



April 8, 2014

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

To Whom It May Concern:

First State Compassion Center, Inc. ("FSCC") a Delaware not-for-profit/non-stock corporation is pleased to provide this response to **RFP # 13 056 – The Registration and Operation of a Medical Marijuana Compassion Center in the State of Delaware**. Per the requirements of the RFP, FSCC has enclosed two original CD copies of the response and six CD copies of the response for review.

FSCC confirms that it recognized all addenda posted on this RFP on the procurement website (<http://bids.delaware.gov>). This proposal will remain in effect for a two year contract period with the state. As noted in the RFP response, FSCC will agree to obtain a Delaware business license if awarded the contract for operation of a compassion center. FSCC also attests that all pricing information in the proposal was arrived at without collusion.

FSCC has attached hard copies of the Bidders Signature Form (appendix C), the Certification Sheet (appendix D), and Statement of Compliance Form (appendix E).

We appreciate the opportunity to pursue the registration for a compassion center in Delaware.

Sincerely,

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



Mark S. Lally
President



**DELAWARE HEALTH AND SOCIAL SERVICES
REQUEST FOR PROPOSAL**

BIDDERS SIGNATURE FORM

NAME OF BIDDER: First State Compassion Center
SIGNATURE OF AUTHORIZED PERSON: [Redacted]
TYPE IN NAME OF AUTHORIZED PERSON: Mark S. Lally
TITLE OF AUTHORIZED PERSON: President
STREET NAME AND NUMBER: [Redacted]
CITY, STATE, & ZIP CODE: [Redacted]
CONTACT PERSON: Mark S. Lally
TELEPHONE NUMBER: [Redacted]
FAX NUMBER: n/a
DATE: April 8, 2014
BIDDER'S FEDERAL EMPLOYERS IDENTIFICATION NUMBER: [Redacted]

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) First State Compassion Center, 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 ANTITRUST 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.



**REQUEST FOR PROPOSAL NO. HSS 13 056
FOR THE REGISTRATION AND OPERATION
OF A MEDICAL MARIJUANA COMPASSION CENTER
IN THE STATE OF DELAWARE**

SUBMITTED BY:
FIRST STATE COMPASSION CENTER, INC.
MARK S. LALLY, President

Redacted in response to 29 Del.C. Ch. 100: Freedom of Information Act

[Redacted]
[Redacted]
[Redacted]

CONTACT PERSON:
MARK S. LALLY, President
FIRST STATE COMPASSION CENTER, INC.

Redacted in response to 29 Del.C. Ch. 100: Freedom of Information Act

[Redacted]
[Redacted]
[Redacted]

BID OPENING DATE: April 8, 2014, 11:00 AM

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PROPOSAL OVERVIEW

Compassionate Care, Proven Industry Professionals, Unmatched Security...

First State Compassion Center, Inc. ("FSCC") was founded by individuals committed to a responsible and regulated distribution system for medical cannabis in the state of Delaware. As a not-for-profit organization dedicated to providing licensed patients with safe access to affordable medicine, FSCC will serve as a model dispensary that Delaware regulators and leaders can confidently entrust with a two year compassion center pilot license.

FSCC respects the diligence and time Delaware officials have taken in formulating a responsible compassion center program. Delaware is wise to avoid the mistakes of states that have weak regulatory structures. The proposed operating framework allows the state to balance the needs of qualifying patients while avoiding an environment that further stresses the inherent conflicts of state and federal law. FSCC is acutely aware of the balance that must be achieved with the initial pilot compassion center, and has formulated a leadership team and operational structure to give maximum assurance of competency that is unmatched in this emerging industry.

To achieve an optimal level of competency in the distribution of medical cannabis, FSCC has created a team that is highly experienced in the fields of security, law enforcement, and existing state-licensed compassion center operations. FSCC is led by President Mark S. Lally, a retired, decorated member of the Delaware State Police who is exceptionally equipped to ensure the safety, security, and diversion prevention necessary in this high-profile endeavor. The Senior Vice President of FSCC is Joel Allcock, a new resident of Delaware who enjoys extensive experience in management of Rhode Island's largest state-licensed compassion center in Providence. Mr. Allcock is a Director at the non-profit Thomas C. Slater Compassion Center, with responsibility for cultivation and dispensary operations serving over 3,000 licensed patients. Together, Mr. Lally and Mr. Allcock share a deep appreciation and concern for patients with qualifying medical conditions, and look forward to combining their diverse skill sets to create a compassion center in Delaware that is a model for the nation.

As part of its operational plan, FSCC has collaborated with the Slater Compassion Center to develop dispensary protocols, training programs, security procedures, construction/build out plans, and compassionate patient-centric services. The Slater Center is one of two licensed compassion centers in RI, where statutory requirements are nearly identical to the Delaware model. Like Delaware, RI's compassion centers are limited to in-house cultivation of 150 plants and no more than 1,500 ounces of medicine on premises at any time. The Slater Center has proven, auditable, and lauded experience under this operating structure, and will pass along all the knowledge, experience, and insights to FSCC to ensure that it can fulfill its non-profit mission and maintain full compliance with all regulatory requirements.

FSCC believes it is best to develop a local team with individuals committed to serving patients with a safe place to acquire medicine. If this goal can be achieved with the guidance and support of an existing state-licensed, non-profit industry leader – that operates under the same regulatory structure – the people of Delaware will ultimately benefit.

FSCC welcomes a thorough review of its proposed compassion center and sincerely hopes that the local expertise and proven replicable model from RI will be viewed favorably.

F. QUALIFICATIONS AND EXPERIENCE

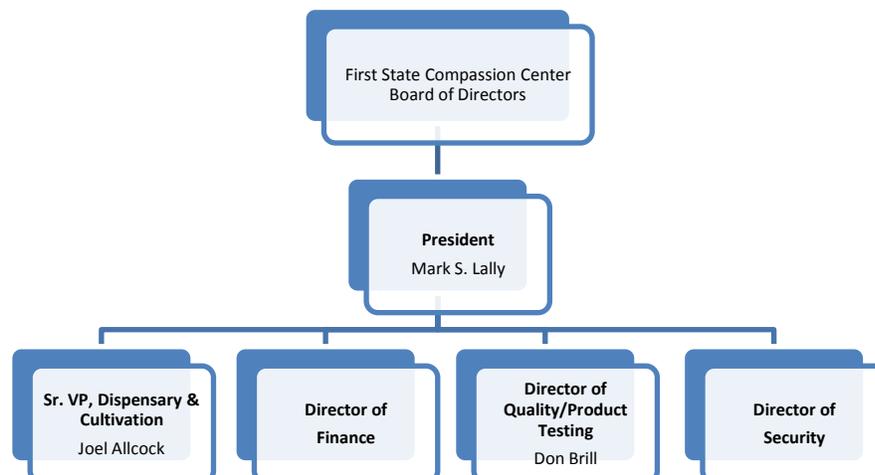
- **First State Compassion Center certifies that it will secure a Delaware Business License during the contract negotiation process with the Department of Health & Social Services.**

Measure 1 – Organizational Structure: Describe the proposed team structure and internal controls to be used in the operation of the compassion center, including any subcontractors. Define how the company will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions within the company.

Measure 1 Response:

- First State Compassion Center, Inc. (“FSCC”) is a Delaware non-profit corporation (non-stock) incorporated on January 30, 2014. The corporation is led by a board of directors, with day-to-day operations carried out by a President and senior management team. An organizational chart below demonstrates the senior leadership structure of the operation (a full organizational chart appears later in the document). Internal controls of the operation are paramount to its success. Operating decisions are carried out by the President and senior management team following mission and policy directives of the board of directors. Fiscal controls are in place to ensure proper record keeping of accounts and funds, and all books and records are audited by a certified public accountant. All senior management team members and employees are subject to a rigorous background check (state and federal) and are thoroughly vetted to ensure the highest caliber of candidate is working in this new industry in the State of Delaware.

Lines of authority begin with the consensus of the board of directors who are charged with carrying out the organization’s mission. The President reports directly to the board of directors and holds ultimate operational oversight of the corporation. A Senior Vice President reports directly to the CEO and has management oversight for most departments and managers of the operation. FSCC’s Security, Finance, and Quality/Product Testing Departments report directly to the President. These lines of authority ensure the mission of the organization is preserved and that performance of the contract with the Department of Health and Social Services is upheld. FSCC will work collaboratively with the Department of Health and Social Services on all operational decisions, fiscal oversight, and site inspections. The interaction with the department will be clearly established and readily accessible.



Proposed Legal Name of the Compassion Center:

- First State Compassion Center, Inc.

Certificate of Articles of Incorporation:

**STATE of DELAWARE
CERTIFICATE of INCORPORATION
A NON-STOCK CORPORATION**

• **First:** The name of the Corporation is _____
First State Compassion Center, Inc.

• **Second:** Its Registered Office in the State of Delaware is to be located at _____
_____ (street), in the City of _____
County of _____ Zip Code _____. The name of the registered agent
is _____

• **Third:** The purpose of the corporation is to engage in any lawful act of activity for which corporations may be organized under the General Corporation Law of Delaware. (If the corporation is to be a nonprofit corporation, please add: "This Corporation shall be a nonprofit corporation.")

This Corporation shall be a non-stock corporation

• **Fourth:** The corporation shall not have any capital stock.

• **Fifth:** The conditions of membership are _____
People dedicated to the conditions stated in the company
By-Laws

• **Sixth:** The name and mailing address of the incorporator are as follows:

Name _____
Mailing Address _____
_____ Zip Code _____

• **I, The Undersigned,** for the purpose of forming a corporation under the laws of the State of Delaware, do make, file and record this Certificate, and do certify that the facts herein stated are true, and I have accordingly hereunto set my hand this 30th day of Jan, A.D. 2014

BY: _____
(Incorporator)

NAME: _____
(type or print)

Evidence of Organization's Not-for Profit Status:

- First State Compassion Center was incorporated on January 30, 2014 as a Delaware non-stock (non-profit corporation). A copy of the filing appears on the prior page. The operating bylaws of the corporation are attached below. The bylaws clearly indicate the not for profit standing of the organization.

Description of How the Compassion Center Will Operate on a Not-for-Profit Basis:

- The compassion center will operate on a not-for-profit basis by fulfilling its mission and adhering to its operating bylaws. The mission statement of FSCC is as follows:

First State Compassion Center, Inc. will provide certified, licensed patients with safe, affordable access to high quality medical cannabis in a dignified and patient-centric environment. We will utilize our skills to strictly comply with the laws, rules, and regulations established by the State of Delaware in creating a facility that is a model for regulatory compliance and compassion for patients.

In carrying out the mission of the organization, the board of directors is charged with overseeing the management of the compassion center. The initial members of the board are Delaware residents with exceptional experience in the fields of law enforcement, security, and operation of a state-licensed medical marijuana dispensary. FSCC envisions expansion of the board membership to include those with backgrounds in medicine, finance, law, and patient advocacy upon successful award of a license to operate. The board will ensure that FSCC management adheres to the mission. If awarded a license from the State of Delaware, FSCC will own the compassion center with no capital stock. As a not-for-profit corporation there are no shareholders. The compassion center will be owned and operated by the not-for-profit corporation, overseen by the FSCC board of directors.

At the operational level, FSCC will be principally run by a President and a Senior VP of Cultivation & Dispensary. There are directors for other key departments including Security, Finance, and Product Testing. The organizational will be run like any responsible business, with appropriate internal controls for adherence to all state regulations, as well as fiscal controls and reporting of all revenues and expenditures. As a not-for-profit, FSCC may utilize any excess revenue after expenses for reinvestment into the operation. FSCC may also appropriate any excess revenue after expenses for contributions to charitable organizations with missions that correlate with its own. All decisions on the appropriation of any excess revenues will be made by the FSCC Board.

As stated in the operating bylaws, FSCC board members will serve for clearly defined terms with elections for new members. The bylaws allow for up to seven members to serve on the board. The first organizational meeting of the FSCC board was held on March 24, 2014 to elect officers, re-affirm the not-for-profit/non-stock status of the corporation, and authorize the officers to pursue a license for a medical marijuana compassion center from the State of Delaware. At the first meeting the board also voted to allow the corporation to enter into a lease agreement for the site of the proposed compassion center in Wilmington. A copy of the passed resolutions from the initial board meeting is attached and follow a copy of the operating bylaws. Also included is a copy of the FSCC Employment Identification Number certificate from the IRS.

Copy of Proposed Operating Bylaws:

BYLAWS

OF

First State Compassion Center, Inc.

(a Delaware corporation not for profit and without capital stock)

First State Compassion Center, Inc. ByLaws shall comply with The Delaware Medical Marijuana Act, Title 16, Chapter 49A and all regulations.

- a. This not for profit corporation without capital stock shall own the compassion center**
- b. The initial composition of the board of directors shall be Mark S. Lally, President, and Joel Allcock, Vice President/Treasurer**
- c. Procedures for oversight of the compassion center are outlined on Schedule I**
- d. A description of the enclosed , locked facility where medical marijuana will be grown, cultivated, harvested, packaged , labeled , or otherwise prepared for distribution by the compassion center is outlined on Schedule II**
- e. Provisions relative to the disposition of revenues to establish and maintain the not for profit character of the compassion center are outlined on Schedule III**

ARTICLE I

Offices

Section 1.01 *Location*. The principal office of the Corporation within or without the State of Delaware shall be located at such place as the Board of Directors shall from time to time designate. The Corporation may maintain additional offices at such other places as the Board of Directors may designate. The Corporation shall have and maintain within the State of Delaware a registered office at such place as may be designated by the Board of Directors.

ARTICLE II

Members

Section 2.01 *Members*. The Directors of the Corporation shall be the Members of the Corporation for all purposes. All actions, consents and approvals taken by the Directors shall be and be deemed to be taken by them as the Members and as the Directors of the Corporation for all purposes, whether or not the specific action, consent or approval specifically references them as acting as Members at the time. All meetings of the Board of Directors shall be and be deemed to be meetings of the Directors acting both as the

Directors and as the Members of the Corporation. The Corporation shall have no shareholders.

ARTICLE III

Board of Directors

Section 3.01 *Power of Board and Qualification of Directors.* The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. Each director shall be at least twenty one years of age.

Section 3.02 *Number of Directors.* The number of directors constituting the entire Board shall not be less than one (1) nor more than seven (7). The number of directors may be increased or decreased (but not to less than one (1) nor to more than seven (7) at any time and from time to time by amendment of the Bylaws or by action of a majority vote of the entire Board, except that in no case may any decrease in the number of directors shorten the term of any incumbent director. Directors need not be residents of the State of Delaware.

Section 3.03 *Election and Term of Directors.* The initial Board of Directors shall be comprised of those directors named in the Organization Action in Writing of the Incorporator. Directors shall be elected at every second consecutive regular annual meeting of the Board of Directors (each such third annual meeting an "Election Meeting"). If the election of the directors shall not be held at such a meeting, such election shall be held as soon thereafter as is conveniently possible. Each director shall hold office for a term ending no later than the date of the next Election Meeting and until his or her successor has been elected and qualified or until his or her death or until he or she shall resign or be removed.

