medicine to Massage Therapy, Community College of Rhode Island, Massage Therapy Program

Bock, Seth (2006) Theories of Chinese Medicine and Tai Chi, Edward King House, Newport, RI

#### **BOARDS AND VOLUNTEERING**

##### **Advisory Board Member**

Community College of Rhode Island, Therapeutic Massage Program  
2008-Present  
Newport, R.I.

##### **Historic District Commissioner**

Newport, R.I.  
2005-2007

##### **Institutional Review Board Member**

New England School of Acupuncture  
2002-2004  
Newton, M.A.

##### **Complementary Therapies Task Force Member**

Dana-Farber Cancer Institute  
1997-1998  
Boston, M.A.

##### **President**

Students for Environmental Action  
Northeastern University  
1992-1993  
Boston, M.A.

#### **AWARDS**

##### **Best Alternative Healer**

2010, Newport Life Magazine

##### **Best Spa**

2010, Newport Mercury, Love Awards

**b. Description of DCC’s ability, capacity, skills and/or expertise in product quality standards and testing:**

ProVerde Laboratories, Inc., 101 Constitution Blvd., Suite D, Franklin, MA is the only medical marijuana analytical testing lab worldwide to utilize the next-generation UltraPerformance Convergence Chromatography (UPC2) technology. This allows us to provide results that are not only more accurate and reproducible than other technologies (i.e. Gas Chromatography) but also generates significantly less hazardous waste than traditional technologies (i.e. 100x – 500x times less than HPLC) by employing environmentally safe liquid CO2 in place of organic solvents. Additionally, this technology allows ProVerde Labs to process samples in a fraction of the time required by alternative technologies; in fact, up to 90% faster. ProVerde Labs is able to offer the fastest, most accurate, precise and reproducible results with the greenest technology available.

ProVerde Labs also provides consulting services from working with state with agencies in the development of testing standards to extraction science.

ProVerde and DCC are eager to work with the Division of Public Health to implement a laboratory similar to the one ProVerde has in Massachusetts. The following infrastructure and quality standards will be implemented by DCC.

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[Redacted text block consisting of multiple lines of greyed-out content]

ProVerde Laboratories is prepared to work with Compassion Centers to provide secured transportation of the samples between the center and the testing facility, fulfilling all security. It is recommended that a scientifically selected, 4-gram sample be collected from each pound of marijuana to ensure that the sample tested adequately represents the bulk material. Multiple sample collection strategies are available, in which (1) the analytical sample is collected at the center and transported to the testing laboratory for analysis or (2) the entire lot of cannabis is collected from the center and transported to the laboratory for testing and secure packaging. Under the second scenario, once a testing sample has been collected, the remainder of the product shall be sealed under inert atmosphere (nitrogen), in UV-opaque packaging materials to prevent any additional oxidative or UV-initiated product degradation, and given a unique identification number to enabling tracking of cannabis through the entire process. Once testing is complete, a certificate of analysis for that specific lot will be generated, with labels printed for packaging with clear identification of the lot number and testing results. All testing results will additionally maintained by the testing laboratory for future inspection or audit.

All analytical testing will be performed in a Good Laboratory Practice (GLP) environment, including a regimented protocol of instrument calibration and documentation, with all calibration and data measurements referenced to external calibration standards. ProVerde Laboratories follows these rigorous protocols while we are working towards certification under the ISO 17025 guidelines, with certification anticipated in January 2014.

To insure patient safety, any sample collected for testing must be statistically relevant to represent the bulk of the sample. Since harvest sizes will vary, so would vary the confidence level of any testing results reported. To insure a constant, reliable confidence level in any analytical testing, the lot size from which a sample is collected should be maintained constant. We feel that a testing ratio of one 4-gram sample tested per pound of cannabis represents an adequate confidence level that the sample is statistically representative of the specific lot tested, ensuring high confidence in patient safety.

## **G. LOCATION AND SECURITY OF COMPASSION CENTER**

This section should describe the details of the proposed location and facility of the compassion center, including all proposed security measures.

### **1. Location**

Include the following information regarding the proposed location for the compassion center and any other proposed location, if any, where marijuana will be securely cultivated, harvested, packaged, labeled, or otherwise prepared for distribution by the compassion center:

#### **a. The proposed physical address or addresses**

37 Germay Dr., Wilmington, DE 19804 (initial selected address, subject to substitution)

#### **b. Evidence of compliance with local zoning laws for each physical address**

The New Castle County Department of Land Use provided a letter confirming that the proposed use of operating a Compassion Center under the Delaware Medical Marijuana Act is permitted at the 37

Germary Drive location. The same criteria shall pertain to any substitute location. Please see the attached zoning determination letter:

*Zoning Determination Letter; attached hereto.*

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Thomas P. Gordon  
County Executive



Eileen P. Fogarty  
General Manager

Department of Land Use

April 1, 2014

**In reply, refer to:**  
**2014-0171-V**  
**2014-0172-V**  
**35 & 37 Germay Drive**

Delaware Compassionate Care, Inc.  
c/o Douglas Hershman, Esquire  
Bayard, P.A.

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P.O. Box 25130  
Wilmington, DE 19899

To Delaware Compassionate Care, Inc.:

The New Castle County Department of Land Use is in receipt of your request for a verification of zoning and use for tax parcel numbers 07-043.20-055 and 07-043.20-054, which are located at 35 and 37 Germay Drive, respectively, in Wilmington, Delaware.

A review of the Official Zoning Map of New Castle County indicates the subject parcels are zoned **I (Industrial)**, which **permits industrial uses, including cultivation, harvesting, labeling, and distribution of marijuana to registered patients under the Delaware Medical Marijuana Act**, pursuant to Table 40.03.110 and Section 40.33.270.D of the *New Castle County Code*. No variance decisions or open building or zoning code violations were found for the subject properties in a search of the County tax parcel information system.

A Record Minor Land Development Plan for Property of McAllen Associates (microfilm number 6443) was recorded in the Office of the Recorder of the Deeds for New Castle County on July 23, 1982. The approval and recordation of this plan indicate compliance with the subdivision and zoning code regulations in effect at that time. A copy of the recorded plan is enclosed for your information. Any new construction or changes in use to that shown on the record plans will require compliance with current UDC regulations.

A Final Land Development Plan for Germay Industrial Park Section Two (microfilm number 1142) was recorded in the Office of the Recorder of the Deeds for New Castle County on July 24, 1968. The approval and recordation of this plan indicate compliance with the subdivision and zoning code regulations in effect at that time. A copy of the recorded plan is enclosed for your information. Any new construction or changes in use to that shown on the record plans will require compliance with current UDC regulations.

87 Reads Way, New Castle, DE 19720

[www.nccdelu.org](http://www.nccdelu.org)

Phone: 302-395-5400 Fax: 302-395-5587

Please be advised that this letter only verifies whether the type of use that exists or is proposed on the site – to the extent you described it in your zoning verification application – is permitted, not permitted, or permitted under limited circumstances in the zoning district. **This letter is not a permit and does not offer any guarantee that any other required plans, applications, certifications, or variances for your project will be approved.**

If your project involves an expansion of the existing use, a change of use, alterations to the building or site, demolition, or new construction, one or more permits may be needed before you can initiate the use. The following is a summary of Department of Land Use permits, certificates, and plans that may be required for your project:

Any new use or change of use in an existing building may require:

1. **Limited Use Permit.** If the existing or proposed use is identified as a “limited use” on the first page of this letter you will need to apply for a Limited Use Permit. This application must be accompanied by a site plan, or other supporting documentation, demonstrating that the special standards for that use are met. Refer to Articles 3 and 31 of the Unified Development Code for additional information.
2. **Certificate of Use.** To either institute a new use, or expand an existing use, in an existing building you must obtain a Certificate of Use. The Department will determine whether the building meets the BOCA Code (building code) and parking requirements for such use. Refer to Chapter 6, Article 2 of the *New Castle County Code (Building and Property Regulations)* for additional information.

Any new construction, or alteration or expansion of existing buildings and features on the site may require:

1. **Major or Minor Land Development Plan.** If your project will subdivide land or add more than 1,000 square feet of gross floor area, you must submit a major or minor land development plan. The plan will be reviewed for compliance with the land development criteria outlined in the Unified Development Code. During review of the plan, the Department may hold public hearings and may identify other applications, plans, studies, or permits that need to be submitted before development can commence. Refer to Article 31 of the Unified Development Code for general requirements.
2. **Parking Plan.** If your project requires installation, expansion, or reconfiguration of a parking lot, you will need to submit a parking plan. Refer to Articles 3 and 31 of the Unified Development Code for general requirements.
3. **Building Permit / Demolition Permit / Sign Permit.** If your project will involve altering or enlarging a building (including mechanical systems), demolishing all or part of a building, or installing new signs, you must obtain permits for those activities. During the review of these applications, the Department may identify other applications, plans, studies, or permits that need to be submitted before development can commence. Before the new or improved building can be inhabited, a **Certificate of Occupancy** must be secured from the Department. Refer to Chapter 6, Article 2 of the *New Castle County Code (Building and Property Regulations)* for additional information.

This summary of Department of Land Use permit applications is intended only for general informational purposes and is not intended to be inclusive of the comprehensive requirements contained in the *New Castle County Code*. Please be advised that some of the review processes described above may also require recommendations or decisions from County boards (Planning Board, Historic Review Board, Board of Adjustment, and Resource Protection Area Technical Advisory Committee) or outside agencies. New Castle County must abide by regulations imposed on it by a variety of State and Federal agencies. Accordingly, any of the County permits described above may be subject to additional review processes that address environmental concerns; resource protection; public health, safety, and welfare; and a variety of other issues. In some cases, landowners may need to address the requirements of those agencies independently.

Landowners contemplating a change of use, future development, or alterations to buildings and land are encouraged to engage the services of an engineer, land surveyor, and/or attorney for advice on any physical constraints that may limit development of the property, and guidance on what permits may be needed to commence a new use or development.

General questions regarding the plan review process; building, demolition, and sign permits; and Certificates of Use/Occupancy, can be answered by the Department at 395-5400. Thank you for your attention to this matter.

Sincerely,

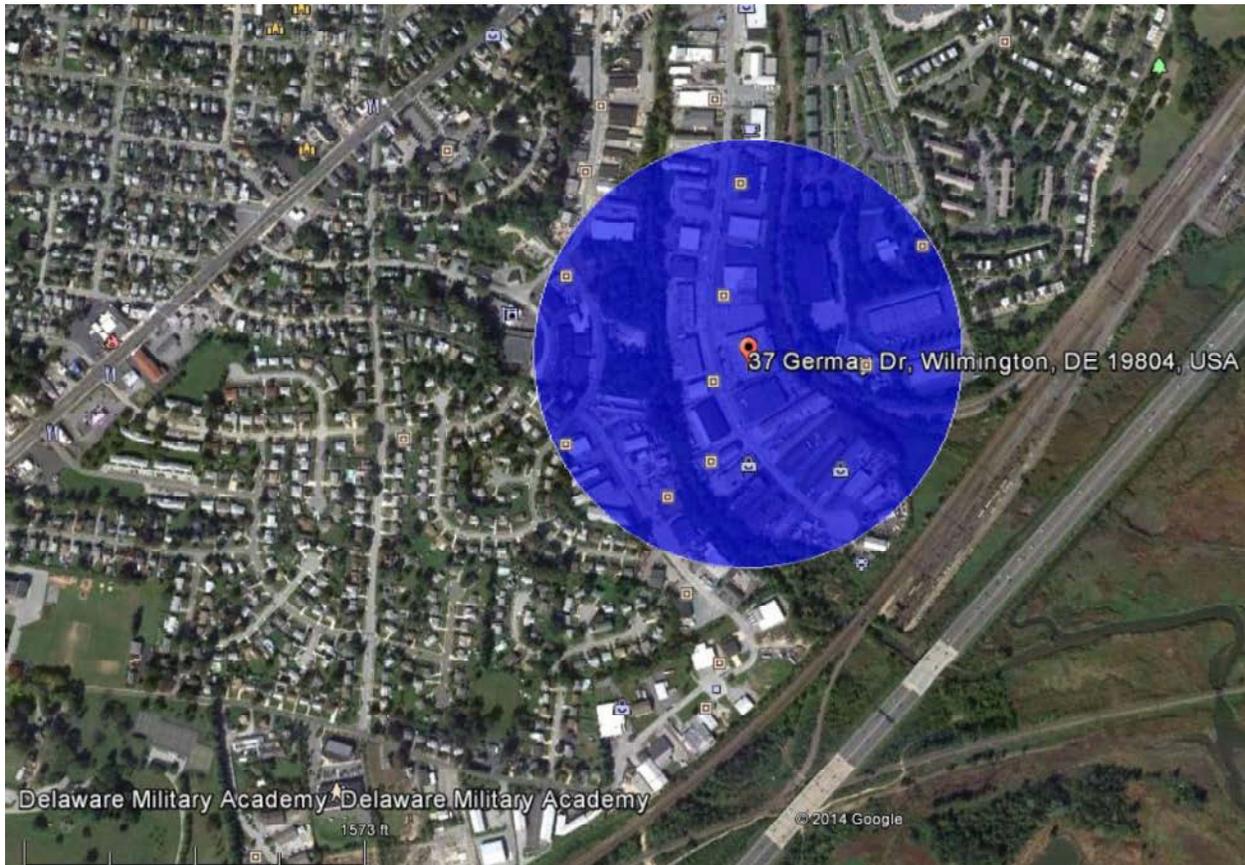
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Anna Cava Grosso  
Planner I

**c. Evidence of compliance that the sites are not located within 1,000 feet of a property line of a preexisting public or private school**

In the following map, the blue circle represents a 1,000 foot radius from the proposed location of 37 Germay Dr. The closest school, Delaware Military Academy, is over 2,000 feet away.



**d. Legally binding evidence of site control (e.g., deed, lease, option, etc.) sufficient to enable the applicant to have use and possession of the subject property for the intended purpose**

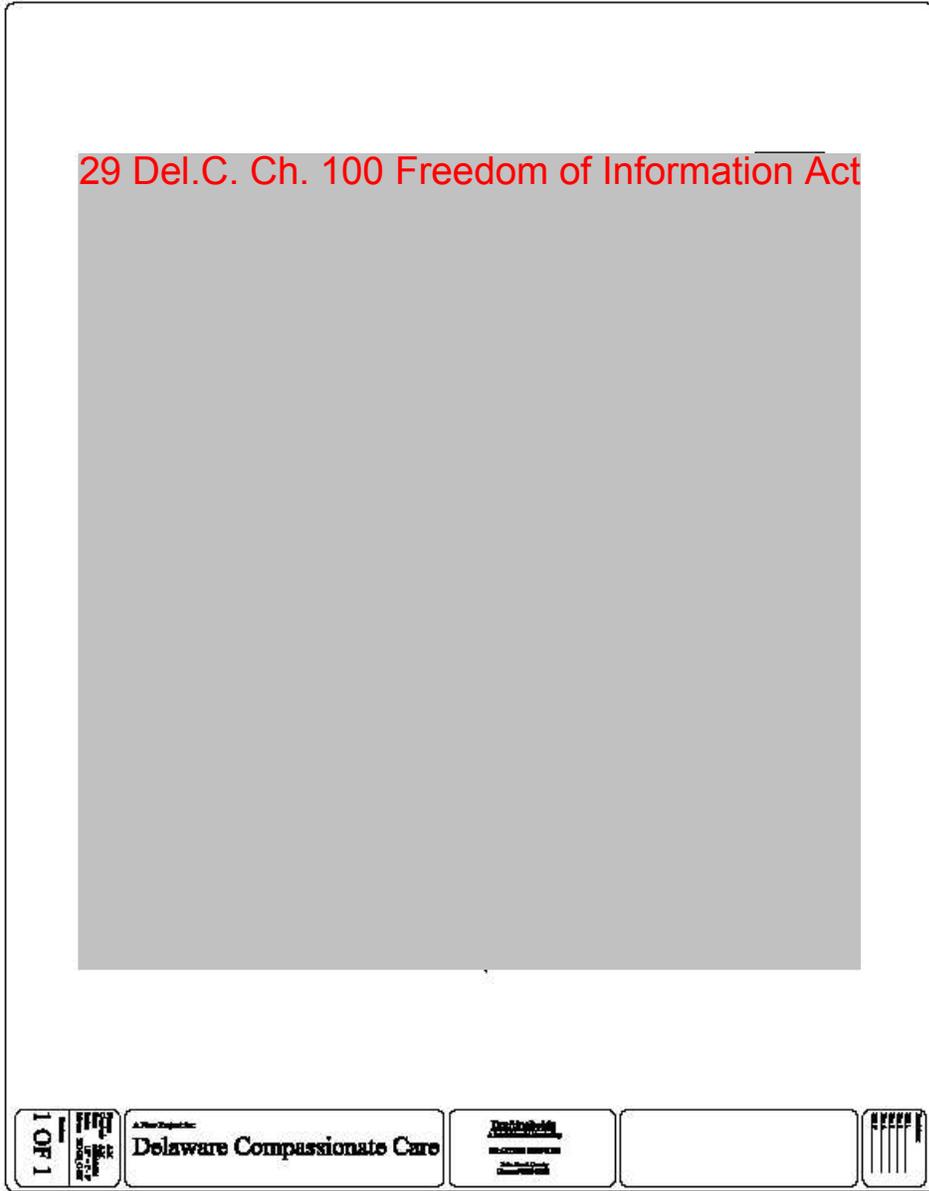
Please see cover letter for a description of the status of the Germay property.

**2. Facility description and proposed security**

**a. Description of enclosed locked facility that will be used in the cultivation of marijuana, including steps to ensure that the marijuana production, packaging, labeling, or distribution shall not be visible from the street or other public area**

The Germay property will be a single tenant facility. Windows that view production, packaging, labeling or distribution will be blocked with exterior plantings and interior elements that are elegant, but nonetheless do not allow the view of any marijuana related activities from the exterior of the building.

The Germay property is in an industrial park that has its own security and is virtually crime free. Please see the attached floor plan.

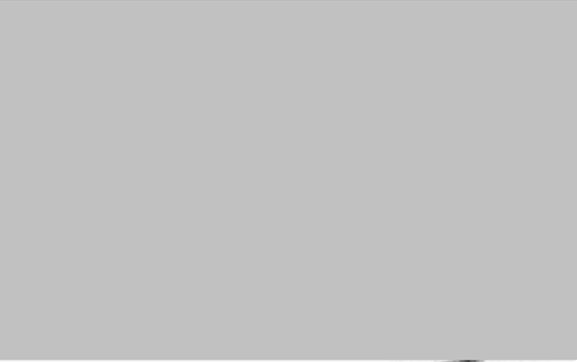




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37 GERMAY DRIVE  
GERMAY INDUSTRIAL PARK  
WILMINGTON, DE 19804

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**Industrial  
Building for  
Sale or Lease**

**37 Germay Drive, Germay Industrial Park  
Wilmington, DE (outside city limits)**

**Contact:**

Anthony Medori

Broker/Associate

White Realty

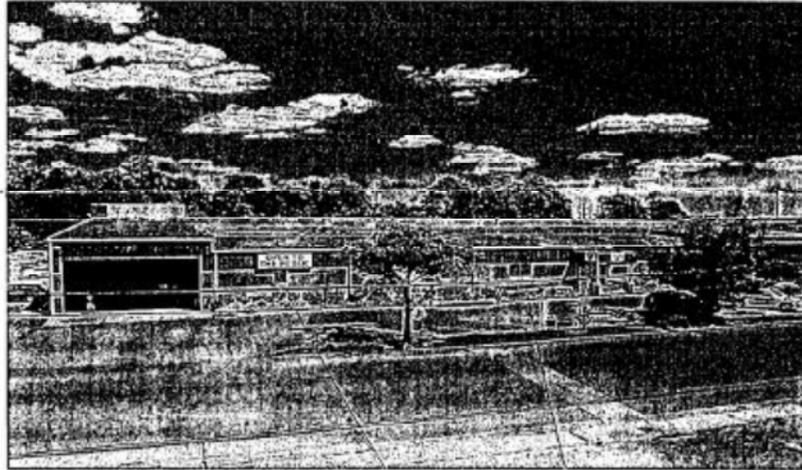
302.218.2053 (M)

302.658.6681  
X204 (W)

303.658.1434  
(F)

amedori@whiterealty.  
associates.com

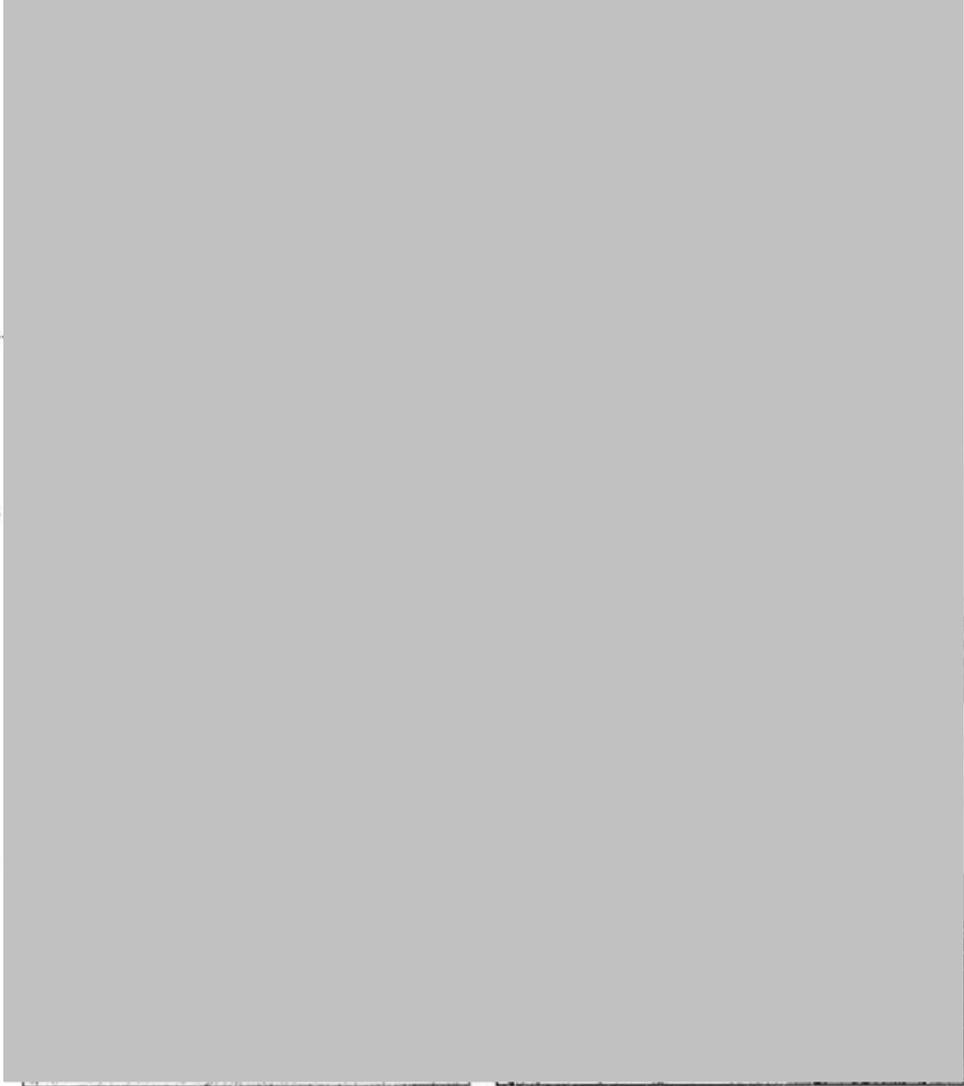
3704 Kennett Pike  
Suite 200  
Greenville, DE 19807



- ⇒ Ideal location on Germay Dr. just off Maryland Ave.
- ⇒ Outside city limits
- ⇒ Close to I 95, Rt. 141, Riverfront District
- ⇒ 45,070 s/f +/- showroom/warehouse facility
- ⇒ Situated on two (2) parcels 2.25 acres
- ⇒ 10,000 s/f +/- of showroom area
- ⇒ 3,000 s/f of office area
- ⇒ 32,070 s/f +/- warehouse
- ⇒ 16' to 18' ceiling height
- ⇒ 3 enclosed tailgate dock doors
- ⇒ 1 enclosed drive in door
- ⇒ 75 plus car parking lot
- ⇒ Ideal for a showroom/distribution with retail/wholesale component
- ⇒ Price: 29 Del.C. Ch. 100 Freedom of Information Act
- ⇒ Lease Rate: 29 Del.C. Ch. 100 Freedom of Information Act



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37 Germay Drive, Germay Industrial Park, Wilmington, DE 19804

Tony Medori White Realty Associates 302.218.2053



37 Germay Drive, Germay Industrial Park  
Wilmington, DE 19804

DATA SHEET

Roof: New membrane roof installed +/- 2005.

Ceiling Height: 16'-6" to 18'-6"

Loading Facilities: Two (2) enclosed rollup loading docks 12' (W) x 10' (H)  
One (1) enclosed rollup drive in door 12' (W) x 10' (H)  
Main exterior overhead doors 26' (W) x 18' (H)

Parking: Seventy Five (75) spaces on site

Restrooms: Two (2) restrooms in showroom area  
One (1) restroom with shower in warehouse  
Two (2) restrooms in office building

Sprinkler: Wet sprinkler system

Electrical: 400 AMP main service

HVAC Showroom: Three (3) central gas fired HVAC systems for the showroom area

Heat Warehouse: Ceiling hung natural gas forced hot air units

Lighting: Fluorescent light fixtures throughout

Water/Sewer: Artesian Water/New Castle County

Property Taxes: 35 Germay Drive \$778.21  
37 Germay Drive \$22,941.94

Anthony M. Medori, Broker  
White Realty Associates  
3704 Kennett Pike, Suite 200  
Greenville, DE 19807

Phone: 302.658.6681 x 204  
Mobile 302.218.2051  
E-mail:  
tmedori@whiterealtyassociates.com



**b. Proposed plan to implement proper and appropriate security and safety measures to deter and prevent the unauthorized entrance into areas containing marijuana and the theft of marijuana. The proposed plan should demonstrate compliance with the mandates in the Scope of Services of this RFP, the Act and the regulations. This should include the proposed alarm system, video surveillance, and inventory controls**

DCC will go to great lengths to protect the confidentiality of our security measures, such as combination numbers, passwords, and electronic lock activators, against threats from unauthorized personnel.

DCC's Security Policies and Procedures provide detailed instructions for notifying appropriate law enforcement authorities and the Department within 24 hours after discovering incidents involving material inventory discrepancies, compromises to the facility's security equipment, threats and acts of violence and security-related incidents such as theft, loss, vandalism, malicious or unauthorized use of company equipment or facilities, and allegations of employee misconduct.

Within ten calendar days of an incident, as noted above, DCC will submit an incident report detailing the circumstances of the event, any corrective actions taken, and confirmation that the appropriate law enforcement authorities were notified.

DCC will undertake an annual security system audit using a Department-approved vendor. The findings of this audit will be submitted to the Department no later than 30 days after the audit is conducted. We will also submit any necessary plans detailing how any findings will be mitigated within 10 business days of submitting the audit.

DCC will have 24 hour on-site security personnel at the location.

The registered compassion center shall implement appropriate security and safety measures to deter and prevent the theft of marijuana and unauthorized entrance into areas containing marijuana. Such measures shall at least include the following:

***A. Exterior of compassion center premises***

i. Access from outside the premises shall be kept to a minimum and be well controlled

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[Redacted text block containing multiple lines of greyed-out content]

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ii. The outside perimeter of the premises will be well-lit

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iii. Entry into any area(s) where marijuana is held will be limited to authorized personnel only

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DCC will keep all locks and security equipment in good working order, via regular inspections and testing, not to exceed 30 calendar days from the previous inspection and test.

iv. Marijuana production, packaging, labeling, or distribution shall not be visible from the street or other public area.

DCC will make it impossible for anyone to see in production, packaging, labeling and distribution areas of the building.

**B. Alarm System**

The compassion center shall have a fully operational security alarm system at each authorized physical address that will provide suitable protection against theft and diversion. The system shall include, at a minimum:

- i. Immediate automatic or electronic notification to alert local or municipal law enforcement agencies to an unauthorized breach of security at the compassion center or at any other authorized physical address

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[Redacted]

DCC’s Security Policies and Procedures provide detailed instructions for securing all product following any instance of diversion, theft, or loss of marijuana, and for conducting an assessment to determine whether additional safeguards are necessary. These instructions mandate close coordination with local law enforcement and the Department.

- ii. Immediate automatic or electronic notification to alert local or municipal public safety personnel of a loss of electrical support backup system

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[Redacted]

- iii. When appropriate, the security system shall provide protections against theft or diversion that is facilitated or hidden by tampering with computers or electronic records

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**C. Video Surveillance**

The compassion center shall provide an appropriate video surveillance system that includes the following areas and access to recorded surveillance:

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i. Video surveillance should record access areas, customer service areas, growing areas, and anywhere the marijuana is handled, to include processing and packaging areas

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ii. Video footage will be digitally recorded

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iii. The compassion center shall provide the Department with access to the video footage (live and recorded) 24-hours a day, seven days a week through a secure internet connection

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#### *D. Inventory Controls*

##### *i. Total Allowed Quantity*

The registered compassion center shall possess no more than 150 marijuana plants, irrespective of the stage of growth and shall possess no more than 1,500 ounces of usable marijuana regardless of formulation. These total amounts would be applied to the complete compassion center operations, even if the Department authorizes a separate physical address for the cultivation of the drug.

As discussed, our MJ Freeway software will be used to monitor plant numbers and alert in the event that the 150 number of plants is exceeded. Additionally it will monitor total usable marijuana and will likewise alert if the amount exceeds 1,500 ounces. Those event will be memorialized and stored in secure records and available to the Department. Additionally, via our disposal protocol, DCC will dispose of any excess immediately.

##### *ii. Bar Coding Inventory*

The compassion center shall employ a bar coding inventory control system to track batch, strain and amounts of marijuana from each plant to include patients' card registration numbers to whom it was dispensed, dates of harvest, storage, and packaging of usable product. All harvested usable marijuana should be traceable to a specific plant. Every plant should have an accountability of how much marijuana it produced and the end result of that production (distributed to specific patient, stored in retail area, used for testing, destroyed, etc.).

(a) MJ Freeway® shall contribute to safe and efficient labeling and distribution of marijuana by issuing barcodes, package labels, patient labels, and record keeping of all transactions.

(b) MJ Freeway® shall represent a key component of the compassion center's inventory accountability through its patented inventory tracking functionality. Every gram of every plant can be accounted for including waste, trim, finished product, or test product. The system maintains a clear and documented chain of custody from seed to sale of every gram of every plant. MJ Freeway shall serve as the compassion center's primary software system for inventory management.

##### *iii. Storage of Marijuana*

A compassion center shall ensure that usable marijuana is stored in a locked area with adequate security.

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[Redacted text block containing multiple lines of obscured content]

At a minimum, security should be assessed, established and maintained based on:

(a) The quantity of usable marijuana that will be kept on hand at each authorized location;

As the patient population increases and sales records increase, the amount of medicine that will be available in the dispensary, versus the vault, processing or packaging area will change. DCC will attempt to track these numbers to have the minimum amount of medicine outside of the vault or other secured areas of the facility at all times. 29 Del.C. Ch. 100 Freedom of Information Act

[REDACTED]

(b) The compassion center's inventory system for tracking and dispensing usable marijuana;

Previously discussed.

(c) The number of principal officers, board members, agents, volunteers or employees who have or could have access to the usable marijuana;

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[REDACTED]

(d) The geographic location of the compassion center (i.e.: high-crime or low-crime area);

Germay Park is already a highly secured area. Nonetheless we will not rely on security of other areas of the park, but will implement the rigorous security measures discussed throughout this section.

(e) The scope and sustainability of the security system; and

Previously addressed.

(f) The root-cause analysis of any breach of security and/or inventory discrepancy for usable marijuana at that location.

DCC has a letter of intent from a security provider that has identified certain equipment to be used, as attached:

# *Delaware Electric Signal Company*

145 S. New St. • Dover, Delaware 19904 • Phone: (302) 674-2600 / 1-800-252-7670 / Fax: 734-4878

April 3, 2014

Mr. A. Judson Bennett  
PO Box 615  
Lewes, DE 19958

In Re: 37 Germay Drive,  
Germay Industrial Park  
Wilmington, DE 19804

Dear Mr. Bennett:

As a result of our discussion concerning the medical marijuana building in Wilmington, DE, I have prepared the following outline for security:

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- 4) The building must meet current fire alarm codes to meet the requirements for your specific occupancy.

As specifications are developed by the owner and the State of Delaware, equipment types and quantities can be adjusted. Enclosed are specification sheets on some of the equipment we could possibly use.

A budget figure of \$<sup>29 Del.C. Ch. 100 Freedom</sup> would be a starting point, however, due to the size and complexity of the facility, and the lack of specific specifications on equipment and placement, this figure could change dramatically.

Sincerely,

29 Del.C. Ch. 100 Freedom of Information Act

Anthony J. Abbate  
President

AJA

Enclosures

cc: Jeffrey Siskind

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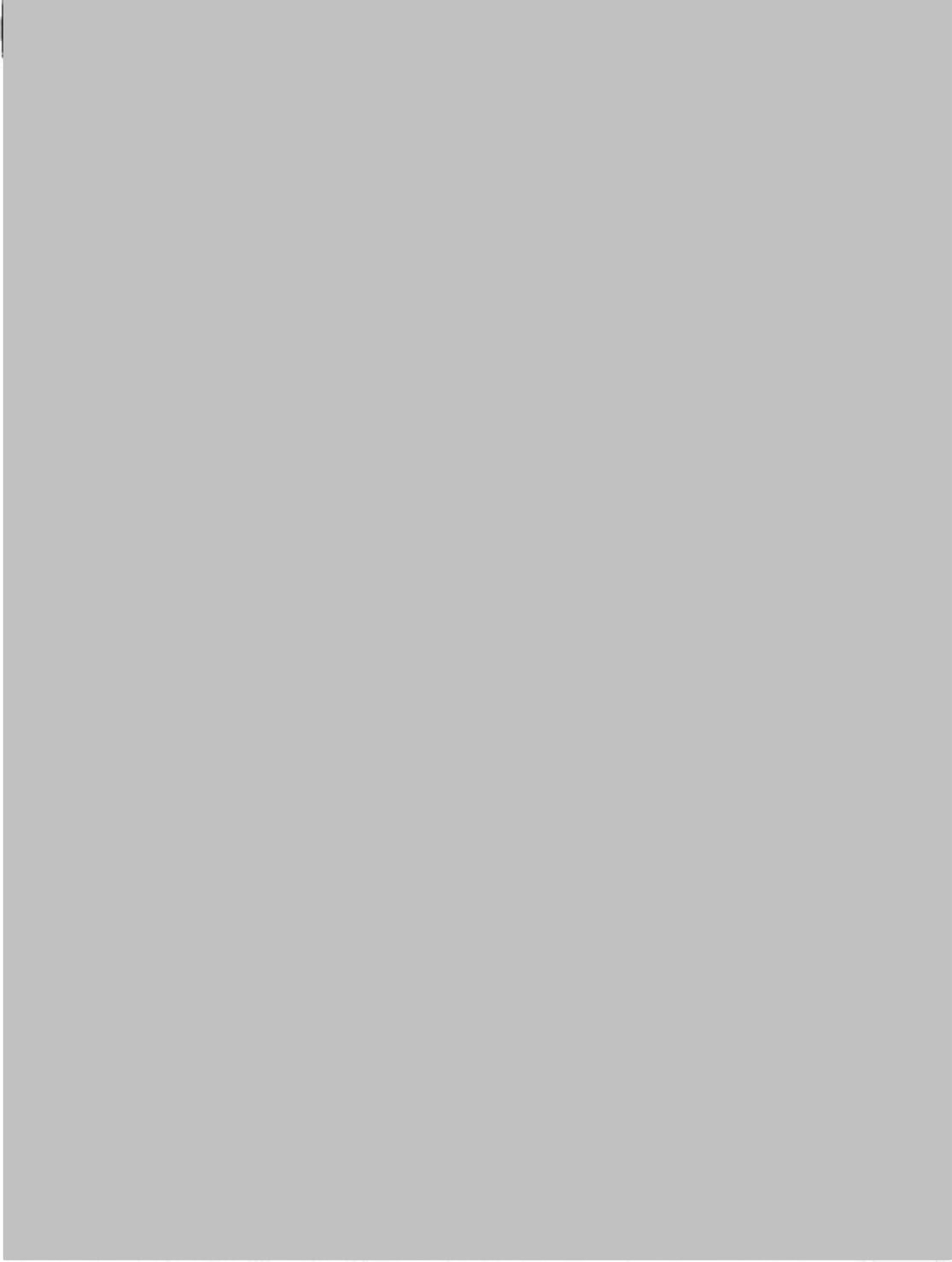
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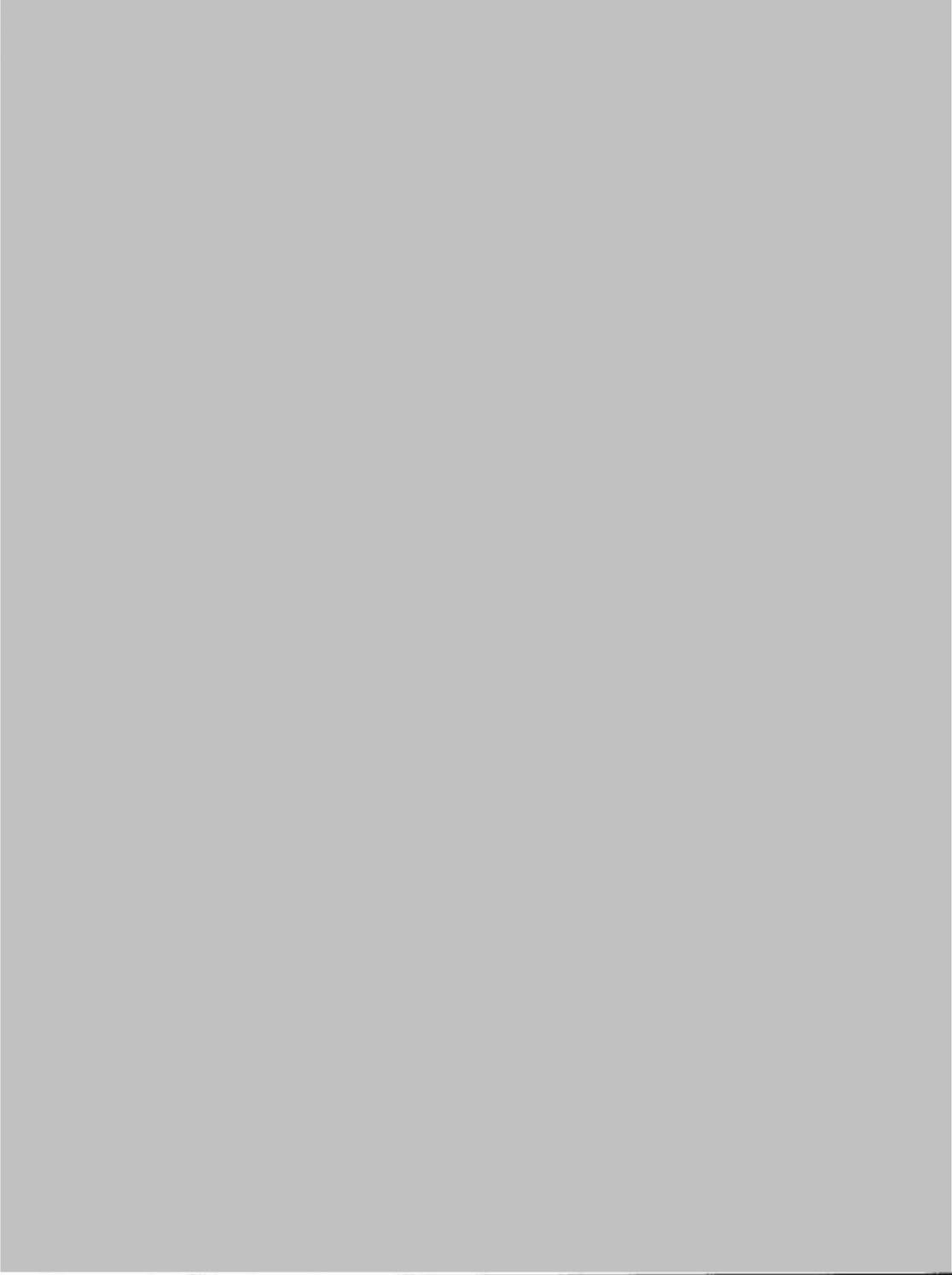
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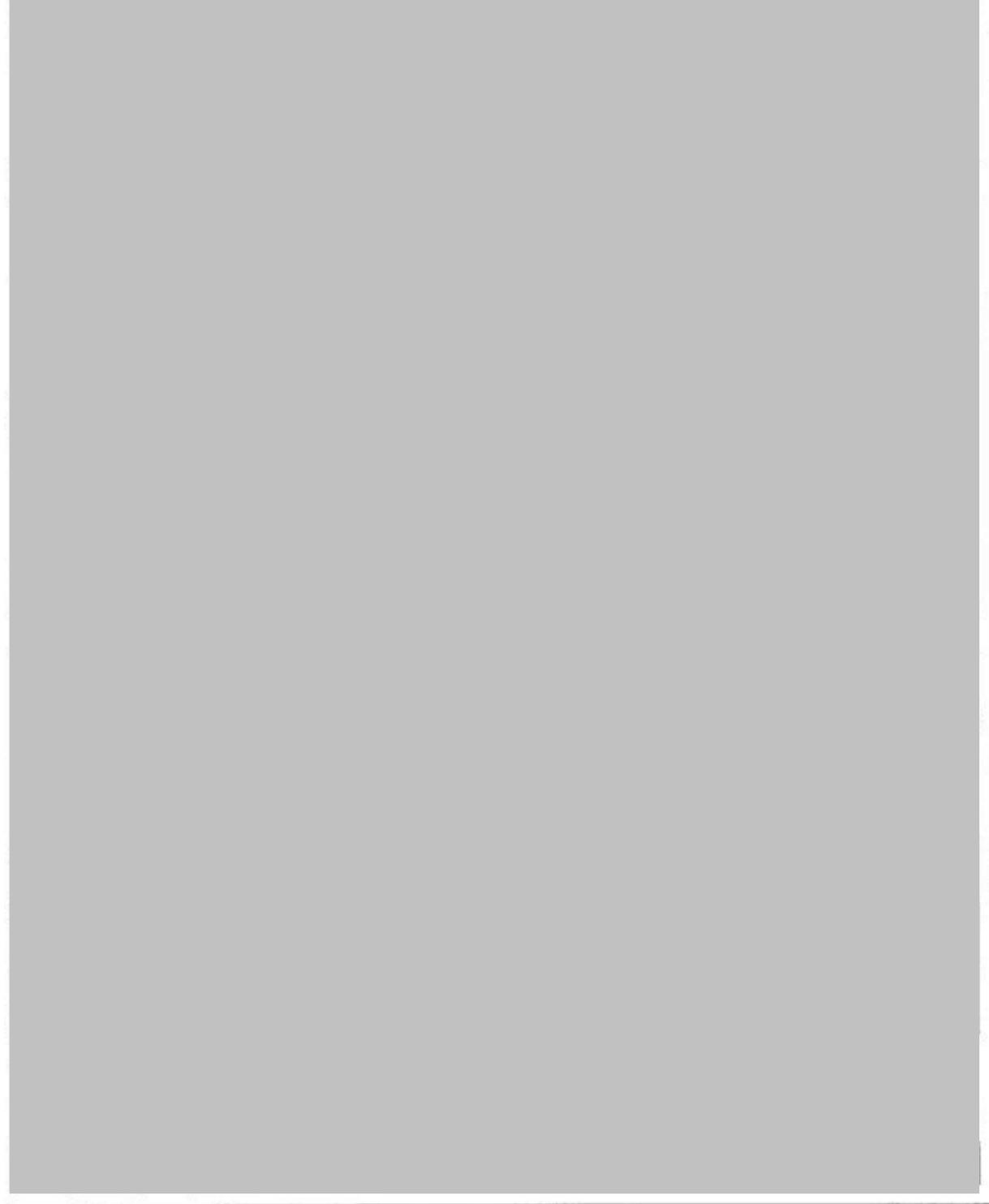
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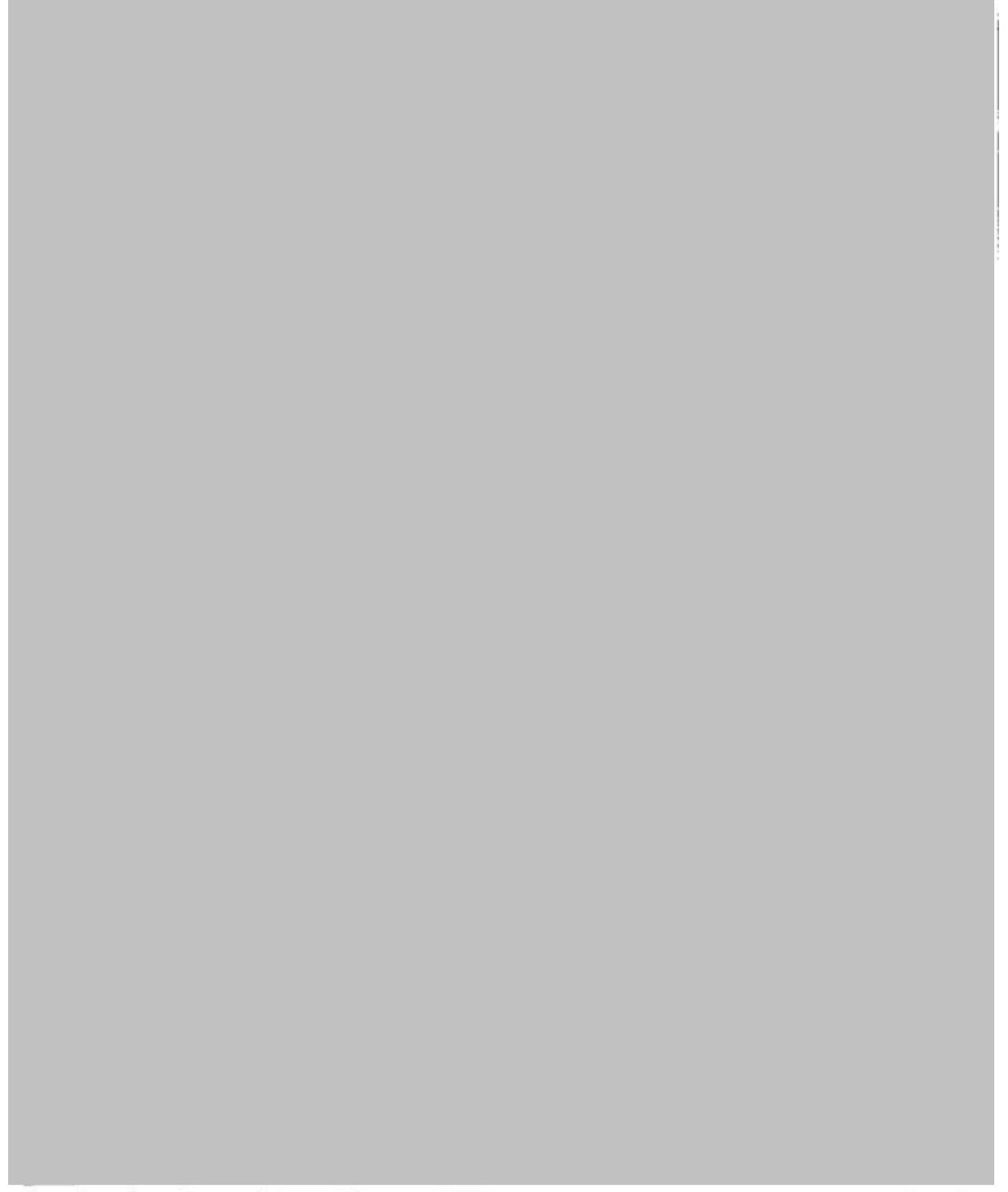
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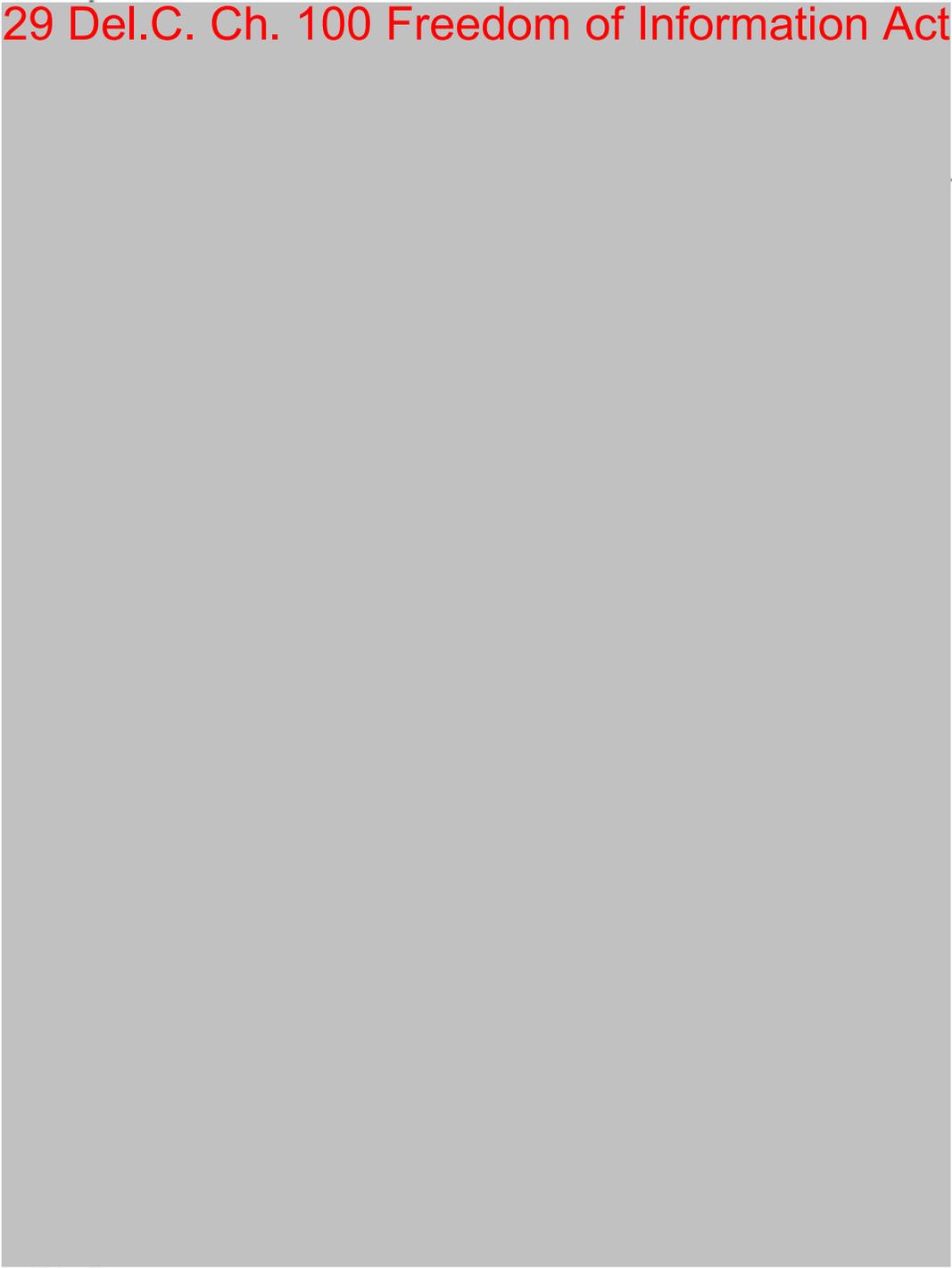
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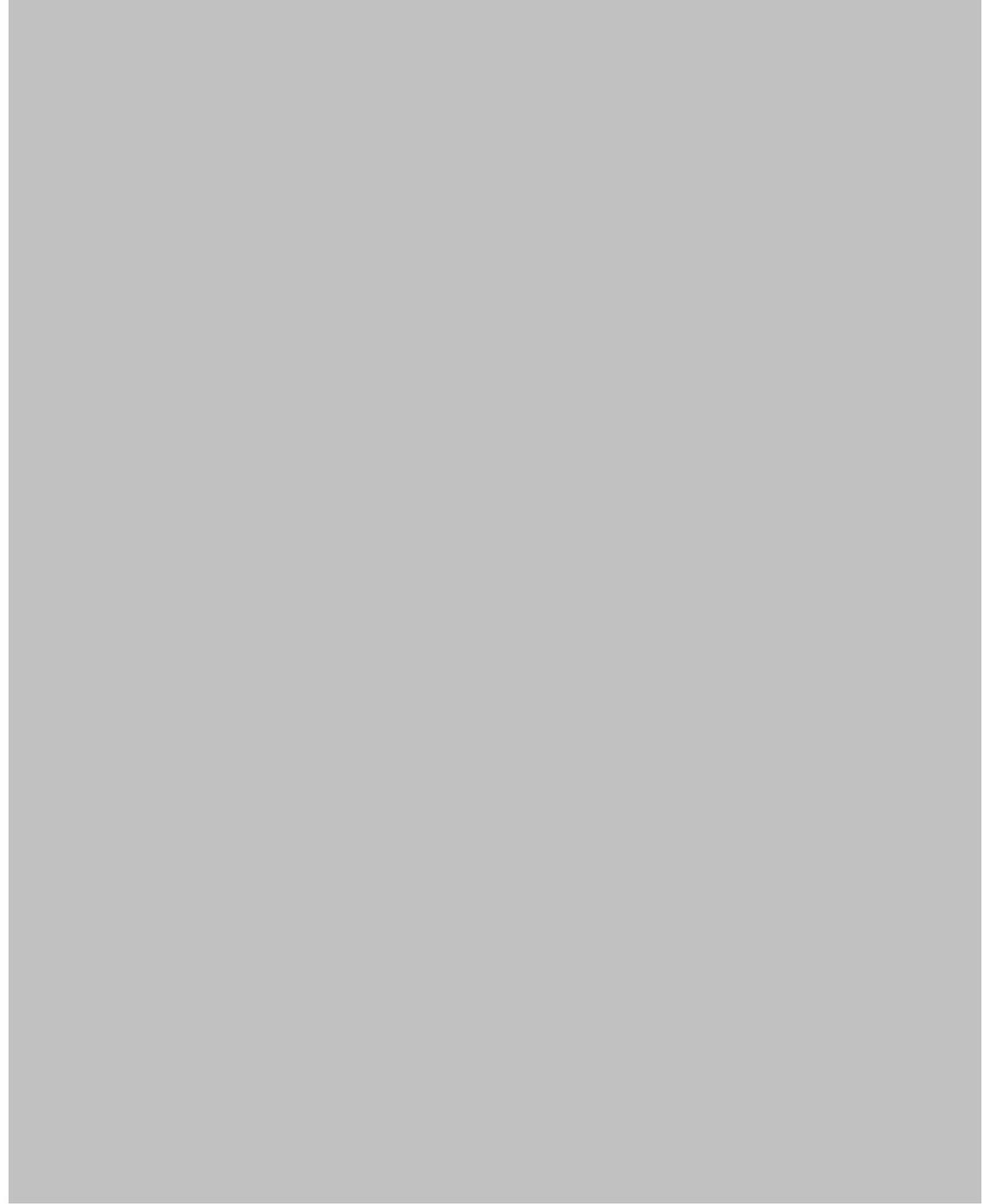


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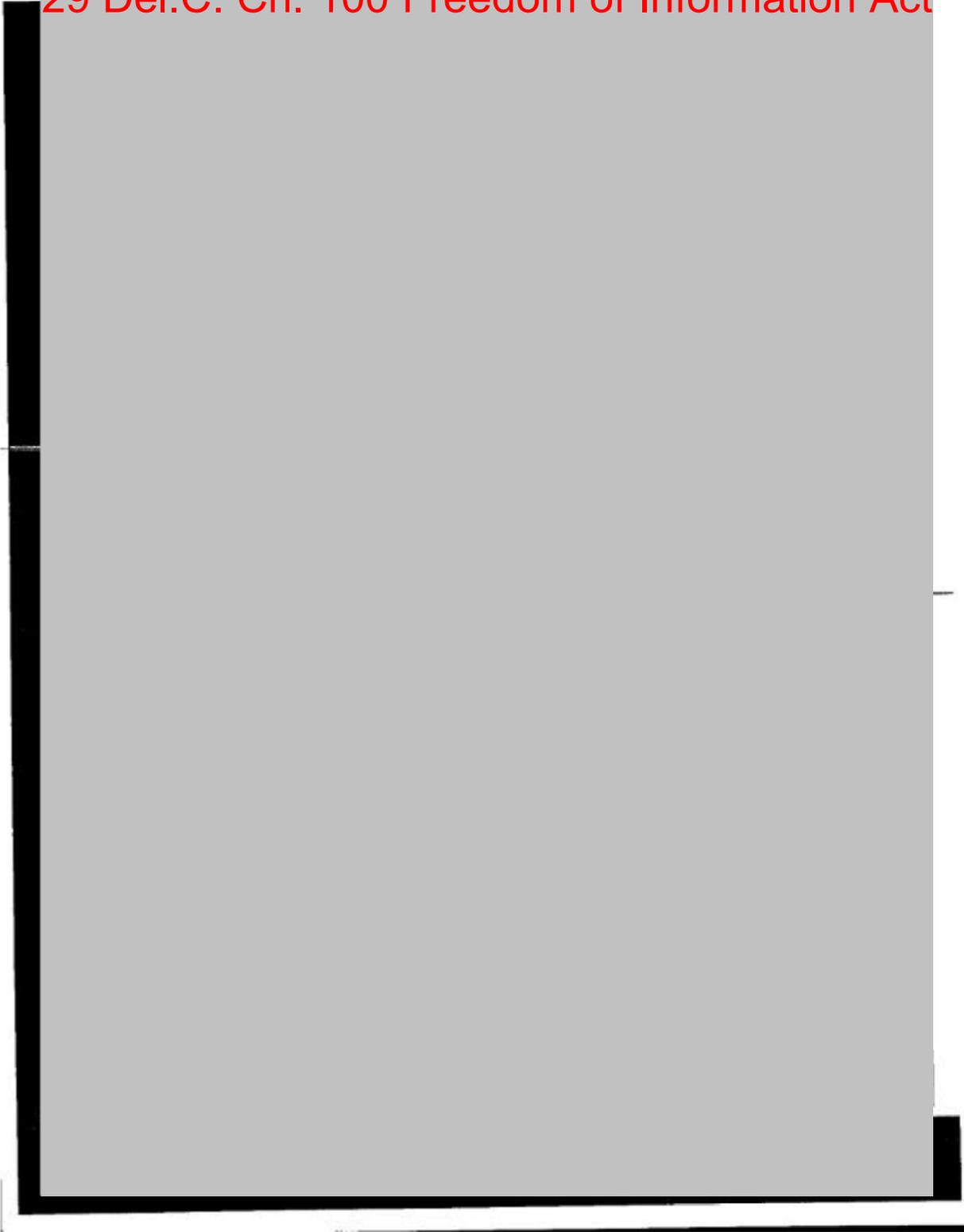
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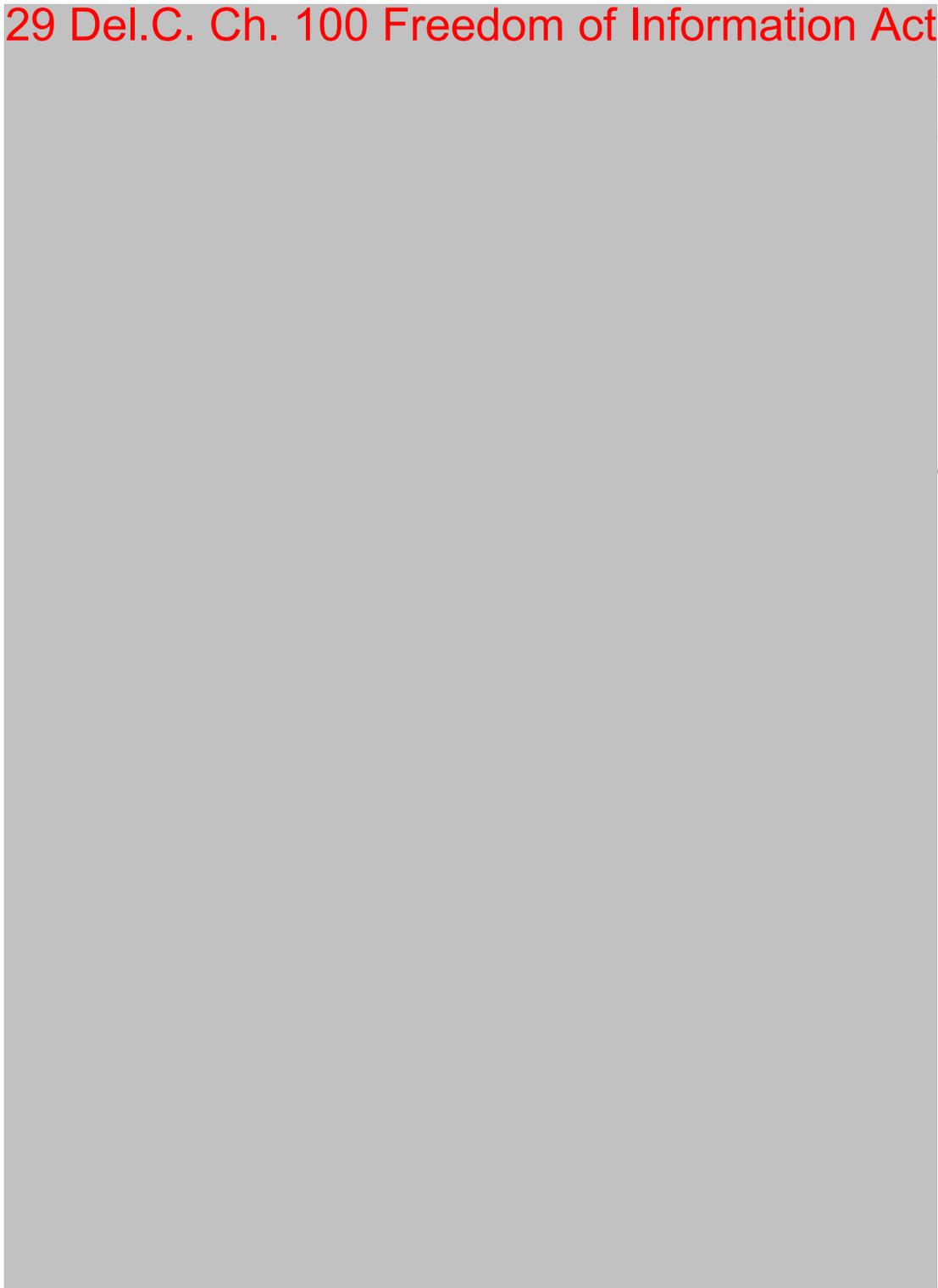
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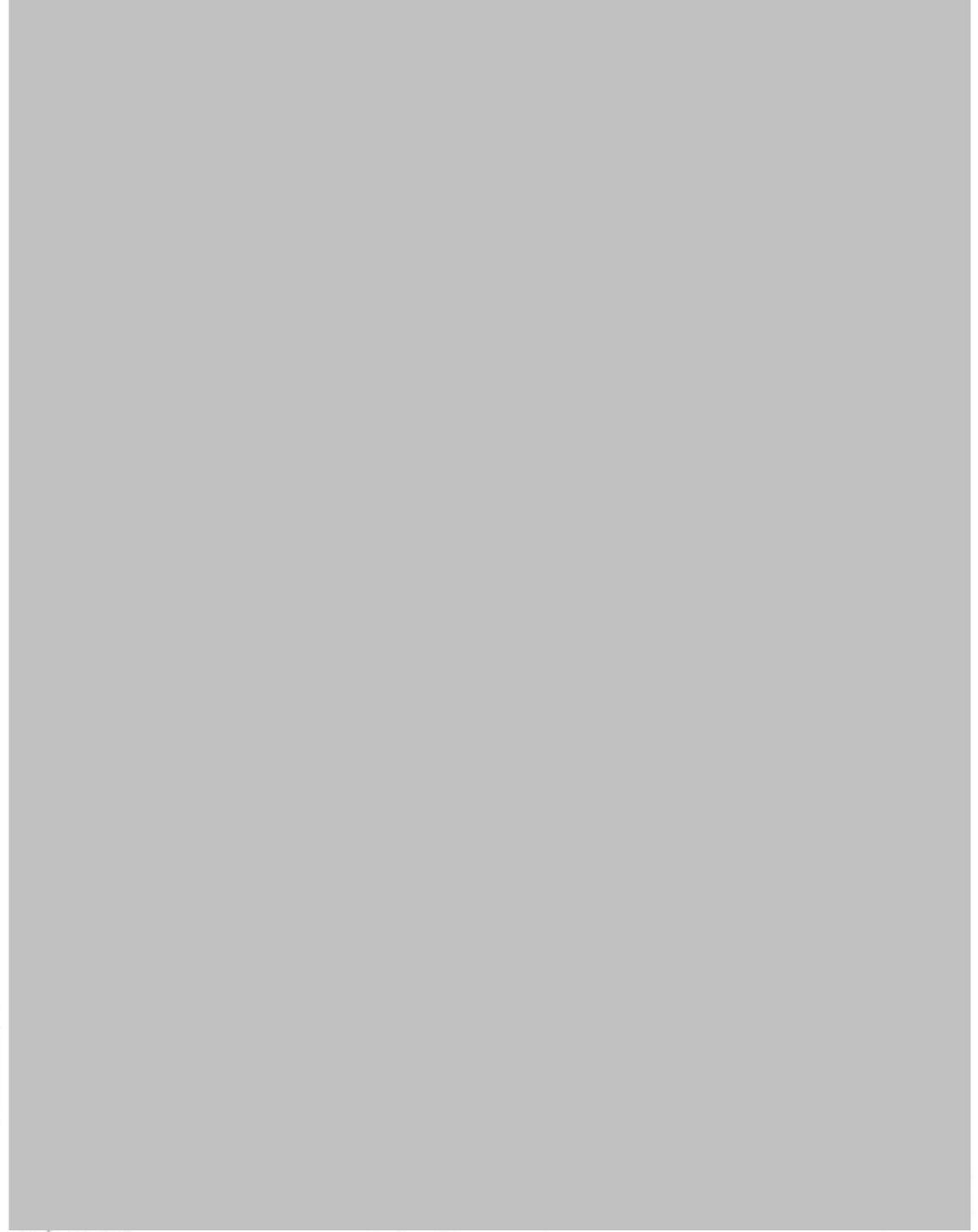
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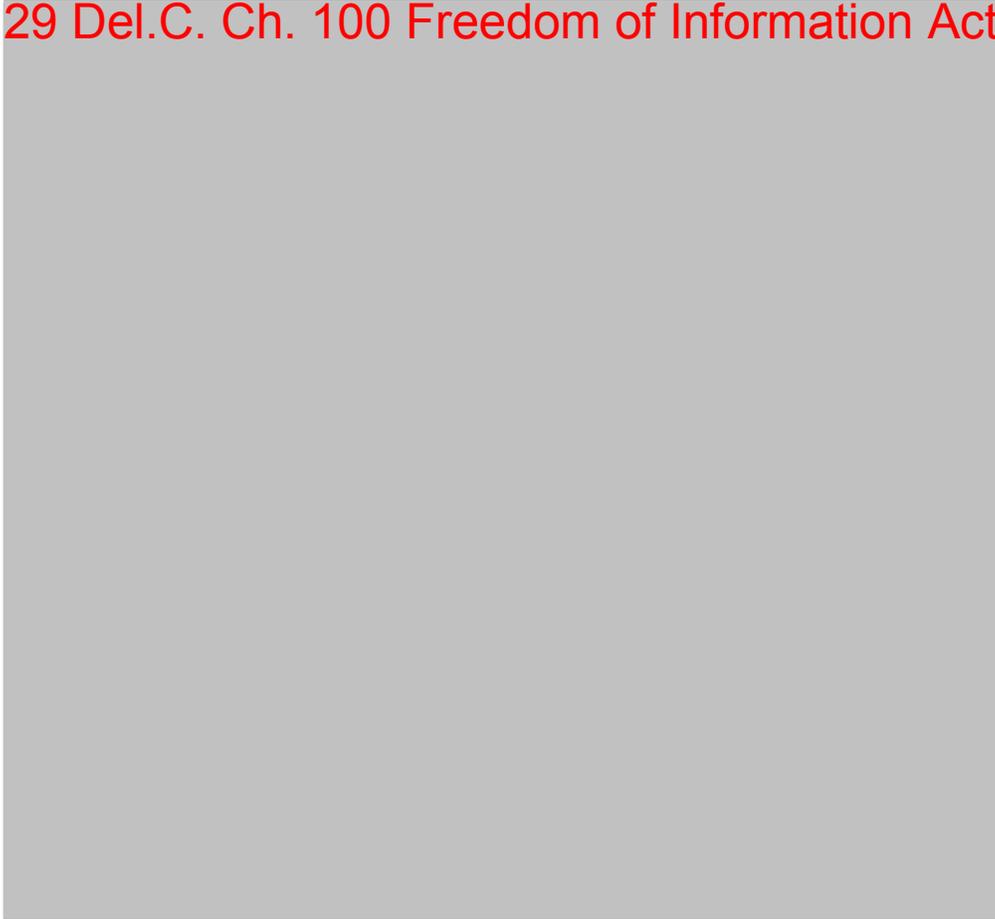
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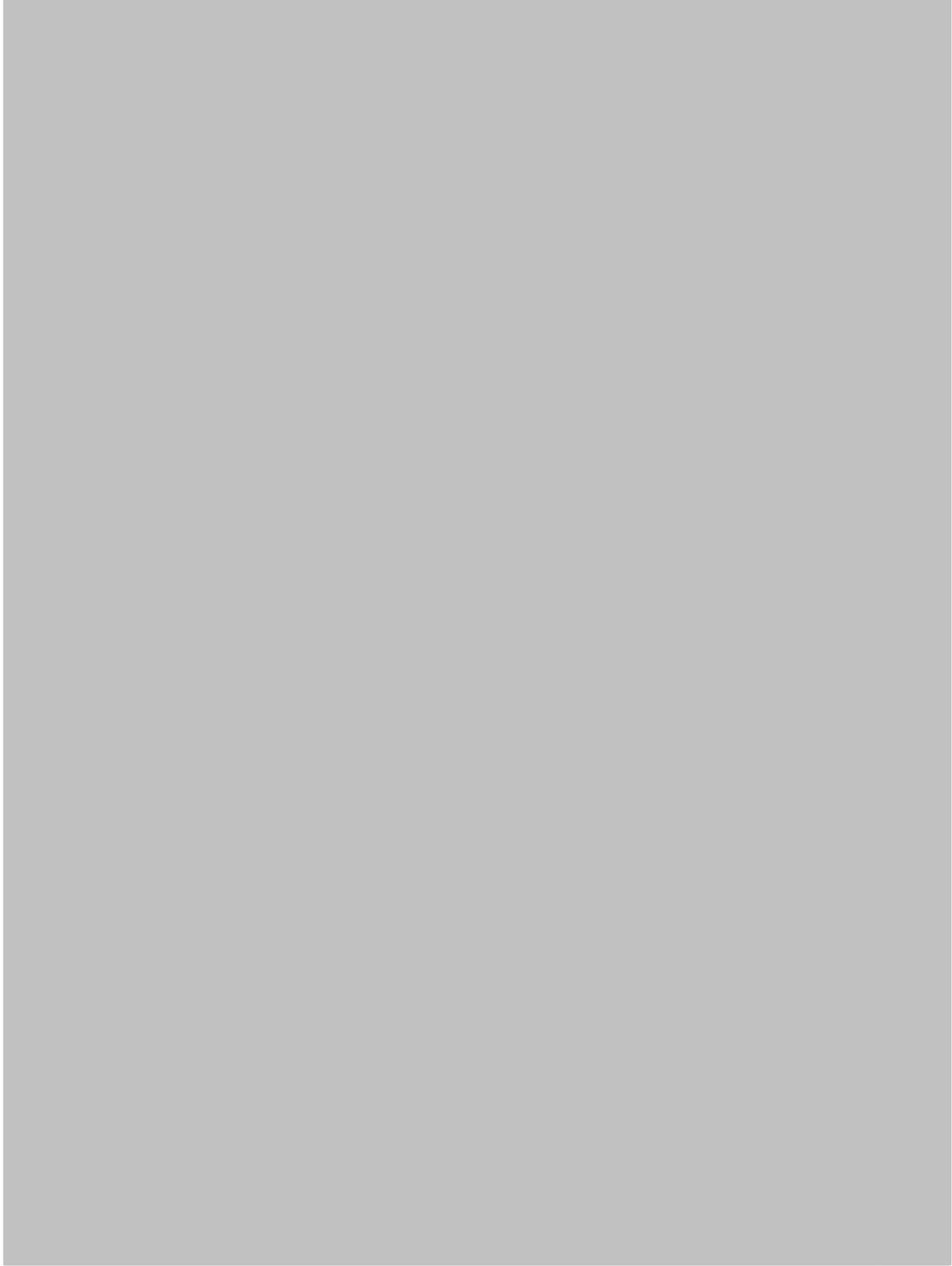
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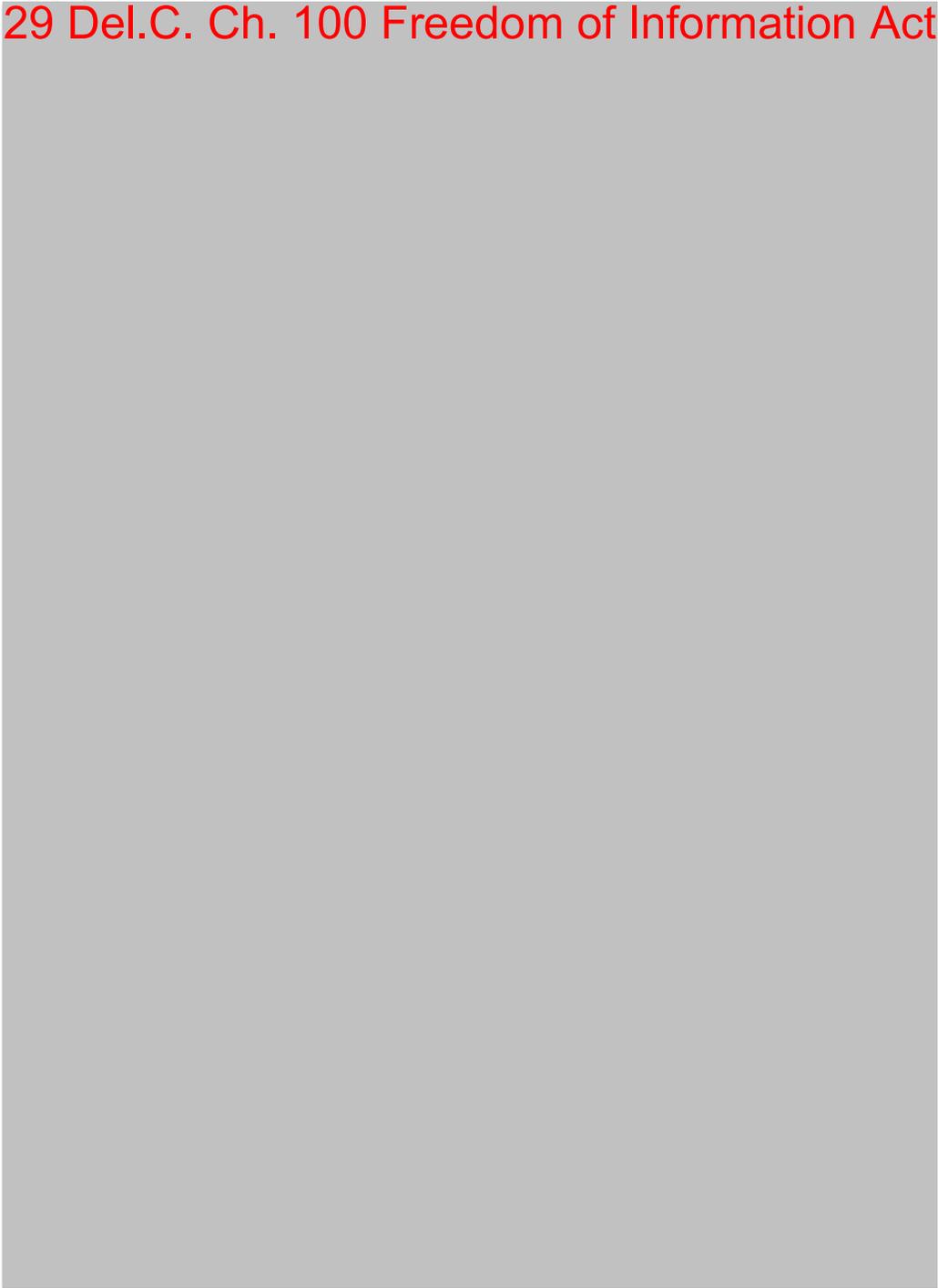
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## H. BIDDER REFERENCES

Names and phone numbers of organizations/agencies for whom the vendor carried out a similar project or, if no similar project has been conducted, others requiring comparable skills can be used.

Bidder shall list all contracts awarded to it or its predecessor firm(s).

There are no responsive contracts or references for this section.

## I. PROPOSED METHODOLOGY AND WORK PLAN

This section describes in detail the approach that will be taken to carry out the activities described in the Scope of Services section of this RFP, including specific completion dates for various tasks. The work plan shall outline specific objectives, activities and strategies, and resources.

### 1. Products and Services provided

(Shall be complete 15 days prior to doors opening to serve patients.)

This section lists proposed products and services that will be offered by the compassion center to registered and impaneled patients.

*This should contain details of the varieties of marijuana that will be offered and the quantities of each. It should also contain details of paraphernalia used to administer the drug that will be available to patients.*

DCC plans to offer a retail service experience based on the Ritz-Carlton Leadership Center Program. We believe that our patients, most of whom have life threatening or altering illnesses, deserve the most dignified service experience while at our facility. We will offer on-site medical marijuana counseling in two forms: 1) all our staff will be comprehensively trained by our consultant, Dr. Bock, regarding the forms and varieties of marijuana products and their uses for approved conditions in the State of Delaware and 2) methods of use for various conditions. Patients can also schedule counseling sessions by appointment.

The Cultivation Manager will be responsible for overseeing the production of concentrates, tinctures, transdermal patches, and other forms of marijuana. Delaware Compassionate Care, Inc. will produce and offer the following forms of marijuana: dried flower, hash, kief, honey oil, tinctures, capsules, and transdermal patches. As new dosing methods become available we will research and offer those methods that conform to best practices and Delaware statute.

Forms of Paraphrenalia - we will sell the following paraphrenalia;

- a) Vaporizers for flower and extracts
- b) Water pipes for flower and extracts
- c) Pipes

## 2. Packaging

(Packaging shall be fully developed 15 days prior to doors opening to service patients.)