Section 3.04 *Newly-Created Directorships and Vacancies.* Newly created directorships resulting from an increase in the number of directors elected may be filled by vote of a majority of the Board of Directors then in office. Vacancies occurring in the Board of Directors for any reason may be filled by vote of a majority of the Board of Directors then in office. A director elected to fill a vacancy shall hold office until the next Election Meeting and until his or her successor shall have been elected and qualified.

The directors may appoint one or more successors by executing a consent designating such successors and the conditions for their appointment and such appointment may be effective immediately or upon the occurrence of some future event. In the event of the death of the last remaining director and in the event that the last remaining director has not designated his successor or such designated successor is unwilling or unable to serve, the executor, administrator or legal representative of the deceased director may appoint one or more successor directors. If the Corporation does not have at least one director, then the Corporation shall dissolve and all of the Corporation's assets shall be distributed in accordance with the terms of Article EIGHTH of the Corporation's Certificate of Incorporation.

Section 3.05 *Resignation.* Any director may resign from office at any time by delivering a resignation in writing to the Board of Directors or to the President or to either Co-President of the Corporation. Such resignation shall take effect at the time specified therein, and unless otherwise specified, no acceptance of such resignation shall be necessary to make it effective.

Section 3.06 *Removal of Directors*. Any one or more of the directors may be removed with or without cause at any time by vote of a majority of the Board of Directors, provided that written notice of such removal is given to any director so removed.

Section 3.07 *Meetings of the Board*. An annual meeting of the Board of Directors shall be held each year at such time and place as may be fixed by the President or by the Co-Presidents jointly, as the case may be, for the transaction of such business as may properly come before the meeting, and, in the case of an Election Meeting, for the election of officers and directors. Regular meetings of the Board of Directors may be held at such times as may be fixed by the President or by the Co-Presidents jointly, as the case may be. Special meetings of the Board may be called by or at the direction of the President or at the direction of the Co-Presidents jointly, as the case may be, or by a majority of the directors in office.

No notice need be given of regular meetings of the Board of Directors for which the time and place have been fixed. Written, oral, or any other mode of notice of the time and place shall be given for special meetings in sufficient time for the convenient assembly of the directors thereat. Notice need not be given to any director who submits a written waiver of notice signed by him before or after the time stated therein. Attendance of any such person at a meeting shall constitute a waiver of notice of such meeting, except when he or she attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the directors need be specified in any written waiver or notice.

A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of any adjournment of a meeting of the Board to another time or place shall be given in the manner described above to the directors who were not present at the time of the adjournment and, unless such time and place are announced at the meeting, to other directors.

The President, a single Co-President if one of the Co-Presidents is absent, or both Co-Presidents, as the case may be, if present and acting, shall preside at all meetings. Otherwise, any other director chosen by the Board shall preside.

Section 3.08 *Quorum and Voting*. Unless a greater proportion is required by law, by the Certificate of Incorporation, or by the Bylaws adopted by a unanimous vote of the Board of Directors, a majority of the entire Board of Directors shall constitute a quorum for the transaction of business or of a specified item of business. Except as otherwise provided by law by the Certificate of Incorporation or by these Bylaws, the vote of a majority of the directors present at a meeting at the time of the vote shall be the act of the Board.

Section 3.09 *Written Consent of Directors; Meeting by Conference Telephone or by Comparable Medium*. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board consent thereto in writing. Each consent so adopted by members of the Board shall be filed with the minutes of the proceedings of the Board.

To the extent permitted by law, any one or more members of the Board of Directors may participate in a meeting of such Board by means of a conference telephone, Internet chat room or similar communications equipment allowing all persons participating in the

meeting to hear or to otherwise communicate with each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 3.10 *Compensation of Directors*. Directors shall not receive any stated salaries for their services, providing that nothing herein contained shall be construed to preclude any director from serving the Corporation in any other legally permitted capacity and receiving reasonable compensation therefore. At all times, such compensation shall not exceed what is ordinarily considered to be reasonable compensation for services rendered. For the avoidance of doubt, directors may be reimbursed for reasonable expenses incurred in the performance of their duties to the Corporation.

Section 3.11 *Records*. Minutes shall be kept of each meeting of the Board of Directors. Copies of the minutes of each meeting shall be filed with the corporate records of the Corporation.

Section 3.12 *Non-Voting Affiliates*. The directors may identify affiliated individuals to serve as honorary directors, associate directors, junior directors, board advisors, and the like, for such terms and on such conditions as the directors determine, and may assign to such persons such responsibilities, duties, and privileges as the directors determine. Such affiliated individuals shall not be directors of the Corporation for the purposes of these bylaws or for any other purpose and shall have no votes at any meetings of the directors.

ARTICLE IV

Officers, Agents and Employees

Section 4.01 *General Provisions*. The officers of the Corporation shall be one (1) President or two (2) Co- Presidents, as the case may be, one (1) Secretary, one (1) Treasurer, and may include an unlimited number of Vice- Presidents, and the Board may give any of them further designation or alternate titles as it considers desirable.

Section 4.02 *Term of Office of President or Co-Presidents*. The President or both Co-Presidents shall be elected by the Board of Directors at each and every Election Meeting. The President or each Co-President, as the case may be, shall hold office for a term ending no later than the date of the next Election Meeting and until his or her successor has been elected or appointed and qualified or until his or her earlier resignation or removal.

Section 4.03 *Term of Office of Vice-Presidents*. Each Vice-President may be elected by the Board of Directors, in its discretion, at each and every Election Meeting or at any time the Board determines. Each Vice- President shall hold office for a term ending no later than the date of the next Election Meeting and until his or her successor has been elected or appointed and qualified or until his or her earlier resignation or removal.

Section 4.04 *Term of Office of Secretary*. The Secretary shall be elected by the Board of Directors at each and every Election Meeting or at any time the Board determines. The Secretary shall hold office for a term ending no later than the date of the next Election Meeting and until his or her successor has been elected or appointed and qualified or until his or her earlier resignation or removal.

Section 4.05 *Term of Office of Treasurer*. The Treasurer shall be elected by the Board of Directors at each and every Election Meeting or at any time the Board determines. The

Treasurer shall hold office for a term ending no later than the date of the next Election Meeting and until his or her successor has been elected or appointed and qualified or until his or her earlier resignation or removal.

Section 4.06 *Vacancies and Removal of the President or Co-Presidents*. If the office of President becomes vacant for any reason, the Board shall promptly fill such vacancy. The President or Co-Presidents so appointed or elected to fill a vacancy shall hold office only until such time as the unexpired term of his, her or their predecessor or predecessors and until his, her or their successor or successors are elected and qualified. The President or any Co-President may be removed by the Board with or without cause at any time.

Section 4.07 *Vacancies and Removal of Vice-Presidents*. If the office of Vice-President becomes vacant for any reason, the Board, in its discretion, may fill such vacancy. Any Vice-President so appointed or elected to fill a vacancy shall hold office only until such time as the unexpired term of his or her predecessor. A Vice-President may be removed by the Board with or without cause at any time.

Section 4.08 *Vacancies and Removal of the Secretary*. If the office of Secretary becomes vacant for any reason, the Board shall promptly fill such vacancy. The Secretary so appointed or elected to fill a vacancy shall hold office only until such time as the unexpired term of his or her predecessor and until his or her successor is elected and qualified. The Secretary may be removed by the Board with or without cause at any time.

Section 4.09 *Vacancies and Removal of the Treasurer*. If the office of Treasurer becomes vacant for any reason, the Board shall promptly fill such vacancy. The Treasurer so appointed or elected to fill a vacancy shall hold office only until such time as the unexpired term of his or her predecessor and until his or her successor is elected and qualified. The Treasurer may be removed by the Board with or without cause at any time.

Section 4.10 *Resignation*. Any officer may resign from office at any time by delivering a resignation in writing to the Board of Directors. Unless otherwise specified in the written resignation, such resignation shall be effective upon delivery to the Board of Directors.

Section 4.11 *Power and Duties of Officers*. Subject to the control of the Board of Directors, all officers as between themselves and the Corporation shall have such authority and perform such duties in the management of the property and affairs of the Corporation as may be provided in these Bylaws and, to the extent not so provided, as generally pertain to their respective offices.

A. President and Co-Presidents. Only a director of the Corporation may serve as the President or as a Co-President thereof. If at any time a Co-President shall resign or be removed from the Board of Directors, the remaining Co-President shall continue to serve as the President of the Corporation and the office of President shall not be deemed vacant. If at any time a President alone or the Co-Presidents jointly shall resign or be removed from the Board of Directors, the office of President shall be deemed vacant and the Board shall promptly fill such vacancy pursuant to the terms of Section 4.06 hereof.

The President alone or the Co-Presidents jointly shall serve as chief executive officer of the Corporation. The President alone or the Co-Presidents jointly shall preside at all meetings of the Board of Directors and, subject to the supervision of the Board of Directors, shall perform all duties customary to that office and shall supervise and control all of the affairs

of the Corporation in accordance with the policies and directives approved by the Board of Directors.

Moreover, unless otherwise directed by the Board of Directors, the President or each Co-President, as the case may be, shall have the authority to make all decisions regarding charitable contributions made or to be made by the Corporation. Unless otherwise directed, the President or each Co-President may, in his or her sole discretion and at any time and from time to time, delegate (subject to his or her revocation of such delegation) such authority to one or more of the other officers of the Corporation and may limit the amount of charitable contributions that each such authorized officer may make or cause to be made on behalf of the Corporation in a fiscal year. In addition, unless otherwise directed, the President or each Co-President may, in his or her sole discretion at any time and from time to time, authorize (subject to his or her revocation of such authorization) one or more persons to make charitable contributions on behalf of the Corporation in such an amount as prescribed by the President or by each Co-President.

B. Vice-President. The Vice-President shall perform such duties and have such powers as the President or as each Co-President may from time to time provide, subject to the powers and the supervision of the Board of Directors and, in the absence of the President or the Co-Presidents, as the case may be, or in the event of his, her or their inability or refusal to act, as the Board of Directors may prescribe by standing or special resolution.

C. Secretary. The Secretary shall perform such duties and have such powers as the President alone or the Co-Presidents jointly may from time to time provide, subject to the powers and the supervision of the Board of Directors and, in the absence of the President or the Co-Presidents, as the case may be, or in the event of his, her or their inability or refusal to act, as the Board of Directors may prescribe by standing or special resolution.

In addition, the Secretary shall be responsible for the keeping of an accurate record of the proceedings of all meetings of the Board of Directors, shall give or cause to be given all notices in accordance with these Bylaws or as required by law. The Secretary shall have custody of the corporate seal of the Corporation, if any; and he or she shall have authority to affix the same to any instrument requiring it; and, when so affixed, it may be attested by his or her signature. The Board of Directors may give general authority to any officer to affix the seal of the Corporation, if any, and to attest the affixing by his or her signature.

D. Treasurer. The Treasurer shall perform such duties and have such powers as the President alone or the Co-Presidents jointly may from time to time provide, subject to the powers and the supervision of the Board of Directors and, in the absence of the President or the Co-Presidents, as the case may be, or in the event of his, her or their inability or refusal to act, as the Board of Directors may prescribe by standing or special resolution.

In addition, the Treasurer shall have the custody of, and shall be responsible for, all funds and securities of the Corporation. He or she shall keep or cause to be kept complete and accurate accounts of receipts and disbursements of the Corporation, and shall deposit all monies and other valuable property of the Corporation in the name and to the credit of the Corporation in such banks or depositories as the Board of Directors may designate. Whenever required by the Board of Directors, the Treasurer shall render a statement of accounts. He or she shall at all reasonable times exhibit the books and accounts to any officer or director of the Corporation, and shall perform all duties incident to the office of Treasurer, subject to the supervision of the Board of Directors, and such other duties as

shall from time to time be assigned by the Board of Directors. The Treasurer shall, if required by the Board of Directors, give such bond or security for the faithful performance of his or her duties as the Board of Directors may require, for which he or she shall be reimbursed.

Unless otherwise directed by the Board of Directors, the Treasurer shall have full investment authority and discretion concerning the Corporation's assets. Unless otherwise directed, the Treasurer may, in his or her sole discretion and at any time and from time to time, delegate his or her investment authority concerning the Corporation's assets to one and only one other officer of the Corporation at any given time.

Section 4.12 *Agents and Employees*. The Board of Directors may appoint agents and employees who shall have such authority and perform such duties as may be prescribed by the Board. The Board may remove any agent or employee at any time with or without cause. Removal without cause shall be without prejudice to such person's contract rights, if any, and the appointment of such person shall not itself create contract rights.

Section 4.13 *Compensation of Officers, Agents and Employees*. The Corporation may pay compensation in reasonable amounts to agents and employees for services rendered to the Corporation, such amount to be fixed by the Board, or, if the Board delegates power to any officer or officers, then by such officer or officers. The Board may require officers, agents or employees to give security for the faithful performance of their duties.

ARTICLE V

Section 5.01 *Fiscal Year*. The fiscal year of the Corporation shall be the calendar year.

Section 5.02 *Corporate Seal*. The seal of the Corporation shall be circular in form and contain the name of the Corporation, the words "Corporate Seal" and "Delaware" and the year the Corporation was formed in the center.

The Corporation may use the seal by causing it or a facsimile thereof to be affixed or impressed or reproduced in any manner.

Section 5.03 *Checks, Notes, Contracts*. The President or each Co-President, as the case may be, shall determine who shall be authorized from time to time on the Corporation's behalf to sign checks, notes, drafts, acceptances, bills of exchange and other orders or obligations for the payment of money; to enter into contracts; or to execute and deliver other documents and instruments.

Section 5.04 *Books and Records*. The Corporation shall keep at its office or at any other designated office (1) correct and complete books and records of accounts, (2) minutes of the proceedings of its Board of Directors, and (3) a current list or record containing the names and addresses of all directors and officers of the Corporation. Any of the books, records and minutes of the Corporation may be in written form or in any other form capable of being converted into written form within a reasonable time.

Section 5.05 *Amendments of Certificate of Incorporation and Bylaws*. The Certificate of Incorporation may be amended in whole or in part by a unanimous vote of the Board of Directors pursuant to the procedure outlined in title 8, section 242(b)(3) of the Delaware General Corporation Law. The Bylaws of the Corporation may be adopted, amended or

repealed, in whole or in part by a unanimous vote of the Board of Directors of the Corporation.

Section 5.06 *Indemnification and Insurance*. The Corporation shall indemnify:

- (i) any current or former director or officer of the Corporation and
- (ii) any person who may have served, at its request, as a director or officer of another corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, or other enterprise, whether for profit or not for profit (each such entity an "Outside Entity"),

against expenses (including attorney's fees), judgments, fines and amounts paid in settlement, actually and reasonably incurred by him or her in connection with 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 the Corporation), to which he or she may be or is made a party by reason of being or having been such director or officer if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. However, there shall be no indemnification in respect of any claim, issue or matter as to which he or she shall have been adjudged to be liable to the Corporation unless and only to the extent that 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 be indemnified for such expenses which the court shall deem proper.

The Corporation may pay expenses (including attorney's fees) incurred by an officer or director in defending any civil, criminal, administrative or investigative action, suit or proceeding in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such officer or director, to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the Corporation under this Article. Such expenses (including attorney's fees) incurred by other employees and agents may be paid upon such terms and conditions, if any, as the Board of Directors deems appropriate.

Any indemnification (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in title 8, section 145 (a) and (b) of the Delaware General Corporation Law. Such determination shall be made (1) by a majority vote of the directors who are no parties to such action, suit or proceeding, even though less than a quorum, or (2) if there are no such directors or if such directors so direct, by independent legal counsel in a written opinion.

The provisions of this Article shall be applicable to claims, actions, suits, or proceedings made or commenced after the adoption hereof, whether arising from acts or omissions occurring before or after adoption hereof.

The indemnification or advancement of expenses provided by this Article shall not be deemed exclusive of any other rights to which such director, officer, employee or agent

may be entitled under any statute, Bylaw, agreement, vote of the disinterested directors or otherwise, and shall not restrict the power of the Corporation to make any indemnification permitted by law.

The indemnification or advancement of expenses provided by this Article shall, unless otherwise provided when authorized or ratified, 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 person.

The Board of Directors may authorize the purchase of insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or who is or was serving at the request of the Corporation as a director, officer, employee or agent of an Outside Entity against any liability asserted against or incurred by him or her in any such capacity, or which arises out of such person's status as a director, officer, employee or agent whether or not the Corporation would have the power to indemnify such person against that liability under law.

Notwithstanding anything herein to the contrary, the Corporation shall not indemnify, reimburse, or insure any person for any taxes imposed on such individual under Chapter 42 of the Internal Revenue Code of 1986, as amended (the "Code"). Further, no payment shall be made under this Article if such payment would constitute an act of self-dealing or a taxable expenditure, as defined in 4941(d) or 4945(d), respectively, of the Code.

The Corporation may, by vote of the Board of Directors, provide indemnification and advancement of expenses to employees and agents of the Corporation or of an Outside Entity with the same scope and effects as the foregoing indemnification of and advancement of expenses to directors and officers.

If any part of this Article shall be found in any action, suit, or proceeding to be invalid or ineffective, the validity and the effectiveness of the remaining parts shall not be affected.

Section 5.07 *Electronic Signatures*. Wherever a written instrument is required to be executed hereunder, an electronic signature, to the extent permitted by applicable law, shall be deemed to be a written signature.

ARTICLE VI

Charitable Contribution Approval

Section 6.01 *Charitable Contribution Approval by Grant Evaluator*. The President or each Co-President of the Corporation, officers designated by the President or by each Co-President of the Corporation, committees designated by the President or by each Co-President of the Corporation that are composed exclusively of members of the Board of Directors, and any other person directed by the President or by each Co-President pursuant to Section 4.11(A) of these By-Laws shall have the power and authority to approve, make and cause to be made charitable contributions by the Corporation. All charitable contributions approved by any of the foregoing (each a "Grant Evaluator"), shall for all purposes be, and be deemed to be, duly authorized by the Board of Directors and the Corporation. The President or each Co-President, as the case may be, or the Board of Directors may at any time appoint or remove, with or without cause, an individual or committee as a Grant Evaluator.

**SCHEDULE I.
PROCEDURES FOR OVERSIGHT OF COMPASSION CENTER**

FSCC is led by a board of directors with day-to-day operations carried out by a President and senior management team. Bylaws spell out the roles, responsibilities, and oversight of the board of directors. Internal controls of the operation are paramount to the success of the operation. Operating decisions are carried out by the President and senior management team following mission and policy directives of the board of directors. Fiscal controls are in place to ensure proper record keeping of accounts and funds, and all books and records are audited by a certified public accountant. All senior management team members and employees are subject to a rigorous background check (state and federal) and are thoroughly vetted to ensure the highest caliber of candidate is working in this new industry in the State of Delaware.

Lines of authority begin with the consensus of the board of directors who are charged with carrying out the organization's mission. The President reports directly to the board of directors and holds ultimate operational oversight of the corporation. A Senior Vice President reports directly to the President and has management oversight for most departments and managers of the operation. FSCC's Security, Finance, and Quality/Product Testing Departments report directly to the President. These lines of authority ensure the mission of the organization is preserved and that performance of the contract with the Delaware Department of Health and Social Services is upheld. FSCC will work collaboratively with the Department of Health and Social Services on all operational decisions, fiscal oversight, and site inspections. The interaction with the department will be clearly established and readily accessible.

**SCHEDULE II.
DESCRIPTION OF COMPASSION CENTER FACILITY**

Redacted in response to 29 Del.C. Ch. 100 Freedom of Information Act

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**SCHEDULE III.
PROVISIONS TO MAINTAIN THE NOT-FOR-PROFIT CHARACTER OF THE
COMPASSION CENTER**

The not-for-profit character of FSCC will be maintained by a strict adherence to its mission. The mission statement of the organization is as follows:

First State Compassion Center, Inc. will provide certified, licensed patients with safe, affordable access to high quality medical cannabis in a dignified and patient-centric environment. We will utilize our skills to strictly comply with the laws, rules, and regulations established by the State of Delaware in creating a facility that is a model for regulatory compliance and compassion for patients.

Members of the FSCC board will further the directives of the mission through policy decisions while the management team will carry out this focus in day-to-day operations. The core of FSCC’s not-for-profit mission is to provide licensed patients with access to the highest quality of medicine that is affordable and safe. FSCC will further this mission with provisions for free and reduced-priced medicine for patients that meet certain income guidelines or medical conditions. No one will go without medicine because of an inability to pay.

The not-for-profit character of the operation will also be evidenced in the way FSCC administers its finances. If the organization experiences any excess revenue after expenses in any given year, those funds will either be reinvested back into the operation or given out as charitable contributions to non-profit organizations that focus on health care and the well-being of Delaware residents. Reinvestment of excess funds will allow FSCC to improve infrastructure and assist in the provision of high quality medicine to licensed patients. Charitable contributions to other non-profit organizations are a way to ensure that other charitable organizations benefit from the existence of a medical marijuana compassion center in Delaware. Decisions on the use of any excess revenue after expenses will be made by the FSCC board in keeping with the not-for-profit character and mission of the organization.

Copy of Resolutions from First Organizational Meeting of FSCC Board:

FIRST STATE COMPASSION CENTER, INC.

FIRST ORGANIZATIONAL MEETING OF
BOARD OF DIRECTORS AND INCORPORATOR

March 24, 2014

The undersigned, being the all Directors of First State Compassion Center, Inc. (FSCC), do hereby adopt the following Resolutions this day:

RESOLVED, that the actions of the Sole Incorporator be ratified and hereby approved.

FURTHER RESOLVED, that the Articles of Organization of the Corporation, duly filed in the office of the Secretary of State of Delaware be ratified and inserted in the Minute Book.

FURTHER RESOLVED, that the By-Laws of this Corporation be hereby adopted and approved.

FURTHER RESOLVED, that a form of Corporate Seal appearing to comply with the requirements of law and the By-Laws, be and the same is hereby approved as the Seal of the Corporation and impressed on this page of the Minutes

RESOLVED, that the fiscal year of the Corporation shall end on December 31 of each year.

RESOLVED, that the election of the Directors by the incorporator is hereby adopted wherein Mark S. Lally and Joel Allcock are elected Directors.

RESOLVED, that the election of the following persons as officers of the Corporation to hold office for the ensuing year and until their respective successors are chosen and qualify, be and the same are hereby ratified.

President.....Mark S. Lally
Vice President/Treasurer.....Joel Allcock
Secretary.....Joel Allcock

FURTHER RESOLVED, that the President or Treasurer of this Corporation are authorized to open, keep and close general and special bank accounts and safe deposits with any Depository and to cause to be deposited in accounts with any depository from time to time such funds of the Corporation as they may deem necessary or appropriate.

FURTHER RESOLVED, that the President or Treasurer of this Corporation be authorized to designate from time to time officers and agents for the Corporation authorized to sign or countersign checks, drafts or other orders for the payment of money issued in the name of the Corporation against any such account.

FURTHER RESOLVED, that if any Depository requires a prescribed form of preamble, preambles, resolution or resolutions relating to such accounts or borrowing or to any application, statement, instrument or other documents connection therewith, each such preamble or resolution shall be deemed to be adopted by the Board of Directors, and the Secretary of the Corporation is authorized to certify the adoption of any such preamble, or resolution as though it were presented to the Board of Directors at the time of adopting this vote, and to insert all such preambles and resolutions in the minute book of the Corporation immediately following this vote.

RESOLVED, this Corporation is a Not for Profit, no stock company as defined in FSCC Delaware Certificate of Incorporation.

RESOLVED, that the Corporation authorize the President and the Vice President to file an Application for Registration and Operation of a Medical Marijuana Compassion Center in the State of Delaware (Delaware Health and Social Services Request for Proposals HSS 13 056).

RESOLVED, that the Corporation commit to lease the building at 37 Gerday Drive, Gerday Industrial Park, Wilmington, DE, 19804, for its Medical Marijuana Compassion Center.

Redacted in response to 29 Del.C. Ch. 100 Freedom of Information Act

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

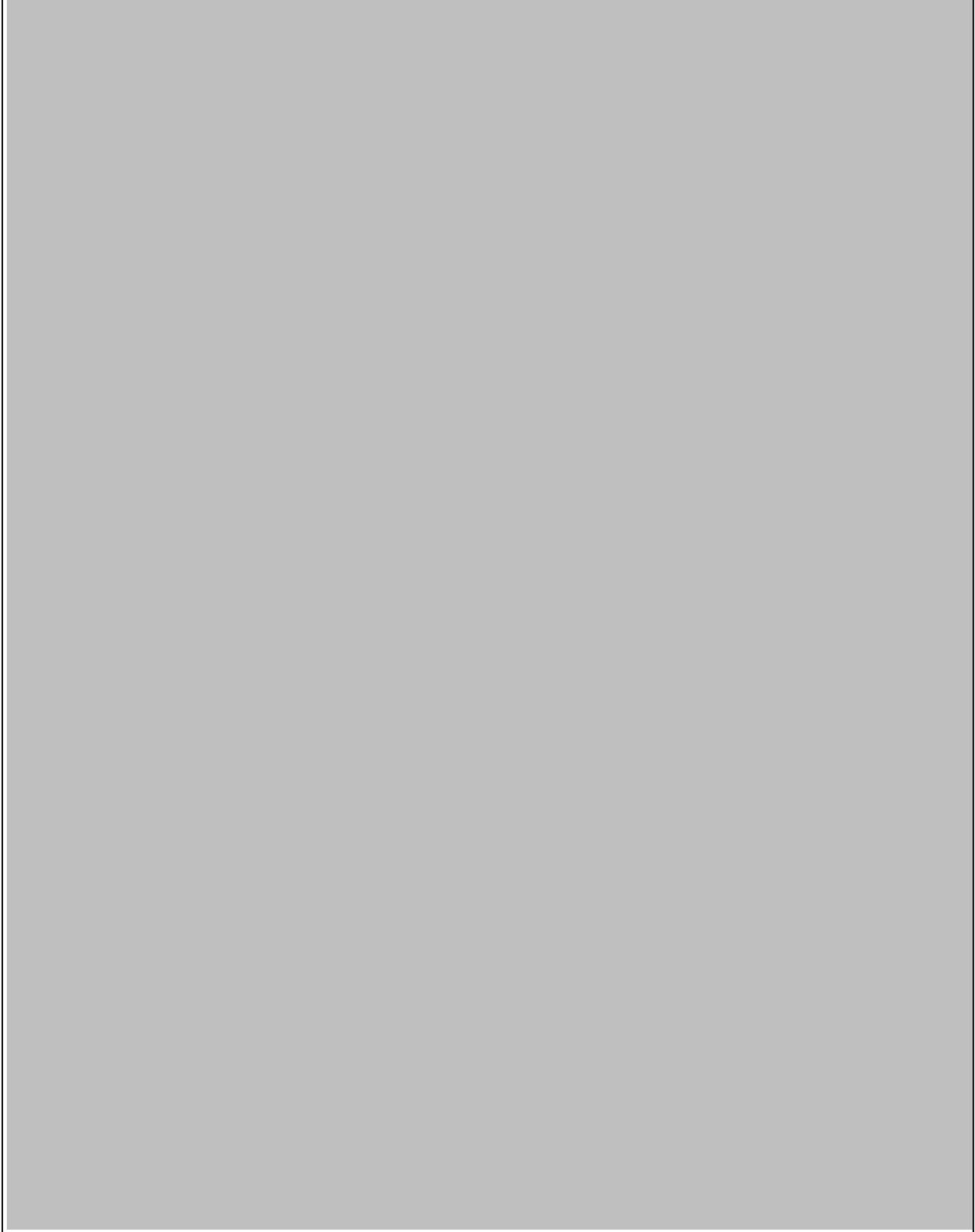
(Incorporator)


Mark Lally, Director


Joel Allcock, Director

Copy of FSCC Federal Employer Identification Number:

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Measure 2 – Agents of the Compassion Center and Organization: The specific individuals, or agents, who will perform work on behalf of the compassion center, shall be identified by name and title along with explanation of the nature and extent of their involvement. This should include all board members, officers, owners, employees, volunteers, or other person involved with the ownership or operation of the compassion center. Provide qualification information on the named agent, including the individuals' particular skills related to the medical use of marijuana, education, experience, significant accomplishments and any other pertinent information. These qualifications shall be presented in resumes or other formats.

If set up and operation of the compassion center will require hiring of one or more individuals who are not currently employed by the bidding organization, the proposal application shall provide detailed job descriptions, including required qualifications and experience.