*This section shall contain an example of the design and security features of the containers proposed for use both in the retail store as well as the packaging for dispensed marijuana. This section should demonstrate compliance with the requirements for Medical Marijuana packaging as contained in the Act, the Regulations, and this RFP.*

There are a variety of packaging options available for the sale of medical marijuana. Our packaging and labeling will not be overtly or subtly appealing to, nor promote access to children. It is of utmost importance that packaging allows for the protection of children and adults, alike. It must also properly maintain the freshness and effectiveness of the product.

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- a) Every unit of sale will have an individual label bearing the required information to ensure full compliance with state law.
- b) Every label will be produced in conjunction with, and tracked through the use of, our inventory software and barcode system provided by MJ Freeway™.

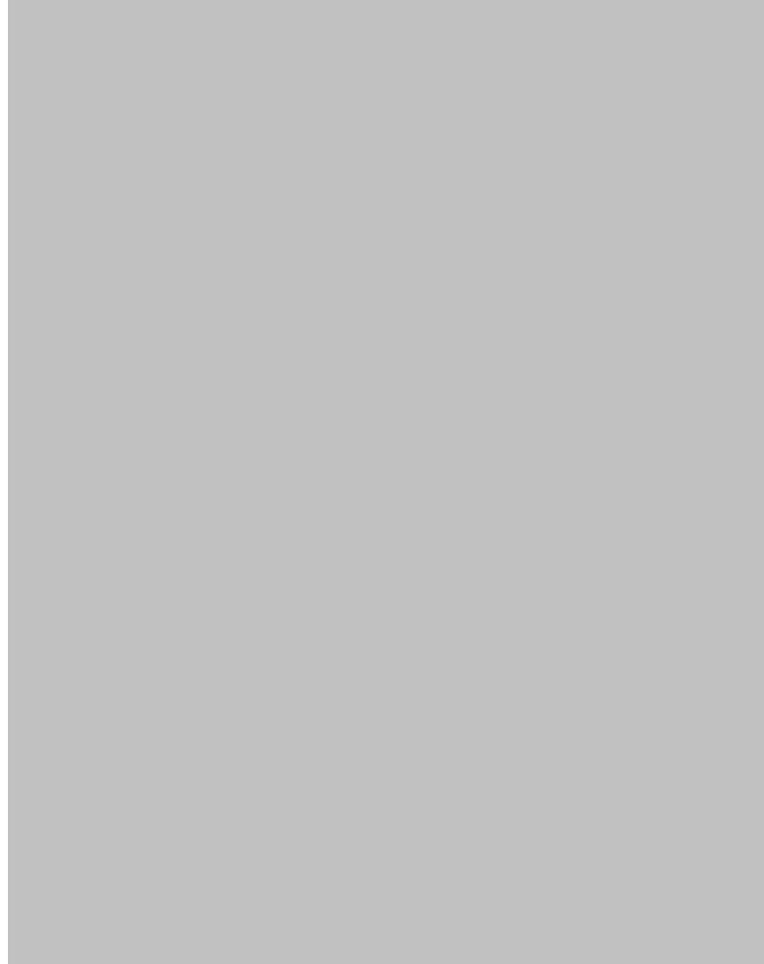
## 3. Operations

*This section shall contain a draft Operations Manual demonstrating compliance with the Scope of Services in this RFP, the Act, and the Regulations. Should the proposal be selected, the Operations Manual shall be finalized, implemented, and maintained on the premises. It shall also be supplied to the Department for review.*

**Draft Operations Manual; see Employee and Operations Manual attached hereto.**

(The manual will be finalized within two weeks if the bid is successful.)

The CEO shall be the ultimate responsible party for all activities of the Compassion Center. The COO shall report to the CEO. The following organizational chart shall illustrate the reporting and management structure of the Compassion Center.



## **RECORD KEEPING POLICIES AND PROCEDURES MANUAL**

### 1) Confidentiality

It is our duty to protect patient and employee confidentiality as much as possible and to comply with all state and federal law, including but not limited to, the Health Insurance Portability and Accountability Act, in doing so. DCC will minimize patient information collection and only ask patients for information that will help DCC provide better services.

### 2) Information Collection

DCC will collect the following information:

- Purchase credit card and checking information.
- Patient name, address, phone number, date-of-birth.
- Health history information applicable to the use of medical marijuana.
- Patient complaint information.
- Medical release information.

### 3) HIPAA

DCC is aware of the full HIPAA policy available on the Department of Health and Human Services Website: <http://www.hhs.gov/ocr/privacy/hipaa>. The HIPAA policy is incorporated here by reference and will be followed by DCC given that DCC may be a covered entity if it may electronically transmit health information in connection with health care eligibility.

#### 4) Intercompany Communications

All employees of DCC must undergo HIPAA training and be required to follow company electronic communication protocols to ensure that all patient and employee information is treated appropriately under the law. Our protocol includes the following steps:

- a. Employees must log out of workstations if they are not present.
- b. Each employee will be issued a specific pass code for their POS terminal or workstation.
- c. Employees shall not send emails with patient or caregiver names or identifying information. In instances when employees must indicate a specific patient or caregiver via email or electronic media, they must follow the company's de-identification method.
- d. All written materials containing patient or caregiver specific identifiers must be kept in locked cabinet while not in use.
- e. All employees will be provided a secure in-house mailbox to limit mishandling of information.

#### 5) Patient Record Keeping System

All patient and caregiver related information held by DCC is confidential and will not be disclosed without the prior written consent of the individual to whom the information belongs unless a mandated release of information is issued under court order or access is required by the DPH to carry out official duties, or other appropriate and authorized party makes a lawful request for such information.

#### 6) Database

We will utilize MJ Freeway™, which provides the medical marijuana industry's most sophisticated all-in-one cloud-based patient tracking software system. MJ Freeway™ is fully HIPAA compliant. Its state-of-the-art servers are protected by biometric locks and 24-hour surveillance. Their software and infrastructure are updated regularly with the latest security patches. Their network is protected by an enterprise-class firewall to ensure data safety and all patient data are encrypted.

#### 7) Access

Access to our database will be limited to key personnel by passcode, and access permissions to

protected electronic patient files will be administered by the Compliance Officer.

#### 8) Electronic Registration

We will utilize the DPH's electronic registration and dispensing tracking system in full compliance with DPH requirements, when they become available.

#### 9) Patient/Caregiver Data Collection

Our patient management software system (MJ Freeway™) provides for in-depth patient data collection. DCC will provide confidential and/or anonymous patient tracking software for research purposes and encourage our patients to allow for tracking for their security and safety.

- a. We will document all patient and caregiver identification numbers for each visit and purchase.
- b. We will not ask for patient and/or caregiver names, but instead track patients by their registry identification numbers.
- c. We will ask patients if they would like to share personal and/or medical information so we may help them achieve consistent and high-quality care, but we will also explain they are under no obligation to provide additional information.
- d. At a minimum, we will track patient/caregiver purchase histories, quantities purchased, dates and times of purchase, products purchased including bar code and serial number tracking and purchase prices.

#### 10) Patient Satisfaction Tracking

We will employ a third-party patient-satisfaction survey software application. Options for survey software include Key Survey, Survey Monkey, and Qualtrics, all of which provide powerful analytics software and data analyses to be shared with the DPH in aggregate form. This software will allow for complete anonymous collection of data regarding patient/caregiver satisfaction with our operation.

#### 11) Delaware Administrative Code Compliance

If any section of these policies conflicts with Delaware law, it shall be amended to comply with such law. DCC will keep detailed financial reports of proceeds and expenses. DCC will maintain all inventory, sales and financial records in accordance with generally accepted accounting principles ("GAAP"). The Department or an audit firm contracted by the Department shall at all

times have access to all books and records kept by any compassion center.

DCC will maintain a personnel record for each employee, agent or volunteer for a period of at least six months after termination of the individual's affiliation with DCC. The record shall include, the following:

The agent's application for employment or to volunteer; a record of any disciplinary action taken; documentation of all training. Documentation shall include a signed statement from the individual indicating the date, time and place of said training and topics discussed, including the name and title of presenters; a record of the source of any funds that was used to open or maintain DCC, including the name, address, and date of birth of any investor contributing more than \$5,000; and a record of any instances in which a business or not-for-profit that any of the prospective board members managed or served on the board of was convicted, fined, censured, or had a registration or license suspended or revoked in any administrative or judicial proceeding.

#### **MARKETING AND ADVERTISING POLICIES AND PROCEDURES**

The safety of patients, children and the community is DCC'S most vital concern and will be reflected in our public outreach efforts. While we are philosophically aligned with the considerable health benefits from the safe use of medical marijuana, we also have a serious obligation and duty to promote its responsible use. We must, therefore strike a balance between safety and responsible outreach and we believe we have developed the best model for this effort.

DCC will not advertise medical marijuana sales in print, broadcast, or by paid in-person solicitation of customers.

Given that at the inception there will only be one Compassion Center in the state of Delaware, DCC believes that the limited number of patients will be able to find us without any significant listings. In the event that more Compassion Centers enter the market, DCC may list in business directories including phone books, listings in trade or medical publications.

DCC will place limited unobtrusive signs on the property and will sponsor not-for-profit charity events that are related to the patient focused purpose of DCC.

#### **QUALITY CONTROL POLICIES AND PROCEDURES**

##### **A) Analytic Testing**

Analytic testing is the cornerstone of quality control as it provides the necessary systems feedback to determine where and how quality control parameters are succeeding or need

improvement. Analytic testing ensures that all products produced by DCC are free of contaminants, impurities, chemical residues, biological contaminants, etc. as well as allow for testing of potency and other markers of quality and effectiveness.

The Managers of Extracts and Tinctures production and the horticultural operation are responsible for following protocols to ensure that all products produced in their respective departments pass all analytical testing requirements as set forth in the Delaware Medical Marijuana Act.

Analytic testing of all marijuana will be as follows:

1) Requirements for Handling and Testing Marijuana.

DCC shall have all marijuana cultivated by the Compassion Center tested in accordance with the following:

- a. Marijuana shall be tested for the cannabinoid profile and for contaminants as specified by the Department, including but not limited to mold, mildew, heavy metals, plant-growth regulators, and the presence of non-organic pesticides. The Department may require additional testing;
- b. DCC shall maintain the results of all testing for no less than three years;
  - DCC will maintain digital files of all testing for at least three years.
- c. DCC shall have and follow a policy and procedure for responding to results indicating contamination, which shall include destruction of contaminated product and assessment of the source of contamination. Such policy shall be available to registered qualifying patients and personal caregivers;
  - All samples shipped for testing will be bar-coded and thus traceable to a specific batch and lot.
  - Any result indicative of contamination will trigger an immediate facility-wide evaluation of additional contaminated product.
  - Any result indicative of contamination will trigger an immediate facility-wide evaluation of source contamination.
  - The COO and relevant managerial staff will determine the appropriate course of action to resolve the contamination source.
  - All appropriate staff will be notified of the event and corrective actions will be taken immediately.
  - All affected product will be removed from inventory and destroyed following company policy for handling waste.
  - Company policy for handling contaminated marijuana products will be made available to patients and caregivers upon request.

- d. All testing must be conducted by an independent laboratory that is:
- Accredited to International Organization for Standardization (ISO) 17025 by a third party accrediting body such as A2LA or ACLASS; or
  - Certified, registered, or accredited by an organization approved by the Department.
- e. DCC shall arrange for testing to be conducted in accordance with the frequency required by the Department;
- Upon promulgation of frequency parameters by the Department DCC will institute measure to comply with this directive.
- f. An executive of DCC, or a member, if any, of the non-profit corporation, is prohibited from having any financial or other interest in a laboratory providing testing services for DCC;
- g. No individual employee of a laboratory providing testing services for DCC may receive direct financial compensation from DCC;
- i. All transportation of marijuana shall comply with the Delaware Medical Marijuana Act;
- j. All excess marijuana shall be returned to the source Compassion Center and be disposed of pursuant to DCC's destruction policy.

**B) General Quality Control Measures**

It is widely accepted in industry that the basis for quality control are the measures taken to produce a highly efficient and rigorously well maintained production environment. The following are DCC policies for achieving a successful marijuana production environment

- 1) DCC will implement the OSHA Four-Point Workplace Program for Small Businesses. This program is comprised of the following components:
- Management Commitment and Employee Involvement
  - Worksite Analysis
  - Hazard Prevention and Control
  - Training for Employees, Supervisors and Managers

**a. Implementation**

The CCO is responsible for overseeing the establishment OSHA compliance across departments. The CCO will work with department managers to implement the Four-Point Workplace Program in each department and to conduct regular audits of each department to determine compliance. The COO will provide bi-annual reports to the COO and CEO enumerating compliance issues and successes.

**b. OSHA Violations**

All OSHA violations must be recorded and reported by departmental managers to the CCO and COO and immediate risk assessment must be determined as well as proper corrective actions.

Events that require reporting to local, state and federal bodies must be reported and handled according to OSHA regulations.

## 2. Maintenance Policies and Procedures

### a. Regular Maintenance Schedules

Each department manager is responsible for determining the appropriate maintenance schedule for all utilities and equipment within their department in conjunction with hired repair contractors. The schedule must ensure clean and sanitary conditions across departments. All equipment must be maintained according to the manufacturers recommended maintenance schedule.

### b. Safety Equipment

Extra attention must be applied to the maintenance of all safety related equipment including:

- Fire extinguishers, alarms, suppression systems and pull-stations.
- First Aid kits, eye wash stations.
- Security equipment

### c. Maintenance Protocols

The general manager must ensure proper facility maintenance to ensure safe and sanitary conditions. Maintenance practices include:

- Keeping work areas clean, dry, and free of algae and other clutter and trash. Remove trash from critical areas immediately.
- All department managers must schedule and oversee regular cleaning and maintenance in their departments.
- Maintain cracks, window and door frames, drain areas, and floor joints with sealant to limit pest movement.
- Use appropriate traps and baits on a regular basis and replace as needed.
- Maintain roads the cultivation facility so they are free of trash and debris that border, irrigate dirt roads to reduce dust and use slow speeds. Overhead irrigation will decrease dust and disrupt the behavior mite populations.
- Eradicate any weeds or pest habitats surrounding the DCC facility.
- The general manager must ensure that trees, bushes, and other foliage outside of the Compassion Center facilities do not allow for a person or persons to conceal themselves from sight.
- If the facility is bordered by grounds not under DCC's control, and if those other grounds are not maintained in the manner described in this section, care must be exercised in the facility by inspection, extermination, or other means to exclude pests, dirt, and filth or any other extraneous materials that may be a source of contamination.

### d. Replacement Schedules

Logs must be maintained for all equipment with known replacement schedules. The date of first use must be logged as well as brand, model number and anticipated date of replacement. Department managers are responsible for ensuring that equipment is functioning and replaced when needed.

e. Computer and Electronic Equipment

A third-party computer maintenance company will be contracted to maintain ALL computer systems, ensure they are fully functional and that all fire-walls and security software packages are fully up to date.

3. Sanitation Schedules and procedures

- Floors, walls, and ceilings must be constructed in such a manner that they may be adequately kept clean and in good repair.
- There must be adequate safety lighting in all processing and storage areas, as well as areas where equipment or utensils are cleaned.
- Buildings, fixtures, and other physical facilities must be maintained in a sanitary condition.
- The facility's water supply must be sufficient for necessary operations. Any private water source must be capable of providing a safe, potable, and adequate supply of water to meet the operation's needs.
- Plumbing must be of adequate size and design, and adequately installed and maintained to carry sufficient quantities of water to required locations throughout the facility. Plumbing must properly convey sewage and liquid disposable waste from the facility. There must be no cross-connections between the potable and waste water lines.

4. Disinfection and Decontamination Procedures and Schedules

- The general manager must ensure all Compassion Center facilities are maintained in sanitary conditions to ensure the safety of employees and marijuana products. Additionally, all necessary department specific requirements must be developed and enforced by department managers.
- Department managers must maintain written procedures assigning responsibility for sanitation and describing in sufficient detail the cleaning schedules, methods, equipment, and materials to be used in cleaning the department facilities; such written procedures must be followed, and records of cleaning and sanitation must be kept in the
- Contractors must be informed of and held to DCC sanitation standards while working on DCC premises.
- All DCC employees are required to report unsanitary conditions in any DCC Compassion Center facility to their department manager.
- UV sterilization door strips and dip tanks should be used in critical locations throughout the Compassion Center facilities.

- Frequent hand-washing is necessary in all handling activities and must be enforced by the department managers. Employees that do not comply with hand-washing requirements may be terminated.
- All critical areas in DCC Compassion Center facilities must be clean and free of any contamination risks at the end of each shift.
- Any mold found in the facility must be addressed by a mold removal expert immediately.

## **MARIJUANA CULTIVATION MANAGEMENT POLICIES AND PROCEDURES**

### **A) Safety Policies and Procedures**

#### **1) Intent**

The safety of patients, caregivers and the community is our top priority. We will follow the most rigorous industry-related safety protocols, best practices and all requirements set forth in the Delaware Medical Marijuana Act, as may be amended from time to time. Cultivation safety policies and procedures also includes hazards specific to indoor cultivation and manufacturing, which requires specific protocols. The Managing Director of Cultivation must identify and address department specific safety issues and incidents. Cultivation Facilities are at increased risk for chemical and electrical hazards, mold hazards, work-place injuries and fires. Our safety policies and procedures will help insure that our staff routinely implements prevention methods and is well prepared for any incident that may occur.

#### **2) Overview**

The Managing Director of Cultivation is responsible for maintaining an emergency contact list posted accessibly throughout the cultivation facility. All cultivation employees will receive thorough training in incident response in accordance with our Training Plan, Incident Response Plan and comprehensive Safety Plan.

#### **3) Enforcement**

It is the responsibility of the Chief Compliance Officer, Director of Security and Managing Director of Cultivation to work in conjunction to ensure full enforcement and compliance with the Safety Policies and Procedures Manual as it applies to the Cultivation Department.

#### **4) OSHA**

Material Safety Data Sheets (MSDS) Documentation

MSDS for all chemicals used in the cultivation facility shall be made accessible to cultivation employees. The Managing Director of Cultivation will provide regular briefings regarding current toxic chemicals in use for sanitation and other purposes.

#### Hazard Prevention and Personal Protective Equipment (PPE)

a. Fire Safety. All flammable materials will be stored in a fire locker and properly labeled for first responder identification. The facility will be fully compliant with applicable Fire Codes, including the National Fire Protection Association Codes 704, and all equipment will be maintained properly.

b. Personal Protective Equipment. It is the responsibility of the Managing Director of Cultivation to implement a PPE program that is compliant with OSHA and EPA standards. This program must address:

- On-site hazard data sheet
- Training and monitoring
- Choice and maintenance of PPE gear and equipment.

#### B) Maintenance Policies and Procedures

It is the responsibility of the Maintenance Manager to follow all regular maintenance schedules and to maintain appropriate logs of maintenance activities based on manufacturer recommendations.

##### 1) Regular Maintenance Schedules

Prior to opening the Compassion Center the Managing Director of Cultivation will catalogue all equipment that requires maintenance and determine the appropriate schedule. For equipment that does not have a recommended maintenance schedule or routine the Managing Director of Cultivation in conjunction with the Maintenance Manager will determine an appropriate schedule and maintenance routine.

##### 2) Safety Equipment

The Managing Director of Cultivation will be responsible for ensuring that all safety equipment, for example, spill kits, respirators, protective eye wear and eye wash stations are properly functioning and fully inventoried at all times. The Managing Director of Cultivation will also be responsible for regularly monitoring the functionality of the climate and ventilation systems to ensure that toxic build-up of harmful odors does not occur.

#### C) Quality Control and Sanitation

The Managing Director of Cultivation, under the supervision of the Chief Compliance Officer, shall develop and implement regular quality control and sanitation practices that ensure the quality of crops and health and wellbeing of all employees and patients. Quality control and sanitation should also be utilized to control the consistency and purity of the crops.

#### 1) Establishing a healthy cultivation environment

The following measures shall be implemented during the cultivation and processing of marijuana to prevent contamination. These safeguards include, but are not limited to:

- Scheduled cleaning and sanitization of all equipment, containers and other contact surfaces. Methods may include sterilization, freezing, humidity control, temperature control, ph control or any other non-toxic method;
- Using sanitary handling procedures including use of latex or non-latex examination gloves, rubber gloves, respirators and hair nets for example;
- Using fresh tap water for all sanitization procedures requiring water;
- Limiting airborne contamination through proper use and maintenance of the HVAC system, hepa filtration or air ionization equipment;
- Washing and/or sanitizing containers and packaging that contain soil or other contaminants;
- Instituting chemical or microbial testing regimens to prevent contamination;
- Proper storage of all substances to limit cross-contamination.
- Utilization of proper methods to protect marijuana products from adulteration by any foreign materials.
- Cultivation Facility Sanitation Practices
- The Managing Director of Cultivation with the Maintenance Manager shall maintain cleaning and sanitation protocols and assign sanitation responsibilities appropriately to ensure that all sanitation tasks are completed per schedule. All cultivation employees are responsible for the sanitation of the cultivation facility.
- A log shall be kept to record completion of all assigned sanitation and cleaning tasks.
- Frequent hand-washing is required in all product handling activities and will be monitored by the Managing Director of Cultivation.
- Cultivation employees will be trained to recognize the signs of contaminations, microbial or fungal growth and the proper response, including proper sanitation agents.
- Any mold found in the facility must be removed by a removal expert.

#### 2) Cultivation Quality Control Practices

It is the responsibility of the Managing Director of Cultivation to implement regular visual examination schedules of each batch and lot in rotation. The Managing Director of Cultivation will develop and implement the quality control program under the supervision of the Chief Compliance Officer and will implement check-box forms covering all aspects of quality control. The quality control program will be based on the following regimen:

- Monitoring procedures for pest infestations;
- Inspection for biological or microbial colonies;
- Inspection for mold and mildew;
- Examination of all plant anatomy for signs of disease, environmental or nutrient imbalance;
- Inspection of the media for indicators of media contamination or media deterioration;
- Testing of soil, nutrient and water pH, Total Dissolved Solids, Electro-Conductivity and Water Oxidation Reduction Potential.

### 3) Processing Quality Control Practices

It is the responsibility of the Managing Director of Cultivation to implement regular visual examination schedules of each batch and lot in processing. The Managing Director of Cultivation will develop and implement the quality control program under the supervision of the Chief Compliance Officer and will implement forms covering all aspects of quality control. The quality control program will be based on the following regimen:

- The Managing Director of Cultivation will perform daily examination of medical marijuana in all phases of process. This shall include medical marijuana that is drying, curing or being undergoing extraction.
- Marijuana shall not be allowed to decay, become infested, develop disease or otherwise diminish in quality during processing.
- The Managing Director of Cultivation shall provide a detailed methodological report regarding how Medical Marijuana is evaluated for proper handling through-out the stages of processing, including protocol for determining proper harvest time, drying time, curing time, burping practices, maintenance of proper environmental controls and determination of best end use of each batch and lot.

### D) Inventory Policies and Procedures

The Managing Director of Cultivation is responsible for carrying out all scheduled and required inventory procedures pertaining to inventory of all medical marijuana prior to packing. This includes living plants, cuttings, clones, drying marijuana, curing marijuana and marijuana

undergoing extraction processes. The Managing Director of Cultivation shall work with the Compliance Officer and Dispensary Manager to maintain accurate and up-to-date inventory logs across departments. The Managing Director of Cultivation will work with the Dispensary Manager to determine production requirements on an on-going basis.

### 1) Authorized Persons

Inventory of non-packaged medicine is under the supervision of the Managing Director of Cultivation and will be reviewed by the Compliance Officer.

### 2) Plant Tracking

For plant tracking purposes, DCC defines a plant as each individual living cutting, clone or rooted marijuana plant. Every plant will be issued at least one unique identifier (bar code) that will be affixed to either the plant itself or its growing vessel, depending on the size and strength of the plant. The specific identifier will be generated by MJ Freeway or similar software product and will be linked to the plant's specific batch and lot number. The identifier shall remain with the individual seed, cutting, clone or plant through-out its life cycle. When the plant has been harvested, its wet weight will be taken and recorded. Each plant will be dried separately to ensure simplicity of tracking. After drying, the dry weight will be determined and recorded. The medicine will then undergo the trimming process and all usable trim will be given its own identifier but will maintain the same batch and lot number as its parent plant.

### 3) Extracts and Tinctures

MJ Freeway's Mix-Tracker Software will be utilized to account for all medical marijuana utilized for Extracts and Tinctures production and all marijuana waste generated in the production process. Inventory of Extracts and Tinctures must account for all medical marijuana utilized in their production. The Managing Director of Cultivation will be notified by the Dispensary Manager of the amount of usable trim or flower required for the production of Extracts and Tinctures as well as which strains should be utilized in their production. The Managing Director of Cultivation will then record in MJ Freeway which units of medicine have been released for Extracts and Tinctures production. These units will then be placed in a pre-specified location within the storage area. The Extraction Manager will determine, in conjunction with the Dispensary Manager which Extracts and Tinctures menu items and their quantities that are needed. Utilizing a specific dosage algorithm the Extraction Manager will determine the exact quantities needed to produce each Extracts and Tinctures order. The Compliance Officer will provide regular reviews of the Extracts and Tinctures production logs to determine that allocated medicine was appropriately utilized for Extracts and Tinctures production. Upon completion of production, each Extracts and Tinctures unit will be given a unique identifier label including the proper batch and lot number and these will be recorded. The Dispensary

Manager shall oversee the regular and required inventory audits to establish that all Extracts and Tinctures are fully accounted for.

#### E) Waste

All waste, including waste composed of or containing finished marijuana and Extracts and Tinctures, will be stored, secured, and managed in accordance with applicable state and local statutes, ordinances, and regulations. The tracking of waste containing marijuana (all forms) will be under the supervision of the CCO. The head of each department involved in the manufacture, processing or sale of marijuana will be responsible for implementing handling of waste within their department and the proper inventory auditing of all waste. Our Total-Accountability Protocol will be implemented for waste management and disposal of marijuana plants and products.

- a. When marijuana, plant materials or Extracts and Tinctures are disposed of, we will create and maintain a written record of the date, the type and quantity disposed of, the manner of disposal, and the persons present during the disposal, with their signatures. We shall keep disposal records for at least three years. All waste marijuana and marijuana products will be removed from usable marijuana inventory logs. The written disposal record will be used daily to rectify all electronic inventory records in our comprehensive seed-to-sale tracking software.
- b. All medicine must be rendered unusable prior to transport to prevent off-site diversion. This will be carried out using composting, or other approved destruction techniques.
- c. All waste products that will be destroyed or composted on-site will be inventoried as waste and stored in secure and locked holding containers in areas designated for storage and under 24-hour surveillance.
- d. The management and disposal of all waste products will be carried out in accordance with our security policies and procedures.

#### F) Record Keeping

We will utilize MJ Freeway Software Solutions™, the medical marijuana industry's leading all-in-one seed-to-sale inventory and POS software system. The GramTracker Elite™ and GrowTracker Elite™ platforms will be purchased with when a Provisional Approval notification has been received from the Department. These platforms offer the following key tracking features:

- Integrated Product Weighing
- Inventory Management
- Plant Management

- Nutrient Tracking
- Plant Schedules and Stages
- Batch Tracking
- State Compliance Reporting and Integration
- Product Menu Population
- Custom Reporting

#### G) Production Plan

The Managing Director of Cultivation is responsible for implementing this comprehensive marijuana production/cultivation plan. The Managing Director of Cultivation shall receive approval for all significant updates to this plan by either the CEO or COO.

##### 1) Genetics Selection

Genetics selection is an ongoing process ultimately determined by the patients serviced. Regular patient surveys will be conducted to determine overall patient satisfaction with all marijuana products. It is the Managing Director of Cultivation's role to formulate a strain menu that addresses known key trends in patient usage from other medical marijuana states, including:

- Cultivation of sativa and indica dominant strains
- Cultivation of strains that have known medicinal affects across the disease spectrum
- Cultivation of high CBD strains
- Cultivation of at least 15 strains at any one time
- The Managing Director of Cultivation must also cultivate strains based on specific genetic traits, including:
  - Yield
  - Pest and mold resistance
  - True breeding lineages
  - Life cycle chronicity

The Managing Director of Cultivation may be required to embark on a selective breeding program if it is determined that specific traits need to be replicated.

##### 2) Cultivation Systems

The production of organic medical marijuana requires knowledge of both soil growing and hydroponics. It is the Managing Director of Cultivation's responsibility to meet production

quotas. Given the technical nature of organic production the Managing Director of Cultivation shall utilize soil based media for primary production. Use of 29 Del.C. Ch. 100 Freedom of Information Act shall be utilized to ensure production goals. The Managing Director of Cultivation should also implement organic hydroponic methods on an R & D Basis to test these methods for productivity, quality and efficiency. It is the Managing Director of Cultivation's responsibility to seek the most effective cultivation systems on an on-going basis and report to the CEO and COO on a regular basis with regard to advances in methodology.

### 3) Facility Use Plan

#### 29 Del.C. Ch. 100 Freedom of Information Act

The facility will be developed utilizing eco-engineering concepts. These include a variety customization and building methods that recognize that an internal horticultural environment requires careful attention to engineering. These include LEED building methods and materials, purification of incoming air and water, purification of all outgoing air and water and building methods that limit mold and other disease vectors.

#### H) Good Neighbor Plan

It is vital that our Good Neighbor Plan include protocols for ensuring that the production operation does not negatively impact the community. The CCO is responsible for overseeing the successful implementation of this plan. This plan includes:

- Regular testing and containment of odor emissions
- Installation of industry best air filters
- Elimination of all horticultural light pollution
- Not allowing any marijuana waste, cultivation or processing to be visible from the exterior of the facility
- Not leaving any food or waste items in a place that could attract rodents and insects
- Sustainability Plan

It is our policy to utilize as many environmentally friendly products and production methods as possible. The Managing Director of Cultivation shall delivery an annual environmental sustainability report to the CEO and COO. All methodologies and products used in the horticultural facility shall be rated for environmental sustainability levels:

- Horticultural methods shall maximize efficiency to reduce consumption of all natural resources thereby reducing the company's environmental footprint.

- Conversion to LED lights should occur when and if data concludes their efficiency is achieved without reducing yields or quality of the marijuana.
- Soils will be recycled to the extent possible
- All waste products will be handled according to local, state and federal law and the Managing Director of Cultivation shall seek methods that exceed those standards at all opportunities.
- The Managing Director of Cultivation shall calculate, bi-annually, the energy consumption of horticultural operations on a gram per watt-hour basis, to be included in reporting to the executive management team.

#### I) Environmental Control Plan

The purpose of the Environmental Control Plan is to create a sanitary operation that maximizes yield, increases efficiency, reduces the environmental footprint of the operation and increases the content of cannabinoids. All environmental factors must be assessed daily. Utilization of proper environmental control and monitoring equipment is required.

Environmental Monitoring Protocols must include the following parameters:

- Maintenance of temperatures between 67 and 80 degrees
- Maintenance of humidity levels between 35% and 55%
- Maintenance of CO2 between 800 and 1600ppm
- Lights operating within 80% capacity
- Lighting hoods must be cleaned monthly
- Monitoring Equipment must include the following:
  - Installation of a type 3 chemical detector
  - Back-up power source
  - 24-hour monitoring with text alerts
  - Recording of light, temperature, humidity and CO2 levels
  - Ventilation and Air Control
  - Cultivation areas must maintain positive airflow
  - All intake air must come from the outside of the facility and be equipped with UV and insect filters maintained according to the manufacturers recommendations
  - Dehumidification and humidification equipment must be maintained regularly.
  - Visual inspections of the HVAC system must be completed to insure no evidence of mold or other pathogens building up in the system.
  - Odor control equipment must be maintained according to the manufacturer's recommendations.

## J) Production Management

### 1) Supervision

Horticultural operations will be under the supervision of the Managing Director of Cultivation who will report to the COO. Production timelines must meet product demand projections issued by the COO and Dispensary Manager. On a weekly basis the Dispensary Manager shall provide reports defining the number of patient visits and sales volume over the previous week and month. Based on all available patient population data the Managing Director of Cultivation shall either increase or decrease production to meet 4-month projections. Production processes shall take into account demand for strain varieties requested by the Dispensary Manager.

### 2) Yield Calculations

The goal of yield calculations is to determine how much marijuana can be produced in a given time-period, environment and feeding methodology. Every cultivation area shall be tracked from the first harvest to determine the gram per watt-hour in that area. The yield calculation will allow the Managing Director of Cultivation to determine what is required to meet demand, makes changes to the feeding methodology or make changes to the cultivation equipment. The yield calculation is as follows:

- Calculate the light foot-print of each lighting unit (4x4, 5x5..)
- Determine the number of watts of each lighting unit
- Determine the number of hours the lights were utilized by date of harvest
- Calculate yield per lighting unit
- Divide the number of grams by the number of KwHrs.

### 3) Cultivation Best Practices

It is company policy, as well as State law, to utilize only organic products in the production of medical marijuana. To comply with the Departments requirements we will adhere to the following:

- Application of any non-organic pesticide in the cultivation of marijuana is prohibited. All cultivation will be consistent with U.S. Department of Agriculture organic requirements at 7 CFR Part 205.
- Soil for cultivation will meet the U.S. Agency for Toxic Substances and Disease Registry's Environmental Media Evaluation Guidelines for residential soil levels.
- The cultivation process shall use best organic practices to limit contamination, including but not limited to mold, fungus, bacterial diseases, rot, pests, non-organic pesticides, mildew, and any other contaminant identified as posing potential harm.

- We will use only U.S.D.A. and OMRI listed nutrients, growth enhancers and flushing substances.
- We will not utilize any nutrient products that contain sulfates or phosphates.
- We will use only reverse-osmosis water filtration to ensure purity of all water.
- Clean all hydroponic or soil-based grow equipment with non-toxic cleaning agents.
- Filter and ionize air
- We will employ employee Integrated Pest Management protocols if needed.

#### 4) Plant Care

Plants must be handled with great care. DCC will maintain the highest standards for plant care as health plants produce higher quality medicine.

##### a. Water Quality and Irrigation Practices

All water utilized in feeding the plants must be tested for contaminants prior to treatment to determine local water quality problems. All water must then be purified using a reverse osmosis system and this system must be maintained on a regular basis. Plants must not be over watered and water must not be allowed to stagnate in the cultivation areas or cultivation systems. It is the

Managing Director of Cultivation's responsibility to produce a feeding schedule that does not lead to under or overwatering. The following steps must be taken to ensure plant health:

- Daily visual examination of plant stems, leaves and flowers to look for disease or nutritional problems
- Regular pH testing of the soil to ensure proper pH.
- Organic Integrated Pest Management Practices
- The purpose of OIPM is to utilize a variety of environmental control methods, and not toxic chemicals, to prevent pest infestations. The methods include:
  - Use of physical controls such as traps, light or sound
  - Use of predator species, such as lady bugs, to eat or otherwise eradicate a pest
  - Use of organic and non-toxic repellants or insecticides
  - Use of natural substances such as diatomaceous Earth to limit movement of pests
  - Daily monitoring for pest populations
  - Destruction of pest habitat and food sources
- Management of the environmental controls to limit pest habitat
- Removal of infected crop
- Disease Management Practices

- Plant disease must first be diagnosed. It is the Managing Director of Cultivation’s responsibility to train cultivation staff on the proper recognition of plant disease. Plants should be visually examined on a daily basis for:
  - Nutritional excesses and deficiencies
  - Stunted growth
  - Mold and fungus
  - Root and stem diseases
  - Bacterial and viral disease signs
  - Environmental stress signs
  - Light stress signs
- b. All stress signs must be maintained in a log on a per plant basis and reported to the Managing Director of Cultivation. It is the Manager’s responsibility to determine the cause of the disease, the severity of the disease, the spread of the disease as well as the response to the disease. All systemic disease vectors or environmental stressors must be addressed promptly and reported to the COO.

5) Medium and Amendments

- a. All mediums and amendments must be in full compliance with:
  - U.S. Department of Agriculture organic requirements at 7 CFR Part 205.
  - U.S. Agency for Toxic Substances and Disease Registry’s Environmental Media Evaluation Guidelines for residential soil levels.
- b. The Managing Director of Cultivation may select from a number of possible medium options including:
  - Coco, Coco-ponics
  - Hydroponics
  - Rock-wool
  - Soil-less substates
  - Soil
  - Aeroponics

K) Processing Policies and Procedures

The Managing Director of Cultivation, in coordination with the processing staff, must implement and maintain processing protocols that prevent spoilage, molding, disease and other damage to the crop while being processed for packaging. Processing includes the following activities:

- Trimming marijuana
- Drying and curing marijuana
- Weighing, measuring and testing of marijuana or extracts and tinctures

- Inventorying of marijuana or extracts and tinctures
- Packing of marijuana or extracts and tinctures
- Producing extracts and tinctures

#### 1) Regulatory Overview

Processing operations must comply with the Delaware Medical Marijuana Act as may be amended from time to time, including any sections that may regulate quality control, sanitation, safety, security, inventory, storage, packing, labeling and Extracts and Tinctures production. Full compliance with these sections is mandatory.

#### 2) Authorized Persons

The Processing Manager shall oversee all staff involved with processing activities and shall report to the COO and CCO as needed.

#### 3) Sanitation

Sanitation practices must comport with those practices required in the Delaware Medical Marijuana Act as may be amended from time to time as well as those contained in the OSHA Small Business Manual.

#### 4) Record-Keeping

The Processing Manager must follow Company policies regarding record-keeping as detailed in the Record-Keeping Manual. All activities must be logged in to MJ Freeway in the Mix-Tracker Elite Module.

### **INVENTORY MANAGEMENT POLICIES AND PROCEDURES**

#### A) Diversions Prevention

##### 1) Intent

DCC is involved in the production and distribution of medical marijuana. Marijuana for medical use remains an illegal substance, with a significant black-market value. It is currently categorized as a Schedule I controlled substance by the Federal Government. DCC believes that control of the supply-chain at all points of contact is the top priority for prevention of diversion. It is the responsibility of all DCC employees to ensure that medical marijuana is not diverted by theft or illegal transfer.

##### 2) Employee training

It is DCC's mission to ensure a culture of responsibility to prevent diversion of medical marijuana from seed-to-sale. It is the Compliance Officer's responsibility for the oversight and implementation of DCC's diversion prevention plan. All DCC employees with access to the

medicine and those that do not have access are required to undergo extensive training that includes anti-diversion techniques as well as inventory monitoring protocols.

Any employee who diverts marijuana, participates in the diversion of marijuana or does not report diversion will be reported to law enforcement and terminated from DCC in accordance with our employee policies.

### 3) Procedures

#### a. Employee access to marijuana.

Only employees with a clearance to handle marijuana products shall be allowed access to marijuana products.

#### b. Visitors access to medical marijuana.

c. If a visitor, such as a contractor, requires access to an area where marijuana is accessible they must be accompanied by an employee with access privileges. Visitors must be provided badge identification and sign a log-in sheet upon entry to medical marijuana access area.

#### d. Inventory Tracking at the Point of Sale

DCC will use MJ Freeway as its primary Point of Sale (POS) and Inventory Tracking software. MJ Freeway is the industry leader in seed-to-sale systems for medical marijuana. DCC's ability to create a unique identifier for each plant as it moves from seed to processing to packaging and finally to the point-of-retail allows DCC to track for loss product.

#### e. Inventory review schedule

- The Dispensary Manager will review transactions based on the following schedule:  
Full weekly inventory of all medicine including flower, tinctures and dry extracts and other products.
- Comparison of inventory software logs versus product on shelf and in storage in conjunction with weekly inventory.
- All sales are entered and recorded in POS system.
- The Dispensary Manager will work with the Managing Director of Cultivation to run weekly inventory audits of all mature plants and all medicine being processed.

#### f. Working with Local Law Enforcement

The Chief Compliance Officer will contact the local Officer in Charge of the Narcotics Division no less than once a month to determine if there are any activities, arrests or investigations that might indicate diversion of medicine from DCC.