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

Measure 2 Response:

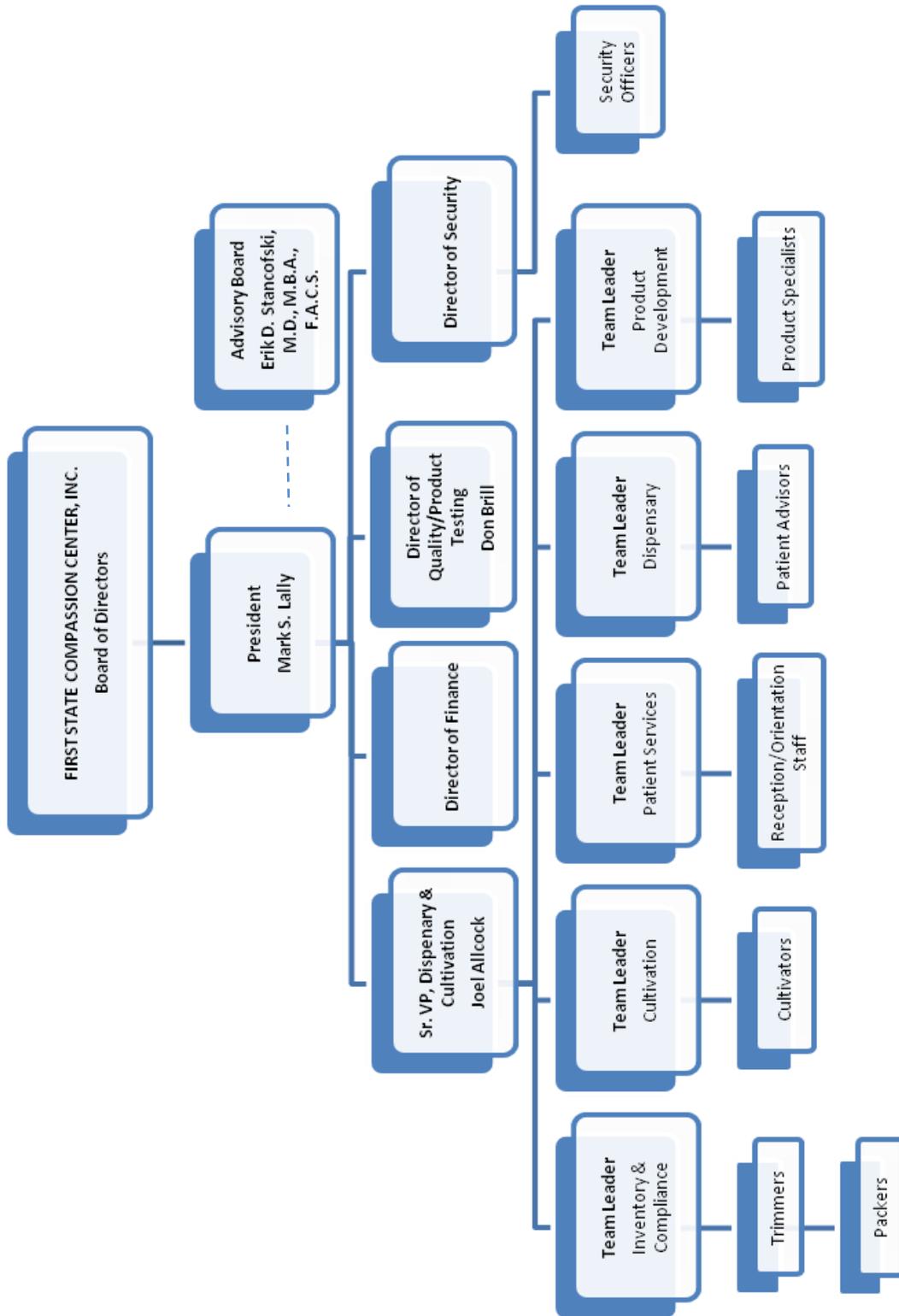
- FSCC is committed to developing a pilot compassion center in Delaware that sets the standard for regulatory compliance, compassionate care for patients, and security. To achieve these goals, the leadership of FSCC enjoys significant experience in these core areas.

The principals of FSCC are President Mark S. Lally and Senior Vice President Joel Allcock. Mr. Lally and Mr. Allcock have collaborated to build an operating plan and carry out a vision for Delaware's first compassion center. Their biographies and relevant experience are highlighted on the following pages. While serving as members of the organization's board of directors, they are also the top two executives of the organization with ultimate responsibility for collaboration with all state agencies and carrying out the not-for-profit mission of FSCC. If approved for licensure, FSCC intends to supplement its board membership to include representatives with backgrounds in fields like medicine, science, non-profit management, and patient advocacy. Along with development of the board, FSCC will embark on a recruitment drive to hire key personnel in departments throughout the facility. Copies of job descriptions for the positions that will be filled are included in this section.

Because FSCC is a not-for-profit/non-stock organization, there are no owners. The board of directors establishes a mission and vision for the organization that is carried out by the senior management team. The senior management team holds day-to-day responsibility for carrying out the mission and ensuring proper regulatory functions and appropriate fiscal controls. In the event that the organization achieves any additional revenues after expenses, those funds are required to be either reinvested back into the operation to benefit patients, or to be given away in the form of charitable contributions to organizations with a similar patient-focused mission. All charitable contributions require FSCC board approval.

The following chart highlights the organizational structure of FSCC.

FSCC Organizational Chart:



FSCC Leadership Biographies:

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Mark S. Lally, President

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

Mark S. Lally is the President of First State Compassion Center, Inc. In this role, he is responsible for all day-to-day management oversight of the proposed compassion center facility along with serving as an officer of the corporation. He brings a wealth of experience to the position, most notably a distinguished career in law enforcement, along with a deep understanding of regulatory and compliance issues in Delaware. In his law enforcement career, Mr. Lally was involved in the prosecution and arrest of large-scale drug distribution rings. He is sensitive to the potential for abuse within Delaware's burgeoning medical marijuana program, and will work diligently to prevent diversion of medicine from the state's first compassion center. Mr. Lally is committed to running a compassion center that offers patients a safe and accessible place to receive medicine while maintaining a secure and compliant facility that works collaboratively with all regulators.

Mr. Lally enjoyed a distinguished career with the Delaware State Police, where he worked in patrol, was a Field Training Officer for new Troopers, an Instructor at the Delaware State Police Academy for Trooper Recruits and municipal Police Officers, and in-service training and other police agencies throughout the state. He also served in undercover capacities as a narcotic and dangerous drugs detective conducting investigations that resulted in a large seizure of marijuana in coordination with the DEA and United States Customs in the U.S. and Jamaica. He also initiated an investigation that involved a drug ring from Florida operating in Delaware that resulted in several arrests and a large seizure of cocaine. He served on a DEA & FBI Task Force whose mission involved several other states.

Mr. Lally received DEA training in drug detection and investigative measures as well as the safe disassembling of illegal Methamphetamine laboratories. After this, he was assigned as an undercover detective in a newly formed "Street Crimes" Unit, responsible for surveillance, tracking and apprehending career criminals. He finished his career with the Delaware State Police as the Detail Leader of the Executive Security Unit responsible for the protection and transportation of the State of Delaware's Governor and family. Mr. Lally received Dignitary Protection and Threat Assessment training from the prestigious Pennsylvania State Police Dignitary Protection School and from the U.S. Secret Service in Washington D.C.

After serving over 24 years in law enforcement, Mr. Lally retired a decorated Trooper, most notably receiving a Delaware State Police Superintendent Citation for acts of heroism. He also received the highest award from the Delaware State Police, the Medal of Valor, for his behavior and actions in the apprehension of an armed federal fugitive who was threatening the public and police.

After retiring from the Delaware State Police, he was selected by U.S. Senator Thomas R. Carper to oversee his operations in Sussex County as the Sussex County Regional Director. In this role, Mr. Lally established and maintained relationships that instilled trust with political, business, non-profit agencies, and community leaders. He represented the Senator at public and private events, facilitated meetings with federal and state agencies, and provided constituent services to the residents of Delaware and Sussex County.

After serving over six years as the Sussex County Regional Director for Senator Carper, he founded M.S. Lally & Associates, a governmental affairs and consulting business in Lewes. The firm provides governmental affairs and strategic development services to corporations, industry associations, non-profit organizations, League of Local governments, real estate developers, and educational institutions throughout the Delmarva region. Through his diverse governmental and private sector network, he has successfully monitored legislation and was involved in providing valuable input to clients as well as legislators in developing good public policy. Mr. Lally developed and executed complex governmental affairs strategies, led land negotiations, and connected his clients with prospective donors through his business development work. Today Mark continues to serve his community by volunteering on the Executive Board of the Sussex County Land Trust and Destination Station Center.

~~In preparation for his leadership of FSCC, Mr. Lally reached out to leading organizations throughout the country that operate state-licensed medical marijuana compassion centers. His outreach led to a relationship with the first state-licensed compassion center in Rhode Island, the Thomas C. Slater Compassion Center in Providence. The Slater Center operates under the same regulatory framework as Delaware's proposed compassion center program (no more than 150 total plants for cultivation/no more than 1,500 ounces of product on premises). It provides medicine to over 3,000 licensed patients in RI. Given the synergy between the Rhode Island and Delaware programs, Mr. Lally formed a relationship with the leaders of the Slater Center who have mentored him and provided further insight on how a facility can meet the needs of patients while operating in strict compliance with all state laws.~~

~~Mr. Lally underwent a week-long training session at the Slater Center in March where he worked in all departments of the organization. His trainings included deep interaction with Slater's senior management, security personnel, and board. He trained in departments including cultivation, inventory, security, product development, patient registration/orientation, and retail sales. He was provided access to all operating manuals that detail the responsibilities for all functions of a compassion center. The insights received during his training at the Slater Center serve as a springboard for the development of FSCC. The relationship will also serve as an ongoing resource for Mr. Lally and his team moving forward.~~

Other Notes:

- Mr. Lally has no instances with any business or service on a board where he was convicted, fined, censured, or had a registration or license suspended or revoked in any administrative or judicial proceeding.
- Mr. Lally has undergone a Delaware criminal background check per the requirements of the RFP and has been fingerprinted for a national criminal background check with the FBI. The State Bureau of Identification has indicated to the FSCC team that copies of state criminal background checks would be sent directly to the Department of Health & Social Services (and not to the individual compassion center agents) as part of the compassion center RFP. Mr. Lally was instructed to send the fingerprint cards directly to the FBI (which he did). The State Bureau of Identification is unable to send the fingerprints to the FBI for the purpose of reviewing potential compassion center agents because nothing in Delaware law currently allows for the practice. Mr. Lally was instructed by the Bureau of Identification that he had properly followed the requirements for background checks for the compassion center RFP, and that the Department of Health & Social Services was aware that documentation of the criminal background checks would be sent directly to the agency.

Resume: Mark S. Lally, President FSCC:

Mark S. Lally

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

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

E-mail: 29 Del.C. Ch. 100 Freedom of Information Act

Experience

- 2007 – Present: President and owner, M.S. Lally & Associates, a governmental affairs & consulting firm.
- 2007 – 2008: Delaware Technical & Community College, Georgetown Delaware, Development Director
- 2001 – 2007: Sussex County Regional Director for the United States Senate, office of U.S. Senator Thomas R. Carper
- 1981 – 2001: Delaware State Police, Field Training Officer, Certified Instructor at the Delaware State Police Academy, Narcotics & Dangerous Drugs Detective, Street Crimes Detective, Detail Leader for the Executive Security Unit
- 1977 – 1981 Elsmere Police Department, Patrol & Detective's

Education & Training

- 1977 Municipal Police Training, Delaware State Police Academy
- 1981 Delaware State Police Academy
- 1985 Drug Enforcement Agency (DEA) Drug interdiction & Clandestine Lab Operations, shutdown & disposal
- 1985 Narcotics Officers Training, Ocean City, MD. Police Chief's Technical Committee, Metropolitan Washington Council of Governments
- 1987 Delaware Technical & Community College, Associate in Applied Science, Criminal Justice Technology
- 1988 Drug Interdiction Training, Maryland State Police Academy
- 1988 Certified Instructor for Police Training, Delaware State Police Academy

1989	Gangs, Drugs & Intelligence, National Law Enforcement Institute, Inc.
1992	Detection, Surveillance & Apprehension of Career Criminals, Halifax County, Virginia
1996	U.S. Secret Service Threat Assessment and Dignitary Protection
1998	U.S. State Department Dignitary Protection & Protocol for overseas travel
1999	Pennsylvania Dignitary Protection & Evasive Driving, Pennsylvania State Police Academy
2001	United States Senate Protocol & State Office operations

Awards

1982	Delaware State Police Superintendent's Citation
1983	Nominee for Trooper of the Year
1990	Delaware State Police Medal of Valor
1991	Nominee for Trooper of the Year

Community

- Soccer & Baseball Coach
- Assistant Cub Scout Leader
- Executive Board member for the Sussex County Land Trust (non-profit)
- Board of Destination Station Center (non-profit)
- Volunteer Coordinator for Extreme Home Makeover in Delaware

FSCC Leadership Biographies:

Joel Allcock, Senior Vice President, Dispensary & Cultivation

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

Joel Allcock is the Senior Vice President of Dispensary & Cultivation at FSCC. In this role, he has oversight of the following departments: Inventory, Cultivation, Dispensary, Patient Services, and Product Development. The position reports directly to FSCC President Mark S. Lally. Along with being a member of the senior management team, Mr. Allcock also serves as a member of the board of directors for the corporation.

Mr. Allcock recently established residency in Delaware to develop FSCC as a model medical cannabis dispensary for the patients and residents of Delaware. He currently works as the Director of Cultivation at the Thomas C. Slater Compassion Center – Rhode Island’s first state-licensed dispensary. Mr. Allcock was integral in the development of the Slater Center project, serving as a senior manager and key advisor in the growth of the project. Slater has grown to be the largest, most successful non-profit dispensary in the northeast, serving over 3,000 licensed patients. Mr. Allcock was part of the group that developed the concept for the RI facility, which spanned nearly four years of planning and regulatory/political hurdles. In that time, he worked diligently to develop the protocols and procedures for various departments of the compassion center, including implementation of organic hydroponic cultivation methods, a proprietary seed-to-sale inventory management system, protocols for production and packaging of medicine, and oversight of product line development.

Mr. Allcock is intimately familiar with all phases of dispensary operations. His experience and knowledge from his work at the Slater Center will ensure a smooth implementation at FSCC. He is particularly attuned to the regulatory and compliance aspects of dispensary management, specifically the inventory control and tracking of all medicine from the moment it is harvested to its final sale. Mr. Allcock has guided an integration of a point-of-sale system that tracks all patient data and maintains safeguards to ensure that statutory possession limits for medicine are upheld. He believes that the success of any new dispensary operation lies in stringent adherence to rules and regulations, and his practical experience in the RI regulatory environment brings great benefit to FSCC.

At his core, Mr. Allcock is a master cultivator of medical grade cannabis. In his current position, he oversees a team of cultivators that adhere to a strict cap of 150 plants. Utilizing organic hydroponic techniques, he has developed a system for achieving maximum yields from the plant cap all to benefit licensed patients of the Slater Center. Mr. Allcock has worked with patients and medical professionals to develop a diverse crop strategy, including strain varieties that have beneficial effects on a variety of medical conditions. His cultivation methods have won praise from patients that suffer from ailments like cancer, multiple sclerosis, Crohn’s Disease, and chronic debilitating pain. He has also focused on strains of cannabis with high percentages of cannabidiol (or CBD), which provide patients with no euphoric effect but tremendous palliative benefits. Mr. Allcock’s work with CBD cultivation has led to an exciting clinical trial at the Slater Center involving a pediatric neurologist providing his medicine to a cadre of young patients suffering from epileptic seizures.

Mr. Allcock initiated the laboratory testing and quality assurance protocols for the Slater Center. Under his direction, all medicine sold at the facility undergoes an extensive scientific examination for the

presence of molds, toxins, or any contaminants that could pose harm to patients. His experience and understanding of the evolving field of laboratory testing of cannabis is essential to the proposed quality assurance plans at FSCC.

Along with inventory management, product development, and cultivation, Mr. Allcock's oversight roles at FSCC will also extend to the patient registration and orientation department. He has a longstanding concern for patients suffering from medical conditions that can be alleviated through cannabis. In 2006 he received his licensure and certification as a caregiver in the Rhode Island Medical Marijuana program. This work allowed him to gain first-hand experience in treating the needs of his patients. He carries this sensitivity and concern for patients in his current role at Slater and will further his commitment to patients in his oversight of the patient registration/orientation department of FSCC.

As a condition of his work at the Slater Center, Mr. Allcock was required to pass both a state and federal criminal background checks (with fingerprints).

Prior to his working on the Slater Center project in RI, Mr. Allcock owned and operated two companies: Air Quality Sciences, LLC, and Indoor Air Quality Management of New England. Both companies focused on environmental remediation, biological remediation, and healthy air solutions for residential and industrial clients. This experience in air quality and remediation is particularly important to creating the proper environments for growing the highest grade of medical cannabis. Mr. Allcock holds the following professional accreditations: Certified Mold Remediator (CRM), Certified Mold Remediation Supervisor (CRMS), and Indoor Environmentalist (CIE).

Other Notes:

- Mr. Allcock has no instances with any business or service on a board where he was convicted, fined, censured, or had a registration or license suspended or revoked in any administrative or judicial proceeding.
- Mr. Allcock has undergone a Delaware criminal background check per the requirements of the RFP and has been fingerprinted for a national criminal background check with the FBI. The State Bureau of Identification has indicated to the FSCC team that copies of state criminal background checks would be sent directly to the Department of Health & Social Services (and not to the individual compassion center agents) as part of the compassion center RFP. Mr. Allcock was instructed to send the fingerprint cards directly to the FBI (which he did). The State Bureau of Identification is unable to send the fingerprints to the FBI for the purpose of reviewing potential compassion center agents because nothing in Delaware law currently allows for the practice. Mr. Allcock was instructed by the Bureau of Identification that he had properly followed the requirements for background checks for the compassion center RFP, and that the Department of Health & Social Services was aware that documentation of the criminal background checks would be sent directly to the agency.

Joel Allcock

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

Medical Marijuana Industry Experience

Rhode Island Medical Marijuana Program, Providence, RI **2006-Present**

- Provide safe access to organic, lab tested medical grade Cannabis to patients
- Research and select strains of Cannabis to cultivate based on patient needs
- Breed proprietary strains with a focus on CBD rich strains
- Stabilize and select phenotypes of strains based on potency, yield and patient feedback
- Provide grow room design, build out and cultivation consulting for RI licensed MMJ patients and caregivers
- Produced tested, high quality cannabis concentrates and other ingestion options for patients

Director of Cultivation, The Thomas C. Slater Compassion Center, Providence, RI

2013-Present

- Developed and implemented best practices for Cultivation, Drying and Curing, Trimming and Packing Departments for the largest State Licensed, not for profit Medical Marijuana Dispensary on the East Coast.
- Assisted in developing and implementing a comprehensive seed to sale inventory tracking software, with patient management and grow tracker capabilities.
- Collaborated with Know Your Grow Laboratories, a RI based Cannabis analytical testing lab, to develop and execute a Cannabis testing protocol.
- Worked with RI Licensed Patients and Caregivers to educate them about organic, pesticide free cultivation.
- Worked closely with the RI Department of Health throughout the dispensary licensing process
- Wrote training manuals for Slater Center Cultivation, Drying and Trimming and Packing departments
- Provided staff training in all phases of Dispensary Operations
- Worked closely with a physician and minor patients to develop a CBD regimen for children with seizure disorders.

Professional Experience

Indoor Air Quality Management of New England, Johnston, RI

2001-2006

Owner/Operator

- Operated an air quality and environmental remediation company
- Provided safe, affordable environmental remediation solutions to residential, commercial, industrial clients and municipalities.
- Provided Mold remediation and decontamination services at two Rhode Island contaminated schools, saving the school district hundreds of thousands of dollars in demolition and rebuild costs due to a proprietary sole source protocol.

Air Quality Sciences, LLC 2006-2012

Owner/Operator

- Operated a service based company providing chemical and biological remediation solutions
- Provided services to residential clients, businesses and municipalities throughout Southern New England.
- Held CMR, CMRS and CIE certifications with the Indoor Air Quality Association

FSCC Management Team Biography:

Don Brill, Director of Quality & Product Testing

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

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

Don Brill is the Director of Quality & Product Testing at FSCC. In this management team role, Mr. Brill is responsible for the implementation and oversight FSCC's in-house laboratory testing protocols and assurance of quality for all medicine produced at the facility. Product testing is a particular point of emphasis for the leadership and board of FSCC, and the position of Director of Quality & Product Testing plays a vital role in ensuring the consistency of products and that the highest grades of medicine are available to patients. The position reports directly to the FSCC President Mark S. Lally.

To effectively implement an in-house quality and testing program, FSCC sought a seasoned clinical professional with an impeccable scientific background and experience working with day-to-day laboratory operations. Mr. Brill has spent that last 33 years of his career working in the Central Research Department at the Dupont Experimental Station – one of the premier research facilities in the world. He currently works in the Corporate Center for Analytical Services at Dupont, with responsibility for analyzing components and morphology of chemicals, biological materials, and polymers. During his career at Dupont, Mr. Brill has gained a deep understanding of characterizing many different materials using various analytical methods, and how to safely operate an analytical laboratory with accuracy, precision, and honesty.

Mr. Brill's experience in analytics and laboratory science will transition quite well with FSCC's plans for testing of all medical products sold to licensed patients in Delaware. He plans to build a team at FSCC that is experienced in gas chromatography and mass spectrometry to provide comprehensive results on potency, cannabinoid profiles, and instances of molds or contaminants that would disqualify medicine for patient use. Mr. Brill has the advantage of working with FSCC Senior Vice President Joel Allcock, who has introduced a comprehensive laboratory testing plan at RI's Slater Compassion Center. Together, they will implement a protocol that is focused on quality assurance and transparency. All protocols and analytics will be shared with regulators from the Department of Health and Social Services to establish best practices for Delaware's pilot compassion center, with the hope that future dispensaries in the state would emulate these standards.

Mr. Brill received his Bachelor of Arts degree from California State University at Hayward. He is Six Sigma certified. He has also completed Dupont company trainings, including Laboratory Safety, Experimental Design, and Day-to-Day Laboratory Operations.

Other Notes:

- Mr. Brill has no instances with any business or service on a board where he was convicted, fined, censured, or had a registration or license suspended or revoked in any administrative or judicial proceeding.
- Mr. Brill has undergone a Delaware criminal background check per the requirements of the RFP and has been fingerprinted for a national criminal background check with the FBI. The State

Bureau of Identification has indicated to the FSCC team that copies of state criminal background checks would be sent directly to the Department of Health & Social Services (and not to the individual compassion center agents) as part of the compassion center RFP. Mr. Brill was instructed to send the fingerprint cards directly to the FBI (which he did). The State Bureau of Identification is unable to send the fingerprints to the FBI for the purpose of reviewing potential compassion center agents because nothing in Delaware law currently allows for the practice. Mr. Brill was instructed by the Bureau of Identification that he had properly followed the requirements for background checks for the compassion center RFP, and that the Department of Health & Social Services was aware that documentation of the criminal background checks would be sent directly to the agency.

Resume: Don Brill, Director of Quality & Product Testing, FSCC:

Don Brill

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

Experience:

1981-Present Research Associate in the Central Research Department for the Corporate Center for Analytical Services at the Dupont Experimental Station, responsible for analyzing components and morphology of chemicals, biological material (including food stuffs), and polymers.

This experience has provided a deep understanding of characterizing many different materials using various analytical methods and how to operate an analytical laboratory safely with accuracy, precision and honesty.

Education & Training:

- Bachelor of Arts, California State University at Hayward
- Six Sigma Certified

Dupont Company Training:

- Laboratory safety
- Experimental Design
- Day to day laboratory operations

Outside Experience:

- Invented and patented a tool used in the snow ski industry.
- Operated a small business which included organizing the manufacturing, design of the point of sale packaging, and negotiating a long term contract with the Swix Ski Company the largest maker of snow ski tuning equipment in the world.

FSCC Advisory Board Biography:

Erik D. Stancofski, M.D., M.B.A., F.A.C.S, FSCC Advisory Board Member

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

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

FSCC has created an advisory board to advise President Mark Lally on issues pertaining to the medical benefits of cannabis for patients. The advisory board will not be compensated for its time or services, nor will any advisory board member be considered an employee, agent, or representative of the company. The purpose of the advisory board is to help the FSCC senior leadership gain an enhanced medical perspective to shape policies and procedures for the operation. Advisory board members agree to not recommend any patients to the Delaware Medical Marijuana Program. The initial member of the FSCC Advisory Board is Dr. Erik Stancofski, a surgeon based on Lewes.

Dr. Stancofski is the President and owner of Cape Surgical Associates, a private surgery practice of three physicians. In his practice he focuses on general surgery, laparoscopic surgery (colon and gall bladder), and trauma care. Prior to his current role at Cape Surgical, Dr. Stancofski was the Medical Director of Southern Delaware Surgery Center where he oversaw quality of care in a three-operating room joint venture surgical center. From 2006 to 2010 he was Vice Chairman of Surgery at Beebe Medical Center in Lewes.

Dr. Stancofski is board-certified by the American Board of Surgery, is a Fellow of the American College of Surgeons, and a Fellow of the Society of Laparoendoscopic Surgeons. He graduated from the Medical School, American University of Beirut in Lebanon (with high distinction), completed a General Surgery Residency at St. Agnes Hospital in Baltimore, and earned a Master's of Business Administration from George Washington University (graduated Beta Gamma Sigma).

As a practicing surgeon with an extremely active practice, Dr. Stancofski has extensive interaction with patients that suffer from an array of health care conditions. This understanding of patient conditions, as well as their accompanying pain and ancillary symptoms, leaves him well suited to advise FSCC senior management on the needs of those who may seek cannabis for relief. FSCC is committed to creating a facility that upholds the highest standards of patient care while maintaining strict adherence to all regulations. Having an advisory board with a medical perspective is an important component of fulfilling this commitment.

Other Notes:

- Dr. Stancofski has no instances with any business or service on a board where he was convicted, fined, censured, or had a registration or license suspended or revoked in any administrative or judicial proceeding.
- As a licensed physician in the State of Delaware, he is in good standing with the Delaware Board of Medical Licensure and Discipline and the Division of Professional Regulation in the Department of State, having passed a report of criminal history and background check.

Resume: Erik D. Stancofski, M.D., M.B.A., F.A.C.S., FSCC Advisory Board Member:

Erik D. Stancofski, M.D., M.B.A., F.A.C.S.

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

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

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

E-mail: 29 Del.C. Ch. 100 Freedom of Information Act

Experience

- 1998 – Present: President and owner, Cape Surgical Associates, surgery private practice with two other partners.
- 2004 – 2008: Medical Director Southern Delaware Surgery Center. Oversaw quality of care delivered in a 3 operating room joint venture surgery center
- 2006 – 2010: Vice Chief of Surgery, Beebe Medical Center

Education

- 2006 – 2008 Healthcare M.B.A., George Washington University, Washington, D.C.
Graduated Beta Gamma Sigma
- 1992 – 1998 General Surgery Residency, St. Agnes Hospital, Baltimore, Maryland
- 1988 – 1992 Medical School, American University of Beirut, Beirut, Lebanon
Graduated with High Distinction

Associations and Affiliations

- 1999 – Present Board certified, American Board of Surgery
- 2000 – Present Fellow, American College of Surgeons
- 2001 – Present Fellow, Society of Laparoendoscopic Surgeons

Clinical interests and expertise

General surgery, laparoscopic surgery (particularly laparoscopic colon and gall bladder surgery), trauma care.

Lectures and presentations

Yearly lecturer, American University of Beirut Surgery Symposium (attended by over 600 surgeons from the U.S., Europe and the Middle East), Beirut, Lebanon

Yearly lecturer American University of Beirut Surgery Department Weekly Conference

Yearly lecturer, St. Agnes HealthCare grand rounds, Baltimore, Maryland

Publications

“Successful outcome in Swan-Ganz catheter-induced rupture of pulmonary artery.” *The American Surgeon*, 1998 Nov;64(11):1062-5.

“Adult ileo-ileal intussusception.” *Contemporary Surgery*, Apr 1999.

Annual Surgical Volume

700 cases per year. 150 inguinal hernias. 70 ventral hernias. 120 cholecystectomies. 60 colon resections. 200 skin lesions, cancers, “lumps and bumps”. 100 various others.

Measure 2 (cont.) – If set up and the operation of the compassion center will require hiring of one or more individuals who are not currently employed by the bidding organization, the proposal application shall provide detailed job descriptions, including required qualifications and experience.

Measure 2 Response:

- FSCC will actively recruit and hire individuals for the compassion center upon successful award of a certificate to operate by the Department of Health & Social Services. The organization has solidified key executives positions, including Mark S. Lally (President), Joel Allcock (Senior Vice President, Dispensary & Cultivation), and Don Brill (Director of Quality & Product Testing). FSCC will be hiring a Director of Security, Director of Finance, Team Leaders in Inventory/Compliance, Cultivation, Dispensary, and Product Development. Other positions that will require hiring are for Trimmers, Packers, Cultivators, Reception/Orientation Staff, Patient Advisors, Product Specialists, and Security Officer. Detailed job descriptions for each position are listed on the following pages.

First State Compassion Center Job Description
Director of Security

STATUS: Salaried, Exempt

GENERAL SUMMARY OF DUTIES: Work with the President in coordinating and directing the all functions relating to the security of the facility and safety of the FSCC employees, patients and general public visiting the center; to work directly with the security staff regarding staffing scheduling, issues, etc.; to do related work as required.

SUPERVISES: Security Officers

TYPICAL PHYSICAL DEMANDS: Work requires periods of prolonged sitting and standing, some bending, stooping, and stretching. Requires normal range of hearing. Requires hand-eye coordination and manual dexterity sufficient to operate a cash register, computer, telephone, calculator, etc. May require lifting up to 50 pounds occasionally.

TYPICAL WORKING CONDITIONS: Work is performed in a busy medical cannabis compassion center in the administrative office area, dispensary area, and other areas of the facility as needed. Will be in almost constant contact both staff and patients. Work can be stressful and may include dealing with patients, media outlets, outside vendors / contractors, and law enforcement. Must be available to work varied hours and/or days, including nights, weekends, holidays, or possibly city events.