If the Chief Compliance Officer determines that there is any indication of diversion from DCC the Chief Compliance Officer will file a report with local law enforcement, Department of Public Health, and the Chief Executive Officer to determine a plan of action.

g. Labeling and Packaging.

All marijuana products must be packaged and labeled in accordance with Act. Appropriate packaging and labeling will ensure that medical marijuana products are fully inventoried, weighed and sealed. This will decrease the likelihood that employees will be able to remove products from inventory unnoticed.

h. Reporting.

The Compliance Officer shall provide weekly reports from the inventory database that document the following:

- A full inventory of all stored package and unpackaged, as well as, usable and waste medicine. The inventory report should include item, quantity, batch and date.
- The Dispensary Manager and Compliance officer will review, in conjunction, all reconcile reports run weekly under the “Reconcile” function of MJ Freeway.
- A full sales report will be printed weekly and compared to the reconcile reports of all stored medicine to determine if there are any inconsistencies between medicine on-site and medicine sold.

## B) Inventory Policies and Procedures

All finished marijuana product(s) that are packaged and/or ready for retail sale are considered to be in inventory. All other products are considered to be in production. All marijuana products, either in inventory or production will be fully tracked at all times.

### 1) Inventory Entry

All products must be packaged. All packages will receive unique bar code identifiers, in the form of a printable sticker, using the MJ Freeway tracking software. All products will be kept in climate controlled safe utility lockers in an organized manner. The retail manager will determine prior to opening each day the quantity of each product that should be removed from the vault for sales. This will be based on sales projections of each product provided by comparing the previous day’s sales and the proportion of sales for that particular day of the week, as marijuana sales vary, predictably, depending on the day of the week.

### 2) Inventory Auditing

- a. At the end of sales each day, the dispensary manager or supervisor will generate a reconciliation report from MJ Freeway and conduct a physical count of all marijuana product not sold. This will take into account any medicine that was returned or defective. The physical count will be recorded on the reconciliation report and any discrepancies will be recorded and reported to the COO for review. Corrective actions will be taken if required.
- b. Every week a complete inventory audit will be conducted by the CCO or delegate, but not the retail manager. This will provide for consistency and act as a deterrent against theft.

### 3) Packaging and Labeling

#### a. Company Logo

Our company logo and labels will be discrete and do not contain any images of the marijuana plant or any associated products. The logo and packaging will not appeal to children.

#### b. Labels

All logos and labels DCC produces and disseminates will not include:

- Any statement, design, representation, picture, or illustration that encourages or represents the use of marijuana for any purpose other than to treat a debilitating medical condition or related symptom
- Any statement, design, representation, picture, or illustration that encourages or represents the recreational use of marijuana
- Any statement, design, representation, picture, or illustration related to the safety or efficacy of marijuana unless supported by substantial evidence or substantial clinical data with reasonable scientific rigor, which shall be made available upon request of a registrant of the Department; or
- Any statement, design, representation, picture or illustration portraying anyone under 18 years of age.

#### c. Required Label Data

All product labels will contain the following important data as applicable:

- A unique bar code
- Batch and lot number
- Ingredients
- Potency levels that include THC and CBD as well as other cannabinoids
- Recommended dose
- Any statements or disclaimers required by the Delaware DPH.

#### d. Seed-to-Sale Tracking Procedures

We will utilize MJ Freeway (MJF) Software Solutions™, the medical marijuana industry's leading seed-to-sale inventory and POS software system. The GrowTracker Elite™, MixTracker™, and GramTracker™ platforms will be integrated into DCC operations. These platforms offer the following features:

- Integrated Product Weighing
- Inventory Management
- Plant Management
- Nutrient Tracking
- Plant Schedules and Stages
- Batch Tracking
- State Compliance Reporting and Integration
- Product Menu Population
- Custom Label Printing

#### e. Tracking

- Phase I: Tracking begins with the arrival or production of seeds, clones or cuttings. Any seed or clone that has been acquired, or produced in-house, will be entered into MJF immediately upon receipt or production and assigned a unique identifier including serial number and bar-code.
- Phase II: To each Phase I unit (seed, clone or cutting), its unique identifier will be affixed. Once a Phase I unit is planted, it will receive a batch and lot number. As each plant moves through the stages of development, its status will be updated in MJF.
- Phase III: When a plant is harvested, it will be entered into MJF. The weight of the harvested materials will be entered into the tracking program. The unique identifiers will remain with the harvested materials as they are dried and cured. After the marijuana has fully dried and cured, it will be reweighed prior to packaging to account for expected weight loss.
- Phase IV: Upon packaging, the product will be fully labeled, including the unique identifier, and placed into locked storage. If the product is divided into smaller quantities, it will receive a secondary retail bar code but maintain the original serial number, batch and lot numbers.
- Phase V: When the Inventory Manager determines that the product is needed for retail inventory, its status will change accordingly in MJF. When a product is sold it is removed from inventory, but a history of it remains in our database in perpetuity for inspection and routine investigation for discrepancies

- Acquired Marijuana: Marijuana received from another registered compassion center will be weighed a minimum of three times by at least two agents of the Compassion Center and in the presence of the agent of the third party. These measurements will be included in inventory tracking software and accounted for as provisional/emergency inventory stock.

#### 4) Prevention of Diversion

We believe our medicine diversion plan includes all points between production and consumption by the patient. The best policy for the prevention of diversion within the Compassion Center is establishing a company-wide culture of responsibility. Multiple checks are included in the policies and procedures for security, recording keeping, compliance, waste management and inventory tracking. With a seed-to-sale inventory software system as well as rigorous policies and procedures it is possible to account for all marijuana and marijuana products. Our system provides for total accountability in the following ways:

a. Overlap of responsibility. The Dispensary Manager, Managing Director of Cultivation and Compliance Officer will have permissions within MJF to access the inventory functions. The Dispensary Manager and Managing Director of Cultivation will conduct total inventories within their departments. Their reports will be presented to the Compliance Officer and Dispensary Manager, who will evaluate the inventory reports and conduct audits on a regular basis.

b. Surveillance is a known deterrent. [29 Del.C. Ch. 100 Freedom of Information Act](#)  
[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]

c. Access. Only employees with access clearance to a particular area or handling permissions will have access to the product at a particular stage of production (e.g. customer sales representatives will not be granted permission for access to the horticultural operation). Only a few key personnel (CEO, COO, CSO, and Dispensary Manager) will have access to all areas.

d. Working with Law Enforcement. The Compliance Officer will contact the local narcotics division to determine if any activities or arrests suggest that diversion may be occurring.

#### C) Storage of Marijuana

1) All marijuana in the process of cultivation, processing, transport, or analysis shall be housed and stored in such a manner as to prevent diversion, theft or loss.

- a. All marijuana will be accessible to the minimum number of specifically authorized dispensary agents essential for operation. This will be determined by our management staff on an on-going basis and key fobs will be issued to prevent entry as needed.
- b. If manufacturing processes are not completed at the end of the day, the processing area or tanks, vessels, bins or bulk containers containing marijuana will be securely locked inside a secure area.

## 2) Security

The safety of patients, caregivers and the community is our top priority. We will follow the most rigorous industry-related safety protocols, best practices and all requirements set forth in the Delaware Medical Marijuana Act. We will develop our on-going relationship with law enforcement to ensure the safety of our patients. Our security program includes:

### 3) Facility monitoring

- 24-hour, comprehensive interior and exterior video recording and photographic devices will exceed DPH regulations.
- Security personnel will monitor the arrival and exit of patients and caregivers to ensure their safety.
- Suspicious activity protocols are detailed in accordance with our Safety and Security Policy, Procedure and Protocol Manual.
- A real-time video feed to the Department and the local Police Station.
- A uniformed police presence with squad car will be commissioned at random times to help secure the facility.

### 4) Facility Safety Equipment

- 29 Del.C. Ch. 100 Freedom of Information Act
- [Redacted]

### 5) Facility Access

- **29 Del.C. Ch. 100 Freedom of Information Act**  
[Redacted]
- [Redacted]

#### 6) Identifying Patients and Caregivers

- Patients must present their valid DPH registration card and/or other required identification to gain entrance into the dispensary.
- Patient ID numbers will be checked against DPH records in real-time via a system developed, paid for and implemented by DCC.
- The time and date each patient’s entry will be logged confidentially with ID number.

7) Facility design. Our facility will be renovated/constructed to be in full ADA compliance. The interior design will create physical safeguards for the protection of patients’ privacy, including soft background music, proper spacing between retail counters, and private seating for individual patient consultations.

8) Security Training. Our Security Program Manual contains a comprehensive security training module for all staff and agents. The CSO will implement the training for all new hires and provide on-going training, tests and drills.

#### 9) Storage Policies and Procedures Storage Environment

Storage is defined, herein, as the physical location of all marijuana products either in inventory, or available for retail. Regardless of where in the facility marijuana products are situated, they must be treated appropriately. The retail and inventory storage units, safes and containers alike, must be properly climate controlled. Failure to do so will lead to destruction or spoilage of marijuana product and lead to product loss.

- Lighting must be kept to a minimum due to the possible drying effects of excessive light and heat. Lighting parameters may vary due to ambient room temperatures and

humidity levels. The Managing Director of Cultivation and the CSO are responsible for ensuring appropriate storage parameters are met.

- Humidity of marijuana flower products must be kept below 25% at all times. Humidity meters must be employed in rooms that contain product and handheld meters must be used directly on the products to determine accurate reading of flower moisture content on a basis determined by the Managing Director of Cultivation.
- DCC will have a lockable storage locker for all marijuana products that is outdated, damaged, deteriorated, mislabeled, contaminated or breached until the medicine can be appropriated catalogued and destroyed.
- Storage areas must be maintained in a clean and orderly condition and be 100% free of infestation.
- Storage must be maintained in accordance with all security requirements and protocols set forth in the Security Manual.

## **INCIDENT MANAGEMENT PROGRAM POLICIES AND PROCEDURES**

1) Regulatory and Legal Response Plan (to be drafted by legal counsel)

2) Authorized Persons

All events requiring legal response must be brought to the attention of the CEO and the CEO will contact the Board of Directors to inform them of the event and the proposed legal course of action.

3) Contact List

The HR office will maintain a comprehensive contact list of all management, staff members, board members, legal counsel, contractors, vendors, local and state authorities. EMT and department managers shall have access to this contact list.

4) Procedures during Inspections and Audits

a. Delegation

- The CEO will delegate member of management to be available and on-site for all scheduled inspections and audits. It is the responsibility of the EMT member to provide cordial access to all required materials and to assist the inspector/auditor in their activities. At the time of an unannounced inspection or audit, the highest ranking executive or manager shall accompany and assist the inspector/auditor and shall immediately contact the CEO or next highest ranking available EMT member to inform them of the inspection/audit.

b. Records Storage Access

- Stored records will be accessible on a needs basis. All stored records will be available, in compliance with HIPAA, by local, state or federal authorities with proper jurisdictions or under a court order.
- Restricted Access Levels will be applied to all stored documents. Employees, management and/or executives shall be issued needs based access permissions based on department and oversight.
- The COO will oversee the implementation of the categorization of files and permissions for review by the CEO.

#### c. Security Equipment Access

- Security equipment access will be issued on a needs basis assessment. The CEO, Director of Security and COO shall have unlimited access to the security equipment and security files. The Board of Directors shall have limited access upon request that describes a legitimate business or compliance reason for such a request.
- The companies that have contracted to install and maintain the various components of the security system will have need based supervised access to all equipment requiring maintenance and repair.
- Local and State Officials under proper authority shall have access to the security equipment and files.
- Access to the security and surveillance facilities will off-limits to all staff and visitors without specific needs based access. The CEO, COO and Director of Security will institute needs based access permissions for each staff and board member.

#### 5) Claims Management Procedures

- a. Every complaint will be taken seriously and documented in our files. Each will be assessed as to whether the cause of the complaint could lead to additional harm or operational problems.
- b. If the cause of the complaint is determined to be on-going, we will take corrective actions immediately.
- c. If the complaint does not pose an immediate health or safety risk, the employee receiving the complaint will report the incident to his or her manager who will log details for the Executive Management Team to formulate a proper response.

#### 6) Awareness

It is our mission to develop a company-wide policy of awareness, identification, documentation and reporting for all operational concerns. Management of operational concerns involves integration of proper checks and balances and redundancy at all levels of the operation, including:

- a. System reviews and data collection
- b. Regular and comprehensive audits
- c. Customer surveys to detect trends or issues
- d. Regular staff and one-on-one meetings

#### 7) Documentation

- a. All incidents and concerns must be documented
- b. All departments must maintain an up-to-date incident and concern log in hard copy and periodically transferred to electronic files
- c. The Compliance Officer must be informed and maintain files of all incidents and concerns
- d. Each incident or concern must be treated appropriately until a resolution has been achieved and documented by the Compliance Officer

#### 8) Reporting

DPH will be provided a timely, written notice of any incident described below by submitting an incident report in a form determined by the DPH which details the circumstances of the event, the corrective action taken, and confirmation that the appropriate law enforcement and/or regulatory bodies were notified. These reportable incidents include, but are not limited to:

- a. Inventory discrepancies, diversion, theft, loss and any criminal action involving the RMD or a dispensary agent
- b. Any suspicious act involving the sale, cultivation, distribution, processing or production of marijuana by any person
- c. Unauthorized destruction of marijuana
- d. Any loss or unauthorized alteration of records related to marijuana, registered qualifying patients, personal caregivers or dispensary agents
- e. Alarm activation or other event that requires response by public safety personnel
- f. Failure of any security alarm system due to a loss of electrical power or mechanical malfunction
- g. Any other breach of security.

## 9) Corrective Actions

All incidents will undergo a corrective action assessment and implementation process under the supervision of the Executive Management Team and Compliance Officer. Incident reporting managers will be responsible for follow-up on each corrective action. We will seek corrective action feedback from law enforcement, the DPH or any governing regulatory body.

We will maintain all documentation related to an incident that is reportable pursuant to the Delaware Marijuana Act in perpetuity and make it available to the DPH and to law enforcement authorities acting within their lawful jurisdiction upon request.

## 10) Complaint Handling

All patient and employee complaints will be taken serious and the person filing the complaint shall be treated with dignity and respect. All complaints will be documented at the time of the complaint. The staff member recording the complaint shall attempt to gather as much applicable information provided willingly by the person filing the complaint. The complaint will be electronically mailed to the department manager who will determine the appropriate corrective action.

## 11) Returns and Recall Procedures

- a. It is DCC policy to ensure that ALL marijuana products are contamination free. Therefore, marijuana products must NEVER be used for consumption if they have been returned, for any reason, from a patient or caregiver. Products that have left the facility, except for products stored temporarily during delivery rounds, may never be re-sold, re-packaged or otherwise re-used for production or over-the-counter transfer to patients.
- b. If a patient returns marijuana, or other product, DCC may refund the consumer. A just reason for a refund includes, but is not limited to the following:
  - Mold or other visual signs of defect, if the package has never been opened.
  - Visual signs of contamination, if the package has never been opened.
  - Any other reason approved by the store manager.
- c. All returned product must be logged and labeled as unusable until it can be destroyed or disposed of. Such product will be stored in a separate area of the facility.
- d. Refunds may only be issued as store credits.

## 12) Recall Procedures

- a. Product Recalls may occur under the following conditions
  - Detection of contamination or spoilage, either by foreign substance or pathogenicity, in any marijuana product that has been transferred to either a patient or caregiver

- Detection of contamination or spoilage, either by foreign substance or pathogenicity, in any marijuana product that has not yet been transferred and is either in production, storage or inventory.
  - Local, state or federal authorities have evidence of product contamination and notify DPH.
  - Detection of probable contamination or spoilage not directly detected on marijuana product. For example: Detection of a toxic chemical leak into a grow room discovered to have occurred pre-harvest.
- b. Procedures for product recall
- Collect evidence of contamination or spoilage.
  - Report evidence of contamination to COO and Chief Compliance Officer.
  - Unless definitive information arises that the contamination or spoilage event was limited to a single retail unit (i.e. one container of marijuana product) determine which batch, lot and product(s) are suspected to have been contaminated/spoiled prior to sale.
  - Place an immediate dispensary-wide hold on all products of similar batch, lot and product line (not to be lifted until full-containment has occurred and the DPH has provide written permission to resume normal operations).
  - Identify all batch and lots possibly related to contamination or spoilage incident, casting a wide-net.
  - Review all evidence to determine full and accurate scope of product contamination/spoilage.
  - Contact the DPH immediately to provide full accounting of event.
  - Compile complete list of all known patient/caregiver contact numbers, email addresses, addresses, etc. Contact all patient/caregivers immediately to notify them of possible contamination/spoilage.
  - In conjunction with local and state health authorities develop and implement comprehensive containment and resolution measures.
  - Wait for directive from appropriate authorities to resume production and retail operations, as previously specified.

### 13) Patient Rights and Responsibilities

*Principles of Patients Rights' and Responsibilities was developed and Approved by the National Health Council Board of Directors, January 1995 1 (Directors 1995)*

1. ALL PATIENTS HAVE THE RIGHT TO INFORMED CONSENT IN TREATMENT DECISIONS, TIMELY ACCESS TO SPECIALTY CARE, AND CONFIDENTIALITY PROTECTIONS.

Patients should be treated courteously with dignity and respect. Before consenting to specific care choices, they should receive complete and

easily understood information about their condition and treatment options. Patients should be entitled to: coverage for qualified second opinions; timely referral and access to needed specialty care and other services; confidentiality of their medical records and communications with providers; and, respect for their legal advanced directives or living wills.

**2. ALL PATIENTS HAVE THE RIGHT TO CONCISE AND EASILY UNDERSTOOD INFORMATION ABOUT THEIR COVERAGE.**

This information should include the range of covered benefits, required authorizations, and service restrictions or limitations (such as on the use of certain health care providers, prescription drugs, and "experimental" treatments). Plans should also be encouraged to provide information assistance through patient ombudsmen knowledgeable about coverage provisions and processes.

**3. ALL PATIENTS HAVE THE RIGHT TO KNOW HOW COVERAGE PAYMENT DECISIONS ARE MADE AND HOW THEY CAN BE FAIRLY AND OPENLY APPEALED.**

Patients are entitled to information about how coverage decisions are made, i.e., how "medically necessary" treatment is determined, and how quality assurance is conducted. Patients and their family caregivers should have access to an open, simple, and timely process to appeal negative coverage decisions on tests and treatments they believe to be necessary.

**4. ALL PATIENTS HAVE THE RIGHT TO COMPLETE AND EASILY UNDERSTOOD INFORMATION ABOUT THE COSTS OF THEIR COVERAGE AND CARE.**

This information should include the premium costs for their benefits package, the amount of any patient out-of-pocket cost obligations (e.g., deductibles, copayments, and additional premiums), and any catastrophic cost limits. Upon request, patients should be informed of the costs of services they've been rendered and treatment options proposed.

**5. ALL PATIENTS HAVE THE RIGHT TO A REASONABLE CHOICE OF PROVIDERS AND USEFUL INFORMATION ABOUT PROVIDER OPTIONS.**

Patients are entitled to a reasonable choice of health care providers and the ability to change providers if dissatisfied with their care. Information should be available on provider credentials and facility accreditation reports, provider expertise relative to specific diseases and disorders, and the criteria used by provider networks to select and retain providers. The latter should include information about whether and how a patient can remain with a provider who leaves or is not part of a plan network.

**6. ALL PATIENTS HAVE THE RIGHT TO KNOW WHAT PROVIDER INCENTIVES OR RESTRICTIONS MIGHT INFLUENCE PRACTICE PATTERNS.**

Patients also have the right to know the basis for provider payments, any potential conflicts of interest that may exist, and any financial incentives and clinical rules (e.g., quality assurance procedures, treatment protocols or practice guidelines, and utilization review requirements) which could affect provider practice patterns.

**ALL PATIENTS, TO THE EXTENT CAPABLE, HAVE THE RESPONSIBILITY TO:**

(It is recognized that patients may suffer significant physical and/or mental conditions which may limit their ability to fulfill these responsibilities.)

**A. PURSUE HEALTHY LIFESTYLES.**

Patients should pursue lifestyles known to promote positive health results, such as proper diet and nutrition, adequate rest, and regular exercise. Simultaneously, they should avoid behaviors known to be detrimental to one's health, such as smoking, excessive alcohol consumption, and drug abuse.

**B. BECOME KNOWLEDGEABLE ABOUT THEIR HEALTH PLANS.**

Patients should read and become familiar with the terms, coverage provisions, rules, and restrictions of their health plans. They should not be hesitant to inquire with appropriate sources when additional information or clarification is needed about these matters.

**C. ACTIVELY PARTICIPATE IN DECISIONS ABOUT THEIR HEALTH CARE.**

Patients should seek, when recommended for their age group, an annual medical examination and be present at all other scheduled health care appointments. They should provide accurate information to providers regarding their medical and personal histories, and current symptoms and conditions. They should ask questions of providers to determine the potential risks, benefits, and costs of treatment alternatives. Where appropriate, this should include information about the availability and accessibility of experimental treatments and clinical trials. Additionally, patients should also seek and read literature about their conditions and weigh all pertinent factors in making informed decisions about their care.

**D. COOPERATE ON MUTUALLY ACCEPTED COURSES OF TREATMENT.**

Patients should cooperate fully with providers in complying with mutually accepted treatment regimens and regularly reporting on treatment progress. If serious side effects, complications, or worsening of the condition occur, they should notify their providers promptly. They should also inform providers of other medications and treatments they are pursuing simultaneously.

National Health Council Board of Directors. "Principles of Patients Rights' and Responsibilities," (National Health Council Principle, 1995) Washington D.C.

**COMPREHENSIVE SAFETY AND SECURITY PLAN**

**A) Physical Safety.**

The physical safety of patients, caregivers and the community is our top-priority. We shall follow the most rigorous industry-related safety protocols, best practices and all requirements set forth in the Delaware Medical Marijuana Act and the Regulations as may be amended from time to time. We will develop an on-going relationship with law enforcement to ensure the well-being of all our patrons. Our security program includes:

**1) Facility monitoring.**

29 Del.C. Ch. 100 Freedom of Information Act  
[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]

29 Del.C. Ch. 100 Freedom of Information Act

2) Facility Safety Equipment

29 Del.C. Ch. 100 Freedom of Information Act

3) Facility Access.

29 Del.C. Ch. 100 Freedom of Information Act

4) Facility Design and layout.

29 Del.C. Ch. 100 Freedom of Information Act

5) Security Training.

Our Security Program Manual contains a comprehensive security training module for all staff and agents. The Security Director will implement the training for all new hires and provide on-going training, tests and drills.

6) Security Protocols

Operation of an RMD requires successful management of a high risk environment. Ensuring the security of our employees and patients is our top priority and we will spare no resources to achieve this goal. Employee security includes establishing procedures to minimize threats to the company, such as diversion of marijuana.

7) General Security

a. Communication with law enforcement will be maintained on a consistent and proactive basis. The Security and Safety Manager is responsible for maintaining a list of law enforcement personnel and maintaining regular communication to ensure a robust security program through on-going training, information-sharing and response coordination protocols.

b. A list of responsible personnel will be developed as part of our security training manual. The Security and Safety Manager will report directly to the COO and will be responsible for providing security breach duty assignments.

c. Security training will be an integral component of our on-going training program. Our security training program will provide the following:

- It will be administered with approval of local law enforcement.
- Up-to-date security breach and crime prevention protocols.
- Training by a licensed security consulting company to encompass robberies, larcenies, burglaries, cyber-crime and extortion prevention.

B) Site Plan

Our security site plan will be implemented utilizing Risk Based Performance Standards (RBPS) developed to comply with DHS Anti-Terrorism Standards for high-risk facilities. These standards include:

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

[Redacted text block containing multiple paragraphs of obscured content]

C) Robbery Prevention and Response

All employees and agents will be trained on robbery prevention and response using our Robbery Prevention and Response protocols.

D) IT Security

IT security requires establishing a secure perimeter to prevent and deter cyber-crime. It is our responsibility to protect patients, caregivers, staff and agents by utilizing the best and most sophisticated IT security technologies and protocols. These include:

[Redacted text block containing obscured content]

E) Visitor Entry Policy

All outside vendors, contractors, and visitors must obtain a visitor identification badge prior to entering a limited access area, and shall be escorted at all times by a dispensary agent authorized to enter the limited access area. The visitor identification badge must be visibly displayed at all times while the visitor is in any limited access area. All visitors must be logged in and out, and that log shall be available for inspection by the Department at all times. All visitor identification badges shall be returned to the RMD upon exit.

#### F) Emergency Action Plan

Each disaster requires an appropriate and disaster-specific response. The CSO must ensure the response protocol is followed. The Disaster Plan includes the following procedures:

##### 1) Assessment

The CSO will determine the category and severity of the event and determine immediately whether 911 should be called. If, for example, there is a fire in the facility that presents an immediate danger to personal safety, the CSO shall immediately order evacuation.

##### A) Evacuation

All managers will be trained in, and authorized to initiate, a facility evacuation in the event of a fire, bomb threat, power outage, an act of violence, chemical spill, robbery or gas leak.

##### B) Containment

The CSO will determine the appropriate containment response with the following objectives:

- Minimize harm
- Minimize the immediate threat
- Contain the spread of the event
- Minimize damage to the facility
- Manage information flow as appropriate
- Preserve event information as required

##### 2) Communication

CSO will initiate communication with the CEO and be made available to external parties, including utility companies, regulatory agencies, patients or media.

- A) Corrective Actions: The CEO and managerial staff will determine the appropriate steps to quickly restore operations to normal functioning and prevent a recurrence if the event was internally caused
- B) It is the responsibility of the CSO to implement incident prevention, mitigation and response protocols on an on-going basis that seek to improve industry-specific best practices for the following situations:
  - Criminal Activity
  - Fires
  - Weather-Related and Natural Disasters
  - Hazardous Waste Emergency
  - Medical Emergency and Epidemic
  - Civil Disturbance
- C) The CSO will be responsible for:
  - Training new personnel in incident responses; arranging for third-party training
  - Close coordination with local police and other authorities responsible for emergencies
  - Implementing real-time incident response and containment measures
  - Post-incident response review
  - Preparing and issuing post-incident reports to local and state law enforcement agencies, the DPH and any other regulatory bodies requiring notification

### 3) Emergency Preparedness and Incident Response Training

We will strive to set the industry standard for preparedness through our comprehensive and systematic approach to incident management. It is the responsibility of our CSO to ensure that all employees receive emergency preparedness and incident response training. Our employee training and testing regimen includes prevention, response and certification (where applicable) for the following:

- CPR, First Aid and First Responder
- Fire Safety
- Criminal Activity
- Natural Disasters
- Civil Disturbances

### 4) Emergency Contact List

An emergency contact list will be generated by the CSO in conjunction with the COO. The contact list will be posted throughout restricted access zones and will have contact protocols to ensure that all necessary parties are contacted at the appropriate time.



Our Incident Management Program establishes policies and procedures for documenting, reporting and managing adverse incidents, consumer complaints, operational concerns and issues that will be reported to law enforcement and/or the DPH. Our program is designed to ensure the highest standards of incident management and to ensure that we are on the cutting-edge of operational performance, safety and patient satisfaction. Maintaining proper adverse incident response will be the responsibility of the COO with guidance from the Compliance Officer.

- A) All criminal incidents will be managed according to our comprehensive Security Policies and Procedures Manual.
- B) Appropriate measures will be taken to ensure that all medical emergencies occurring at our facility, or during the transport of marijuana, will be handled in accordance with First-Responder best practices as detailed in our Safety Manual.
- C) Appropriate measures will be taken if a patient reports adverse effects they believe are related to any of our products. These measures include:
  - Assisting the patient, family members, caregiver and/or health care providers to determine the cause of the adverse effects and how best to address the situation
  - Determining whether a particular product, batch or lot is defective
  - Documenting and reporting the source problem
  - Destroying products that are deemed harmful or hazardous

#### 8) Cash Management Procedures

The CFO is responsible for establishing cash management procedures that reflect the needs of DCC on an ongoing basis. Company policy is to have sufficient on-hand cash to ensure that cash transactions are feasible during all hours of operation. However, excess cash on-hand creates increases risk. It is the CFO's responsibility to review cash flow data to ensure that a balance occurs between available cash and diminishing risk.

##### A) Daily Reconciliation

It is the responsibility of the store manager to reconcile all cash-register drawers at the end of the day. It is also their responsibility to oversee the transition of drawers between shifts, in the event that multiple shifts occur during the course of a day. Forms will be developed by the dispensary manager and approved by the CFO to create a paper-trail documenting all transactions and provide a balance sheet for all cash transactions. The CFO will determine whether they review transaction and balance sheet reports on a daily or weekly basis. These reports must be compared to inventory reports on weekly basis to determine what, if any, loss has occurred. Smaller volumes of loss are often more difficult to assess due to the expected loss

of marijuana through spoilage, decay, changes in humidity, etc. Therefore, the CFO must work with the CEO to determine what volumes of loss are acceptable.

In compliance with section 7.2.5 of the Act, DCC will notify the Department and local law enforcement within 24 hours any time there is a suspected loss of marijuana, and shall cooperate fully with any investigation into the suspected loss.

#### B) Dispensary Associate Responsibilities

It is the responsibility of each and every Dispensary Associate to count their drawer prior to beginning their shift and reconciling their drawer at the end of their shift. This must be documented on the approved balance sheet provide by the store manager. Any discrepancy must immediately be brought to the attention of a supervisor or dispensary manager. The Dispensary associate must work in conjunction to determine the cause of the discrepancy and when deciphered, the cause, must be documented on the balance sheet. If the cause is not determined this must be documented as well and the amount of the discrepancy must be noted. The CFO must be notified of all discrepancies regardless of amount.

#### C) Cash Handling

Dispensaries may receive large volumes of cash during normal customer transactions. The CFO must determine in conjunction with the CEO and CSO the maximum amount of cash allowed on-site at any one time. Cash that is not disbursed to the cash-register drawers must be accounted for, banded appropriately and kept in a locked safe. The CFO will create a “safe balance sheet” to document the amount of cash in the safe at all times. Any addition or subtraction of cash must be logged on the safe balance sheet.

The CSO will establish protocols for the safe transport of excess cash to bank that services the accounts of DCC. The CSO must communicate with local law enforcement to determine if cash transport should coincide with regular patrol drive-byes.

DCC is in negotiations with various credit and debit card processing companies to avoid large quantities of cash. DCC will provide financial incentives to use one of these alternate forms of payment to reduce the cash that must be stored and transported by DCC.

## **PROPOSED EMPLOYEE AND OPERATIONS HANDBOOK**

### **SECTION 1: INTRODUCTION**

This Manual is designed to acquaint you with Delaware Compassionate Care, Inc. (“DCC”), a not-for-profit medical marijuana production and distribution facility operating in accordance with the Delaware Medical Marijuana Act and regulations promulgated in accordance with the Act.

This manual will provide you with information about working conditions, benefits, and policies affecting your employment. The information contained in this Manual applies to all employees of DCC. Following the policies described in this Manual is considered a condition of continued employment. However, nothing in this Manual alters an employee's status. The contents of this Manual shall not constitute nor be construed as a promise of employment or as a contract between the Company and any of its employees. The Manual is a summary of our policies, which are presented here only as a matter of information. You are responsible for reading, understanding, and complying with the provisions of this Manual. Our objective is to provide you with a work environment that is constructive to both personal and professional growth.

### **CHANGES IN POLICY**

This Manual supersedes all previous employee manuals and memos that may have been issued from time to time on subjects covered in this Manual. However, since our business and our organization are subject to change, we reserve the right to interpret, change, suspend, cancel, or dispute with or without notice all or any part of our policies, procedures, and benefits at any time. We will notify all employees of these changes. Changes will be effective on the dates determined by the Company, and after those dates all superseded policies will be null. No individual supervisor or manager has the authority to change policies at any time. If you are uncertain about any policy or procedure, speak with your direct supervisor.

### **EMPLOYMENT APPLICATIONS**

We rely upon the accuracy of information contained in the employment application and the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in exclusion of the individual from further consideration for employment or, if the person has been hired, termination of employment.

### **EMPLOYMENT RELATIONSHIP**

You enter into employment voluntarily, and you are free to resign at any time for any reason or no reason. Similarly, DCC is free to conclude its relationship with any employee at any time for any reason or no reason. Following the probationary period, employees are required to follow the Employment Termination Policy (See Section 3.13).

## **SECTION 2: DEFINITIONS OF EMPLOYEES STATUS**

### **"EMPLOYEES" DEFINED**

An “employee” of DCC is a person who regularly works for DCC on a wage or salary basis. “Employees” may include exempt, non-exempt, regular full-time, regular part-time, voluntary and temporary persons, and others employed with the Company who are subject to the control and direction of DCC in the performance of their duties.

#### EXEMPT

Employees whose positions meet specific criteria established by the Fair Labor Standards Act (FLSA) and who are exempt from overtime pay requirements.

#### NON-EXEMPT

Employees whose positions do not meet FLSA criteria and who are paid one and one-half their regular rate of pay for hours worked in excess of 40 hours per week.

#### REGULAR FULL-TIME

Employees who have completed the 90-day probationary period and who are regularly scheduled to work 35 or more hours per week. Generally, they are eligible for the Company’s benefit package, subject to the terms, conditions, and limitations of each benefit program.

#### REGULAR PART-TIME

Employees who have completed the 90 day probationary period and who are regularly scheduled to work less than 35 hours per week. Regular part-time employees are eligible for some benefits sponsored by the Company, subject to the terms, conditions, and limitations of each benefit program.

#### TEMPORARY (FULL-TIME or PART-TIME)

Those whose performance is being evaluated to determine whether further employment in a specific position or with the Company is appropriate or individuals who are hired as interim replacements to assist in the completion of a specific project or for vacation relief. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status until they are notified of a change. They are not eligible for any of the Company’s benefit programs.

#### PROBATIONARY PERIOD FOR NEW EMPLOYEES

A new employee whose performance is being evaluated to determine whether further employment in a specific position or with DCC is appropriate. When an employee completes the probationary period, the employee will be notified of his/her new status with DCC.

### SECTION 3: EMPLOYMENT POLICIES

#### NON-DISCRIMINATION

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at DCC will be based on merit, qualifications, and abilities. DCC does not discriminate in employment opportunities or practices because of race, color, religion, sex, national origin, age or disability. DCC will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training. Employees with questions or concerns about discrimination in the workplace are encouraged to bring these issues to the attention of their supervisor. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in unlawful discrimination would be subject to disciplinary action, including termination of employment.

#### NON-DISCLOSURE/CONFIDENTIALITY

The protection of confidential business information and trade secrets is vital to the interests and success of DCC. Such confidential information includes, but is not limited to, the following examples: Compensation data, Financial information, Marketing strategies, Pending projects and proposals, Proprietary growing and production processes, Personnel/Payroll records, and Conversations between any persons associated with the company. All employees are required to sign a non-disclosure agreement as a condition of employment. Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, including termination of employment and legal action, even if they do not actually benefit from the disclosed information.

#### NEW EMPLOYEE ORIENTATION

Orientation is a formal welcoming process that is designed to make the new employee feel comfortable, informed about the company, and prepared for their position. New employee orientation is conducted by a Human Resources representative, and includes an overview of the company history, an explanation of the company core values, vision, and mission; and company goals and objectives. In addition, the new employee will be given an overview of benefits, tax, and legal issues, and complete any necessary paperwork.

Employees are presented with all personal key codes, keys, biometrics setup and procedures needed to navigate within the workplace. The new employee's supervisor then introduces the new hire to staff throughout the company, reviews their job description and scope of position, explains the company's evaluation procedures, and helps the new employee get started on specific functions.

#### PROBATIONARY PERIOD FOR NEW EMPLOYEES

The probationary period for regular full-time and regular part-time employees lasts up to 90 days from date of hire. During this time, employees have the opportunity to evaluate our Company as a place to work and management has its first opportunity to evaluate the employee. During this introductory period, both the employee and the Company have the right to terminate employment without advance notice. Upon satisfactory completion of the probationary period, a 90-day review will be given and benefits will begin as appropriate. All employees, regardless of classification or length of service, are expected to meet and maintain Company standards for job performance and behavior (See Section 4, Standards of Conduct).

#### OFFICE HOURS

DCC office is open for business from 9 a.m. to 7 p.m. Monday through Saturday, except for Holidays (See Section 6.7, Holidays). The standard workweek is 40 hours of work (see Section 5.3, Overtime). In the computation of various employee benefits, the employee workweek is considered to begin on Sunday (starting at 12:01 a.m.) through Saturday (ending at 12:00 a.m.), unless a supervisor makes prior other arrangement with the employee.

#### LUNCH PERIODS

Employees are allowed a one-hour lunch break. Lunch breaks generally are taken between the hours of 11 a.m. and 2:00 p.m. on a staggered schedule so that your absence does not create a problem for co-workers or clients.

#### BREAK PERIODS

DCC does not provide for employees to break during production activities except for the above outlined lunch period. If employees have unexpected personal business to take care of, they must notify their direct supervisor to discuss time away from work and make provisions as necessary. Personal business should be conducted on the employee's own time. Employees who do not adhere to the break policy will be subject to disciplinary action, including termination.

#### PERSONNEL FILES

Employee personnel files include the following: job application, job description, résumé, records of participation in training events, salary history, records of disciplinary action and documents related to employee performance reviews, coaching, and mentoring. Personnel files are the property of DCC, and access to the information is restricted. Management personnel of DCC who have a legitimate reason to review the file are allowed to do so. Employees who wish to review their own file should contact their supervisor or Human Resources Representative. With reasonable advance notice, the employee may review his/her personnel file in Company's office and in the presence of their supervisor or Human Resources Representative.

#### PERSONNEL DATA CHANGES

It is the responsibility of each employee to promptly notify their supervisor or DCC Human Resources Department of any changes in personnel data such as Mailing address, Telephone numbers, Name and number of dependents, and Individuals to be contacted in the event of an emergency. An employee's personnel data should be accurate and current at all times.

#### INCLEMENT WEATHER/EMERGENCY CLOSINGS

At times, emergencies such as severe weather, fires, or power failures can disrupt company operations. The decision to close the office will be made by the Executive Staff. When the decision is made to close the office, employees will receive official notification from their supervisors. Time off from scheduled work due to emergency closings will be unpaid for all non-exempt employees. However, if employees would like to be paid, they are permitted to use vacation time if it is available to them.

#### EMPLOYEE PERFORMANCE REVIEW AND PLANNING SESSIONS

Supervisors will conduct performance reviews and planning sessions with all regular full-time and regular part-time employees after six months of service. Supervisors may conduct informal performance reviews and planning sessions more often if they choose. Performance reviews and planning sessions are designed for the supervisor and the employee to discuss his/her current job tasks, encourage and recognize attributes, and discuss positive, purposeful approaches for meeting work-related goals. Together, employee and supervisor discuss ways in which the employee can accomplish goals or learn new skills. The planning sessions are designed for the employee and his/her supervisor to make and agree on new goals, skills, and areas for improvement. DCC directly links wage and salary increases with performance. Your performance review and planning sessions will have a direct effect on any changes in your compensation. For this reason among others, it is important to prepare for these

reviews carefully, and participate in them fully. New employees will be reviewed at the end of their probationary periods (see Section 3.3, Probationary Period for New Employees). After the initial review, the employee will be reviewed according to the regular semi-annual schedule.

## OUTSIDE EMPLOYMENT

Employees may hold outside jobs in non-related businesses or professions as long as the employee meets the performance standards of their job description with DCC. Unless an alternative work schedule has been approved by DCC, employees will be subject to the company's scheduling demands, regardless of any existing outside work assignments. DCC's office space, equipment, and materials are not to be used for outside employment.

## CORRECTIVE ACTION

DCC holds each of its employees to certain work rules and standards of conduct (see Section 4). When an employee deviates from these rules and standards, DCC expects the employee's supervisor to take corrective action. Corrective action at DCC is progressive. That is, the action taken in response to a rule infraction or violation of standards typically follows a pattern increasing in seriousness until the infraction or violation is corrected. The usual sequence of corrective actions includes an oral warning, a written warning, probation, and finally termination of employment. In deciding which initial corrective action would be appropriate, a supervisor will consider the seriousness of the infraction, the circumstances surrounding the matter, and the employee's previous record. Though committed to a progressive approach to corrective action, DCC considers certain rule infractions and violations of standards as grounds for immediate termination of employment. These include but are not limited to: theft in any form, insubordinate behavior, vandalism or destruction of company property, being on company property during non-business hours, the use of company equipment and/or company vehicles without prior authorization by Executive Staff, untruthfulness about personal work history, skills, or training, divulging Company business practices, and misrepresentations of DCC to a patient, a prospective patient, the general public, or an employee.

## EMPLOYMENT TERMINATION

Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are a few examples of some of the most common circumstances under which employment is terminated:

**Resignation** – voluntary employment termination initiated by an employee.

**Termination**—involuntary employment termination initiated by DCC.

**Layoff**—involuntary employment termination initiated by DCC for non-disciplinary reasons.

When a non-exempt employee intends to terminate his/her employment with DCC is based on mutual consent, both the employee and DCC have the right to terminate employment at will, with or without cause during the Introductory/Probationary Period for New Employees (See Section 3.3, Introductory/Probationary Period for New Employees). Any employee who terminates employment with DCC shall return all files, records, keys, and any other materials that are property of DCC. No final settlement of an employee's pay will be made until all items are returned in appropriate condition. The cost of replacing non-returned items will be deducted from the employee's final paycheck. Furthermore, any outstanding financial obligations owed to DCC will also be deducted from the employee's final check. Employee's benefits will be affected by employment termination in the following manner. All accrued vested benefits that are due and payable at termination will be paid. Some benefits may be continued at the employee's expense (See Section 5, Benefits) if the employee elects to do so. The employee will be notified of the benefits that may be continued and of the terms, conditions, and limitations.

## SAFETY

DCC provides information to employees about workplace safety and health issues through regular internal communication such as:

Training sessions

Team meetings

Bulletin board postings

Memorandums

Other written communications

Each employee is expected to obey safety rules and exercise caution and common sense in all work activities. Employees must immediately report any unsafe conditions to their supervisor. Employees who violate safety standards, cause hazardous or dangerous situations, or fail to report, or where appropriate, remedy such situations, may be subject to disciplinary action including termination of employment. In the case of an accident that results in injury, regardless of how insignificant the injury may appear, employees should notify their supervisor (See Section 3.16, Employee Requiring Medical Attention).

## HEALTH-RELATED ISSUES

Employees who become aware of any health-related issue, including pregnancy, should notify their supervisor and Human Resources Representative of health status. This policy has been instituted strictly to protect the employee. A written “permission to work” from the employee’s doctor is required at the time or shortly after notice has been given. The doctor’s note should specify whether the employee is able to perform regular duties as outlined in his/her job description. A leave of absence may be granted on a case-by-case basis. If the need arises for a leave of absence, employees should notify their supervisor and Human Resources Representative.

## EMPLOYEE REQUIRING MEDICAL ATTENTION

In the event an employee requires medical attention, whether injured or becoming ill while at work, the employee’s personal physician must be notified immediately. If it is necessary for the employee to be seen by the doctor or go to the hospital, a family member will be called to transport the employee to the appropriate facility. If an emergency arises requiring Emergency Medical Services to evaluate the injury/illness of an employee on-site, the employee will be responsible for any transportation charges. Furthermore, DCC’s employees will not be responsible for transportation of another employee due to liabilities that may occur. A physician’s “return to work” notice may be required.

## BUILDING SECURITY

All employees who are issued keys to the office are responsible for their safekeeping. These employees will sign a Building Key Disbursement form upon receiving the key. The last employee, or a designated employee, who leaves the office at the end of the business day assumes the responsibility to ensure that all doors and security access points (i.e. safe) are securely locked, the alarm system is armed, thermostats are set on appropriate evening and/or weekend setting, and all appliances and lights are turned off with exception of the lights normally left on for security or operational purposes. Employees are not allowed on Company property after hours without prior authorization from the Executive Staff.

## INSURANCE ON PERSONAL EFFECTS

All employees should be sure that their own personal insurance policies cover the loss of anything occasionally left at the office. DCC assumes no risk for any loss or damage to personal property.

## SUPPLIES; EXPENDITURES; OBLIGATING THE COMPANY

Only authorized persons may purchase supplies in the name of DCC. No employee whose regular duties do not include purchasing shall incur any expense on behalf of DCC or bind DCC by any promise or representation without written approval.

#### EXPENSE REIMBURSEMENT

Expenses incurred by an employee must have prior approval by a supervisor. Reimbursements under \$25.00 will be included in the employee's next regular paycheck. An example of such an expense would include mileage. If the amount is more than \$25.00, the reimbursement request will be processed like an invoice. All completed reimbursement request forms should be turned in to Accounts Payable/Payroll Department.

#### PARKING

Employees must park their cars in areas indicated and provided by the Company.

#### VISITORS IN THE WORKPLACE

To provide for the safety and security of employees, visitors, and the facilities at DCC, only authorized visitors are allowed in the workplace. Restricting unauthorized visitors helps ensure security, decreases insurance liability, protects confidential information, safeguards employee welfare, and avoids potential distractions and disturbances. All visitors must enter through the main reception area, sign-in, and sign-out at the front desk and receive a 'Visitor' badge to wear while on premises. Authorized visitors will be escorted to their destination and must be accompanied by an employee at all times.

#### IMMIGRATION LAW COMPLIANCE

DCC employs only United States citizens and those non-

U.S. citizens authorized to work in the United States in compliance with the Immigration Reform and Control Act of 1986. Each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. Former employees who are rehired must also complete the form if they have not completed an I-9 with DCC within the past three years or if their previous I-9 is no longer retained or valid.

#### SECTION 4: STANDARDS OF CONDUCT

The work rules and standards of conduct for DCC are important, and the Company regards them seriously. All employees are urged to become familiar with these rules and standards. In addition, employees are expected to follow the rules and standards faithfully in doing their

own jobs and conducting the Company's business. Please note that any employee who deviates from these rules and standards will be subject to corrective action, up to and including termination of employment (see Section 3.12, Corrective Action). While not intended to list all the forms of behavior that are considered unacceptable in the workplace, the following are examples of rule infractions or misconduct that may result in disciplinary action, including termination of employment. Theft or inappropriate removal or possession of property; Falsification of timekeeping records (See Section 5.2, Timekeeping); Working under the influence of alcohol or illegal drugs (See Section 4.6, Substance Abuse); Possession, distribution, sale, transfer, or use of alcohol or illegal drugs in the workplace (See Section 4.6, Substance Abuse); Fighting or threatening violence in the workplace; Boisterous or disruptive activity in the workplace; Negligence or improper conduct leading to damage of company-owned or patient-owned property; Insubordination or other disrespectful conduct; Violation of safety or health rules; Smoking in the workplace; Sexual or other unlawful or unwelcome harassment (See Section 4.3, Harassment, Including Sexual Harassment); Excessive absenteeism or any absence without notice (See also, Section 4.1 Attendance/Punctuality and 4.2, Absence without Notice); Unauthorized use of telephones, or other company-owned equipment (See Section 4.4, Telephone Use); Using company equipment for purposes other than business (i.e. playing games on computers or personal Internet usage); Unauthorized disclosure of business "secrets" or confidential information; Violation of personnel policies; and Unsatisfactory performance or conduct.

#### ATTENDANCE/PUNCTUALITY

The Company expects that every employee will be regular and punctual in attendance. This means being in the office, ready to work, at their starting time each day. Absenteeism and tardiness places a burden on other employees and on the Company. If you are unable to report for work for any reason, notify your supervisor before regular starting time. You are responsible for speaking directly with your supervisor about your absence. It is not acceptable to leave a message on a supervisor's voice mail, except in extreme emergencies. In the case of leaving a voice-mail message, a follow-up call must be made later that day. Should undue tardiness become apparent, disciplinary action may be required. If there comes a time when you see that you will need to work some hours other than those that make up your usual work week, notify your supervisor at least seven working days in advance. Each request for special work hours will be considered separately, in light of the employee's needs and the needs of the Company. Such requests may or may not be granted.

## ABSENCE WITHOUT NOTICE

When you are unable to work owing to illness or an accident, please notify your supervisor. This will allow the Company to arrange for temporary coverage of your duties, and helps other employees to continue work in your absence. If you do not report for work and the Company is not notified of your status, it will be assumed after two consecutive days of absence that you have resigned, and you will be removed from the payroll. If you become ill while at work or must leave the office for some other reason before the end of the workday, be sure to inform your supervisor of the situation and check out with the manager.

## HARASSMENT, INCLUDING SEXUAL HARASSMENT

DCC is committed to providing a work environment that is free of discrimination and unlawful harassment. Actions, words, jokes, or comments based on an individual's sex, race, ethnicity, age, religion, or any other legally protected characteristic will not be tolerated. If you believe you have been the victim of harassment, or know of another employee who has, report it immediately. Employees can raise concerns and make reports without fear of reprisal. Any supervisor who becomes aware of possible harassment should promptly advise their supervisor or the Human Resources Representative who will handle the matter in a timely and confidential manner.

## TELEPHONE USE

DCC telephones are intended for the use of serving our patients and in conducting the Company's business. Personal usage during business hours is discouraged except for extreme emergencies. All personal telephone calls should be kept brief to avoid congestion on the telephone line. To respect the rights of all employees and avoid miscommunication in the office, employees must inform family members and friends to limit personal telephone calls during working hours. If an employee is found to be deviating from this policy, he/she will be subject to disciplinary action (See Section 3.12, Corrective Action).

## PUBLIC IMAGE

A professional appearance is important anytime that you come in contact with patients or potential patients. Employees should be well groomed and dressed appropriately for our business and for their position in particular. The following items are considered inappropriate working attire for DCC: Open-toed sandals, Spaghetti-strapped shirts, Tank tops or revealing shirts, Short miniskirts, Sheer clothing, T-shirts with inappropriate or offensive gestures or advertising. When meeting with a client, the dress code is more business-oriented, including attire such as: Slacks and dress shirt or blouse and Dress or skirt and

blouse. If management occasionally designates "casual days," appropriate guidelines will be provided to you. Consult your supervisor if you have any questions about appropriate business attire.

## SUBSTANCE ABUSE

The Company is committed to providing a safe and productive workplace for its employees. In keeping with this commitment, the following rules regarding alcohol and drugs of abuse have been established for all staff members, regardless of rank or position, including both regular and temporary employees. The rules apply during working hours to all employees of the Company while they are on Company premises or elsewhere on Company business.

*So that there is no question about what these rules signify, please note the following definitions:*

Company property: All Company owned or leased property used by employees.

Controlled substance of abuse: Any substance listed in Schedules I-V of Section 202 of the Controlled Substance Act, as amended.

Drug: Any chemical substance that produces physical, mental, emotional, or behavioral change in the user.

Drug paraphernalia: Equipment, a product, or material that is used or intended for use in concealing an illegal drug, or otherwise introducing into the human body an illegal drug or controlled substance.

Illegal drug:

Any drug or derivative thereof whose use, possession, sale, transfer, attempted sale or transfer, manufacture, or storage is illegal or regulated under any federal, state, or local law or regulation.

Any drug, including – but not limited to – a prescription drug, used for any reason other than that prescribed by a physician.

Inhalants used illegally.

Under the influence: A state of not having the normal use of mental or physical faculties resulting from the voluntary introduction into the body of an alcoholic beverage, drug, or substance of abuse.

## Employee Alcohol and Drug Policy

The foundation of our business practices is the establishment of a "zero tolerance policy" with regard to alcohol and drug use in the work place. Any employee found to have violated this policy, will be immediately terminated.

The manufacture, distribution, possession, sale, or purchase of controlled substances of abuse on Company property is prohibited. Being under the influence of illegal drugs, alcohol, or substances of abuse on Company property is prohibited. Working while under the influence of prescription drugs that impair performance is prohibited.

The causes for termination shall include but not be limited to the following activities:

The use, possession, solicitation or sale of narcotics, other illegal drugs or prescription medication without an authorized prescription on Alternative Center premises or while performing job duties.

Conviction of a crime directly related to the possession, sale or distribution of narcotics, other illegal drugs or unauthorized prescription drugs.

The presence of any detectable amount of prohibited substances in the employee's system while at work, while on the premises of the Center, or representing the Center's in any business related capacity. "Prohibited substances" include illegal drugs, alcohol, or prescription drugs not taken in accordance with a authorized medical prescription given to the employee.

We will conduct drug and/or alcohol tests in accordance with any or all of the following procedures:

**RANDOM TESTING:** Employees may be selected for drug and/or alcohol testing at any time during their employment with the Center.

**FOR-CAUSE TESTING:** The Center may ask an employee to submit to a drug and/or alcohol test at any time it feels that the employee may be under the influence of drugs or alcohol, including, but not limited to, the following circumstances: evidence of drugs or alcohol on or about the employee's person or in the employee's vicinity, unusual conduct on the employee's part that suggests impairment or influence of drugs or alcohol, negative performance patterns, or excessive and unexplained absenteeism or tardiness.

**POST-ACCIDENT TESTING:** Any employee involved in an on-the-job accident or injury under circumstances that suggest possible use or influence of drugs or alcohol in the accident or injury event may be asked to submit to a drug and/or alcohol test. "Involved in an on-the- job accident or injury" means not only the one who was or could have been

injured, but also any employee who potentially contributed to the accident or injury event in any way.

If an employee is tested for drugs or alcohol outside of the employment context and the results indicate a violation of this policy, or if an employee refuses a request to submit to testing under this policy, the employee may be subject to appropriate disciplinary action, up to and including discharge from employment. In such a case, the employee will be given an opportunity to explain the circumstances prior to any final employment action becoming effective.

Consistent with the rules listed above, any of the following actions constitutes a violation of the Company's policy on drugs and may subject an employee to disciplinary action, up to and including immediate termination. Using, selling, purchasing, transferring, manufacturing, or storing an illegal drug or drug paraphernalia, or attempting to or assisting another to do so, while in the course of employment. Working or reporting to work, conducting Company business or being on Company property while under the influence of an illegal drug or alcohol, or in an impaired condition.

#### TOBACCO PRODUCTS

The use of tobacco products is not permitted anywhere on the Company's premises.

#### INTERNET USE

DCC employees are allowed use of the Internet and e-mail when necessary to serve our patients and conduct the Company's business. Employees may use the Internet when appropriate to access information needed to conduct business of the Company. Employees may use e-mail when appropriate for Company business correspondence. Use of the Internet must not disrupt operation of the company computer network. Use of the Internet must not interfere with an employee's productivity. Employees are responsible for using the Internet in a manner that is ethical and lawful. Internet messages are public and not private. DCC reserves the right to access and monitor all files and messages on its systems.

#### SECTION 5: WAGE AND SALARY POLICIES

##### WAGE OR SALARY INCREASES

Each employee's hourly wage or annual salary will be reviewed at least once each year. The employee's review date will usually be conducted on or about the anniversary date of employment or the date of the previous compensation review. Such reviews may be conducted more frequently for a newly created position, or based on a recent promotion.

Increases will be determined on the basis of performance, adherence to company policies and procedures, and ability to meet or exceed duties per job description and achieve performance goals (See Section 3.10, Performance Review/Planning Sessions). Although the Company's salary ranges and hourly wage schedules will be adjusted on an ongoing basis, DCC does not grant "cost of living" increases. Performance is the key to wage increases in the Company.

#### TIMEKEEPING

Accurately recording time worked is the responsibility of every non-exempt employee. Time worked is the time actually spent on a job(s) performing assigned duties. Each client job is assigned a job number as posted in the Employee Message Center. Employees are responsible for accurately documenting their time spent on individual jobs. DCC does not pay for extended breaks or time spent on personal matters. The time clock is a legal instrument. Altering, falsifying, tampering with time records, or recording time on another team member's time record will result in disciplinary action, including termination of employment. Authorized personnel will review time records each week. Any changes to an employee's time record must be approved by his/her supervisor. Questions regarding the timekeeping system or time cards should be directed to the manager or president.

**Time Cards** – Non-exempt employees will be issued a time card on their first day of employment. The employee will be given thorough instructions on usage and instructions on what to do should a problem occur. Employees will be financially responsible for replacing the card if it is lost or stolen.

#### OVERTIME

DCC is open for business 60 hours per week. Overtime compensation is paid to non-exempt employees in accordance with federal and state wage and hour restrictions. Overtime is payable for all hours worked over 40 per week at a rate of one and one-half times the non-exempt employee's regular hourly rate. Time off on personal time, holidays, or any leave of absence will not be considered hours worked when calculating overtime. In addition, vacation time does not constitute hours worked. All overtime work performed by an hourly employee must receive the supervisor's prior authorization. Overtime worked without prior authorization from the supervisor may result in disciplinary action. The supervisor's signature on a timesheet authorizes pay for overtime hours worked.

## PAYDAYS

All employees are paid every two weeks. In the event that a regularly scheduled payday falls on a weekend or holiday, employees will receive pay on the next day of operation. If a regular payday falls during an employee's vacation, the employee's paycheck will be available upon his/her return from vacation. Paychecks will not, under any circumstances, be given to any person other than the employee without written authorization. Paychecks may also be mailed to the employee's address or deposited directly into an employee's bank account upon request.

## SECTION 6: BENEFITS AND SERVICES

DCC offers a benefits program for its regular full-time and regular part-time employees. However, the existence of these programs does not signify that an employee will necessarily be employed for the required time necessary to qualify for the benefits included in and administered through these programs.

### GROUP INSURANCE

DCC offers the following health and life insurance programs for REGULAR FULL-TIME employees (as determined by the carrier of the policies).

### HEALTH INSURANCE

Coverage begins 90 days after employment commences.

The company pays 50% of the premium.

The employee pays 50 % of the premium.

The employee premium is paid through payroll deduction.

### COBRA BENEFITS

The Federal Consolidated Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under the DCC's health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events are resignation, termination of employment, or death of an employee; a reduction in an employee's hours or leave of absence, divorce or legal separation and a dependent child no longer meeting eligibility requirements. Under COBRA, the employee or beneficiary pays the full cost of coverage at DCC's group rates plus an administration fee. DCC provides each eligible employee with a written notice describing

rights granted under COBRA when the employee becomes eligible for coverage under DCC's health insurance plan. The notice contains important information about the employee's rights and obligations.

#### SOCIAL SECURITY/MEDICARE

DCC withholds income tax from all employees' earnings and participates in FICA (Social Security) and Medicare withholding and matching programs as required by law.

#### VACATION

Paid vacation is available to regular full-time and regular part-time employees following their first-year anniversary with DCC and is provided based on the following calculation: During the first 2 (two) years of employment, vacation time will be earned at the rate of .0192 hours per hour worked. Earned vacation can be taken after 1 (one) year continuous employment. During the 3rd (third) through 5th (fifth) years of employment, paid vacation time will be earned at the rate of .0384 hours per hour worked. During the 6th (sixth) and following years of employment, vacation time will be earned at the rate of .0586 hours per hour worked. The vacation policy applies to all regular full-time employees. Paid vacation time of regular employees will be earned on a fractional basis. Fractional vacation weeks will correspond to the average number of hours worked during the preceding year. Example: Employee "A" works 25 hours per week for 52 continuous weeks,  $25 \times 52 = 1,300$  hours, Earned vacation equals  $1,300 \text{ hours worked} \times .0192 = 25 \text{ hours}$ . Earned vacation leave cannot be taken before it is accrued and approved. Vacation may be taken in half-day increments of time. Upon termination, unused earned vacation will be paid in a lump sum in the employee's final paycheck. Only one week paid vacation may be carried over from one calendar year to the next. However, no more than one week of vacation may be taken at one time, except under extraordinary circumstances. Requests for more than one week of vacation should be in writing at least ninety days prior to the beginning of the requested vacation period.

#### RECORD KEEPING

The Human Resources Department maintains vacation days accrued and used. Each employee is responsible for verifying his/her pay stub to make sure the correct amount of hours appear.

#### HOLIDAYS

DCC observes the following paid holidays per year for all employees: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

## JURY DUTY/MILITARY LEAVE

Employees will be granted time off to serve on a jury or military leave without pay. However, all regular employees (both full-time and part-time) will be kept on the active payroll until their civic duties have been completed. A copy of the jury duty summons and all other associated paperwork are required for the personnel file.

## SECTION 7: EMPLOYEE COMMUNICATIONS

### STAFF MEETINGS

Quarterly staff meetings will be held on the first Monday of each quarter. These informative meetings allow employees to be informed on recent company activities, changes in the workplace and employee recognition.

### BULLETIN BOARDS

Bulletin boards placed in designated areas provide employees access to important posted information and announcements. The employee is responsible for reading necessary information posted on the bulletin boards.

### SUGGESTION BOX

DCC encourages employees who have suggestions that they do not want to offer orally or in person to write them down and leave them in the suggestion box. If this is done anonymously, every care will be taken to preserve the employee's privacy.

### PROCEDURE FOR HANDLING COMPLAINTS

Under normal working conditions, employees who have a job-related problem, question or complaint should first discuss it with their immediate supervisor. At this level, employees usually reach the simplest, quickest, and most satisfactory solution. If the employee and supervisor do not solve the problem, DCC encourages employees to contact the Manager.

## SECTION 8: FACILITY OVERSIGHT

### INTRODUCTION

DCC's facility shall have an on-site manager during all hours of operation. It is anticipated that the Alternative Center will be open from 10 am to 7 pm, seven days a week. After hour

contact information will be provided to local and state police and fire officials and to the Department of Health and Senior Services. The manager shall conduct an inventory of medical cannabis products, and all processed marijuana, at the beginning of each day, prior to the dispensing of any medical cannabis and again at the end of the day. All inventory data will be entered into an electronic barcode tracking inventory control system. By using an inventory control management software system, our barcode record system will update our inventory based on each delivery and transaction made throughout the operating day. DCC will use a bridge between the inventory control and POS system to the security video and monitoring system. This means that all activity recorded is overlaid onto the recorded video. This process is aimed at addressing any discrepancy discovered that is not consistent with the inventory and recorded sales.

#### DAILY & WEEKLY DUTIES

On a daily basis, the manager shall verify that the security alarm system is operational and that each employee is in possession of their company issued personal alarm panic button. The manager shall personally verify the eligibility of each patient to receive medical cannabis and shall confirm said eligibility with the Department of Health. The manager will prepare weekly reports indicating the number of patients seen, the type and quantity of medical cannabis dispensed and the gross revenue generated. All reports will be submitted electronically to the President on a weekly basis. DCC will conduct random site visits to ensure compliance with the stated policies.

#### OPEN DOOR POLICY

The DCC will have an open door policy regarding inspections. DCC welcomes any input from state officials that may result from these inspections.

#### SECTION 9: SALES DEPARTMENT

##### OPERATIONS MANUAL OVERVIEW

This section delineates the policies and procedures for the Sales Department. All employees working in the Sales Department must follow these policies and procedures.

##### THE ROLE OF THE SALES DEPARTMENT

The role of the Sales Department is to provide outstanding patient service by providing medicine, product knowledge, and absolute accuracy in the sales process. Every patient should walk out of the dispensary saying, "That was GREAT. I can't wait to go back again." It is each Sales Associate's responsibility to deliver a calm, unhurried, fully informative

experience to every patient, utilizing the “4 Steps of a Sale” every time. Since the dispensary is open from 10am until 7pm every day, Sales Associate shifts tend to be long and staff members are on their feet for most of the day. However, the opportunity to engage with and serve patients can be a deeply rewarding experience.

## PRODUCT KNOWLEDGE

An integral part of providing exceptional patient care is having extensive knowledge of the medicine and products available at the dispensary. There is a base of product knowledge that all Sales staff members must possess before completion of their initial training. Sales Associates must continue expanding their knowledge of the Cannabis product and the industry as a whole. After the first 8 shifts (2 weeks) at the dispensary, in addition to basic product knowledge, associates should also know the most popular products requested by patients, the more common strains found at the dispensary, and the differences in each of the concentrates. Beyond that, Sales Associates also will need to attend a mandatory once-a-month Product Information Class, as well as completing Product Knowledge Reviews every 90 days.

## SALES FLOOR LAYOUT

The Sales Floor is comprised of individual POS workstations. Each Sales Associate is assigned to only one station at a time. Workstation assignments vary from shift-to-shift, but generally remain the same within a shift. Each workstation is comprised of a POS screen and cash register, as well as a small freezer for edibles and a set of shelves for non-refrigerated edibles and supply storage. All workstations are numbered. In addition to the individual POS stations, there are glass Display Cases. Depending on the number of Display Cases, some workstations may share a display case between them. Each display case displays only one (1) sample of every product available, with few exceptions. Generally speaking, the display contents are not sold to patients, but again, there are exceptions made on a case-by-case basis. Discuss details with a member of Sales Management. All display cases are numbered.

## CLEANLINESS & ORGANIZATION

Each Sales Floor workstation should be kept clean, organized, and stocked, with each Sales Associate expeditiously maintaining each station between patients or before calling another patient over for assistance. When a transaction is complete, any displayed inventory sold to the patient must be replaced or put on request to the Inventory Manager before assisting the next patient.

## RECORD KEEPING AND PATIENT CONFIDENTIALITY

Prior to dispensing any medical cannabis, the patient's use history will be reviewed to insure that only the amount of medical cannabis permitted by law is actually dispensed. The computer software will "flag" the patient's record if the amount of marijuana purchased is in excess of the recommended dosage. All medical cannabis dispensed and all other products sold will have barcodes to insure accurate record keeping. The employee dispensing medical cannabis will start the purchase transaction process by scanning the product's barcode. The scan will produce a product image on the employee's computer screen, simultaneously the transaction will be video digitally recorded as well as key stroked. If the product needs to be weighed it will be placed on the scale and the POS software makes a record. The printed record will then be placed in the patient's profile, the date and time recorded and the quantity dispensed. The total amount dispensed will then deducted from the patient's allowable medical cannabis quantity. All paper purchase and sales records will be filed and retained for a period of twenty-four months.

DCC will fully comply with healthcare patient record privacy standards by never releasing any personal data that could lead to the identification of an individual patient. DCC believes one of the biggest deficiencies in the industry is a lack of relevant, comprehensive information about the actual operation of a Medical Marijuana business. DCC intends to address this deficiency by integrating all aspects of business operations under a single, user- friendly computer management system. DCC has researched a number of companies in the industry that have designed software systems exclusively for the medical marijuana industry and found only one that has a reliable and technologically forward- thinking HIPAA compliant POS (Point Of Sale) system that meets our high standards. DCC believes this system provides requisite tools necessary to control security issues, employee records and the confidentiality requirements of patient records the business demands.

DCC will provide a unified and biometrically secure HIPAA (Federal Health Insurance Portability and Accountability Act of 1996) compliant registry of Medical Marijuana patients. Patients will enroll at the DCC after receiving their doctor's initial recommendation or after renewing their recommendation. DCC will comply with the confidentiality record keeping requirements for health care information under Delaware law.

DCC will follow international standards-based best practices in the securing of sensitive patient data (SPD). The DCC will utilize a layered defense to protect SPD. SPD is defined as those data elements protected under HIPAA, PCI, and state and federal privacy laws. Information systems containing SPD will be physically and logically segregated from POS systems and the DCC web site infrastructure. Internal and external firewalls and a DMZ will protect the internal network from external attacks against the web site.

A local area network will be established to connect the POS system to the web site. This will allow patients and employees the ability to view custom information related to their DCC interactions. These systems will contain DCC patient identifiers for authentication purposes and general data on the patient's prior interactions, but will not contain those elements designated as sensitive patient data. Patients can consent to exposing more of their personal information to DCC staff if they so desire by completing and signing a request form. This will allow DCC to provide customized interactions and enhanced support to patients based upon their personal preferences.

#### DISPENSING MEDICAL MARIJUANA

All registered qualifying patients or their registered primary caregiver must present their valid state issued patient registry identification cards and be confirmed by our system as eligible recipients, prior to the dispensing of any medical cannabis. The patient will be required to electronically sign for the medical cannabis dispensed.

As a licensed dispensary it is our responsibility to take the utmost care when it comes to safely dispensing medical cannabis to our patients. DCC will take an organic and pesticide free approach to growing medical cannabis. To further ensure quality and provide full transparency, all DCC's medical cannabis will be laboratory tested and the test results will be made publicly available at dispensary locations and on our website. To ensure safety, the manager will perform daily check-ups prior to operating hours. The check-up will consist of the following activities:

Check all dispensable products for consistency of labels based on strain, potency, and quantity for usable cannabis.

Confirm that proper ingredient labels and allergic warning labels are present on each individual medical cannabis product.

Ensure that all medical cannabis shall be dispensed in clear sealed containers with labels specifying the product, its full analysis and amount.

Confirm that each container has been assigned a barcode that will enable it to be scanned in order to process sales and inventory information.

### Showing Samples of Medicine to Patients

All samples should be selected from the re-sealable packages contained in the inventory cabinets. The sample in the display case should only be purchased if it is the last remaining quantity of that strain.

Sales Associates may have only 3 items/packages out on the sales counter at any given time.

This applies to every product inventoried at the dispensary.

When the patient selects the type of product desired, place 3 packages of that product on the counter from which the patient can choose. If the patient does not approve of any of the three selections, put those packages away and offer the patient another 2-3 packages from which they may make their selection. Continue presenting product as needed until the patient chooses a package, or as many times as seems reasonable.

As a caregiver, DCC and its employees have the responsibility to monitor the health of our patients. Patients will be encouraged to consult often with their doctor regarding the amount of marijuana consumed and to report any adverse side effects. The consumption of medical cannabis by a registered patient will be prohibited within or on facility property.

Purchasing Limits - DCC has established Purchasing limits in accordance with Delaware law to prevent the resale of medicine and diversion into the illegal market. All staff must abide by these limits at all times. No more than 3 ounces per 14-day period will be dispensed to any patient.

Even if these limits are not exceeded, if any staff member EVER suspects a patient may intend to resell their medicine, they should halt the transaction and refer the patient to the Member Services manager on duty.

There are stringent controls that will be put in place by way of a Point of Sale/Inventory tracking system, tools and forms for accounting and verification, and tasks and processes that will ensure accountability at every stage, such as verifying product identification and weight measurements in multiple departments (Cultivation, Inventory, Processing and Sales).

We will enforce the purchasing limits set forth by Delaware state law as a DCC policy (currently no more than 3 ounces of usable marijuana per qualifying patient or caregiver during a 14-day period). These purchasing limits will be communicated to patients in our Patient Handbook and verbally during the new patient orientation session. Additionally, employees

will be trained on what the limits are and how to communicate and enforce those limits with patients at the time of sale. The facility will track the purchases of each patient within the member database and POS system. Sales associates will be able to determine if patients have reached the state's limit for a 30-day period.

Frequent inventory taking of the usable medical marijuana on hand and the number of plants under cultivation will be measured and compared to the number of patients being serviced to ensure that only the required amount of medical marijuana is being produced.

Pre-Sales - We cannot do pre-sales, meaning that patients are not permitted to pre-pay for items that are not in stock. If a patient requests a pre-sale, tell them that as Company policy delineates, we cannot do pre-sales because we cannot anticipate when or if a product will be in stock. If the patient wants more information, notify the Manager-On-Duty.

#### PATIENT ADMITTANCE, DIS-ENROLLMENT AND ASSUMPTION OF RISK

Upon arrival, patients must show Safety their ID and documentation and then check in at Reception before entering the Sales Floor. Patients will wait in line in the line cue until the next Sales Associate is ready to assist them. Patients exit the dispensary at the same door they entered.

#### STEP 1: GREETING

As a patient approaches your station at the counter, smile, make eye contact, and with great warmth and friendliness, greet them by saying something like, "Hi! Welcome to DCC. How are you doing today?" When the patient responds, **LISTEN**. Be engaged. Sales Associates have one opportunity to make a first impression and this is it! Each staff member's personal demeanor, smile, tone and level of each voice, the personal touches added to any patient interaction; all make a huge difference in the experience a patient has when they approach the counter.

#### STEP 2: SELECTION

In the "Selection" stage, associates should determine what the patient **WANTS** (type of medicine), **NEEDS** (quantity), and can **AFFORD** (price). Use "primer phrases" to begin the selection process. For example:

- "Have you been here before?"
- "Do you know what you're looking for today?"
- "Are you looking for anything in particular today?"

### STEP 3: PURCHASE

Once all items have been selected, do a final run-through with the patient, checking every item by name and size to assure it's what the patient wanted to purchase.

### STEP 4: PAYMENT

Verbally verify the total amount due. When verbally verifying the total, out of respect for patient privacy, use a voice level that doesn't broadcast the information to others.

The orientation of each patient accepted by DCC will include a training session regarding our right to involuntarily dis-enroll any patient our list of qualifying patients for engaging in unacceptable behavior. Unacceptable behavior shall include appearing at the Alternative Center under the influence of alcohol or drugs, failure to comply with a directive issued by a member of the staff or engaging in any other conduct not permitted on the premises. We may also dis-enroll a patient for "disruptive behavior." Disruptive behavior is defined as behavior that substantially impairs our ability to arrange or provide care for you or another qualifying patient member. Patients will be further advised that other Alternative Treatment Centers may decline your enrollment if you have been dis-enrolled for disruptive behavior.

In all cases of disenrollment, DCC will be required to provide proper notice to you in writing and give you the opportunity to appeal the decision prior to disenrollment. The initial decision regarding disenrollment shall be made by the facility manager and any appeal shall be heard by the board of directors.

Each patient must agree to each and all of the following in connection with the registration policies of DCC and receiving Medical Marijuana.

I am an adult, at least 18 years-of-age, and am voluntarily purchasing medical marijuana and I assume all risks of illness, injury, death, damage and/or loss to myself or my property that might result.

I warrant that I have received a valid form of medical marijuana documentation and matching identification from the State of Delaware.

On behalf of myself and my personal representatives, heirs, executors, administrators, agents and assigns, I hereby release and discharge in advance DCC (and its owners, members, employees, instructors, agents, representatives, successors and assigns) from any and all liability, even if that liability arises out of negligence and/or carelessness on the part of the persons or entity mentioned above.



29 Del.C. Ch. 100 Freedom of Information Act

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SALES CLOSING CHECKLIST

29 Del.C. Ch. 100 Freedom of Information Act

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DCC envisions being a community-oriented, nonprofit organization that provides Delaware patients in need with safe access to high quality medicine, wellness services and educational resources.

We foresee DCC serving as a model facility that operates in full compliance with the law, maintains the highest standards of professional operation and truly serves the needs of patients in our state.

## MEMBER SERVICES DEPARTMENT STRUCTURE

The Member Services Department is comprised of two main “stations:”

Reception

New Patient Orientation

### Reception

A Member Services Associate working in Reception is primarily responsible for the following:

Greet & check in patients as they enter the building, providing excellent patient care, full compliance, and database accuracy. (This is the most routine task of the Receptionist).

Answer the phones, receive and transfer calls to staff, and adhere to company policies regarding what can and cannot be shared over the phone.

Maintain the aesthetics of the reception area, ensuring a clean, organized, and well-stocked environment, and also ensure the overall aesthetic meets our standard of excellence (flowers, etc.)

### New Patient Orientation

A Member Services Associate working in New Patient Orientation is primarily responsible for the following:

Orient new patients to the dispensary and Company by ensuring an exceptional first impression and educating new patients on company policies, procedures, and the dispensary facilities.

Register New Patients.

Enter new patients into the patient database with absolute accuracy.

Ensure Legal Compliance.

Verify medical status of patients and maintain all compliance-related documentation.

### MEMBER SERVICES DEPARTMENT SCHEDULING

There are two Member Services Department stations that must always be covered during operating hours. They are MOD and Reception. So that breaks may be taken, a third Member Services Associate is also scheduled for every shift. Depending on the demands of the department, more Member Services Associates may be scheduled to work during a shift. All personnel covering these positions and shifts must be a qualified member of the Member Services Department.

### AESTHETICS, CLEANLINESS, & ORGANIZATION

Member Services Associates are responsible for ensuring the reception desk, lobby, Member Services office, and retail lobby always reflect our standards for excellence with regard to cleanliness, organization, and overall aesthetics.

### MEMBER SERVICES OPENING CHECKLIST

29 Del.C. Ch. 100 Freedom of Information Act

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29 Del.C. Ch. 100 Freedom of Information Act

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29 Del.C. Ch. 100 Freedom of Information Act

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### MEMBER SERVICES CLOSING CHECKLIST

[REDACTED]

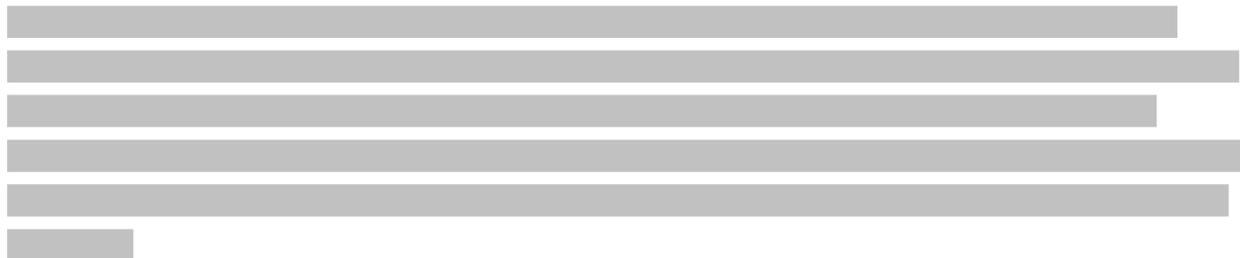


## SECTION 11: PROCESSING DEPARTMENT

### OPERATIONS MANUAL OVERVIEW

This section delineates the policies and procedures for the Processing Department of this dispensary. All employees working in the Processing Department must follow these policies and procedures.

### THE ROLE OF THE PROCESSING DEPARTMENT AND SAFE DISPENSING 29 Del.C. Ch. 100 Freedom of Information Act



The processing of bulk marijuana and bulk concentrates is the most complicated processing task. Broadly speaking, it includes weighing the medicine into smaller, sellable units, inspecting the medicine to ensure quality, and placing the weighed and inspected medicine into individual labeled packages.

Our employee-training curriculum will provide critical procedures and instruction to employees to ensure all systems are in place to dispense medical cannabis safely. These systems also ensure that every employee understands how to implement these systems accurately. In addition, there are sanitation, product quality, and quantity accuracy checkpoints to ensure that errors or problems are caught and remedied long before patients receive their medicine.

Our Processing Department utilizes a Product Quality Assurance Program that provides weight charts and other tools to ensure accuracy as well as photographs of what to look for when determining if the medicine being processed meets our high quality standards. Close range photographs depicting mildew, mold, wet medicine and other problems are utilized for prevention purposes. Additionally, strict sanitation standards are built into each processing stage, including the use of hair nets, sanitized uniforms, frequent and proper hand washing, gloves for handling medicine, and sanitation of containers and scale platforms.

One of the most important tools we will implement is our Laboratory Analysis Program. This testing program has two main components: safety screening and potency quantification.

Safety screening analyzes and detects contamination of pathogenic molds that can threaten the health of patients with compromised immune systems. Potency quantification provides the percentages of three major cannabinoids: THC, CBD and CBN. Later stages of the program will include the use of anonymous patient surveys to develop a comprehensive database of the efficacy of medical cannabis.

Patients are able to access the testing results in three ways: labels in display cases, labels on products, and a book of complete test results. Labels include percentages for THC, CBD and CBN, and are posted in medicine display cases, as well as affixed to the products themselves. A book containing complete spectrometry reports for each product is available at the service counter for those patients who desire more detailed analytical results.