EXAMPLES OF DUTIES:

- Oversight of all security functions and personnel.
- Monitoring of all surveillance cameras.
- Complete all incident reports and coordinate response with President.
- Strong ability to determine threats and make assessments.
- Maintain safe environment for patients, employees, visitors of the center.
- Maintain all radio protocols and procedures.
- Ensure operation of live feed to Department of Health & Social Services.
- Maintain open communication and dialogue with local, state, and federal law enforcement.

PERFORMANCE REQUIREMENTS AND SKILLS:

- Assertive with dispensary policies.
- Immediate attention to all threats or other incidents at facility.
- Promote an environment of courteous, competent security staff.
- Adept at radio communications.
- Deep understanding of surveillance and security measures.
- Assistance with cash management and coordination of deposits.

EDUCATION/EXPERIENCE: Bachelor's degree and prior law enforcement experience required.

First State Compassion Center Job Description
Director of Finance

STATUS: Salaried, Exempt

GENERAL SUMMARY OF DUTIES: Reports to the President, manages all financial roles for the organization, including accounting and reporting, payroll, budget, cash management, accounts payable, and maintains the books and records in conjunction with an outside accounting firm.

SUPERVISES: None

TYPICAL PHYSICAL DEMANDS: Office work with a heavy reliance on computer generated reports and documents.

TYPICAL WORKING CONDITIONS: Work is performed in a busy medical cannabis compassion center in the administrative office area, dispensary area, and other areas of the facility as needed. Will be in almost constant contact both staff and outside accountants and vendors.

EXAMPLES OF DUTIES:

- Maintain books and records for the organization.
- Handle accounts payable and vendor payments.
- Complete weekly payroll.
- Develop annual budgets and complete reports for board of directors.
- Forecast and trend financial issues and report to President and board of directors.
- Work with outside accounting firm on preparation of annual audit.

PERFORMANCE REQUIREMENTS AND SKILLS:

- Understanding of all pertinent financial terms and accounting guidelines.
- Understanding of tax code issues for medical cannabis dispensaries.
- Adept at uncovering fiscal trends or areas for fiscal improvement.
- Oversee all cash management and daily deposits.
- Facilitate alternate payment options for patients (credit cards).

EDUCATION/EXPERIENCE: Bachelor's degree in finance, accounting, or related field required, Master's degree preferred. Prior experience in a fiscal oversight capacity at a non-profit organization preferred.

First State Compassion Center Job Description
Team Leader, Inventory & Compliance

STATUS: Salaried

GENERAL SUMMARY OF DUTIES: The Team Leader, Inventory & Compliance is responsible for input and labeling of all inventory into point-of-sale inventory tracking software at the bulk level, and reconciliation of bulk amounts after inventory is apportioned into smaller amounts and ancillary products.

SUPERVISED BY: Senior Vice President, Dispensary & Cultivation

SUPERVISES: Trimmers & Packers

TYPICAL PHYSICAL DEMANDS: Work requires periods of prolonged sitting and standing, some bending, stooping, and stretching. Requires normal range of hearing. Requires strong computer and data entry skills.

EXAMPLES OF DUTIES:

- Manage the team of trimmers and packers to ensure the steady flow of medicine in a variety of weights and preparations.
- Collaborate with Cultivation Department on inventory needs.
- Ensure that all product is accounted within the point-of sale system.
- Produce labels for all medical products in conjunction with state regulations.
- Maintain proper inventory of supplies for packaging of products.

PERFORMANCE REQUIREMENTS AND SKILLS:

- Knowledge of MJ Freeway Inventory software system
- Ability to work with digital scales
- Maintain strict hygiene standards and a clean work space
- Account for all components of inventory
- Work collaboratively with Cultivation department on scheduling and output of medicine
- Thorough understanding of units of measure
- Understanding of label-making software and interface with point-of-sale system.

EDUCATION/EXPERIENCE: Associate's Degree or equivalent from a two-year college or technical school; or six months to one year related experience and/or training; or equivalent combination of education and experience. Some computer experience, or experience with software such as MJ Freeway are highly desirable. Prior management experience a plus.

First State Compassion Center Job Description
Team Leader, Cultivation

STATUS: Salaried

GENERAL SUMMARY OF DUTIES: The Cultivation Team Leader is in charge of the daily operation of the grow rooms. Will be responsible for scheduling staff, supervising the back of house positions, communicating between employees and management, and possibly other responsibilities such as vendor relations and other duties as need arises.

SUPERVISED BY: Senior Vice President, Dispensary & Cultivation

SUPERVISES: Cultivators

TYPICAL PHYSICAL DEMANDS: Work requires periods of prolonged sitting and standing, some bending, stooping, and stretching. Requires normal range of hearing. Requires hand-eye coordination and manual dexterity sufficient to trim, train and harvest plants. May require lifting up to 50 pounds occasionally.

TYPICAL WORKING CONDITIONS: Work is performed in a medical cannabis grow room. The grow rooms can be loud due to ventilation fans, air conditioning/heating units etc... Will be in almost constant contact with plants and co-workers. Work environment can be stressful and may include dealing with production schedules/deadlines, noise pollution, and a CO2 enriched environment. Should be available to work varied hours and/or days, including nights, weekends, and holidays

EXAMPLES OF DUTIES:

- Manage cultivation team
- Coordinating with inventory and procurement department to assist in inventory management and procurement needs
- Schedule changing/replacing carbon filters/air scrubbing equipment as necessary
- Light repair of grow room equipment as need arises
- Schedule and coordinate replacing grow light bulbs as part of regular scheduled maintenance
- Coordinating with Trimming and Packaging Departments at harvest time
- Schedule Harvesting plants according to cultivation schedule
- Implementing pest prevention protocol on a weekly basis
- Developing protocol to identify and correct plant health issues, such as nutrient deficiencies, environmental control issues and pest infestation as needed

PERFORMANCE REQUIREMENTS AND SKILLS:

- Ability to operate cultivation management software, MJFREEWAY.
- Ability to communicate clearly and effectively in all situations with coworkers and patients.
- Has knowledge of medical cannabis laws, medical cannabis effects, and conditions that can be treated with medical cannabis.
- Horticultural skills.
- Ability to multi-task many diverse types of workloads.

EDUCATION/EXPERIENCE: Associate's Degree or equivalent from a two-year college or technical school; or six months to one year related experience and/or training; or equivalent combination of education and experience. Past experience to look for: Some Excel software experience, or experience with software such as MJ Freeway are highly desirable. Past experience to look for: Greenhouse/Nursery management experience, past legal Cannabis cultivation experience, past management experience a plus.

First State Compassion Center Job Description
Team Leader, Dispensary

STATUS: Salaried

GENERAL SUMMARY OF DUTIES: The Team Leader, Dispensary is in charge of displays and inventory on the compassion center floor, as well as assisting patient advisors.

SUPERVISED BY: Senior Vice President, Dispensary & Cultivation

SUPERVISES: Patient Advisors

TYPICAL PHYSICAL DEMANDS: Work requires periods of prolonged sitting and standing, some bending, stooping, and stretching. Requires normal range of hearing. Requires hand-eye coordination and manual dexterity sufficient to operate a cash register, computer, telephone, calculator, etc.

TYPICAL WORKING CONDITIONS: Work is performed in a busy medical cannabis dispensary. The dispensary area can be loud due to lots of people, music, ventilation fans, etc. Will be in almost constant contact with patients and co-workers. Work can be stressful and may include dealing with patient demands. Should be available to work varied hours and/or days, including nights, weekends, and holidays.

EXAMPLES OF DUTIES:

- Assembles the inventory for racks that will be used by patient advisors.
- Handles patient concerns and resolves problems that patient advisors aren't able to.
- Arranges and keeps displays tidy. Update displays as items sell out or come back into stock.
- Refills stock from inventory when patient advisors run out.
- Maintains product info binder
- Prints and design new display labels.
- Ensures that patient advisors opening and closing duties are finished.
- Assists with reconciling cash/debit discrepancies with POS.
- Cash management responsibilities during shift.
- Performs a full weekly inventory.

PERFORMANCE REQUIREMENTS AND SKILLS:

- Ability to operate patient management software, MJFREEWAY.
- Ability to communicate clearly and effectively in all situations with coworkers and patients
- Has knowledge of medical cannabis laws, medical cannabis effects, and conditions that can be treated with medical cannabis.
- Needs to be very organized and patient.
- Ability to work under pressure without losing composure.
- Ability to meet the needs of patients and coworkers without constant supervision.
- Ability to solve practical problems and operate a printer, scanner, and fax machine.
- Ability to multi-task many diverse types of workloads in a hectic environment.
- Friendly, warm personality.

EDUCATION/EXPERIENCE: Associate's Degree or equivalent from a two-year college or technical school; or six months to one year related experience and/or training; or equivalent combination of education and experience. Some POS experience, or experience with software such as MindBody are highly desirable. Past experience to look for: restaurant manager, retail manager, highly skilled customer service associates.

First State Compassion Center Job Description
Team Leader, Product Development

STATUS: Salaried

GENERAL SUMMARY OF DUTIES: The Team Leader, Product Development is responsible for management of the product line at FSCC and development of items for use by patients including oils, tinctures, ointments, and other preparations allowed by state regulation.

SUPERVISED BY: Senior Vice President, Dispensary & Cultivation

SUPERVISES: Product Specialists

TYPICAL PHYSICAL DEMANDS: Work requires periods of prolonged sitting and standing, some bending, stooping, and stretching. Requires normal range of hearing. Requires hand-eye coordination and manual dexterity sufficient to operate a cash register, computer, telephone, calculator, etc. May require lifting up to 50 pounds occasionally.

TYPICAL WORKING CONDITIONS: Work is performed in a busy medical cannabis dispensary. Environment will consist of a clean facility used for production prepared cannabis products.

EXAMPLE OF DUTIES:

- Manage Product Specialists to ensure production of proposed product line.
- Research and collaborate with patients on desired methods of administration of medicine.
- Coordinate all testing protocols and results with in-house laboratory.
- Work with Inventory Department of preparation of oils, tinctures, ointments and other preparations as allowed under state regulation
- Ability to extract cannabinoids through variety of methods

PERFORMANCE REQUIREMENTS AND SKILLS:

- Ability to create a vision for new product lines that meet patient needs.
- Understanding of scientific principles of extraction and creation of ancillary products
- Understanding of how approved solvents can achieve required results
- Understanding of emerging extraction methods, particularly CO2 methods
- Must maintain constant supply and variety of options for patients

EDUCATION/EXPERIENCE: Associate's Degree or equivalent from a two-year college or technical school; or six months to one year related experience and/or training; or equivalent combination of education and experience. Some POS experience, or experience with MJ Freeway. Past experience in a licensed dispensary preparing cannabis preparations highly desired.

First State Compassion Center Job Description
Trimmer and Packer

STATUS: Hourly, Non-Exempt

GENERAL SUMMARY OF DUTIES: Will be responsible for presentation and packaging of medicine for retail sale.

SUPERVISED BY: Team Leader, Inventory & Compliance

SUPERVISES: None

TYPICAL PHYSICAL DEMANDS: Work requires periods of prolonged sitting and standing, some bending, stooping, and stretching. Requires normal range of hearing. Requires hand-eye coordination and manual dexterity sufficient to trim, train and harvest plants.

EXAMPLES OF DUTIES:

- Perform rough and fine cuts of harvested plants
- Measure and weigh quantities of medicine
- Package medicine in variety of tamper-proof containers

PERFORMANCE REQUIREMENTS AND SKILLS:

- Knowledge of MJ Freeway Inventory software system
- Ability to work with digital scales
- Maintain strict hygiene standards and a clean work space
- Account for all components of inventory
- Work collaboratively with Cultivation department on scheduling and output of medicine
- Thorough understanding of units of measure

EDUCATION/EXPERIENCE: Associate's Degree or equivalent from a two-year college or technical school; or six months to one year related experience and/or training; or equivalent combination of education and experience. Some computer experience, or experience with software such as MJ Freeway are highly desirable.

First State Compassion Center Job Description
Cultivator

STATUS: Hourly, Non-Exempt

GENERAL SUMMARY OF DUTIES: Will be responsible for the propagation of and daily care of the plants in the vegetative and flowering grow rooms. Duties will include cloning, training, trimming, harvesting and curing of plants.

SUPERVISED BY: Team Leader, Cultivation

SUPERVISES: None

TYPICAL WORKING CONDITIONS: Work is performed in a medical cannabis grow room. The grow rooms can be loud due to ventilation fans, air conditioning/heating units etc... Will be in almost constant contact with plants and co-workers. Work environment can be stressful and may include dealing with production schedules/deadlines, noise pollution, and a CO2 enriched environment. Should be available to work varied hours and/or days, including nights, weekends, and holidays

EXAMPLES OF DUTIES:

- Cleaning and sterilizing reservoirs, plant containers and pumps and associated hosing
- Cleaning and sterilizing trimming shears, scissors and associated equipment at start and end of shift
- HEPA vacuuming grow room floors, walls and surfaces regularly
- Coordinating with inventory and procurement department to assist in inventory management and procurement needs
- Changing/replacing carbon filters/air scrubbing equipment as necessary
- Harvesting plants according to cultivation schedule
- Implementing pest prevention protocol on a weekly basis
- Identifying and correcting plant health issues, such as nutrient deficiencies, environmental control issues and pest infestation as needed

PERFORMANCE REQUIREMENTS AND SKILLS:

- Ability to operate Grow Tracker portion of dispensary software, MJFREEWAY. Dispensary will train.
- Ability to communicate clearly and effectively in all situations with coworkers and management.
- Has excellent knowledge in the field of Cannabis cultivation. Should be proficient in cloning, seed germination, transplanting, vegetative growth and flowering cycle of the Cannabis plant.
- Needs to be very organized and patient.
- Ability to work under pressure without losing composure.
- Ability to handle any immediate problems without supervision.
- Ability to multi-task many diverse types of workloads.

EDUCATION/EXPERIENCE: Associate's Degree or equivalent from a two-year college or technical school; or six months to one year related experience and/or training; or equivalent combination of education and experience. Some Excel software experience, or experience with software such as MJ Freeway are highly desirable. Past experience to look for: Greenhouse/Nursery experience, past legal Cannabis cultivation experience.

First State Compassion Center Job Description
Patient Orientation / Receptionist

STATUS: Hourly, Non-Exempt

GENERAL SUMMARY OF DUTIES: Receptionist greets and registers patients, confirms status in program for patients, provides overview and orientation materials to patients.

SUPERVISED BY: Team Leader, Patient Services

TYPICAL PHYSICAL DEMANDS: Work requires periods of prolonged sitting and standing, some bending, stooping, and stretching. Requires normal range of hearing. Requires hand-eye coordination and manual dexterity sufficient to operate a cash register, computer, telephone, calculator, etc.