#### TYPICAL DAY IN PROCESSING

29 Del.C. Ch. 100 Freedom of Information Act

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#### Protecting Patients through Quality Assurance

Processing is the last point of careful inspection before medicine gets to patients. Processing Associates ensure that medicine is free from mold, bug feces, hair, too much moisture, excessive butane fumes, etc. The company's commitment to the quality assurance process is critical to patient safety.

#### Extraordinary Medical Care, Honesty, and Friendliness

Processing department staff members express their commitment to extraordinary medical care, honesty, and friendliness through the following:

Ensuring actual medicine weights are consistent with the advertised weights on the packaging, and that the actual contents of each package are what the packages say they are.

Ensuring safe, quality medicine through careful inspection and adherence to sanitation guidelines.

Taking care in the visual presentation of our medicine, which is an outward expression of our respect for our patients and the medicine we provide them.

## MISC. PROCESSING ROOM POLICIES

Your scale must be properly calibrated and leveled at all times.

Always clean and sterilize your utensils and surfaces that come in contact with the medicine.

Always wear a hairnet and latex gloves when coming in contact with the medicine.

Never have more than 1/4 lb of bulk bud in the processing pan at any given time. This helps prevent the loss of water weight due to evaporation.

Never place medicine directly on the scale platform. This ensures weigh accuracy and longevity of the scale.

## INDIVIDUAL PROCESSING “STYLES”

Every Processing Associate in the Processing Department has the exact same overall objective:

*Consistently place the precise weight of quality medicine in the correct, properly labeled packaging, and do this in the least amount of time possible.*

Although the objective is the same, the method for *achieving* this objective may be quite different from one employee to the next. Each Processing Associate discovers his or her own unique “processing style” during the first few weeks and months of working in the department.

## PROCESSING OPENING CHECKLIST

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[Redacted content]

29 Del.C. Ch. 100 Freedom of Information Act

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#### MANAGER ONLY DUTIES

29 Del.C. Ch. 100 Freedom of Information Act

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#### PROCESSING CLOSING CHECKLIST

29 Del.C. Ch. 100 Freedom of Information Act

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29 Del.C. Ch. 100 Freedom of Information Act

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#### MANAGER ONLY DUTIES

29 Del.C. Ch. 100 Freedom of Information Act

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

#### SECTION 12: HUMAN RESOURCES & EMPLOYEE SECURITY POLICIES

##### EACH EMPLOYEE'S RESPONSIBILITY

Safety can only be achieved through teamwork. Each employee must practice safety awareness by thinking defensively, anticipating unsafe situations and reporting unsafe conditions immediately.

Please observe the following precautions:

Notify your manager of any emergency situation. If you are injured or become sick at work, no matter how slightly, you must inform your manager immediately.

The use of alcoholic beverages or illegal substances during working hours will not be tolerated. The possession of alcoholic beverages or illegal substances on Company property is forbidden.

Use, adjust and repair machines and equipment only if you are trained and qualified.

Know the proper lifting procedures. Get help when lifting or pushing heavy objects.

Understand your job fully and follow instructions. If you are not sure of the safe procedure, don't guess; just ask your manager.

Know the locations, contents and use of first aid and fire-fighting equipment.

Wear personal protective equipment in accordance with the job you are performing.

Comply with OSHA standards and/or applicable state job safety and health standards as written in our safety procedures manual.

A violation of a safety precaution is in itself an unsafe act. A violation may lead to disciplinary action, up to and including discharge.

#### DOOR PROTOCOL

All doorways in the facility will be marked with signs which display whether a door is to be kept locked and under what conditions. Instructions thus displayed must be strictly followed by all facility personnel.

#### **WORKPLACE VIOLENCE**

Violence by an employee or anyone else against an employee, manager or member of management will not be tolerated. The purpose of this policy is to minimize the potential risk of personal injuries to employees at work and to reduce the possibility of damage to company property in the event someone, for whatever reason, may be unhappy with a company decision or action by an employee or member of management.

If you receive or overhear any threatening communications from an employee or outside third party, report it to your manager at once. Do not engage in either physical or verbal confrontation with a potentially violent individual. If you encounter an individual who is threatening immediate harm to an employee or visitor to our premises, contact an emergency agency (such as 911) immediately.

All reports of work-related threats will be kept confidential to the extent possible, investigated and documented. Employees are expected to report and participate in an investigation of any suspected or actual cases of workplace violence and will not be subjected to disciplinary consequences for such reports or cooperation.

Violations of this policy, including your failure to report or fully cooperate in The Company's investigation, may result in disciplinary action, up to and including discharge.

#### WORKPLACE SEARCHES

To protect the property and to ensure the safety of all employees, patients and the organization, The Company reserves the right to conduct personal searches consistent with state law, and to inspect any packages, parcels, purses, handbags, brief cases, lunch boxes or any other possessions or articles carried to and from Company property. In addition, DCC reserves the right to search any employee's office, desk, files, equipment or any other area or article on our premises. In this regard, it should be noted that all offices, desks, files, equipment, etc. are the property of The Company, and are issued for the use of employees only during their employment. Inspection may be conducted at any time at the discretion of The Company.

Persons entering the premises who refuse to cooperate in an inspection conducted pursuant to this policy may not be permitted to enter the premises. Employees working on or entering or leaving the premises who refuse to cooperate in an inspection, as well as employees who after the inspection are believed to be in possession of stolen property or illegal substances, will be subject to disciplinary action, up to and including discharge, if upon investigation they are found to be in violation of The Company's security procedures or any other company rules and regulations.

#### NO WEAPONS IN THE WORKPLACE

Possession, use or sale of weapons, firearms or explosives on work premises, while operating company machinery, equipment or vehicles for work-related purposes or while engaged in company business off premises is forbidden except where expressly authorized by The Company and permitted by state and local laws. This policy applies to all employees, including but not limited to, those who have a valid permit to carry a firearm.

Employees who are aware of violations or threats of violations of this policy are required to report such violations or threats of violations to your manager immediately.

Violations of this policy will result in disciplinary action, up to and including discharge.

#### IN AN EMERGENCY

Emergency procedures are discussed during weekly personnel meetings and are displayed on signs posted at the location of the personnel clock-in equipment. All personnel are responsible

for knowing emergency procedures and the locations of emergency alarm activator buttons located throughout the facility.

## **STAFFING**

### **Chief Product Producer**

Will be responsible for all marijuana lozenge and products. The Chief Product Producer must follow the recipes and fully disclose all ingredients used. In conjunction with a cultivation assistant, the baker is responsible for all packaging of products and ensuring proper labels are attached.

### Product Producer Assistant

Will take direction from their managers (Chief Product Producer & Chief Cultivator) as well as follow directions from senior management. Job duties include following the recipes during processing, fully disclose all ingredients used and packaging of all medical cannabis.

### Security Guard

### **Medical Marijuana Transport Team**

It is DCC's intention to employ retired law enforcement officers for the role of transporters for patients desiring delivery if permitted. Law enforcement personnel are very experienced in keeping detailed records and at data entry. Additionally, they are trained in personal safety issues and the importance of safety in the workplace.

The delivery team consists of two like qualified individuals (with a clear understanding of roles):

**Security Guard / Driver:** Will be responsible for the transportation (driving) of medical cannabis from the cultivation site to the dispensary site(s). This position requires the individual to always remain with the vehicle when assets are being transported unless accompanying the Transporter for a pickup or delivery.

**Transport Handler:** Will be responsible for handling medical cannabis. This position requires the individual to manage and keep track of all records (including hard copies).

### Facility Manager

Will be responsible for the supervision of all Alternative Center employees to assure that they are properly performing their duties. The manager will also be responsible for preparing weekly inventory and sales reports. In addition, the manager will be the primary person responsible for the reporting of a fire, intrusion or other emergency.

## Facility Employees

Will be required to communicate clearly and show compassion for all patients entering the facility. A bi-lingual (Spanish) employee will be present during the hours of operation or available via telephone. Facility employees will be responsible for determining the eligibility of individuals seeking entry into the facility and will conduct all patient transactions and required data entry and receipt filings.

## Receptionist

Employee is responsible for all patient check-ins and making sure all documents are on file for each patient. Receptionist shall be responsible for answering inquiries received by email. Employee will greet and check in patients as they enter the building, providing excellent patient care, full compliance, and database accuracy. (This is the most routine task of the Receptionist). Employee will answer the phones, receive and transfer calls to staff, and adhere to company policies regarding what can and cannot be shared over the phone. Employee will maintain the aesthetics of the reception area, ensuring a clean, organized, and well-stocked environment. The employee will also ensure that the overall aesthetics meet our standard of excellence (flowers, etc.).

## 12.10 TYPICAL EMPLOYMENT CONTRACT

### Employment Agreement

Delaware Compassionate Care, Inc. (DCC), a not-for-profit Delaware corporation, hereinafter referred to as "Employer" and \_\_\_\_\_ of \_\_\_\_\_

\_\_\_\_\_, hereinafter referred to as "Employee", in consideration of the mutual promises made herein, agree as follows:

#### ARTICLE 1. TERM OF EMPLOYMENT

**Section 1.01** Employment Term. Employer hereby employs Employee and Employee hereby accepts employment with Employer for the period beginning on \_\_, 2014 and terminating on 20\_\_\_\_ (the "Term"), unless sooner terminated pursuant to Article 4 of this Agreement.

#### ARTICLE 2. DUTIES AND OBLIGATIONS OF EMPLOYEE

**Section 2.01.** General Duties. Employee shall serve as the General Manager of the Corporation dispensary and cultivation sites. In such capacity, Employee shall do and perform all services, acts, or things necessary to perform her responsibilities as determined by the Board. Employee shall specifically be responsible for the following. The General Manager will be

responsible for oversight of all activities at the facility. Responsibilities include implementing cultivation and harvesting protocols, inventory management, report generation, patient management, data entry supervision, sales tax reports and fire and police liaison. Employee shall devote his/her full working time, efforts, ability, and attention to the business of Employer during the Term and shall not be engaged in any other business activity, whether or not for gain or profit, during such period.

**Section 2.02.** Noncompetition. During the Term, Employee shall not, directly or indirectly, own, manage, operate, join, control, be employed by, or participate in the ownership, management, operation or control of, or be connected in any manner with, any business that is competitive with the business of Employer. At no time during the Term shall Employee interfere with, disrupt or attempt to disrupt the relationship, contractual or otherwise, between Employer and any of Employer's customers, clients, suppliers, consultants or employees.

#### ARTICLE 3. COMPENSATION OF EMPLOYEE

**Section 3.01.** Base Salary. As compensation for her services to be performed hereunder during the Term, Employee shall receive a base salary of \$\_\_\_\_\_ a year payable in equal installments of \$\_\_\_\_\_ on the first and fifteenth day of each month. Employer shall deduct from said sum, all applicable Social Security, Federal, State and local taxes.

**Section 3.02.** Benefits and Vacation. During the agreement term, the Employee shall be entitled to participate in, to the extent they exist, the benefit plans and programs (including without limitation; retirement plan participation and health insurance) and receive ten

(10) days paid vacation per year.

**Section 3.03.** Business Expenses. Upon submission of itemized expense statements in the manner specified by the company, the Executive shall be entitled to reimbursement for reasonable expenses duly incurred by Employee in performance of the Employee's duties under this agreement in accordance with the policies and procedures established by the company. All business expenses in excess of one hundred (\$100.00) dollars shall be approved by the Employer prior to undertaking same.

#### ARTICLE 4. TERMINATION OF EMPLOYMENT

**Section 4.01.** Termination. (a) Employer may terminate this Agreement: (1) upon the death of the Employee; (2) upon the disability, either physically or mentally, of Employee

whether totally or partially so that the Employee is unable to perform her duties aggregating 60 days during this contract.

**Section 4.02.** Termination for Cause

(a) Employer reserves the right to terminate this Agreement at any time during the Term hereof if the Employee breaches any of the duties which it is required to perform under the provisions of this Agreement, the Employee Confidentiality Agreement, or the Non-Compete Agreement or commits acts of dishonesty, fraud, misrepresentation or other acts of moral turpitude.

Employer may at its option terminate this Agreement for the reasons stated in this Section by giving written notice of termination to the other party without prejudice to any other remedy to which it may be entitled either at law, in equity, or under this Agreement, and termination shall be effective immediately upon the giving of such written notice.

The notice of termination required by this Section shall specify the ground (s) for the termination and shall be supported by a statement of all relevant facts. Termination shall take effect immediately.

Upon Termination of this Agreement for any reason whatsoever, Employer shall pay to Employee all sums then due Employee hereunder on the effective date of termination.

**ARTICLE 5. GENERAL PROVISIONS**

**Section 5.01.** Arbitration. (a) Subject to subparagraph (b) hereafter, any controversy or claim arising out of this Agreement, or the breach thereof, shall be settled by binding arbitration before the American Arbitration Association in New Jersey, in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect, and judgment upon the award rendered by the Arbitrator may be entered in any Court having jurisdiction. The cost of the Arbitration shall be borne in such proportions as the Arbitrator shall decide.

(b) Notwithstanding, the provisions of subparagraph (a) hereinabove, this Agreement shall be governed by and construed in accordance with the laws of the State of Delaware. Any party may seek injunctive or other equitable relief in any controversy or claim arising out of this Agreement, or in the breach thereof, in the appropriate Delaware Court or the United States District Court.

**Section 5.02.** Notices. Any notices to be given hereunder by either party to the other shall be in writing transmitted by personal delivery or by mail, registered or certified, postage

prepaid with return receipt requested. Notices delivered personally shall be deemed communicated as of the second day after the date of mailing.

**Section 5.03.** Attorney's Fees and Costs. If any arbitration or action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall also be entitled to reimbursement for reasonable attorney's fees, costs and necessary disbursements.

**Section 5.04.** Entire Agreement. This Agreement supersedes any and all other agreements whatsoever.

**Section 5.05.** Additional Clauses.

Signatures:

## SECTION 13: SAFETY DEPARTMENT

### OPERATIONS MANUAL OVERVIEW

This manual delineates the policies and procedures for the Safety Department at this dispensary. All employees working in the Safety Department must follow these policies and procedures.

### ROLE OF THE SAFETY DEPARTMENT

The Safety department is critical to the success and well-being of the facility. Safety Associates are the first contact for patients and visitors. Our department sets the standard by which patients will judge the dispensary and the mission statement. Make each patient feel welcome and a part of something special, which this organization indeed is. New patients should be welcomed for the first time and returning patients should be welcomed back. Be polite, attentive, and courteous. Use people's names when possible. Make eye contact when talking and especially when listening. Smile often.

There are two overarching responsibilities that fulfill the role of the safety department:

It is the primary responsibility of all Safety Associates to constantly remain aware of their surroundings and take immediate preventive measures to reduce the likelihood of injury to anyone visiting the facility.

The secondary responsibility of Safety Associates is to protect facility property from theft, damage, or acts of vandalism, as well as maintaining a safe physical environment for all staff, patients, and visitors.

To fulfill this overarching role, the dispensary has been divided into several “safety zones,” each with their own unique guidelines and duties to be followed by the Safety Associate(s) assigned that zone. These zone-specific duties are called “Post Orders.”

Although these Post Orders are general in nature, they shall be considered policy, and followed as any other Company policy where applicable. As with any general order, the Safety Post Orders may be modified or revised temporarily or permanently only by the Safety Department Head. Temporary modifications may be verbal or written, permanent modifications shall be written and added to the Safety Operations Manual.

## OUR APPROACH TO SAFETY & SECURITY

### EMPLOYEE SECURITY

#### DAILY LOG

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[Redacted content]

#### OPENING AND CLOSING PROCEDURES, PERSONAL SAFETY, CRIME PREVENTION, AND EMERGENCY PREPAREDNESS

Procedures are covered in weekly personnel meetings. It is the responsibility of all personnel to learn and know these procedures, what to do to insure personal safety and prevent crime, and how to handle emergencies.

#### 13.7 TORNADO WARNING PROCEDURES

Upon the notification of a tornado warning, employees and guests should stay in enclosed offices, rooms, and hallways in the interior of the building - away from exterior walls and glassy areas.

Winds up to 200 mph can occur in a tornado. The hazards of a tornado typically are flying objects hazards. For maximum protection in offices, crouch down under a desk or table and cover your head.

### SECTION 14: INVENTORY CONTROL DEPARTMENT

#### OPERATIONS MANUAL OVERVIEW

This section delineates the policies and procedures for the Inventory Department of this dispensary. All employees working in the Inventory Department must follow these policies and procedures.

#### THE ROLE OF THE INVENTORY DEPARTMENT

First and foremost, the Inventory Department is responsible for the storing, tracking, counting, and safekeeping of cash, medicine, and other dispensary products. All medicine is stored within the Inventory Department, before and after it is processed, until it is sold to our patients.

#### INVENTORY DEPARTMENT ADMINISTRATION

##### Hours & Scheduling

The Inventory Department is open every day that the facility is open, however the busiest days are expected to be Wednesdays, Thursdays, and Fridays. Thursday is busy in anticipation of heavy Friday sales, and Friday is busy in preparation for heavy weekend sales.

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29 Del.C. Ch. 100 Freedom of Information Act

#### GENERAL INVENTORY DEPT. POLICIES

Any policies that apply to all dispensary employees also apply to Inventory staff. In addition, the following policies apply specifically to the Inventory Department:

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### INVENTORY ASSOCIATE DAILY DUTIES

29 Del.C. Ch. 100 Freedom of Information Act

[Redacted]

Closing

29 Del.C. Ch. 100 Freedom of Information Act  
[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]

CASH MANAGEMENT/TILL DROPS

29 Del.C. Ch. 100 Freedom of Information Act  
[Redacted]

CREDIT CARD MACHINE ISSUES

29 Del.C. Ch. 100 Freedom of Information Act  
[Redacted]

MONTHLY INVENTORY COUNT

29 Del.C. Ch. 100 Freedom of Information Act  
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[Redacted]  
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INVENTORY OPENING CHECKLIST

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INVENTORY CLOSING CHECKLIST

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SECTION 15: EDUCATIONAL DEPARTMENT

We pledge to always put the well-being of our patients and the public good foremost in our objectives. We want patients to be able to use the highest quality medicine available to alleviate the symptoms of their illness and will always strive for positive patient utilization outcomes.

The medical marijuana program is similar to introducing a new pharmaceutical drug that is undergoing clinical trials (Phase 1: Clinical Trials, Phase 2 Clinical Trials, etc). DCC's approach

to the medical marijuana program is much like the early days of “pharmacy care” which was much more of a hands-on approach to wellness and care.

DCC will endeavor to provide our patients with access to a complete medical marijuana resource center. All of our services are designed to ensure that a patient’s transition into being a legal patient is based on knowledge and compassion. We believe that the more knowledge we can provide to our patients the more power they will have over their lives. Our services will include in-depth consultations and solutions by compassionate caregivers, social workers and legal support administered through DCC’s legal services program. Our goal is simple – Positive Patient Outcomes. As active members of the medical marijuana community, the DCC staff has the expertise to help people who have a qualifying medical condition become a legal medical marijuana patient. Our offices are private, confidential and secure. We are committed to providing only high quality patient services.

#### EDUCATIONAL POLICY

Each patient will be presented with a DCC informational brochure, which will detail the various ingestion options, safe smoking techniques and all potential side effects for the medical cannabis products available at the Center. In addition to the brochure our facility employees will provide all requested information in detail and answer any other questions the patient may have. We will also work with the Department of Health to provide a list of Frequently Asked Questions concerning the Medical Marijuana Program.

DCC will take pride in the care provided to patients. Educating on the safest methods of ingestion is a key component in making a patient comfortable and providing the most effective means of obtaining the optimum results for pain management. DCC will offer multiple methods and product options for the ingestion of medical cannabis.

We believe that vaporization is the best method to "smoke" medical cannabis; however, there are many vaporizers out there. In an effort to help our patients we will always keep our ear to the ground and understand all products on the market.

#### FREQUENTLY ASKED QUESTIONS

Each new registered qualifying patient who visits our Alternative Centers will be provided with "Frequently Asked Questions" which explains the limitations on the right to use marijuana.

#### TRACKING USEFUL DATA

There is a need to document the self-reported uses and outcomes associated with medically used marijuana and we will fully document and analyze all relevant patient data and use that

information to project current and future trends. We will partner with a major university or research institution to collaborate with us and conduct long-term studies on all aspects of the use of medical marijuana. All facets of our operation will be tracked (cultivation, inventory, curing and sales) utilizing the latest software applications and fully integrate this data with complete patient profiles and reactions. Detailed demographic data, self-reported treatment utilization, treatment history, and diagnostic information will be obtained at baseline. Self-reported symptom severity information will be collected through standardized questionnaires that include assessment of quality of life, symptom severity, depression, anxiety, stress, coping skills, optimism/pessimism, and more.

#### EXAMPLE OF EDUCATIONAL MATERIALS

Bracketed numbers (ex. [1]) refers to “References” listed at the end of this section

##### **Using Your Medicine (Educational Materials)**

The federal government classifies cannabis as a schedule 1 drug; a classification that implies that cannabis has no legitimate medical use. This classification should be changed because cannabis is recommended by a multitude of physicians for the treatment of many medical conditions. Furthermore THC (the primary active compound in cannabis) is FDA approved and is called dronabinol [6]. Dronabinol is marketed using the trade name Marinol [6].

There are many methods of using cannabis for the treatment of medical conditions. The following information is intended to inform medical cannabis patients about the various options available to them.

Please note: The only form options that DCC offers currently are flower/bud form, lozenges and topical formulations. We understand the present Laws of the Medical Marijuana Program are restricted to three forms, the following is provided for educational purposes only.

##### **Smoking Cannabis**

Smoking is popular among patients for several reasons:

**Rapid onset:** Smoking delivers active compounds quickly into the bloodstream and to receptor sites via the lungs [4].

**Simplicity:** Compared to other dosage methods, smoking cannabis is simple, requiring very little preparation time. Before smoking cannabis, the patient must simply separate the buds into individual flowers and remove any stems [2]. Doing so ensures an even burn and less need for flame application (less unwanted fumes=better-tasting, more healthful smoke). To make this easy, use a handheld herb grinder or a pair of scissors and a shot glass [2].

Easy dosage determination: smoked cannabis is effective almost immediately, allowing the user to titrate the dose one puff at a time. This allows the user to get just the right dose by gradually increasing the dose until effective [7].

## Methods of smoking

Joint: (a.k.a. “marijuana cigarette” or “reefer”) Convenience of joints is key, as joints burn for multiple puffs worth of cannabis after only being lit once and are easily transportable [2]. Joints also taste pleasant to most patients, and they don’t require breakable, expensive, or conspicuous equipment [2]. A huge plus is efficient delivery of cannabinoids [3]. This is perhaps due to a joint’s lack of a filter or long piping before the mouth, to which sticky cannabinoids adhere easily, reducing the amount of medicine that actually reaches the patient’s body [3]. It is a skill to roll a good joint, however, novices uninterested in learning how to do so should buy a joint-rolling machine or pre-rolled joints [2]. Before rolling a joint, the patient should break the bud(s) into small, uniform pieces about the size of the individual bud flowers or slightly smaller [2]. Stems should be removed from the flowers to avoid foul, acrid smoke and possible holes poked in the rolling paper [2]. To roll a joint, practice, practice, practice...or ask an expert at DCC for help. Some joint smokers prefer unbleached rolling papers, hemp rolling papers, or clear, cellulose-based papers, which may taste better and contain fewer impurities than traditional, bleached-white rolling papers.

\*\*Patients should note that, while still remarkably safe, joints are one of the less-healthy methods of dosage because they burn paper and glue along with cannabis, exposing users to impurities not presented by some other alternative dosage methods [2]. Another downside is waste: Some smoke is inevitably lost between inhalations, and there is usually leftover cannabis in the “roach”, or the small, undesirable leftover part of a burned joint [2]. However, joints’ efficient delivery of cannabinoids—relative to other smoking methods— may compensate for such waste [3].

Pipes: Pipes are an easy way to smoke cannabis, and can be broken down into two basic categories: 1) Dry “Hand” pipes, and 2) Waterpipes [2].

Hand Pipes: These come in a (possibly overwhelming) variety of shapes, sizes, and materials, but the basic mechanics are universal. To smoke a cannabis pipe:

Pack prepared buds into the bowl.

Hold a flame directly over the medicine while simultaneously inhaling through the mouthpiece [2].

Waterpipes: Mechanically, these are nearly identical to hand pipes, but use a chamber of water to filter and cool the smoke before it is inhaled [2]. There are two main types: bong and bubblers, classified by either a large or a small filling chamber, respectively, in which the smoke collects. The main proven advantage over dry pipes or joints is comfort; smoke is cooled and free of hot ashes and particles [3]. \*BEWARE: large “hits” of smoke will cause light-headedness and an inclination to blacking out, and waterpipes make accidentally taking a bigger-than-expected hit a possibility. Waterpipes are supposed by many smokers to be a safer alternative to dry pipes or joints because the water filters tar out of the smoke [2]. Unfortunately, as one test points out, water filtration removes THC and other desirable active compounds more so than tar [3]. This means “in order to obtain the same effective dose of THC, a smoker would end up taking in at least 30% more tars from a waterpipe than from an unfiltered joint” [2]. However, water filtration may remove water-soluble toxic gases such as carbon monoxide, which is linked to heart disease, and aldehydes, which promote cancer [3], so more research is required to determine whether waterpipes are beneficial or counterproductive [2].

\*\*A problem with all pipe smoking is that you must suck on one side of the pipe, pulling air and, along with the flame—lighter fluid fumes—over the cannabis, through the pipe, and into your lungs to light the cannabis on fire. Grind your bud to minimize the need for a starting flame. To avoid lighter fluid fumes, some patients light their pipe with an organic, beeswax-covered hemp wick, or a magnifying glass under bright sunlight.

First time smoking? Use discretion, BATC's cannabis is highly potent! Don't be alarmed though; this is good news for the patient because it allows him or her to burn less plant material to get an effective dose than with lower-potency cannabis [3,2]. This also means that, if the patient is new to smoking, it may only take one substantial inhalation to get an effective dose. Start with a small hit. Inhale deeply, exhale immediately (it is a myth that holding in the smoke will be more effective), and WAIT for several minutes to feel the effects of the hit before taking the next so as to minimize the dose [4].

In summary, if a patient wants the quickest relief possible (easy preparation, plus onset in seconds [4]), and understands and accepts the possible risks inherent to smoking his or her medicine, a pipe is the utensil of choice.

Our growing process and drying process are designed to prevent problems associated with fungi that would affect the safety of our medicine. Buds will be inspected upon trimming and after drying for the presence of mold, and samples from every batch will be sent to a laboratory for testing.

## Vaporization

DCC highly recommends this method to all patients. Good vaporizers allow patients quick-onset relief and oral satisfaction similar to smoking without the health risks associated with smoke [1]. They do this by delicately heating the cannabis to the point that THC and other therapeutic substances change physical form, becoming gaseous [1]. The gas, or vapor, is then inhaled like smoke. The process leaves behind dry, slightly browned buds that, rather than having gone up in smoke, simply lack richness in medicinal compounds [2]. Studies show vaporizers significantly reduce carcinogens (cancer-causing agents), carbon monoxide (linked to cardiovascular disease), and tar [1,2,3].

## Tinctures

Cannabis can be administered orally using cannabis tinctures [2]. Cannabis tinctures have a long history of medical use in the United States [5]. As early as the 1850's American physicians prescribed tincture of cannabis with successful results [5]. There are three types of cannabis tinctures, made using alcohol and/or glycerine as solvents [4]. All three of these solutions may be taken under the tongue with an eyedropper [2]. They are absorbed through the mucus membranes of the mouth, and take effect in five to ten minutes [2,4]. Tincture dosage varies greatly depending on the concentration of cannabis in the tincture [4]. Glycerine tinctures have the advantages of tasting sweeter than alcohol tinctures, and being well suited for those who do not consume alcohol [4]. Alcohol tinctures have the advantage of usually being more concentrated than glycerine tinctures, thus less needs to be used for the desired effect [4]. Glycerine/alcohol tinctures combine the advantages and disadvantages of glycerine tinctures and alcohol tinctures [4]. Shake glycerine/alcohol tinctures to counteract separation [4].

## Dosage

Cannabis can be administered using tinctures, ingestion, smoking, vaporizing, and by other methods. The effect of each method and the rate of onset when using each method varies. Smoking and vaporization provide the fastest onset of effects of any method of administering cannabis [4]. Effects can be felt almost instantly [4]. Tinctures are slightly slower to take effect than inhalation methods; they start to take effect in five minutes or less [2]. Eating cannabis infused foods or capsules is the slowest method of medicating with cannabis but it provides longer lasting effects than other methods [2]. The effects of ingested cannabis may take from 30 minutes to longer than an hour to be noticeable, and may maintain peak intensity for one to two hours before gradually diminishing over several hours [2]. The effects imparted by eating cannabis are also pharmacologically different from those produced by other intake methods, because THC is converted to 11-hydroxyl-THC in the liver when cannabis is eaten [2]. When using any cannabis preparation start with a small quantity,

wait the proper amount of time for the effects to take place, and then take more if necessary [5]. Dosage determination is most easily accomplished using inhalation and tincture methods [2]. It is more difficult to determine ingestion dosage than inhalation or tincture dosage, because the onset of effects is much less rapid with ingestion [2]. The amount of food and type of food in the digestive tract also play roles in determining effective ingestion dosage, further complicating the task [4]. Whatever the method of intake, a lethal overdose of cannabis cannot be achieved [5]. Overdosing on cannabis may produce unpleasant feelings such as drowsiness or anxiety, but users experiencing such feelings should stay calm and wait for the effects of cannabis to diminish [4]. Users who fear the possibility of unpleasant feelings from an overdose may wish to avoid cannabis edibles, as eating cannabis is the most likely intake method to cause an overdose [2].

### Potency

All of the varieties that BATC will offer are high, medium and low potent\*. This is a BATC policy for several reasons. One reason is high potency will save caretakers money by allowing them to use less medicine. Another reason is highly potent varieties are healthier for those who choose to smoke their medicine, because less plant material must be smoked to get the same dose of active compounds [2]. We will also only offer highly potent varieties, as this will aid in simplifying the caretaker's task of choosing the right varieties for their individual needs. One last reason for this policy is that it will help caretakers determine the appropriate dosage of each variety.

\*Each variety we offer is of different potency and has unique medicinal effects.

### Tolerance

Heavy cannabis use will, over time, result in lowered sensitivity to the drug [2]. However, most patients lose side effects over time, not medicinal efficacy [2]. To avoid gaining tolerance to cannabis, patients should try different varieties of cannabis and different intake methods [2].

### Addiction

Cannabis isn't physically addictive, however psychological dependence may occur [2]. This means cannabis use may become habitual in some users [2]. When discontinuing cannabis use, long-term heavy users may experience mild withdrawal symptoms including anxiety, difficulty sleeping, and irritability [2].

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## SECTION 16: CRITICAL INCIDENT DEPARTMENT

The process of conducting a critical incident review will be divided into three steps:

Identify and record the incident

Describe what happened and how it affected the person, the reporting employee (you), and the Alternative Center. Think about how it could have been avoided and what might be done to stop it happening again.

Prepare for the review

The review should encourage mutual support and openness, and emphasize learning. Someone, for example an external facilitator, should lead and chair the audit and make sure there is protected time for all involved.

The lead should set ground rules such as confidentiality, having an open discussion, allowing everyone to speak and participate in active listening, and not allocating blame.

## Running the review

The questions on the form can be used to structure the review meeting. You might consider the following points:

What happened?

Did something go wrong?

What things went well?

How did it affect the patient?

Could it have been avoided?

Can it be stopped from happening again?

What action needs to be taken by whom and when?

## Keeping a record

Keeping a log of all critical incidents can help identify patterns. If you re-audit an event you can see whether you put into place the changes you agreed in the review. ***Please see a sample "Critical Incident Report" attached.***

This operations manual shall remain available for inspection by the Delaware Department of Health and any other authorized government agency upon request.

Critical Incident Report

Your Name: \_\_\_\_\_

Title \_\_\_\_\_

Your e-mail address: \_\_\_\_\_@\_\_\_\_\_

Today's Date: / Month / Day /Year \_\_\_\_\_

Date of Incident: / Month / Day /Year \_\_\_\_\_

Location in Facility: \_\_\_\_\_

Number of staff involved: \_\_\_\_\_

Names of staff: \_\_\_\_\_

Number of staff injured: \_\_\_\_\_

Names of staff injured: \_\_\_\_\_

Number of public involved: \_\_\_\_\_

Names of public: \_\_\_\_\_

Number of public injured: \_\_\_\_\_

Names of public injured: \_\_\_\_\_

Was a weapon used? : \_\_\_\_\_

If a weapon what type(s)? : \_\_\_\_\_

What agency was notified and by whom? : \_\_\_\_\_

Description of Incident:

Management's response and any problems with it

Suggestions for how this could have been prevented: \_\_\_\_\_

I have read and agree to abide by this Employee Manual.

Employee Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Witnessed by: \_\_\_\_\_ Date: \_\_\_\_\_

#### 4. Testing Plan

(Completion Date – 30 days prior to first harvest)

We believe that patients should have access to consistent, mold free medication. 29 Del.C. Ch. 100 Freedom of Information Act

[Redacted content]

[REDACTED]

All testing records shall be kept in an electronic database that is backed up to a secure location (server or storage media).

With the assistance of ProVerde labs, we will test for cannabinoids, terpenes, fungi and mycotoxins. Specifically, we will be able to test for the following:

### Cannabinoids

Delta<sup>9</sup>-THC (Tetrahydrocannabinol): The principal psychoactive constituent of the cannabis plant known to have mild to moderate analgesic effects. Additional physiological effects include appetite stimulation and decreased nausea, both of which provide medical benefits for cancer and AIDS patients. It has also been shown to decrease intraocular pressure providing benefits for some glaucoma patients. Benefits for patients with multiple sclerosis include the reduction of neuropathic pain and spasticity.

THCA (Tetrahydrocannabinolic Acid): the biosynthetic precursor of THC, found in variable quantities in fresh, undried cannabis. It is progressively decarboxylated to THC with drying or under intense heating. While it does not have psychoactive effects, it has been shown to have anti-inflammatory and neuroprotective effects.

THCA-C4 (Tetrahydrocannabinolic Acid-C4): Similar to THCA with a slightly shorter side chain (C4 compared to C5). Believed to have similar effects to THCA.

THCVA (Tetrahydrocannabivarin Acid): a homologue of THCA, with similar properties.

THCV/THV (Tetrahydrocannabivarin): a homologue of THC, formed by the degradation of THCVA. It has been reported to have anti-epileptic and anorectic effects.

CBD (Cannabidiol): Acts as an antagonist for some of the effects of THC and may offset some of the psychoactive potency of the cannabis. Scientific and clinical studies indicate that CBD could be effective in easing symptoms of a wide range of difficult-to-control conditions, including: rheumatoid arthritis, diabetes, alcoholism, PTSD, epilepsy, antibiotic-resistant infections and neurological disorders. CBD has demonstrated neuroprotective effects, and its anti-cancer potential is currently being explored at several academic research centers in the U.S. and other countries.

CBDA (Cannabidiolic Acid): Research investigations have indicated that CBDA inhibits the migration of some highly invasive human breast cancer cells, making it a potential therapeutic modality in the abrogation of cancer cell migration. Decarboxylation degradation of CBDA yields CBD.

CBC (Cannabichromene): Similar in structure to other naturally occurring cannabinoids. Studies have indicated that it may play a role in anti-inflammatory and anti-viral effects and may contribute to the analgesic effects of cannabis.

CBCA (Cannabichromenic Acid): Produced from CBGA. It is thought to possess anti-inflammatory, antibacterial and antifungal activity.

CBCV (Cannabichromevarin): a propyl homologue of CBC and CBG.

CBG (Cannabigerol): a non-psychoactive cannabinoid that has been shown to relieve intraocular pressure which may benefit glaucoma patients.

CBGA (Cannabigerol Acid): CBGA is the primary cannabinoid from which all others derive. The plant first makes CBGA and then converts it, sometimes in several sequential steps, into the others. There are three major branches: (1) THCA and derivatives, (2) CBDA and derivatives, and (3) CBCA and derivatives. At certain stages of development, significant amounts of CBGA are observed in plant samples, but typically there is less than 2% at harvest. Like many of the acid forms of cannabinoids, it has been reported to have anti-inflammatory properties. It is converted to CBG when heated or upon extended exposure to light.

CBGV (Cannabigerovarin): The biosynthetic precursor to THCV, CBDV, and CBCV.

CBN (Cannabinol): formed by degradation of CBNA by heat or UV light. Shown to have sedative and antibacterial activity.

CBNA (Cannabinol Acid): A breakdown product of THCA by air oxidation.

CBL (Cannabicyclol): a non-psychotomimetic cannabinoid. It is a product of the degradation of cannabichromene (CBC) by light.

CBLA (Cannabicyclol Acid): A degradation product of CBCA upon UV light exposure. CBLA is further degraded to CBL when exposed to heat, or additional UV light.

CBV (Cannabivarin): a non-psychoactive cannabinoid analog of cannabinol. It is an oxidation product of THCV and THV.

CBDV (Cannabidivarin): a non-psychoactive cannabinoid homologue of cannabidiol (CBD).

## Terpenes

Myrcene: Significant concentrations of myrcene are present in cannabis resin. Because of its appealing fragrance, myrcene is used in the perfume industry. It has a similar modulating effect on the binding of cannabinoid agonist drugs as cannabidiol, possibly reducing effects of cannabis resin that are found to be unpleasant for some medical users. It has anti microbial, anti septic, analgesic, anti oxidant, anti carcinogen and anti-inflammatory properties. It has shown some promise when used as an anti depressant, or as an additive to other anti depressant drugs and is also used in massage therapy as a muscle relaxer.

Limonene: Found in cannabis resin as well as tropical fruit rinds, limonene is an anti-bacterial, anti fungal and anti cancer agent. Currently undergoing trials for use as an anti depressant, it is also known to increase the absorption of other terpenes by making cell membranes more permeable. The presence of this anti fungal agent may be helpful in protecting against *Aspergillus* infection in those with compromised immunity when using spoiled or poorly cured marijuana. Limonene is currently in trials to study its ability to prevent breast cancer formation.

Linalool: This major component of cannabis and lavender oils is believed to possess anti anxiety and sedative properties. Strains that are high in linalool and similar compounds may be particularly beneficial for patients who experience insomnia when consuming cannabis.

Other Terpenes include: Alpha-Pinene, Terpinolene, Trans-Caryophyllene, Caryophyllene Oxide, Phytol, Borneol, Cineole, Delta-3-Carene.

## Fungi

Aspergillus: *A. flavus*, *A. parasiticus*, *A. niger*, *A. fumigatus*. Is dark green-black in color.

Produces mycotoxins: Aflatoxin B1 (AFB1), Aflatoxin G1 (AFG1)

Penicillium: *P. chrysogenum*. Is light blue-green in color.

Produces mycotoxins: Secalonic acid D

Mucor: *M. hiemalis*. Has grey-black spores.

Produces mycotoxins: Mycotoxin production has not been reported

Rhizopus: R. stolonifer. Has grey-black spores.

Botrytis: Produces mycotxins

## Mycotoxins

Aflatoxin: Aflatoxin B1 (ABF1) [the most toxic], and Aflatoxin G1 (AFG1)

### 5. Growing strategy

#### 1) Establishing a healthy cultivation environment

The following measures shall be implemented during the cultivation and processing of marijuana to prevent contamination. These safeguards include, but are not limited to:

- Scheduled cleaning and sanitization of all equipment, containers and other contact surfaces. Methods may include sterilization, freezing, humidity control, temperature control, ph control or any other non-toxic method;
- Using sanitary handling procedures including use of latex or non-latex examination gloves, rubber gloves, respirators and hair nets for example;
- Using fresh tap water for all sanitization procedures requiring water;
- Limiting airborne contamination through proper use and maintenance of the HVAC system, hepa filtration or air ionization equipment;
- Washing and/or sanitizing containers and packaging that contain soil or other contaminants;
- Instituting chemical or microbial testing regimens to prevent contamination;
- Proper storage of all substances to limit cross-contamination.
- Utilization of proper methods to protect marijuana products from adulteration by any foreign materials.
- Cultivation Facility Sanitation Practices
- The Managing Director of Cultivation with the Maintenance Manager shall maintain cleaning and sanitation protocols and assign sanitation responsibilities appropriately to ensure that all sanitation tasks are completed per schedule. All cultivation employees are responsible for the sanitation of the cultivation facility.
- A log shall be kept to record completion of all assigned sanitation and cleaning tasks.
- Frequent hand-washing is required in all product handling activities and will be monitored by the Managing Director of Cultivation.
- Cultivation employees will be trained to recognize the signs of contaminations, microbial or fungal growth and the proper response, including proper sanitation agents.
- Any mold found in the facility must be removed by a removal expert.

## 2) Cultivation Quality Control Practices

It is the responsibility of the Managing Director of Cultivation to implement regular visual examination schedules of each batch and lot in rotation. The Managing Director of Cultivation will develop and implement the quality control program under the supervision of the Chief Compliance Officer and will implement check-box forms covering all aspects of quality control. The quality control program will be based on the following regimen:

- Monitoring procedures for pest infestations;
- Inspection for biological or microbial colonies;
- Inspection for mold and mildew;
- Examination of all plant anatomy for signs of disease, environmental or nutrient imbalance;
- Inspection of the media for indicators of media contamination or media deterioration;
- Testing of soil, nutrient and water pH, Total Dissolved Solids, Electro-Conductivity and Water Oxidation Reduction Potential.

## 3) Genetics Selection

Genetics selection is an ongoing process ultimately determined by the patients serviced. Regular patient surveys will be conducted to determine overall patient satisfaction with all marijuana products. It is the Managing Director of Cultivation's role to formulate a strain menu that addresses known key trends in patient usage from other medical marijuana states, including:

- Cultivation of sativa and indica dominant strains
- Cultivation of strains that have known medicinal affects across the disease spectrum
- Cultivation of high CBD strains
- Cultivation of at least 15 strains at any one time
- The Managing Director of Cultivation must also cultivate strains based on specific genetic traits, including:
  - Yield
  - Pest and mold resistance
  - True breeding lineages
  - Life cycle chronicity



## 6) Cultivation Best Practices

It is company policy, as well as State law, to utilize only organic products in the production of medical marijuana. To comply with the Departments requirements we will adhere to the following:

- Application of any non-organic pesticide in the cultivation of marijuana is prohibited. All cultivation will be consistent with U.S. Department of Agriculture organic requirements at 7 CFR Part 205.
- Soil for cultivation will meet the U.S. Agency for Toxic Substances and Disease Registry's Environmental Media Evaluation Guidelines for residential soil levels.
- The cultivation process shall use best organic practices to limit contamination, including but not limited to mold, fungus, bacterial diseases, rot, pests, non-organic pesticides, mildew, and any other contaminant identified as posing potential harm.
- We will use only U.S.D.A. and OMRI listed nutrients, growth enhancers and flushing substances.
- We will not utilize any nutrient products that contain sulfates or phosphates.
- We will use only reverse-osmosis water filtration to ensure purity of all water.
- Clean all hydroponic or soil-based grow equipment with non-toxic cleaning agents.
- Filter and ionize air
- We will employ Integrated Pest Management protocols if needed.

## 7) Plant Care

Plants must be handled with great care. DCC will maintain the highest standards for plant care as health plants produce higher quality medicine.

### a. Water Quality and Irrigation Practices

All water utilized in feeding the plants must be tested for contaminants prior to treatment to determine local water quality problems. All water must then be purified using a reverse osmosis system and this system must be maintained on a regular basis. Plants must not be over watered and water must not be allowed to stagnate in the cultivation areas or cultivation systems. It is the

Managing Director of Cultivation's responsibility to produce a feeding schedule that does not lead to under or overwatering. The following steps must be taken to ensure plant health:

- Daily visual examination of plant stems, leaves and flowers to look for disease or nutritional problems

- Regular pH testing of the soil to ensure proper pH.
  - Organic Integrated Pest Management Practices
    - The purpose of OIPM is to utilize a variety of environmental control methods, and not toxic chemicals, to prevent pest infestations. The methods include:
      - o Use of physical controls such as traps, light or sound
      - o Use of predator species, such as lady bugs, to eat or otherwise eradicate a pest
      - o Use of organic and non-toxic repellants or insecticides
      - o Use of natural substances such as diatomaceous Earth to limit movement of pests
      - o Daily monitoring for pest populations
      - o Destruction of pest habitat and food sources
    - Management of the environmental controls to limit pest habitat
    - Removal of infected crop
    - Disease Management Practices
      - Plant disease must first be diagnosed. It is the Managing Director of Cultivation's responsibility to train cultivation staff on the proper recognition of plant disease. Plants should be visually examined on a daily basis for:
        - Nutritional excesses and deficiencies
        - Stunted growth
        - Mold and fungus
        - Root and stem diseases
        - Bacterial and viral disease signs
        - Environmental stress signs
        - Light stress signs
- b. All stress signs must be maintained in a log on a per plant basis and reported to the Managing Director of Cultivation. It is the Manager's responsibility to determine the cause of the disease, the severity of the disease, the spread of the disease as well as the response to the disease. All systemic disease vectors or environmental stressors must be addressed promptly and reported to the COO.

8) Medium and Amendments

- a. All mediums and amendments must be in full compliance with:
  - U.S. Department of Agriculture organic requirements at 7 CFR Part 205.
  - U.S. Agency for Toxic Substances and Disease Registry’s Environmental Media Evaluation Guidelines for residential soil levels.
- b. The Managing Director of Cultivation may select from a number of possible medium options including:
  - Coco, Coco-ponics
  - Hydroponics
  - Rock-wool
  - Soil-less substates
  - Soil
  - Aeroponics

## 6. Outreach Plans

Given that there will only be one Compassion Center in Delaware at first, we believe that patients will find us. Nonetheless, we will strive to combat the negative stigma associated with medical marijuana use and work with patients and caregivers to make sure that qualified patients obtain medication.

We will establish a hotline for patient and caregiver education. We will have an education seminar day once per month where patients can come to learn about marijuana for medicinal use. We will work with local law enforcement and community leaders to make sure that all needs are addressed.

## 7. Required Training (training documents will be completed 10 days prior to the hiring of any specific personnel)

This section should outline the proposed training curriculum for the agents of the compassion center, as well as the proposed outreach education for the patients and caregivers.

An emphasis on continuing education is critical to ensuring sharp skills and current knowledge.

Medical cannabis services and cultivation in the United States are in their infancy, and new methods, research, and regulations are being unveiled at a dizzying pace. As such, our staff must maintain an up-to-date knowledge of methods and processes as well as the medicine’s uses, proper protocols, side effects, contraindications, and benefits. We will require that all prospective employees earn a perfect score on a practical examination before they begin their employment. The test will cover the “must know” security protocols and the MJ Freeway “Seed to Sale” tracking software. Qualified candidates will then be hired for a two-month probationary period, during which they will participate in a rigorous

education and training process. Staff will be educated using the employee handbook, research, and trade materials, and will attend or view lectures by qualified professionals in addition to receiving extensive hands-on training. They will be required to earn a score of 90% or better on all unit exams in the course of this training.

MJ Freeway® shall offer training services for the management and staff of the compassion center on use of the MJ Freeway® system. Unlimited remote technical support shall be provided by MJ Freeway® to the compassion center staff for the life of the active subscription. An extensive online knowledgebase is also available with free form search capabilities. Delaware Compassion Center may contract onsite and/or learning center training with MJ Freeway® upon successful award of an operating license.

The program will consist of the following modules:

#### Safety and Security

Our Director of Security will administer security training for all employees, including acceptable currency identification and counterfeit detection, warning signs of possible diversion to the illegal market, lock and alarm procedures, perimeter and entrance control, robbery response techniques, conflict resolution techniques, and diversion detection techniques. DCC staff will be trained in proper incident-report protocols regarding adverse reactions or suspected diversions. The Extraction Manager will train others in extracts and tinctures processing and in local and state food safety regulations and safe kitchen protocols. The Managing Director of Cultivation will train the Flowering Manager, Vegetative Manager, Nursery Manager, Processing Manager, Cultivation Technician and Trim Technician. The Dispensary Manager will train all Dispensary Associates.

#### Legal

Legal training will cover all relevant State and Federal laws relating to marijuana and especially those related to cannabis for medical use. Legal training will include incident reporting, sexual harassment training, effective interaction with law enforcement personnel, and the rights and responsibilities of marijuana patients (including disabled rights, sensitivity, and privacy.) Legal training will also include at least one two-hour session with our MMJ Compliance Officer, who is an attorney with an extensive background in State and Federal marijuana and medical marijuana law.

#### Medical Health

Our Directors of Medical Services and Dispensary Services will oversee medical training which will include HIPAA compliance protocols, how to identify and interact with a patient having a medical emergency, the proper uses and benefits of medical cannabis, and possible side effects and contraindications.

#### Patient Intake and Support

The focus will be on proper intake and assisting patients in making appropriate decisions about how to choose the type of medicine that is right for them. Staff will be provided with the latest research and

product information through our website or via e-mail. Staff will be required to take two classes from our in-house Executive Management Team or a reputable external educational organization. Every patient or caregiver shall be able to schedule an appointment for specific one on one consultation with dispensary staff. In addition a full line of educational materials shall be available via a tablet kiosk in the dispensary. Patients may elect to print items and take them with them when they leave the dispensary.

#### Continuing Education

Executive Management will take advantage of the many trade shows and educational conferences about cannabis for medical use services and cultivation in the United States, as well as educational opportunities concerning regulations, HIPAA compliance, and education. We will allocate funds in our yearly budget for executive team members to take advantage of these opportunities and bring back that knowledge to disseminate to middle management and staff members. Additionally, cultivation staff will take classes online at unicann.com.

#### Employee Advancement

Continuing education will be a part of our employee review process. All employees will be required to take two classes annually in a topic related to their daily job functions.

This section should include proposed pricing schedules for the retail medical marijuana products and paraphernalia as well as for patient and caregiver education and outreach services.

This section should also include a financial policy plans including payment schedules that may be offered to patients, examples of receipt-of-payment forms, and a list of the forms of payment the compassion center will accept (cash, checks, credit/debit).

DCC will accept cash, checks, credit and debit. Given that Delaware is being extremely diligent in only allowing truly ill patients to obtain medical marijuana, DCC will also offer payment plans to any patients requiring such a plan. DCC will allow patients to pay for their medicine in quarterly installments. In addition this section details discounted rates of medicine depending on income.

It should include related information, such as a sliding scale, that may be used to provide access to affordable medical marijuana by impaneled patients enrolled in Medicaid or receiving Supplemental Security Income or Social Security Disability Insurance.

DCC will provide medical marijuana to all qualified patients regardless of financial capability. We will balance patient access against creating incentives for diversion of marijuana. A primary consideration in providing free or low cost medicine to patients is the concern that a patient with limited financial resources will procure free marijuana from the center, and then sell it on the street to recreational users. To combat that, limited quantities of medicine will be available during a monthly period to each patient on financial assistance.

The program must be sustainable for DCC. Cost determination must factor into revenue. The CFO will evaluate the hardship program on a quarterly basis to determine that the program does not put patient

access or the non-profit in financial jeopardy. A percentage of excess revenues, as determined by the CFO and approved by the Board of Directors, will be utilized to create additional subsidies for approved hardship patients, or alternatively, if necessary the program will be scaled back if it jeopardizes the ability for DCC to operate. The DPH will be notified of any changes to our hardship program before they can be implemented. We will contact local law enforcement on a regular basis to determine if our hardship program may have led to any increase in illegal drug activity.

DCC has used the Federal Poverty Level (FPL) to determine our sliding scale. Patients earning up to 300% of the FPL will be eligible for free and reduced cost medicine. Proof of eligibility can be in the form of a tax filing/returns. Absent a tax filing, we will permit free and reduced cost medicine with proof of enrollment in programs such as Federal Supplemental Security Income (SSI), Social Security Disability income (SSDi), Delaware General Assistance, Delaware Food Supplement Program or Temporary Assistance for Needy Families. Patients enrolled in these programs (without proof of income) will be assumed to earn 300% of FPL. The following hardship provisions will be available per rolling 30-day period. All patients receiving free or reduced medicine benefits will have their benefits tracked internally, in order to prevent abuse. No sensitive information will be stored as part of our internal, reduced cost program tracking.

#### Cost Determination Methodology

- Patients at or between 201-300% FPL will be eligible to receive one ounce of medical marijuana, or extracts and tinctures equivalent, per month at no cost, and a 20% discount for up to 2 ounces of marijuana products thereafter.
- Patients at or between 101-200% poverty will be eligible to receive 1.5 ounces of medical marijuana, or extracts and tinctures equivalent, per month at no cost, and a 35% discount for up to 3 ounces of marijuana products thereafter.
- Patients at or below 100% of poverty will receive two ounces of medical marijuana, or extracts and tinctures equivalent, per month at no cost and a 50% discount for up to 4 ounces marijuana products thereafter.
- All patients with proof of financial hardship will be offered use-implements such as vaporizers at 10% above cost to DCC. After sustainability of our hardship scale is verified, implements will receive the same discount as medicine.

DCC has adopted the National Health Service Corps policies and procedures for Developing and Implementing a Discount Fee Schedule, including:

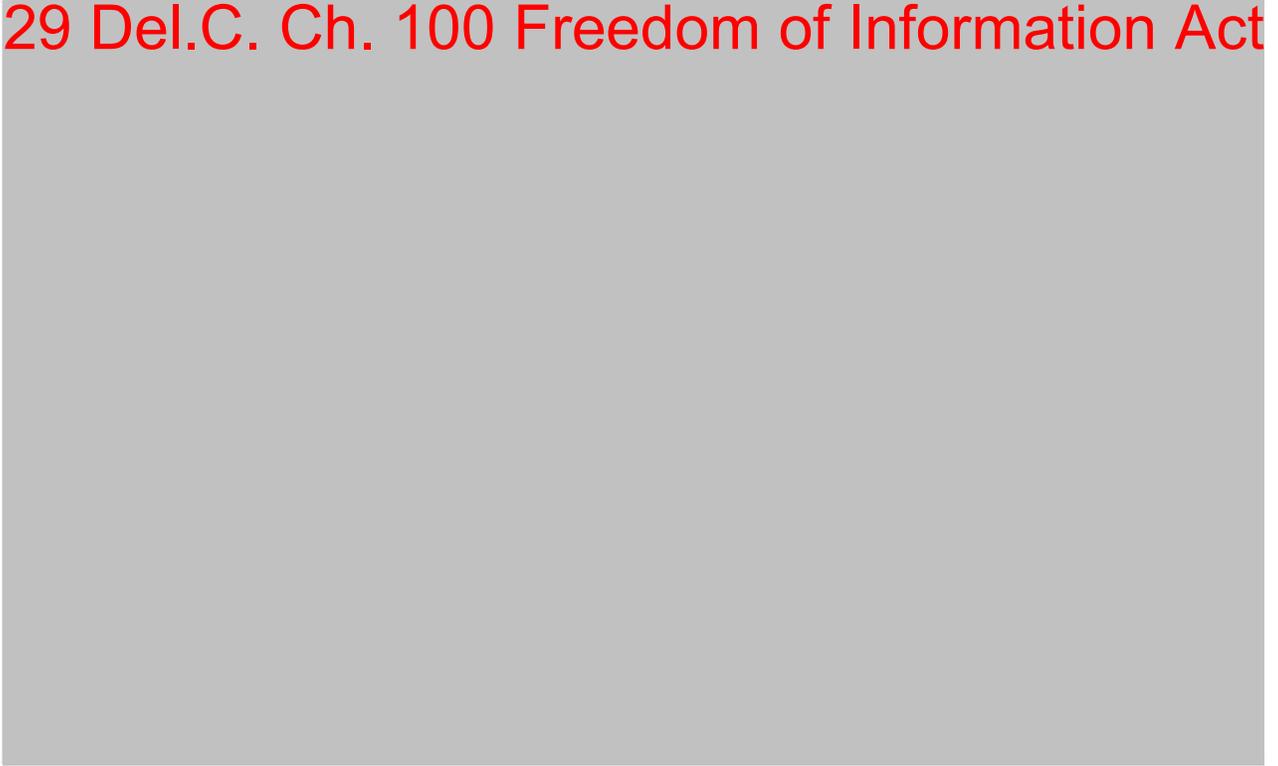
- a. The discounted/sliding scale fee schedule must be in writing and non-discriminatory;
- b. No patient should be denied services due to an inability to pay;
- c. Signage/notice is posted onsite and to the web site (if applicable) to ensure that patients are aware that a discounted/ sliding fee schedule is available to them;

d. Patients must present valid and yearly proof of enrollment in an approved public assistance program and present financial documents to determine poverty level; and

e. Every patient's privacy is protected.

Please see the attached financials for DCC:

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## 6. Records Retention Information

This section should contain information about the secure storage of records and the amount of time required to produce a file if requested by the Department. It should provide a description of the location and security of on-site storage of records, both electronic and paper.

The Department shall have 24/7 access to our digital records database. On site paper records shall be stored in a locked room at the premises, with limited access to employees.

Our primary system for record creation, retention, storage and production will be via MJ Freeway's system.

MJ Freeway® follows HIPAA security guidelines and maintains data center operations consistent with HIPAA guidelines. This HIPAA orientation includes storage and communication protocols, redundancy, and disaster recovery planning. Data may be archived at the operator's option to meet data retention guidelines.

(a) The MJ Freeway® system develops, maintains, and stores records of all dispensed marijuana including the patient dispensed to with the patient's DPH registration number, product type dispensed, quantity dispensed, batch dispensed, and quantity charged. The system tracks marijuana dispensed to each patient, and can establish customized buffers to accommodate the three (3) ounces per fourteen (14) day limit, and can be set to block sales exceeding such limits.

(1) The system will track how much marijuana is being dispensed at any given time and historically by transaction, and such weights may be recorded into the system via integrated scales,

(2) The system will track if the product was dispensed directly to the patient or if dispensed to the patient's caregiver,

(3) The system will track the date and time of all transactions,

(4) The system will track barcodes and batch ID of all marijuana dispensed.

(b) The MJ Freeway® system will track inventory audits and reconciliations to include:

(1) Date and time of the audit and/or reconciliation,

(2) Report on inventory audit and/or reconciliation findings,

(3) Report on employee who conducted the audit and/or reconciliation. All employee activity is time stamped in MJ Freeway®.

(c) The MJ Freeway® system maintains features to track batch test results to include:

(1) Batch ID of product being tested,

(2) The weight of product being tested,

- (3) The type of test being performed,
- (4) The operator performing the test,
- (5) Storage of the test results associated with the batch ID, and
- (6) Name and appropriate information of the individual performing the test, provided the testing entity provide such information.

(d) MJ Freeway® shall issue bulk transportation manifests to include:

- (1) The amount of marijuana being transported,
- (2) The date the marijuana is being transported,
- (3) Record of barcodes associated with product being transported,
- (4) The registration number and phone number of the compassion center for which product is being transported,
- (5) The registry identification number of the registered compassion center agent transporting the marijuana, and
- (6) The reason for the transportation of the marijuana.

Records will be available via a secure online database to the Dispensary Manager, Cultivation Manager, the COO and the CEO. These records will be stored for a minimum of three years and be available to the DPH, law enforcement or any other body authorized to request the records. These records will be produced to any authorized within twenty-four hours. If requested before 3:00 p.m. during a day when the compassion center is in operation, DCC will strive to make the records available on the same day.

DCC will develop and host a secure computer interface to receive patient and caregiver card data from the Department. The system shall be used to verify cardholder's status prior to dispensing marijuana for a registered patient.

DCC will not dispense more than 3 ounces of marijuana to a registered qualifying patient, directly or via a designated caregiver, in any 14-day period. DCC will ensure compliance with this limitation by maintaining internal, confidential records that include records specifying how much marijuana is being dispensed to the registered qualifying patient and whether it was dispensed directly to the registered qualifying patient or to the designated caregiver. Each entry will include the date and time the marijuana was dispensed. These records will be maintained by the DCC for a minimum of 3 years.

This is also the section where an address and company name should be provided for where the offsite retention of records will take place.

Progar Accounting, 33815 Clay Rd, Lewes, DE 19958.

## 7. Form Samples

This section should include samples of proposed forms to be used in the operation of the compassion center. For example, a compassion center may want to have liability forms or patient consent forms for the purpose of agreement to hold harmless the compassion center or organization in the smoking of a product known to be a carcinogen. The organization may want to have employees sign an awareness of confidentiality and voluntary nature of services statement. Or the compassion center may have a form or list of acceptable items of proof for a patient requesting a sliding scale price for services rendered or product sold.

### ***CONFIDENTIALITY AGREEMENT DELAWARE COMPASSIONATE CARE INC.***

This Confidentiality Agreement (this "Agreement") is made effective as of \_\_\_\_\_,  
between Delaware Compassionate Care, Inc., of \_\_\_\_\_, \_\_\_\_\_,  
Delaware \_\_\_\_\_, and \_\_\_\_\_, of \_\_\_\_\_,  
\_\_\_\_\_.

In this Agreement, the party who owns the Confidential Information will be referred to as "DCC", and the party to whom the Confidential Information will be disclosed will be referred to as "Employee".

DCC is engaged in OPERATION OF A MEDICAL MARIJUANA COMPASSION CENTER IN THE STATE OF DELAWARE Employee is engaged as an Employee of DCC. The Owner has requested and the Recipient agrees that the Recipient will protect the confidential material and information which may be disclosed between the Owner and the Recipient. Therefore, the parties agree as follows:

**I. CONFIDENTIAL INFORMATION.** The term "Confidential Information" means any information or material which is proprietary to DCC, whether or not owned or developed by DCC, which is not generally known other than by DCC, and which Employee may obtain through any direct or indirect contact with DCC.

A. Confidential Information includes without limitation:

- business records and plans
- financial statements
- customer lists and records
- trade secrets
- technical information
- products
- inventions
- product design information
- computer programs and listings
- source code and/or object code

- copyrights and other intellectual property
  - Patient Information
- and other proprietary information.

**B. Confidential Information does not include:**

- matters of public knowledge that result from disclosure by DCC
  - information rightfully received by Employee from a third party without a duty of confidentiality
  - information independently developed by Employee
  - information disclosed by operation of law
  - information disclosed by Employee with the prior written consent of DCC
- and any other information that both parties agree in writing is not confidential.

**II. PROTECTION OF CONFIDENTIAL INFORMATION.** Employee understands and acknowledges that the Confidential Information has been developed or obtained by DCC by the investment of significant time, effort and expense, and that the Confidential Information is a valuable, special and unique asset of DCC which provides DCC with a significant competitive advantage, and needs to be protected from improper disclosure. In consideration for the disclosure of the Confidential Information, Employee agrees to hold in confidence and to not disclose the Confidential Information to any person or entity without the prior written consent of DCC. In addition, Employee agrees that:

*i. No Copying/Modifying.* Employee will not copy or modify any Confidential Information without the prior written consent of DCC.

*ii. Application to Employees.* Further, Employee shall not disclose any Confidential Information to any employees of Employee except those employees who are required to have the Confidential Information in order to perform their job duties in connection with the limited purposes of this Agreement. Each permitted employee to whom Confidential Information is disclosed shall sign a non-disclosure agreement substantially the same as this Agreement at the request of DCC.

*iii. Unauthorized Disclosure of Information.* If it appears that Employee has disclosed (or has threatened to disclose) Confidential Information in violation of this Agreement, DCC shall be entitled to an injunction to restrain Employee from disclosing, in whole or in part, the Confidential Information. DCC shall not be prohibited by this provision from pursuing other remedies, including a claim for losses and damages.

**III. RETURN OF CONFIDENTIAL INFORMATION.** Upon the written request of DCC, Employee shall return to DCC all written materials containing the Confidential Information. Employee shall also deliver to DCC written statements signed by Employee certifying that all materials have been returned within five (5) days of receipt of the request.

**IV. NO WARRANTY.** Employee acknowledges and agrees that the Confidential Information is provided on an AS IS basis. DCC MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE CONFIDENTIAL INFORMATION AND HEREBY EXPRESSLY

DISCLAIMS ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL DCC BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR ARISING OUT OF THE PERFORMANCE OR USE OF ANY PORTION OF THE CONFIDENTIAL INFORMATION. DCC does not represent or warrant that any product or business plans disclosed to Employee will be marketed or carried out as disclosed, or at all. Any actions taken by Employee in response to the disclosure of the Confidential Information shall be solely at the risk of Employee.

**V. LIMITED LICENSE TO USE.** Employee shall not acquire any intellectual property rights under this Agreement except the limited right to use set out above. Employee acknowledges that, as between DCC and Employee the Confidential Information and all related copyrights and other intellectual property rights, are (and at all times will be) the property of DCC, even if suggestions, comments, and/or ideas made by Employee are incorporated into the Confidential Information or related materials during the period of this Agreement.

**VI. GENERAL PROVISIONS.** This Agreement sets forth the entire understanding of the parties regarding confidentiality. The obligations of confidentiality shall survive indefinitely from the date of disclosure of the Confidential Information. Any amendments must be in writing and signed by both parties. This Agreement shall be construed under the laws of the State of Delaware. This Agreement shall not be assignable by either party, and neither party may delegate its duties under this Agreement, without the prior written consent of the other party. The confidentiality provisions of this Agreement shall remain in full force and effect after the effective date of this Agreement.

**IN WITNESS WHEREOF**, this Agreement has been executed and delivered in the manner prescribed by law as of the date first written above.

Information Owner:  
Delaware Compassionate Care, Inc.

By: \_\_\_\_\_  
Delaware Compassionate Care, Inc.

Recipient:  
\_\_\_\_\_

By: \_\_\_\_\_  
\_\_\_\_\_

***VOLUNTARY SERVICES AGREEMENT  
DELAWARE COMPASSIONATE CARE INC.***

This Voluntary Services Agreement (this "Agreement") is made effective as of \_\_\_\_\_, between Delaware Compassionate Care, Inc. ("DCC"), of \_\_\_\_\_, \_\_\_\_\_, Delaware \_\_\_\_\_, and \_\_\_\_\_, of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_.

DCC is engaged in OPERATION OF A MEDICAL MARIJUANA COMPASSION CENTER IN THE STATE OF DELAWARE. Employee is engaged as an Employee of DCC.

Employee hereby acknowledges that marijuana is a Schedule I controlled substance under federal law. Furthermore Employee acknowledges that any conduct related to cultivating, processing or providing marijuana is a violation of the Controlled Substances Act.

Employee agrees that Employee is voluntarily providing services to DCC and DCC's customers. In the event that there is a prosecution for violations of the Controlled Substances Act in connection with Employee's conduct related to acts conducted as an employee of DCC, Employee does not expect DCC to furnish a defense to Employee, beyond any defense that DCC may present to its own conduct.

**IN WITNESS WHEREOF**, this Agreement has been executed and delivered in the manner prescribed by law as of the date first written above.

Information Owner:  
Delaware Compassionate Care, Inc.

By: \_\_\_\_\_  
Delaware Compassionate Care, Inc.

Recipient:  
\_\_\_\_\_

By: \_\_\_\_\_  
\_\_\_\_\_

## ***RELEASE OF LIABILITY***

### ***READ CAREFULLY - THIS AFFECTS YOUR LEGAL RIGHTS***

As a patient/caregiver obtaining and using marijuana for medicinal use, or a related product, Delaware Compassionate Care, Inc. ("DCC"), of TBD, TBD, Delaware, TBD I,

\_\_\_\_\_, of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, agree for myself and (if applicable) for the members of my family, to the following:

1. I agree to observe and obey all posted rules and warnings, and further agree to follow any oral instructions or directions given by DCC, or the employees, representatives or agents of DCC.
2. I recognize that there are certain inherent risks associated with the above described activity and I assume full responsibility for personal injury to myself and (if applicable) my family members, and further release and discharge DCC for injury, loss or damage arising out of my or my family's use of or presence upon the facilities of DCC, whether caused by the fault of myself, my family, DCC or other third parties.
3. I agree to indemnify and defend DCC against all claims, causes of action, damages, judgments, costs or expenses, including attorney fees and other litigation costs, which may in any way arise from my or my family's use of or presence upon the facilities of DCC.
4. I agree to pay for all damages to the facilities of DCC caused by my or my family's negligent, reckless, or willful actions.
5. Any legal or equitable claim that may arise from participation in the above shall be resolved under Delaware law.
6. I agree and acknowledge that I am under no pressure or duress to sign this Agreement and that I have been given a reasonable opportunity to review it before signing. I further agree and acknowledge that I am free to have my own legal counsel review this Agreement if I so desire. I further agree and acknowledge that DCC has offered to refund any fees I have paid to use its facilities if I choose not to sign this Agreement.
7. This Agreement and each of its terms are the product of an arms' length negotiation between the Parties. In the event any ambiguity is found to exist in the interpretation of this Agreement, or any of its provisions, the Parties, and each of them, explicitly reject the application of any legal or equitable rule of interpretation which would lead to a construction either "for" or "against" a particular party based upon their status as the drafter of a specific term, language, or provision giving rise to such ambiguity.

8. The invalidity or unenforceability of any provision of this Agreement, whether standing alone or as applied to a particular occurrence or circumstance, shall not affect the validity or enforceability of any other provision of this Agreement or of any other applications of such provision, as the case may be, and such invalid or unenforceable provision shall be deemed not to be a part of this Agreement.

9. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

10. In case of an emergency, please call TBD (Relationship: \_\_\_\_\_) at TBD (Day), or TBD (Evening).

**I HAVE READ THIS DOCUMENT AND UNDERSTAND IT. I FURTHER UNDERSTAND THAT BY SIGNING THIS RELEASE, I VOLUNTARILY SURRENDER CERTAIN LEGAL RIGHTS.**

Dated: \_\_\_\_\_

Signature: \_\_\_\_\_  
\_\_\_\_\_

**DELAWARE COMPASSIONATE CARE, INC.**

**SLIDING FEE SCHEDULE**

DCC has adopted the National Health Service Corps policies and procedures for Developing and Implementing a Discount Fee Schedule, including:

- a. The discounted/sliding scale fee schedule must be in writing and non-discriminatory;
- b. No patient should be denied services due to an inability to pay;
- c. Signage/notice is posted onsite and to the web site (if applicable) to ensure that patients are aware that a discounted/ sliding fee schedule is available to them;
- d. Patients must present valid and yearly proof of enrollment in an approved public assistance program and present financial documents to determine poverty level; and
- e. Every patient's privacy is protected.

**COST DETERMINATION METHODOLOGY:**

- Patients at or between 201-300% FPL will be eligible to receive one ounce of medical marijuana, or extracts and tinctures equivalent, per month at no cost, and a 20% discount for up to 2 ounces of marijuana products thereafter.
- Patients at or between 101-200% poverty will be eligible to receive 1.5 ounces of medical marijuana, or extracts and tinctures equivalent, per month at no cost, and a 35% discount for up to 3 ounces of marijuana products thereafter.
- Patients at or below 100% of poverty will receive two ounces of medical marijuana, or extracts and tinctures equivalent, per month at no cost and a 50% discount for up to 4 ounces marijuana products thereafter.
- All patients with proof of financial hardship will be offered use-implements such as vaporizers at 10% above cost to DCC. After sustainability of our hardship scale is verified, implements will receive the same discount as medicine.

**PROOF OF ELIGIBILITY DOCUMENTS:**

- Tax Return
- Program Enrollment (Patients enrolled in these programs (without proof of income) will be assumed to earn 300% of FPL)
  - Federal Supplemental Security Income (SSI)
  - Social Security Disability income (SSDi)
  - Delaware General Assistance
  - Delaware Food Supplement Program or Temporary Assistance for Needy Families.

PATIENT IDENTIFICATION NUMBER: \_\_\_\_\_

PROOF OF ELIGIBILITY PROVIDED: \_\_\_\_\_

COST FOR PATIENT: \_\_\_\_\_

## **J. CERTIFICATION AND STATEMENT OF COMPLIANCE**

The bidder must include statements that the applicant agency complies with all Federal and Delaware laws and regulations pertaining to equal opportunity and affirmative action. In addition, compliance must be assured in regard to Federal and Delaware laws and regulations relating to confidentiality and individual and family privacy in health care delivery and in the collection and reporting of data.

Please see included, completed appendices.



**DELAWARE HEALTH AND SOCIAL SERVICES  
REQUEST FOR PROPOSAL**

**CERTIFICATION SHEET**

As the official representative for the proposer, I certify on behalf of the agency that:

- a. They are a regular dealer in the services being procured.
  - b. They have the ability to fulfill all requirements specified for development within this RFP.
  - c. They have independently determined their prices.
  - d. They are accurately representing their type of business and affiliations.
  - e. They will secure a Delaware Business License.
  - f. They have acknowledged that no contingency fees have been paid to obtain award of this contract.
  - g. The Prices in this offer have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other contractor or with any competitor.
  - h. Unless otherwise required by Law, the prices which have been quoted in this offer have not been knowingly disclosed by the contractor and prior to the award in the case of a negotiated procurement, directly or indirectly to any other contractor or to any competitor; and
  - i. No attempt has been made or will be made by the contractor in part to other persons or firm to submit or not to submit an offer for the purpose of restricting competition.
  - j. They have not employed or retained any company or person (other than a full-time bona fide employee working solely for the contractor) to solicit or
-

secure this contract, and they have not paid or agreed to pay any company or person (other than a full-time bona fide employee working solely for the contractor) any fee, commission percentage or brokerage fee contingent upon or resulting from the award of this contract.

- k. They (check one) operate  an individual;  a Partnership  a non-profit (501 C-3) organization;  a not-for-profit organization; or  for profit corporation, incorporated under the laws of the State of DELAWARE.
- l. The referenced offerer has neither directly or indirectly entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with this bid submitted this date to Delaware Health and Social Services.
- m. The referenced bidder agrees that the signed delivery of this bid represents the bidder's acceptance of the terms and conditions of this invitation to bid including all Specifications and special provisions.
- n. They (check one):  are;  are not owned or controlled by a parent company. If owned or controlled by a parent company, enter name and address of parent company:

N/A  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Violations and Penalties:**

Each contract entered into by an agency for professional services shall contain a prohibition against contingency fees as follows:

1. The firm offering professional services swears that it has not employed or retained any company or person working primarily for the firm offering professional services, to solicit or secure this agreement by improperly influencing the agency or any of its employees in the professional service procurement process.
2. The firm offering the professional services has not paid or agreed to pay any person, company, corporation, individual or firm other than a bona fide employee working primarily for the firm offering professional services, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the award or making of this agreement; and

3. For the violation of this provision, the agency shall have the right to terminate the agreement without liability and at its discretion, to deduct from the contract price, or otherwise recover the full amount of such fee, commission, percentage, gift or consideration.

The following conditions are understood and agreed to:

- a. No charges, other than those specified in the cost proposal, are to be levied upon the State as a result of a contract.
- b. The State will have exclusive ownership of all products of this contract unless mutually agreed to in writing at the time a binding contract is executed.

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4-7-2014  
Date

  
Signature & Title of Official Representative

ANTHONY UUDSON BENNETT  
Type Name of Official Representative



**DELAWARE HEALTH AND SOCIAL SERVICES  
REQUEST FOR PROPOSAL**

**STATEMENTS OF COMPLIANCE FORM**

As the official representative for the contractor, I certify on behalf of the agency that <sup>CARE, INC.</sup> ~~DELAWARE COMPASSIONATE~~ (Company Name) will comply with all Federal and Delaware laws and regulations pertaining to equal employment opportunity and affirmative action. In addition, compliance will be assured in regard to Federal and Delaware laws and regulations relating to confidentiality and individual and family privacy in the collection and reporting of data.

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Authorized Signature: \_\_\_\_\_

Title: CEO / PRESIDENT

Date: 4-7-2014

## **K. APPENDICES**

Please see attached appendices A-E, and custom financial documents.