TYPICAL WORKING CONDITIONS: Work is performed in a busy medical cannabis dispensary. The dispensary area can be loud due to lots of people, ventilation fans, etc. Will be in almost constant contact with patients and co-workers. Work can be stressful and may include dealing with patient requests, media outlets, and law enforcement. Should be available to work varied hours and/or days, including nights, weekends, holidays, or possibly city events.

EXAMPLES OF DUTIES:

- Greet and verify new patients.
- Give tours of the facility.
- Provide information regarding the dispensary and services provided through the dispensary, Cannabis, and laws regarding Cannabis.
- Answer the phone, take messages, and direct calls to the proper person.
- Keep the waiting area clean and tidy.
- Maintain accurate online patient database – includes paperwork and data entry, as well as scanning, printing, and possibly faxing documents.
- Keep non-sales area of the main floor clean.

PERFORMANCE REQUIREMENTS:

- Ability to operate patient management software, MJFREEWAY.
- Knowledge of e-mail, web search engines, Microsoft Word, and Excel.
- Ability to communicate clearly and effectively in all situations with coworkers and patients.
- Have knowledge of medical cannabis laws, medical cannabis effects, and conditions that can be treated with medical cannabis.
- Needs to be very organized and patient.
- Ability to work under pressure without losing composure.
- Ability to meet the needs of patients and coworkers without constant supervision.
- Ability to solve practical problems and operate a printer, scanner, and fax machine.
- Ability to multi-task many diverse types of workloads
- Good Memory
- Friendly, warm personality.

EDUCATION/EXPERIENCE: Associate's Degree or equivalent from a two-year college or technical school; or six months to one year related experience and/or training; or equivalent combination of education and experience. Some POS experience, or experience with software such as MindBody are highly desirable. Past experience to look for: in person and phone customer service, cafe baristas, and retail.

First State Compassion Center Job Description
Patient Advisor (PA)

STATUS: Hourly, Non-Exempt

GENERAL SUMMARY OF DUTIES: A patient advisor is the second point of contact in the dispensary. He or she will be mainly consulting with patients on a one to one basis. The PA will be responsible for maintaining knowledge on all varieties of medicine, and be able to assist patients requiring information and recommendation on all items available.

SUPERVISED BY: Team Leader, Dispensary

TYPICAL PHYSICAL DEMANDS: Work requires periods of prolonged sitting and standing, some bending, stooping, and stretching. Requires normal range of hearing. Requires hand-eye coordination and manual dexterity sufficient to operate a cash register, computer, telephone, calculator, etc. May require lifting up to 50 pounds occasionally.

TYPICAL WORKING CONDITIONS: Work is performed in a busy medical cannabis dispensary. Will be in almost constant contact with patients and co-workers. Work can be stressful and may include dealing with difficult patients demands.

EXAMPLE OF DUTIES:

- Having extensive knowledge of cannabis, and cannabis by products; as well as their application. Must be able to recommend different types of cannabis and products for different ailments
- Keeping display and register area clean and tidy
- Cash handling and running debit cards
- Complete opening and closing checklist – items include, putting any sensitive display items away for the night, wiping down counters, taking out trash, keeping bathroom clean at all times
- Closing out register and running store close reports to balance register at the end of the night
- Reconciling stock between sales and what is in the rack

PERFORMANCE REQUIREMENTS AND SKILLS:

- Must be able to have a calm and pleasant demeanor towards all individuals at the dispensary
- Must be open to accepting other roles and/or jobs assigned
- Have the ability to dispense medicine efficiently and accurately to patients needs
- Be able to communicate their personal knowledge of medicinal effects of cannabis to others, clearly and enthusiastically
- Possess the ability to communicate effectively in all situations with other associates and patients
- Be open to learning about news, literature, or legal progress on cannabis
- Be present for lectures and/or training sessions on new items, or research on cannabinoids
- Keep up with the pace of new strains and concentrates, new products, prices, and the other variable elements of the dispensary

EDUCATION/EXPERIENCE: Associate's Degree or equivalent from a two-year college or technical school; or six months to one year related experience and/or training; or equivalent combination of education and experience. Some POS experience, or experience with software such as MindBody are highly desirable. Past experience to look for: in person and phone customer service, cafe baristas, and retail.

First State Compassion Center Job Description
Product Specialist

STATUS: Hourly, Non-Exempt

GENERAL SUMMARY OF DUTIES: Product Specialists are responsible for the production of tinctures, ointments, oils, and other preparations from the cannabis plant.

SUPERVISED BY: Team Leader, Product Development

TYPICAL PHYSICAL DEMANDS: Work requires periods of prolonged sitting and standing, some bending, stooping, and stretching. Requires normal range of hearing. Requires hand-eye coordination and manual dexterity sufficient to operate a cash register, computer, telephone, calculator, etc. May require lifting up to 50 pounds occasionally.

TYPICAL WORKING CONDITIONS: Work is performed in a busy medical cannabis dispensary. Environment will consist of a clean facility used for production prepared cannabis products.

EXAMPLE OF DUTIES:

- Work with Inventory Department of preparation of oils, tinctures, ointments and other preparations as allowed under state regulation
- Ability to extract cannabinoids through variety of methods

PERFORMANCE REQUIREMENTS AND SKILLS:

- Understanding of scientific principles of extraction and creation of ancillary products
- Understanding of how approved solvents can achieve required results
- Understanding of emerging extraction methods, particularly CO2 methods
- Must maintain constant supply and variety of options for patients

EDUCATION/EXPERIENCE: Associate's Degree or equivalent from a two-year college or technical school; or six months to one year related experience and/or training; or equivalent combination of education and experience. Some POS experience, or experience with MJ Freeway. Past experience in a licensed dispensary preparing cannabis preparations highly desired.

First State Compassion Center Job Description
Security Officer

STATUS: Hourly, Non-Exempt

GENERAL SUMMARY OF DUTIES: Responsible for maintaining safety and security of compassion center for patients, employees, and visitors.

SUPERVISED BY: Director of Security

TYPICAL PHYSICAL DEMANDS: Work requires periods of prolonged sitting and standing, some bending, stooping, and stretching. Requires normal range of hearing. Requires hand-eye coordination and manual dexterity sufficient to operate a cash register, computer, telephone, calculator, etc. May require lifting up to 50 pounds occasionally.

TYPICAL WORKING CONDITIONS: Work is performed in a busy medical cannabis compassion center in the administrative office area, dispensary area, and other areas of the facility as needed. Will be in almost constant contact both staff and patients. Work can be stressful and may include dealing with patients, media outlets, outside vendors / contractors, and law enforcement. Must be available to work varied hours and/or days, including nights, weekends, holidays, or possibly city events.

EXAMPLES OF DUTIES:

- Monitor surveillance cameras at control desk.
- Utilize radio for communications.
- Monitor suspicious activity and report all findings to supervisor.
- Patrol areas of the compassion center (indoors and out).
- Provide documentation and reports of any adverse incidents.

PERFORMANCE REQUIREMENTS:

- Immediate attention to all threats or other incidents at facility.
- Be courteous and friendly to patients, visitors, and staff.
- Adept at radio communications.
- Deep understanding of surveillance and security measures.
- Assistance with cash management and coordination of deposits.

EDUCATION/EXPERIENCE: Associate's Degree or equivalent from a two-year college or technical school; or six months to one year related experience and/or training; or equivalent combination of education and experience. Prior law enforcement experience a plus, but not required.

Measure 2D (cont.) – Provide 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.

Measure 2 Response:

- There are no persons or business entities having five percent or more ownership in FSCC (direct or indirect). The compassion center is “owned” by the not-for-profit/non-stock corporation (First State Compassion Center, Inc.) and has no shareholders or individual owners.
- FSCC will lease space at 37 Gerday Drive, Gerday Industrial Park, Wilmington, DE 19804 from Mia Development LLC, 26 Ossipee Road, Newton, MA 02464. Mia Development LLC has no direct or indirect ownership in the compassion center. The company only serves as a landlord for FSCC.

Measure 2E (cont.) – Provide a list of all persons or business entities having direct or indirect authority over the management or policies of the compassion center.

Measure 2 Response:

- No persons or business entities have direct or indirect authority over the management or policies of the compassion center. FSCC is a not-for-profit/non-stock corporation with a board of directors that are charged with oversight and preservation of the non-profit mission of the organization. The officers of FSCC are Mark S. Lally, President, and Joel Allcock, Senior Vice President.

Measure 2F (cont.) – Provide the identities of all creditors holding a security interest in the premises, if any.

Measure 2 Response:

- No creditors will hold a security interest in the premises of the compassion center. Mia Development LLC will purchase the facility at 37 Gerday Drive in Wilmington upon successful award of a certificate to operate a compassion center by FSCC. Mia Development will own the property outright with no creditors holding a security interest.

Measure 3A – Ability Capacity, Skills, and Expertise of the Organization: Describe your organization’s ability, capacity, skills, and other expertise in product and industry knowledge, including but not limited to the following:

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

Response:

- 29 Del.C. Ch. 100 Freedom of Information Act
[Redacted text block containing multiple paragraphs of information, all obscured by grey bars.]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

- **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:**

Response:

- FSCC will grow various Cannabis strains to effectively treat as many illnesses and symptoms as possible. Cannabis research has been suppressed in the United States due to Marijuana being scheduled as a Controlled Substance, but fortunately Cannabis has been studied as a medicine in other countries for some time. The strain information that follows is gleaned from exhaustive clinical research, as well as from patient feedback and data compiled in the year that the Thomas C. Slater Compassion in Providence, RI has served its registered patients. The following strains have been chosen for inclusion in FSCC’s initial menu due to medical efficacy, as well as patient satisfaction.

1. **Sour Diesel:** Appetite stimulation, pain relief, anti-nausea
2. **Chemdog:** Good daytime medication, very cerebral effect, effective for social anxiety
3. **NYC Diesel:** Headache, eye strain, anxiety, pain relief
4. **SFV OG Kush:** Appetite stimulant, anti-emetic, body aches, joint pain
5. **Original Diesel:** headache, muscle tremors, anti-spasticity
6. **Headband:** Migraine/cluster headaches, anti-anxiety, appetite stimulation
7. **Super Lemon Haze:** Excellent for cognitive issues in patients with MS, anti-emetic, appetite stimulation. Good daytime medication
8. **Afghan Kush-47:** Stress relief, pain relief, good for nerve pain
9. **LA Confidential:** Insomnia, anti-emetic, appetite stimulation, pain relief
10. **Blue Dream:** Migraine/Cluster headaches, anti-anxiety, pain relief
11. **Burmese Kush:** Pain relief, sedation, insomnia, appetite stimulation
12. **UK Cheese:** Good for appetite stimulation, pain relief, sleep aid
13. **CBD yummy:** a CBD rich strain effective as an anti-seizure and anti-spasticity
14. **The Antidote:** A proprietary strain bred by Mr. Allcock, it is a CBD rich with a rare 10:1 CBD/THC ratio. Excellent anti-seizure, anti-spasticity medicine. No psychoactive effect. Reduces inflammation of the nervous system, effective neuro-protectant.
15. **Medicine Man:** Another CBD rich strain (2:1 ratio). Effective anti-inflammatory, neuro-protectant

As the optimal environmental conditions for cultivation vary from strain to strain, FSCC will cultivate strains separately to ensure the ideal environment for that particular strain. Ten plants of each strain will be grown in separate grow rooms. Upon receiving our license, seeds will be germinated, with ten seedlings being started in a room each week. This will allow for a perpetual harvest with one room containing ten plants being harvested weekly. When a room is emptied, it will be thoroughly cleaned and sanitized before new plants are introduced. This will ensure a steady, reliable supply of fresh, organic medicine of the highest quality for patients.

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

Response:

- FSCC Senior Vice President of Dispensary & Cultivation Joel Allcock has developed a plan for the different types of medicine that will be sold at the facility. The plan follows his successful implementation of a product plan at the Thomas C. Slater Compassion Center in RI. Listed below are the different forms of medicine that will be available at FSCC:

Cannabis Flowers:

Flowers are the most commonly thought of form of cannabis based medicine. It is the part of the female Cannabis plant containing the most resin and the highest percentage of Cannabinoids. After the Cannabis plant is grown to maturity, the unpollinated flowers are harvested, dried and cured. All of the components of the cannabis flower (calyxes, pistils, sugar

leaf) all contain cannabinoids. Cannabis flowers are typically categorized as Sativa dominant, indica dominant, or hybrid strains.

- **Sativa dominant:** these strains are typically better suited for daytime medicating. Sativas effect is more cerebral, and soaring in nature. They will produce an exhilarating, uplifting effect. Because of the longer flowering time associated with the cultivation of Sativas, THC levels are typically higher.
- **Indica Dominant:** these strains are typically used as a relaxing, calming medicine, with strong analgesic effects. Most effective as a night time medicine, Indica strains are sedative in nature, producing a restful experience for the user.
- **Hybrid:** these strains are a combination of indica and sativa strains, with characteristics of both geneses. Most Medical Cannabis strains fall into this category. Hybrids combine the medicinal benefits of sativa and indicas.
- **CBD Rich:** Strains containing greater than 2% Cannabidiol (a non-psychoactive cannabinoid proven to reduce inflammation, reduce seizures, and serve as a neuro-protectant). High CBD strains are found in various CBD/THC ratios with 1:1 and 2:1 being the most common. FSCD will cultivate CBD strains in ratios of 1:1, 2:1, and higher. We will offer a CBD rich strain “The Antidote” which has a 10:1 CBD/THC ratio which is currently being used with profound results in a study on the efficacy of CBD as an anti-seizure medication in young people with seizure disorders at Hasbro Children’s Hospital in Providence, RI. The Antidote is a proprietary strain bred by Mr. Allcock.

Concentrates:

Concentrates are concentrated cannabinoids from the flowers and sugar leaf of the Cannabis plant. Concentrates will have a higher cannabinoid percentage than flowers. Concentrates can be found in numerous forms, including oils, salves, tinctures, hashish, kief, lotions, etc.

Dry Concentrates:

- **Hashish:** hashish can be produced through dry sieve, or ice water extraction method. Either method involves separating cannabinoid containing trichomes from the flowers of the harvested plant. This is a centuries old method of producing cannabis concentrates. Like all concentrates, Hashish will be of a higher potency than flowers. Hashish is smoked or vaporized by the patient.
- **Kief:** Kief is unpressed pollen from harvested flowers, shaken off the plant in a dry sieve process. Again, the potency of all concentrates is higher than flowers, so the patient can use less medicine for a similar medicinal effect. Kief is smoked by the patient.