**APPENDIX A:  
BUDGET SUMMARY SHEET**

## Budget Summary Sheet

Categories	Amounts
Staff Salaries	
Fringe Benefits	
<b>Travel / Training</b>	
Mileage (Rate \$0.00 X 0000 miles)	
Training	
Other (specify)	
<b>Contractual</b>	
Rent	
Electricity	
Heat	
Communications	
Other Utilities	
Printing / Advertising	
Postage	
Insurance	
Repairs	
Other (specify)	
<b>Supplies</b>	
Office	
Janitorial	
Medical	
Program	
Other (specify)	
<b>Equipment / Other Direct Costs</b>	
Other (specify)	
<b>Indirect Costs (12%)</b>	
Other (specify)	
<b>TOTAL BUDGET</b>	

NOT APPLICABLE

SEE ATTACHED SUMMARY



**APPENDIX B:  
BUDGET WORKSHEET**

## Budget Worksheet

(can attach additional sheets if necessary)

Category / Description	Amount
<u>Salary / Wages</u>	
List each position title: Directors, Supervisors, Healthcare Workers, Nutritionists, Drivers, Case Managers, Janitors, Instructors, Coordinators, etc	
<b>Total: Salary / Wages</b>	
<u>Fringe Benefits</u>	
Proportionate for above labor including Social Security, unemployment compensation, life insurance, worker's compensation, health insurance, pension, etc. that will be paid by the Agency	
<b>Total: Fringe Benefits</b>	
<u>Travel / Training</u>	
Include any programs staff are required to attend. Mileage reimbursement shall be no more than the IRS allowable amount. Subscriptions and association dues may be included in this category	
<b>Total: Travel / Training</b>	

SEE  
ATTACHED  
5-YEAR  
BUDGET

## Budget Worksheet page 2

Category / Description	Amount
<b>Contractual</b>	
Include the portions of rent, utilities, telephone, internet, Insurance, maintenance, etc that will be paid by the Agency	
<b>Total: Contractual</b>	
<b>Supplies</b>	
Include office supplies, supplies for routine building maintenance (janitorial), medical supplies, program supplies, and other related expenses	
<b>Total: Supplies</b>	
<b>Other Equipment</b>	
Specify Items or lots costing \$1000.00 or more and having a useful life of more than one year	
<b>Total: Other Equipment</b>	

*SEE  
ATTACHED  
5-YEAR  
BUDGET*

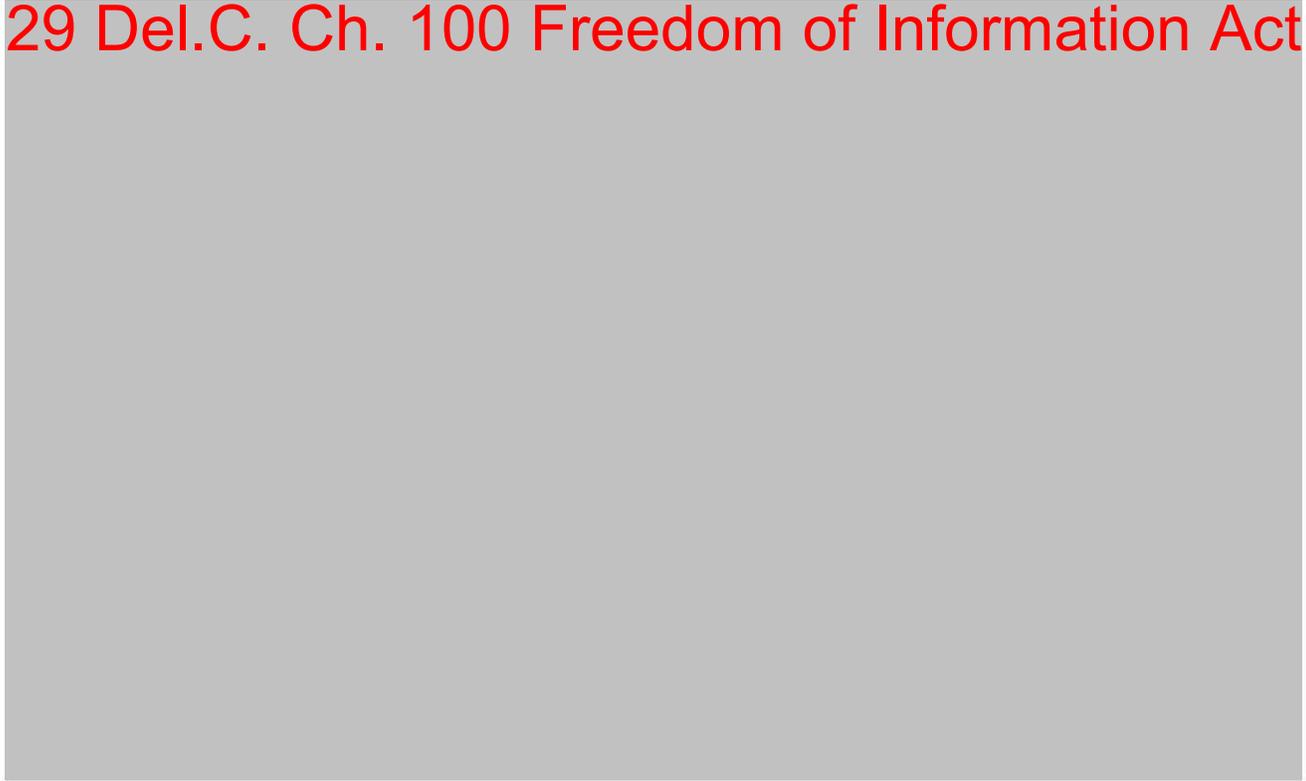
Budget Worksheet page 3

<u>Indirect Costs (no more than 12%)</u>	
Identify any line items contributing to total costs not delineated in the above sections	
Total: Indirect Costs	

*SEE BELOW*

*SEE ATTACHED FIVE YEAR BUDGET*

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DELAWARE HEALTH AND SOCIAL SERVICES  
REQUEST FOR PROPOSAL

BIDDERS SIGNATURE FORM

NAME OF BIDDER: DELAWARE COMMUNICATE CARE, INC.  
SIGNATURE OF AUTHORIZED PERSON: \_\_\_\_\_  
TYPE IN NAME OF AUTHORIZED PERSON: ANTHONY JACOB BENNETT  
TITLE OF AUTHORIZED PERSON: CEO / PRESIDENT  
STREET NAME AND NUMBER: \_\_\_\_\_  
CITY, STATE, & ZIP CODE: \_\_\_\_\_  
CONTACT PERSON: ANTHONY JACOB BENNETT  
TELEPHONE NUMBER: \_\_\_\_\_  
FAX NUMBER: \_\_\_\_\_  
DATE: 4-7-2014  
BIDDER'S FEDERAL EMPLOYERS IDENTIFICATION NUMBER: 43-42 62108

THE FOLLOWING MUST BE COMPLETED BY THE VENDOR:

AS CONSIDERATION FOR THE AWARD AND EXECUTION BY THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES OF THIS CONTRACT, THE [COMPANY NAME] DELAWARE COMMUNICATE CARE, INC. HEREBY GRANTS, CONVEYS, SITS, ASSIGNS, AND TRANSFERS TO THE STATE OF DELAWARE ALL OF ITS RIGHTS, TITLE AND INTEREST IN, AND TO ALL KNOWN OR UNKNOWN CAUSES OF ACTION IT PRESENTLY HAS OR MAY NOW HEREAFTER ACQUIRE UNDER THE ANTI-TRUST LAWS OF THE UNITED STATES AND THE STATE OF DELAWARE, RELATING TO THE PARTICULAR GOODS OR SERVICES PURCHASED OR ACQUIRED BY THE DELAWARE HEALTH AND SOCIAL SERVICES DEPARTMENT, PURSUANT TO THIS CONTRACT.





**APPENDIX D:  
CERTIFICATION SHEET**



**DELAWARE HEALTH AND SOCIAL SERVICES  
REQUEST FOR PROPOSAL**

**CERTIFICATION SHEET**

As the official representative for the proposer, I certify on behalf of the agency that:

- a. They are a regular dealer in the services being procured.
  - b. They have the ability to fulfill all requirements specified for development within this RFP.
  - c. They have independently determined their prices.
  - d. They are accurately representing their type of business and affiliations.
  - e. They will secure a Delaware Business License.
  - f. They have acknowledged that no contingency fees have been paid to obtain award of this contract.
  - g. The Prices in this offer have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other contractor or with any competitor;
  - h. Unless otherwise required by Law, the prices which have been quoted in this offer have not been knowingly disclosed by the contractor and prior to the award in the case of a negotiated procurement, directly or indirectly to any other contractor or to any competitor; and
  - i. No attempt has been made or will be made by the contractor in part to other persons or firm to submit or not to submit an offer for the purpose of restricting competition.
  - j. They have not employed or retained any company or person (other than a full-time bona fide employee working solely for the contractor) to solicit or
-

secure this contract, and they have not paid or agreed to pay any company or person (other than a full-time bona fide employee working solely for the contractor) any fee, commission percentage or brokerage fee contingent upon or resulting from the award of this contract.

- k. They (check one) operate  an individual;  a Partnership  a non-profit (501 C-3) organization;  a not-for-profit organization; or  for profit corporation, incorporated under the laws of the State of DELAWARE.
- l. The referenced offerer has neither directly or indirectly entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with this bid submitted this date to Delaware Health and Social Services.
- m. The referenced bidder agrees that the signed delivery of this bid represents the bidder's acceptance of the terms and conditions of this invitation to bid including all Specifications and special provisions.
- n. They (check one):  are;  are not owned or controlled by a parent company. If owned or controlled by a parent company, enter name and address of parent company:

N/A  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Violations and Penalties:**

Each contract entered into by an agency for professional services shall contain a prohibition against contingency fees as follows:

1. The firm offering professional services swears that it has not employed or retained any company or person working primarily for the firm offering professional services, to solicit or secure this agreement by improperly influencing the agency or any of its employees in the professional service procurement process.
2. The firm offering the professional services has not paid or agreed to pay any person, company, corporation, individual or firm other than a bona fide employee working primarily for the firm offering professional services, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the award or making of this agreement; and

3. For the violation of this provision, the agency shall have the right to terminate the agreement without liability and at its discretion, to deduct from the contract price, or otherwise recover the full amount of such fee, commission, percentage, gift or consideration.

The following conditions are understood and agreed to:

- a. No charges, other than those specified in the cost proposal, are to be levied upon the State as a result of a contract.
- b. The State will have exclusive ownership of all products of this contract unless mutually agreed to in writing at the time a binding contract is executed.

4-7-2014  
Date

  
Signature & Title of Official Representative

ANTHONY UUDSON BENNETT  
Type Name of Official Representative

**APPENDIX E:  
STATEMENTS OF COMPLIANCE FORM**

Please see attached insurance quote for DCC.





300 Arboretum Place Suite 410  
Richmond, VA. 23236  
(800) 366-7475 or (804) 330-4652  
Fax:(804)330-9485  
www.allrisks.com  
CA License OB84526

COMMERCIAL LINES INSURANCE QUOTATION

PAGE 1

3/07/14

FROM: LISA LOVING  
VA Brokerage/P&C  
FAX#: 1-804-330-9485  
  
TO: BROYHILL INSURANCE AGENCY INC. 450667  
FAX#: 1-302-644-0390

Arizona

ATTN: Jan Knox

California

RE: DELAWARE COMPASIONATE CARE INC SUB#: 2897723

Florida

WE ARE PLEASED TO SUBMIT OUR PROPOSAL FOR THE CAPTIONED SUBJECT. QUOTE IS BASED ON THE FOLLOWING LIMITS, COVERAGE, ETC. PLEASE READ QUOTE CAREFULLY AS COVERAGES BEING OFFERED MAY BE MORE LIMITED THAN COVERAGES REQUESTED.

Georgia

Maryland

North Carolina

Section III / Additional Coverage:

Pennsylvania

Coverage:  
COMMERCIAL GENERAL LIABILITY AND PROFESSIONAL

Texas

Limits:  
SEE QUOTE ATTACHED FROM COLONY INS CO

Virginia

Washington

Deductible:  
SEE QUOTE ATTACHED FROM COLONY INS CO

New York

PREMIUM: \$3,510.00  
TAX: \$79.30  
INSPECTION FEE: \$205.00  
POLICY FEE: \$250.00  
COMPANY: COLONY INSURANCE COMPANY  
MINIMUM EARNED PREMIUM: 25% AT INCEPTION.  
PREMIUM IS MINIMUM AND DEPOSIT, SUBJECT TO AUDIT.  
\*\*\*\*\*

TOTAL NUMBERS

PREMIUM: \$3,510.00  
TAX: \$79.30  
INSPECTION FEE: \$205.00  
POLICY FEE: \$250.00  
TOTAL: \$4,044.30

COMPANY: COLONY INSURANCE COMPANY  
COMMISSION: .1000

REMARKS:

(CONTINUED)



300 Arboretum Place Suite 410  
Richmond, VA. 23236  
(800) 366-7475 or (804) 330-4652  
Fax:(804)330-9485  
www.allrisks.com  
CA License OB84526

COMMERCIAL LINES INSURANCE QUOTATION PAGE 2

RE: DELAWARE COMPASSIONATE CARE INC  
Terms/conditions per company issued quote attached  
\*\*\*

QUOTE IS SUBJECT TO A SATISFACTORY INSPECTION AND IS VALID FOR 30 DAYS.  
IF COVERAGE IS BOUND PLEASE PROVIDE THE NAME AND NUMBER OF THE  
INSPECTION CONTACT. IF COVERAGE IS FINANCED, WE CANNOT GUARANTEE  
REINSTATEMENT FOR NON-PAYMENT OF PREMIUM. REINSTATEMENT ELIGIBILITY  
VARIES BY INDIVIDUAL CARRIER. WE LOOK FORWARD TO HEARING FROM YOU.

Arizona

California

Florida

Georgia

Maryland

North Carolina

Pennsylvania

Texas

Virginia

Washington

New York

THIS FORM MUST BE SIGNED BY THE LICENSED PRODUCING AGENCY AND FORWARDED TO THE DELAWARE SURPLUS LINES BROKER ASSOCIATION AND RETURNED BY THE SL BROKER. THIS FORM MUST BE OPEN TO EXAMINATION BY THE COMMISSION AT ALL TIMES FOR 3 YEARS AFTER ISSUANCE OF THE COVERAGE TO WHICH IT RELATES. (18 DEL. C. §1909)



**DELAWARE INSURANCE DEPARTMENT  
SURPLUS LINES  
STATEMENT OF DILIGENT EFFORT**

Submitted by: (select one)  
 Retail Agent  
 SL Broker

**Form SL-1904**  
v08-01

**DO NOT SUBMIT THIS FORM TO THE INSURANCE DEPARTMENT**

<b>POLICY NUMBER</b>	<b>SURPLUS LINES INSURER NAME</b>	<b>NAIC #</b>
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>
<b>INSURED'S NAME AND MAILING ADDRESS:</b>		
Name: <input style="width: 95%;" type="text"/>		
Address: <input style="width: 95%;" type="text"/>		
<input style="width: 95%;" type="text"/>		
<b>POLICY TERM INFORMATION</b>		
Effective Date: <input style="width: 80%;" type="text"/>		Expiration Date: <input style="width: 80%;" type="text"/>
<small>MMDD/YYYY Format</small>		<small>MMDD/YYYY Format</small>
<b>AMOUNT OF INSURANCE</b>	Property: <input style="width: 80%;" type="text"/>	Casualty: <input style="width: 80%;" type="text"/>
<b>LOCATION OF RISK</b>	<b>DESCRIPTION OF COVERAGE:</b>	
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	

I declare under the penalties provided by law that I have made a diligent effort to procure the insurance coverage described above from licensed insurers which are authorized to transact the class of insurance involved and which accept, in the usual course of business, insurance on risks of the same class as the risk described above. Having been unable to secure such coverage, I have resorted to coverage with companies not licensed to operate in the State of Delaware and which are not under the jurisdiction of the Insurance Department of the State of Delaware.

Furthermore, this insurance was not exported for the purpose of securing lower rates than would be accepted by an authorized insurer or because of the term of the contract.

Among the licensed insurers declining to insure this risk or declining to increase the amount of insurance on this risk, are the following:

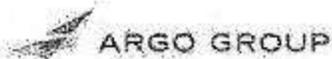
1. Name & NAIC # of Insurer: \_\_\_\_\_  
 Name & Telephone # of Contact: \_\_\_\_\_  
 Reason for Declining: \_\_\_\_\_
2. Name & NAIC # of Insurer: \_\_\_\_\_  
 Name & Telephone # of Contact: \_\_\_\_\_  
 Reason for Declining: \_\_\_\_\_
3. Name & NAIC # of Insurer: \_\_\_\_\_  
 Name & Telephone # of Contact: \_\_\_\_\_  
 Reason for Declining: \_\_\_\_\_

I further attest that I have explained to the insured that the insurance described herein is being placed with an insurance company not authorized to do business in Delaware. The insured understands that the insurance company is not a member of the Delaware Insurance Guaranty Association and that Chapter 42 of the Delaware Insurance Code is not applicable to claimants or insureds of said company. As required in 18 Del. C., §1909, I have delivered to the insured evidence of the insurance upon which has been stamped:

*"This insurance contract is issued pursuant to the Delaware Insurance Laws by an insurer neither licensed by nor under the jurisdiction of the Delaware Insurance Department."*

I declare that I have procured the insurance coverage here described pursuant to Chapter 19 of Title 18, the Delaware Insurance Code, and that the information contained in this submission is true.

<b>Name of Agency</b>	<b>DE Lic # of Agency</b>
<input style="width: 95%;" type="text"/> <small>(Type or print name of Agency)</small>	<input style="width: 95%;" type="text"/>
<b>Name of Producer or SL Broker</b>	<b>DE Lic # Individual</b>
<input style="width: 95%;" type="text"/> <small>(Type or print name of Individual)</small>	<input style="width: 95%;" type="text"/>
<b>Producer/ SL Broker Signature</b>	<b>Date:</b>
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>



PO Box 469012  
 San Antonio, TX 78246  
 Email submissions to: am@colony-specialty.com

Quote No: 2362638-142931NAM

**Allied Medical Quote**

Date: 03/07/2014

Quote valid until 04/06/2014

**TO:** ALL RISKS LTD (VA), Richmond, VA 23236  
**ATTN:** Lisa Loving  
**INSURED:** DELAWARE COMPASSIONATE CARE INC, Palm Beach, FL 33480

Thank you for the opportunity to offer coverage terms on this account.  
 We are pleased to provide you with the following terms on behalf of Colony Insurance Company:

**TOTAL PREMIUM** (Including Excess Liability, if applicable): **\$3,510**  
**Certified Acts of Terrorism** (not included in the total premium above): \$176  
**Inspection Fee** (not included in the total premium above): \$205

**Commercial General Liability**

Coverage Form: Occurrence  
 Retroactive Date: Not applicable  
 Insuring Agreement A - Bodily Injury and Property Damage Limit: \$1,000,000  
 Products-Completed Operations Aggregate Limit: Included  
 Damage to Premises Rented to You Limit: \$50,000  
 Insuring Agreement B - Personal and Advertising Injury Limit: \$1,000,000  
 Insuring Agreement C - Medical Payments:  
 Medical Expense Per Incident Limit: \$2,500  
 Medical Expense Aggregate Limit: \$10,000  
 General Liability Aggregate Limit: \$1,000,000

**Professional Liability**

Coverage Form: Claims Made  
 Retroactive Date: Inception  
 Insuring Agreement D - Professional Liability Limit: \$1,000,000  
 Professional Liability Aggregate Limit: \$1,000,000

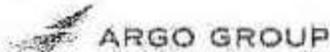
**Additional Coverage Terms**

Sexual Abuse or Molestation: \$25,000/50,000  
 Professional Liability Limits Included in CGL or Separate: Separate  
 Punitive Damages: Excluded  
 Defense Expenses: Within the Limits

**Deductible:** \$5,000

Deductible applies per occurrence for Insuring Agreements A and B, and per claim for Insuring Agreement D. See coverage parts and endorsements which may have separate deductibles.

Please include a copy of this Allied Medical Quote with the request to bind policy.



PO Box 48912  
 San Antonio, TX 78246  
 Email submissions to: am@colony-specialty.com

Quote No: 2362638-142934NAM

**Allied Medical Quote**

Date: 03/07/2014

**Optional Endorsements** (Included in Total Premium)

Privacy Wrongful Acts	Sublimit:	\$50,000/50,000
	Premium:	\$0
Privacy Incident Response	Deductible:	\$1,000
	Sublimit:	\$50,000/50,000
	Premium:	\$0

**Subjectivities**

Quote is subject to receipt, review and acceptance of the following:

- Signed and dated TRIA disclosure.
- All applications included in the submission must be signed and dated by the applicant within 30 days prior to bind.
- Résumé of owner/applicant

**Business Description:**

Medical Marijuana Dispensary

**Audit Period:** Annual

**Minimum Earned:** 25%

**Minimum Premium and Deposit:** 100%

**Forms**

- Communicable Disease Excl (AP012LMS-0713)
- Exclusion - Health Care Services and Patient, Client or Resident Injury (AP051NP-0912)
- Privacy Incident Response Cov (AP061-0410)
- Privacy Wrongful Acts Sublimit (AP062LMS-0912)
- Sexual Abuse Or Molestation Sublimit (AP063-0912)
- Punitive, Exemplary Or Multiple Damages Exclusion (AP070LMS-0912)
- Professional Liability Coverage Part (LMS0002-0912)
- Commercial General Liability Coverage Part (LNSCG0001-0912)
- Policyholder Disclosure-Notice of Terrorism Insurance Coverage (TRIA2002Notice-0613)
- Supplementary Payments Within Limits Of Insurance (U775LMS-0912)
- Conditional Exclusion of Terrorism (UB84-1013)
- FL Chgs - Conc & Non-Rent (UIL0255MHCF-1008)
- Miscellaneous Health Care Facilities-Common Dec (MHCFDEC-0713)
- OFAC Advisory Notice (ILP001-0104)
- Privacy Notice (PrivacyNotice-0213)
- Schedule of Forms and Endorsements (LX01-1004)
- Service of Suit (U094-0613)
- Signature Page - FL (SIGCICFL-1013)
- Blanket Additional Insured(s) - Mortgagees, Lenders, Lessors and/or Landlords (AP073ALMS-0711)
- Common Policy Provisions (LMSOPP-0912)

Coverage is bound upon issuance of policy number by the Company. Quote is subject to favorable inspection upon binding.

**Extended Reporting Option**

Please include a copy of this Allied Medical Quote with the request to bind policy.



PO Box 469012  
San Antonio, TX 78246  
Email submissions to: am@colony-specialty.com

Quote No: 2362638-142934NAM

### Allied Medical Quote

Date: 03/07/2014

If Coverage applies on a Claims Made basis an Optional Extended Reporting period may be available if this policy is terminated or not renewed; restrictions apply. Maximum of five(5) years. Must be requested within sixty(60) days of termination or expiration. Commission of 5% applies, if purchased. Refer to applicable sections(s) of the policy for additional details.

#### About Us

Headquartered in Hamilton, Bermuda, Argo Group International Holdings, Ltd. is an international underwriter of specialty insurance and reinsurance products in the property and casualty market. Argo Group offers Excess & Surplus Lines products through Colony and Argonaut Specialty.

The Colony operation is the 12th largest E&S lines carrier in the nation. Colony is licensed as a non-admitted insurer in all 50 states, the District of Columbia and the U.S. Virgin Islands. Colony has the ability to underwrite certain risks with more flexible policy terms at unregulated premium rates on a non-admitted basis.

---

Please include a copy of this Allied Medical Quote with the request to bind policy.

4

**POLICYHOLDER DISCLOSURE  
NOTICE OF TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, that you have a right to purchase insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act. The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 65% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURER'S LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

PLEASE ALSO BE AWARE THAT YOUR POLICY DOES NOT PROVIDE COVERAGE FOR ACTS OF TERRORISM THAT ARE NOT CERTIFIED BY THE SECRETARY OF THE TREASURY.

Acceptance or Rejection of Terrorism Insurance Coverage

You must accept or reject this insurance coverage for losses arising out of acts of terrorism, as defined in Section 102(1) of the Act before the effective date of this policy. Your coverage cannot be bound unless our representative has received this form signed by you on behalf of all insureds with all premiums due.

Coverage acceptance:

I hereby elect to purchase coverage for certified acts of terrorism, as defined in Section 102(1) of the Act, for a prospective premium of \$176. I understand that I will not have coverage for losses resulting from any non-certified acts of terrorism.

OR

Coverage rejection:

I hereby decline to purchase coverage for certified acts of terrorism, as defined in Section 102(1) of the Act. I understand that I will not have coverage for losses resulting from either certified or non-certified acts of terrorism.

\_\_\_\_\_  
Policyholder/Applicant's Signature  
Must be person authorized to sign for all insureds.

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
DELAWARE COMPASSIONATE CARE INC  
Named Insured

\_\_\_\_\_  
Date

Colony Insurance Company  
\_\_\_\_\_  
Insurance Company  
To Be Assigned

\_\_\_\_\_  
Policy Number  
2362536

\_\_\_\_\_  
Submission Number  
45001

\_\_\_\_\_  
Producer Number  
ALL RISKS LTD (VA)

\_\_\_\_\_  
Producer Name  
300 ARBORETUM PLACE, SUITE 410

\_\_\_\_\_  
Street Address  
Richmond, VA 23236

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

The producer shown above is the wholesale insurance broker your insurance agent used to place your insurance coverage with us. Please discuss this Disclosure with your agent before signing.



10150 York Road  
5th Floor  
Hunt Valley, MD 21030  
WWW.SKIPJACKPFC.COM

Loan Number: 2897723010.1

PHONE: 888-672-3889  
FAX: 410-630-1132

**INSURANCE PREMIUM FINANCE AND SECURITY AGREEMENT**

This is an agreement between you and Skipjack Premium Finance Company (herein, "SPFC") concerning the financing of the premium(s) for one or more insurance policies. The terms of this agreement are stated below and on page two (2) of this document. "Insured" means all insureds covered by the Policies listed on the Schedule of Policies and any co-obligors.

<b>Insured Name and Address</b> (Exactly as shown on Policy) ('Insured') DELAWARE COMPANONATE CARE INC 222 PHIPPS PLAZA PALM BEACH, FL 33480	<b>Agent Name and Address</b> (of Insured's 'Agent') BROYBILL INSURANCE AGENCY INC. PO BOX 493 LEWES, VA 23958
Telephone Number: Not Tracked	Telephone Number: (302)-644-1049 Agency #: 450667

POLICY PREFIX AND NUMBER	EFFECTIVE DATE OF POLICY MMDDYYYY	NAME/ADDRESS INSURANCE COMPANY NAME/ADDRESS GENERAL AGENT OR COMPANY OFFICE TO WHICH PREMIUM IS PAID	TYPE OF COVERAGE	TERM IN MONTHS	SUBJ TO AUDIT (✓)	MIN EARNED PREM %	DAYS TO CANCEL	PREMIUM AMOUNTS
	3/15/2014	COLONY INSURANCE COMPANY ALL RISKS, LTD 10150 YORK ROAD 5TH FLOOR HUNT VALLEY, MD 21030	GL - General Liability	12		25%	10	Premium: \$3,610.00 Policy Fee: \$250.00 Broker Fee: \$0.00 Tax/Stamp: \$79.30 Inspection: \$205.00
<b>TOTAL PREMIUMS</b>								\$4,044.30

TOTAL PREMIUMS	CASH DOWN PAYMENT	UNPAID BALANCE	AMOUNT FINANCED Amount of Credit provided to you or on your behalf	FINANCE CHARGE The dollar amount the credit will cost you	TOTAL OF PAYMENTS Amount you will have paid after you have made all the scheduled payments	ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate
\$4,044.30	\$993.40	\$3,050.90	\$3,050.90	\$180.73	\$3,231.63	14%

Payment Schedule: Your payment schedule will be	NUMBER OF PAYMENTS	AMOUNT OF PAYMENTS	WHEN PAYMENTS ARE DUE	
	9	\$359.07	FIRST DUE DATE	DUE DATE*
			4/15/2014	15th

\*Subsequent payments are due on the same day of each succeeding month.

**Prepayment:** The insured may prepay in full at anytime subject to the \$10 maximum, non-refundable service fee permitted by Delaware law. If the insured prepays in full, the insured will receive a refund of the unearned finance charge, calculated according to the Rule of 78's. Minimum refund is \$1.

**Security Interest:** The Insured assigns to SPFC as security for payment of this Agreement, all sums payable to the Insured with reference to the Policies listed above including, among other things, any gross return premiums and any payment on account of loss which results in reduction of unearned premium in accordance with the term(s) of said Policies.

**Delinquency Charge:** A delinquency charge will be assessed on any payment not received by SPFC within ten (10) days of its due date. The delinquency charge is to be equal to 5% of the installment payment, but not less than \$1.00 nor more than \$5.00.

**Cancellation Charge:** If a default results in cancellation of a Policy, the Insured agrees to pay a cancellation charge equal to 5% of the installment, not to exceed the difference between any delinquency and collection charge and \$5.00. Should the cancellation notice be withdrawn subsequently, or if the policy(ies) are reinstated subsequently, a charge equal to the cancellation charge may be assessed.

**Credit Reporting:** SPFC reserves the right to report all accounts to the credit bureaus.

**NOTICE TO INSURED:** 1. DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT, OR IF IT CONTAINS ANY BLANK SPACE. 2. YOU ARE ENTITLED TO A COMPLETELY FILLED IN COPY OF THIS AGREEMENT AT THE TIME YOU SIGN IT. 3. YOU UNDERSTAND AND HAVE RECEIVED A COPY OF THIS AGREEMENT. KEEP YOUR COPY TO PROTECT YOUR LEGAL RIGHTS. 4. UNDER THE LAW, YOU HAVE THE RIGHT TO PAY OFF IN ADVANCE THE FULL AMOUNT DUE AND UNDER CERTAIN CONDITIONS TO OBTAIN A PARTIAL REFUND OF THE FINANCE CHARGE. 5. YOU ARE NOT REQUIRED TO ENTER INTO AN INSURANCE PREMIUM FINANCING AGREEMENT AS A CONDITION TO THE PURCHASE OF ANY INSURANCE POLICY.

**REPRESENTATIONS AND WARRANTIES:**  
The undersigned Agent and insured have read the Representations and Warranties on page two and make all such representations and warranties recited therein and agree to be bound by the terms of this Agreement.

All insureds must sign as named in policies. If corporation, authorized officers must sign; if partnership, partner should sign as such; signatory acting in representative capacity represents that all insureds have authorized this transaction and have authorized signatory to receive all notices hereunder. By signing below each insured, jointly and severally agrees to make all payments required by this Agreement and to be bound by all provisions of this Agreement, including those on page two.

\_\_\_\_\_  
(Signature of Agent)

\_\_\_\_\_  
(Signature of Insured)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Printed Name & Title)

\_\_\_\_\_  
(Date)

SPFC 1 061605

Name of Insured: DELAWARE COMPASSIONATE CARE INC

Total Premiums \$4,044.30

The Insured (jointly and severally if more than one) agrees as follows:

**1. Promise to Pay.** The Insured deems SPFC to pay the premiums for the Policies. In consideration of the payment by SPFC of the Amount Financed, the Insured agrees to pay SPFC at the address shown above or as otherwise directed by SPFC the Total of Payments in accordance with the terms of this Agreement.

**2. Warranties.** Insured represents and warrants that: (a) the Policies are in full force and effect; (b) the proceeds of this loan are to be used to purchase insurance for other than personal, family or household purposes; (c) all information provided herein or in connection with this Agreement is true, correct, complete and not misleading; (d) the Insured has no indebtedness to the insurers issuing the Policies; (e) the Insured is not insolvent or presently the subject of any insolvency proceeding (or if the Insured is a debtor of bankruptcy, the bankruptcy court has authorized this transaction); and (f) all parties responsible for payment of the premium are named and have signed this agreement.

**3. Power of Attorney.** Insured hereby irrevocably appoints SPFC as its Attorney-in-Fact upon the occurrence of an Event of Default (defined below) and, after proper notice has been mailed as required by law, grants to SPFC authority to effect cancellation of the Policies, and to receive any unearned premium or other amounts with respect to the Policies assigned as security herein, and to sign any check or draft issued therefore in Insured's name and to direct the insurance companies to make said check or draft payable to SPFC. Insured agrees that this authority to effect cancellation of the Policies cannot be revoked and will terminate only after Insured's obligations under this Agreement are paid in full. Insured agrees that proof of mailing any notice hereunder constitutes proof of receipt of such notice.

**4. Payments Received after Notice of Cancellation.** Insured agrees that any payments made and accepted after a Notice of Cancellation has been sent to any insurance company do not constitute reinstatement or obligate SPFC to request reinstatement of such insurance Policy(ies); and Insured acknowledges that SPFC has no authority or duty to reinstate coverage, and that such payments may be applied to Insured's indebtedness hereunder or under any other Agreement, and any such payments will not affect SPFC's rights under this Agreement.

**5. Assignments.** Insured agrees not to assign the Policies except for the interest of mortgagees or loss payees, without the written consent of SPFC. SPFC may assign its rights under this Agreement without Insured's consent, and all rights conferred upon SPFC shall inure to SPFC's successors and assigns.

**6. Dishonored Check Fee.** If an Insured's check is dishonored for any reason, Insured agrees to pay SPFC a dishonored check fee equal to \$25.00.

**7. Default.** An Event of Default occurs when: (a) Insured does not pay any installment according to the terms of this Agreement or any other agreement; (b) Insured fails to comply with any of the terms of the Agreement; (c) any of the Policies are canceled for any reason; (d) Insured or its insurance companies are insolvent or involved in a bankruptcy or similar proceeding as a debtor; (e) premiums increase under any of the Policies and Insured fails to pay such increased premium within thirty (30) days of the notification; or (f) Insured is in default under any other agreement with SPFC. If an Event of Default occurs and after giving notice as required by law, all amounts due under this Agreement become immediately due and payable and the Insured is liable for all amounts described herein.

**8. Rights Upon Default.** If an Event of Default occurs, SPFC may at its option pursue any and all remedies available, including but not limited to, the following:

Demand and receive immediate payment of the total unpaid amount due under this Agreement regardless of whether SPFC has received any refund of unearned premium.

In connection with the Policies scheduled on page one, the Agent represents and warrants to

**1. PAYMENT.** The Agent agrees to promptly pay the down payment and any funding received from SPFC under this Agreement to the insurance company or general agent (less any commissions where applicable).

**2. SIGNATURES GENUINE.** The Insured(s) signature(s) on this Agreement is genuine.

**3. AUTHORIZATION BY INSURED.** If this Agreement has been signed by the Agent on behalf of the Insured, the Agent has the authority to act in this capacity and the Insured has authorized this transaction. The Agent has given the Insured a complete copy of this Agreement.

**4. AUTHORITY OF AGENT.** For the policies listed on the Schedule of Policies, the Agent signing this Agreement is either the authorized policy-issuing agent of the issuing insurance company(ies) or the broker placing the coverage directly with the issuing insurance company(ies), except as indicated on the Schedule of Policies.

**5. NOT AGENT OF SPFC.** Agent is not an agent of SPFC and is not authorized to bind SPFC and has not made any representation to the contrary.

**6. RECOGNITION OF ASSIGNMENT.** The Agent recognizes the security interest granted in this Agreement, whereby the Insured assigns to SPFC all unearned premiums, dividends and certain loss payments. Upon cancellation of any of the Policies, the Agent agrees to hold in trust for SPFC any payments made or credited to the Insured through or to the Agent directly or indirectly, actually or constructively by the insurance companies and to pay the monies, as well as the unearned commissions to SPFC upon demand to satisfy the outstanding indebtedness of the Insured. If such funds are not remitted to SPFC within ten (10) days of receipt by the Agent, the Agent agrees to pay SPFC interest on such funds at the maximum rate permitted under applicable law. Agent shall not deduct any amounts which Insured owes to Agent from any amounts owing to SPFC hereunder.

**7. THE DOWN PAYMENT.** The down payment has been received from the Insured in cash.

SPFC may take all necessary actions to enforce payment of this debt. To the extent not prohibited or limited by applicable law, SPFC is entitled to collection costs and expenses incurred while enforcing its rights under this Agreement and to reasonable attorneys' fees if this Agreement is referred to an attorney who is not a salaried employee of SPFC for collection or enforcement. After proper notice has been given as required by law, SPFC may immediately cancel the Policies and collect any unearned premiums or other amounts payable under said Policies. Unearned premiums shall be payable to SPFC only.

**9. Right of Offset.** SPFC may offset and deduct from any amounts SPFC owes to Insured with respect to any Policies financed hereunder, any amounts which Insured owes to SPFC under this or any other agreement to the extent permitted by applicable law.

**10. Finance Charge.** The Finance Charge includes interest and will include a nonrefundable service fee of \$10.00, the maximum allowed by Delaware law. The Finance Charge is computed using a 365-day year.

**11. Additional Premiums.** Insured agrees to promptly pay to the insurer any additional premiums due on the Policies.

**12. Agent or Broker.** The Agent or Broker named on the front of this Agreement is not the agent of SPFC, is not authorized to receive installment payments due under this Agreement, and cannot bind SPFC in any way. SPFC is not the Agent of any insurer and is not liable for any acts or omissions of any insurer. Insured acknowledges that it has chosen to do business with the Agent and the insurance companies issuing the Policies, and that the insolvency, fraud, defalcation or other action or failure to act by any of them shall not relieve or diminish Insured's obligations to SPFC hereunder.

**13. Corrections.** Except if prohibited by applicable law, SPFC may insert the name of the insurer, policy numbers and first installment due date if omitted and if not known at the time of signature by or for Insured. SPFC may correct patent errors and omissions in this Agreement.

**14. Effective Date.** This Agreement shall have no force or effect until accepted in writing by SPFC.

**15. Liability.** Neither SPFC nor its assignee shall be liable for any loss or damage to the Insured by reason of failure of any insurance company to issue or maintain in force any of the Policies or by reason of the exercise by SPFC or its assignee of the rights conferred herein, including but not limited to SPFC's exercise of the right of cancellation, except in the event of willful or intentional misconduct by SPFC.

**16. Governing Law.** The laws of the state indicated in the Insured's address on the Agreement will govern this agreement. If any court finds any part of this agreement to be invalid, such finding shall not affect the remainder of the agreement.

**17. Miscellaneous.** Insured agrees to all terms set forth on all pages of this agreement and any addenda thereto. All rights and remedies in this Agreement are cumulative and not exclusive. If any part of the Agreement is determined to be invalid or unenforceable, the remaining provisions of this Agreement shall continue to be in full force and effect. This Agreement constitutes the entire Agreement between SPFC and Insured and can only be changed in writing with initials by both parties. SPFC's acceptance of late or partial payments shall not be deemed a waiver by SPFC of any provisions of this Agreement, and SPFC is entitled to require Insured to strictly comply with the terms hereof.

**18. Disclosure.** The insurance company(ies) and their agents, any intermediaries and their successors are authorized and directed to provide SPFC with information about the Policies.

**19. Electronic Payment Fee.** SPFC reserves the right to charge an electronic payment fee of up to \$10.00 for any payment received electronically including credit cards and debit cards.

SPFC, its successors and assigns that:

**8. THE POLICIES:** (a) can be canceled by the Insured or SPFC after 10 days notice and the unearned premiums will be calculated using the standard short rate or pro rata tables; (b) are not split or reporting form policies or policies subject to retrospective rating, unless so indicated on the Schedule of Policies in this Agreement; and if so indicated, the deposit premiums are not less than the anticipated premiums to be earned for the full term of the Policies; (c) do not require advance notice of cancellation to any party, other than any notice required to be given by SPFC; (d) are in full force and effect and the premiums indicated are correct for the term of the Policies; (e) have not been financed on any other installment payment plan; (f) are written for a term of at least one year; (g) are not for personal, family or household purposes; (h) have no exceptions other than those indicated and comply with SPFC's eligibility requirements; and (i) all information in this Agreement pertaining to the Policies is complete and correct.

**9. THE INSURED:** (a) has not paid for the Policies other than as described in this Agreement; (b) has received a fully completed copy of this Agreement and has authorized this transaction; (c) a proceeding in bankruptcy, receivership or insolvency has not been instituted by or against the Insured, or if the Insured is the subject of such a proceeding, it is noted on the Agreement in the space in which the Insured's name and address is placed; and (d) all information in this Agreement pertaining to the Insured is complete and correct.

**10. Agent shall be liable to SPFC for any losses, costs, damages or other expenses (including reasonable attorneys' fees, court costs and collection costs) incurred by SPFC or its assignee as a result of or in connection with any untrue or misleading representation or warranty made by Agent hereunder, or otherwise arising out of the breach by Agent of this Agreement. Additionally, Agent agrees to indemnify SPFC for any and all losses SPFC incurs as a result of any error committed by the Agent in completing or failing to complete any portion of this Agreement. Agent shall promptly notify SPFC of any unpaid increased premiums for the Policies. This Agreement is valid and enforceable and there are no defenses to it.**

# SKIPJACK

## PREMIUM FINANCE COMPANY

10150 York Rd, 5th Floor, Hunt Valley, MD 21030  
 Phone: 800.611.0955 Fax: 410.630.1132 info@skipjackpfc.com

Dear Borrower,  
 For your convenience, we have the ability to accept ACH Withdrawal payments for down payments and recurring monthly payments. If you would like to pay via ACH withdrawal, please complete this form and mail, fax or email back to us. Our contact information is listed above.

We also have the ability to process down payments via electronic check and credit card online at [www.skipjackpfc.com](http://www.skipjackpfc.com).

Sincerely,

Skipjack Premium Finance Company

### ACH Withdrawal Payment Authorization Form

#### Authorization

By completing and signing this form, you are authorizing Skipjack Premium Finance Company to automatically debit your account. Form must be signed and dated by the account holder for authorization. Skipjack Premium Finance Company cannot process recurring ACH Withdrawals without an authorized signature.

#### ACH Down Payment

**CHECK HERE** if you would like to use this checking account information to pay the down payment in the amount of \$ **\$993.40** (as agreed to on the Skipjack Premium Finance Agreement). **PLEASE NOTE: If you process the down payment on our website, do not send a copy of this form to Skipjack PFC.**

#### Recurring ACH Withdrawal Payments

**CHECK HERE** if you would like to use the bank account information below to pay your monthly payments.

#### Bank Account Information

Customer Name: ELAWARE COMPASIONATE CARE INC	
Skipjack Account Number: 2897723010.1	
Bank Name:	
Routing Number (Bank Transit Number):	
Checking/Savings Account Number:	
Signature*:	Date:
City:	
State:	
Phone Number:	Email Address**:

\*I understand that this authorization will be in effect until I notify my financial institution in writing that I no longer desire this service, allowing it reasonable time to act on my notification. I also understand that if corrections in the debit amount are necessary, it may involve an adjustment (credit or debit) to my account. This authorization is non-negotiable and non-transferrable. I have the right to stop payment of a debit entry by notifying my financial institution before the account is charged.

If an erroneous debit entry is charged against my account, I have the right to have the amount of the entry credited to my account by my financial institution, if, within 15 days following the date on which I was sent a statement of account or a written notice of such entry or 45 days after posting, whichever occurs first, I give my financial institution a written notice identifying the entry, stating that it is in error and requesting credit back to my account.

\*\*A payment confirmation for recurring monthly payments will be sent to the email address provided above.