Tinctures and Oils:

- **Ready dose infusions:** RDI’s are cannabis infused tinctures delivered in a graduated pipette for ease of titration. RDI’S are offered in a variety of formulations, from high THC, high CBD, and a number of CBD/THC ratios ranging from 1:1-20:1, and 1:20. RDI’S can be formulated

Medicine containers will be dispensed to patients and placed in [29 Del.C. Ch. 100 Freedom of Information Act](#)

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

Response:

- As the first compassion center licensed by the State of Delaware, it is imperative for FSCC to implement sound procedures for tracking and accounting for all medicine. The facility will be viewed as a model for future compassion center in the state. Fortunately, FSCC has the ability to replicate the inventory controls, product tracking, and seed-to-sale monitoring that is in place at an existing non-profit state licensed dispensary – The Thomas C. Slater Compassion Center in RI.

FSCC will implement inventory controls and systems that are unmatched in the industry. It will utilize MJ Freeway, a point of sale (POS), inventory, sales, and cultivation management system that has proven effective at the Slater Center. MJ Freeway was specifically designed for medical cannabis dispensaries. It offers tracking of medicine from “seed to sale,” meaning every gram of medicine can be tracked from the moment it is planted to the time it is sold.

MJ Freeway is a powerful business platform that focuses on two specific areas at FSCC. The “GramTacker” system will follow every gram of medicine from seed to sale including shake, evaporated product, wet weights, and even spillage. Because the system so thoroughly tracks all inventory, it will be easy to determine instances of theft or shrinkage. Along with the “GramTracker” system, FSCC will utilize MJ Freeway’s “GrowTracker,” a system that allows for the management of all cultivation operations. “Grow Tracker” maintains oversight of all plant ingredients, harvest scheduling, strain performance, and ratios.

The point of sale system from MJ Freeway allows FSCC to create a thorough inventory management environment. The system records all inventory to the fraction of a gram. There are unlimited inventory categories, allowing for quick and easy addition of new items and product lines. All marijuana will initially be recorded in bulk quantities and then converted to individual items like specific quantities of medicine or infused products. The system allows the ability to follow and sort products by a nearly infinite number of custom attributes, ensuring that every single item and quantity is counted.

Once bulk items and individual items are included in the inventory control system, bar codes will be generated with appropriate labels. The labels will conform to all Delaware regulations and include appropriate information on the type of medicine, quantity, laboratory test results, and space for the name of the registered patient. The inventory control system includes specific fields for FSCC staff to populate including name of product, description, cost, retail price, expiration date, image, attributes specific to the product, barcodes, notes, and quality/condition.

Administration of the inventory control system is streamlined with the MJ Freeway system. Every transaction has a virtual paper trail, allowing FSCC to see the time and date for every transaction as well as which staff member performed it. User levels are built into the system as a security measure to limit access to the system’s full capabilities. Reports covering sales,

inventory, and patient transaction are readily available to the staff as well as any regulator upon request. Backup data servers will be in place to ensure that records are maintained and not lost. If product is recalled by patients for any reason, these transactions are accounted for and auditable within MJ Freeway.

FSCC recognizes that diversion of medicine outside of the patient realm is a major concern. The most effective way to prevent diversion of medicine involves strict inventory controls and tracking. Utilizing the MJ Freeway system, FSCC can ensure that no patient will access any more medicine than they are allowed by their physician's recommendation. The system will constantly track how much medicine has been purchased according to a patient's limits, and no medicine will be sold to anyone that has exceeded their limits.

29 Del.C. Ch. 100 Freedom of Information Act
[Redacted]

Diversion prevention efforts also extend to the policies and procedures enforced at the facility. Each patient that receives medicine at FSCC will complete a code of conduct form that prohibits any diversion activities and any consumption of medicine in or around the building. Failure to adhere to the code of conduct will result in the immediate termination of a patient's ability to utilize the facility. FSCC will also document and report any instance of a violation with the Department of Health & Social Services and state and local law enforcement.

29 Del.C. Ch. 100 Freedom of Information Act
[Redacted]

- **How marijuana should be destroyed if overproduced, contaminated, or recalled:**

Response:

- FSCC will employ stringent protocols for the disposal of unused, contaminate, or recalled marijuana. 29 Del.C. Ch. 100 Freedom of Information Act

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

All waste, including waste composed of or containing finished marijuana, (including plants, concentrates and non-flower material), will be stored, secured, managed, and disposed of in accordance with FSCC internal protocols and procedures. Liquid waste containing marijuana or by-products of marijuana processing will be ^{29 Del.C. Ch. 100 Freedom of Information Act} and disposed of ^{29 Del.C. Ch. 100 Freedom of Informa}. None of the material disposed of in such a manner will contain any toxic pollutants. Solid waste material containing marijuana or by-products of marijuana processing will be ^{29 Del.C. Ch. 100 Freedom of Information Act}

disposed of ^{29 Del.C. Ch. 100 Freedom of Information Act}

When marijuana or ancillary products are disposed of, FSCC will create and maintain a written record ^{29 Del.C. Ch. 100 Freedom of Information Act}

FSCC will also accept at no charge unused, excess, or contaminated marijuana from any registered qualifying patient or personal caregiver. It will then destroy the medical marijuana in the manner described above and will maintain a written record of such disposal, ^{29 Del.C. Ch. 100 Freedom of Information Act}

- **Any experience with the marijuana industry that shows the level of expertise of your company:**

Response:

- Extensive industry experience is a hallmark of the FSCC compassion center plan. Senior Vice President Joel Allcock has relocated to Delaware from RI where he serves as the Director of Cultivation at the Thomas C. Slater Compassion Center in Providence. Mr. Allcock began work on plans for the Slater Center in 2009, developing strategies for organic cultivation, building design, staff development, training, patient services, and integration of inventory control software. Today, the non-profit Slater Center serves over 3,000 licensed patients. It operates under the exact regulatory standards as Delaware for cultivation of medicine (facility limit of 150 plants, 1,500 ounces of medicine). The similarities between DE and RI's regulatory structure are important. Because Mr. Allcock and the team at the Slater Center have created an industry-leading replicable model for excellence, regulators in DE can be assured that implementation of FSCC's plans are achievable, realistic, and patient-centered.

The Slater Center has pledged to assist in the development of all procedures and protocols at FSCC during its implementation. It has also agreed to allow prospective and current FSCC employees the opportunity to train prior to opening of the DE facility in RI, providing unparalleled access to all the real-life operational strategies and challenges of a leading

dispensary. The Slater Center believes in fostering professionalism within the emerging medical cannabis market, particularly for non-profit operators in states with strong regulatory oversight.

Along with the operational expertise that Mr. Allcock will bring to DE from his experience in RI, FSCC has also benefited from training offered to its President, Mark S. Lally. Mr. Lally spent a week in RI at the Slater Center undergoing intensive training in all departments of the compassion center. Given his law enforcement background, Mr. Lally was particularly exposed to all of the safety and security measures that are part of the Slater Center project. The Slater Center's Chief Operating Officer, Raymond S. White, is a retired Lt. Col/Deputy Superintendent of the Rhode Island State Police. Mr. White instructed Mr. Lally on a litany of security, construction, and regulatory provisions that must be undertaken for FSCC to be a success. He and the rest of the team at Slater will remain an ongoing resource to Mr. Lally and all members of the FSCC team moving forward.

- **Describe your company's ability, capacity, skills, and/or expertise in product quality standards:**

Response:

- Under the direction of Senior Vice President Joel Allcock, FSCC enjoys extensive ability, capacity, skills and expertise in product quality standards. In his current position at the Slater Compassion Center in RI, Mr. Allcock leads a team of cultivators with over 50 years of experience with indoor cultivation techniques. Together, they have developed protocols for quality, purity, consistency of dose, and independent laboratory analysis. These protocols can be replicated at FSCC to ensure that patients are receiving the highest quality medical grade cannabis.

Quality control is of utmost importance for all cannabis and cannabis-based medicines. Testing each crop of harvested medicine for both potency and biological and chemical contaminants ensure that the medicine dispensed to registered patients is safe and medically effective. The testing process that will be utilized at FSCC is scientifically valid and proven.

Utilizing proven cultivation techniques is the most important factor to ensure the quality and safety of medicine. Cannabis can be a suitable host for mold growth if grown in an environment that is conducive for mold to thrive. All cultivation rooms at FSCC will be climate controlled to prevent relative humidity from rising above 50%. Air conditioning and dehumidification will keep humidity levels stable at 50%. HEPA filters will be employed to remove airborne mold spores that could contact growing cannabis flowers and amplify through the ambient moisture in the air. These measures will prohibit mold growth on all growing plants.

Once plants are harvested, they will be transported to climate controlled drying and curing rooms. Here too, environmental control is paramount to eliminate the possibility of microbial growth. Once the drying/curing process is complete, visual inspection will be performed by FSCC staff under a microscope at 150x magnification to ensure finished flowers are free of biological contaminants. Once the medicine has passed this initial inspection, samples of each strain will be packaged for gas chromatography testing by FSCC's in-house laboratory for a second microbiological screening and potency testing. Potency testing includes identifying the percentage of tetrahydrocannabinol (THC) and cannabidiol (CBD), two important components of

the cannabis plant. All testing will be overseen by FSCC Director of Quality/Product Testing Don Brill. Mr. Brill enjoys over 30 years of clinical laboratory experience at Dupont Laboratories.

Cannabis concentrates will be tested for potency, as well as volatile organic compounds (VOCs). VOCs could have a negative impact on the health of patients who ingest them. All marijuana infused products will be analyzed by the in-house laboratory using high pressure liquid chromatography (HPLC) rather than gas chromatography. HPLC is a methodology that allows for greater insight into the chemical makeup of infused medicines.

Reports of all tested materials will be generated and maintained by FSCC. The reports will outline whether the medicine or products are safe for patient use. Any medicine that is deemed unsafe due to biological or chemical contamination will be destroyed by FSCC in compliance with the organization's protocols for disposal. All medicine deemed safe for consumption by licensed patients will be packaged with potency information clearly indicated on each package.

Potency information is imperative to aid patients in selecting strains/forms of medicine to best suit their needs. The staff at FSCC will recommend the proper ingestion method and dose that is suitable for a patient's condition. The extensive quality assurance and quality control steps listed above will ensure that the quality, purity, and consistency of medicine at FSCC is unmatched.

Measure 3B – Describe your company's ability, capacity, skills, and/or expertise in product quality standards and testing, including but not limited to the following:

- **Knowledge of the infrastructure required to test marijuana to ensure product quality, content, ingredients and consumer safety considerations:**

Response:

- The leadership team at FSCC enjoys significant knowledge and practical experience in the full spectrum of requirements for product testing at a medical marijuana compassion center. Senior Vice President Joel Allcock implemented the testing protocols at the state-licensed Thomas C. Slater Compassion Center in RI. Since its opening in April of 2013, the Slater Center has conducted over 5,000 individual lab tests on products that have been sold to licensed patients in RI. At Slater, Mr. Allcock has worked collaboratively with an independent lab to build the protocols, reporting requirements, and test methodologies that are benefiting over 3,000 licensed patients. The work done in RI has elevated the knowledge base of consumers and patients on what is included in their medicine, serving as a model that can be replicated in other states. More importantly, Mr. Allcock estimates that through his testing protocols, medicine that is not suitable for patient use, specifically medicine that has presented with mold, insects, or other potential contaminants, is completely removed from the distribution channel. Without his proven testing program, patients would have been potentially exposed to medicine that is not of a medical grade. Instead, all patients are now assured that their medicine is safe and the biological makeup is clearly identified.

Not only does Mr. Allcock understand the science behind the creation of an industry-leading product testing program, but he has intimate knowledge of the equipment and infrastructure needs for creation of FSCC's in-house lab. The two main features of the FSCC lab will be a Gas

Chromatography Machine and a High Pressure Liquid Chromatography Machine – two vital infrastructure investments that will be made to ensure high quality results. Mr. Allcock and the Director of Quality/Product Testing, Don Brill, will collaborate on the set-up, design, and organization of the lab. Mr. Brill's three decades of experience in lab management and oversight at Dupont, combined with Mr. Allcock's experience with over 5,000 product tests in a RI dispensary are an essential combination to the success of FSCC proposed quality assurance program.

- **Assisting DPH with establishing quality standards for testing marijuana:**

Response:

- The board of directors and leadership of FSCC understand that the pilot compassion center project in Delaware is an opportunity for state regulators to chart a new course in a new and evolving field. The board has directed the management team of the organization to make it a priority to fully collaborate with regulators from the Department of Health & Social Services on all facets of dispensary operations, including the inception of a product testing program.

FSCC is uniquely qualified to collaborate with the department because of the practical experience in the industry of its Senior Vice President, Joel Allcock. Mr. Allcock has already worked on the implementation and project development of the Thomas C. Slater Compassion Center in RI. In his role there, he is a licensed agent of the dispensary by the Rhode Island Department of Health. Together with other managers at Slater, the team has collaborated with RI regulators on a host of oversight issues, including the center's product testing program. Sharing the knowledge and experience with RI regulators has been an essential tool in the success of Slater. Most regulators are unfamiliar or new to the emerging medical cannabis field, and their new oversight roles are more a product of state legislation than public health policy development. FSCC recognizes that regulators in DE are faced with the enormous challenge of overseeing an entirely new industry that remains in conflict with federal law. The organization sympathizes with the challenges that these public health professionals face in doing their jobs, and believes that collaboration and transparency are essential to making the overall program work.

The most obvious area for meaningful collaboration with state regulators is in the area of product testing. The state must ensure that the public's health is always protected. This is a concern fully shared by FSCC. An outgrowth of this shared commitment will be FSCC working together with the department on mutually agreed upon standards for ensuring the quality of products and safety of patients. Fortunately, FSCC has the experience and understanding of how a comprehensive testing plan works, and looks forward to sharing, honing, and perfecting its final plan with DE regulators prior to opening.

- **Provide a complete description of your company's proposed approach and methodology to be used in assisting the State of Delaware to develop a reputable protocol for Product Quality Standards and Testing as requested to determine THC/CBD levels and/or ratios, mold or chemical contaminants, and Product strain:**

Response:

- The methodology and approach for product testing and quality assurance was developed at the Thomas C. Slater Compassion Center in Providence, RI by FSCC Senior Vice President Joel Allcock. The plan has been in place since the facility began serving patients in April, 2013. At present, the facility provides medical grade cannabis and ancillary products to over 3,000 state-licensed patients. Every single product that is sold at the facility undergoes a rigorous product testing protocol. The same protocol is proposed for FSCC.

FSCC quality assurance will include testing for cannabinoid profile and for contaminants that include:

Safety Screening:

- Mold/Mildew - visual inspection of mold and mildew will be conducted on all samples. (This will be conducted by FSCC cultivation staff, drying and curing staff, and the Inventory/Compliance Team Leader throughout all stages of the medicine's post harvest.)
- Plant-growth regulators - Gas Chromatography (GC) and Liquid Chromatography (HPLC) will be used to identify residual plant-growth regulators contained within the marijuana.
- Presence of non-organic pesticides - Gas Chromatography (GC) will be used to identify the residual non-organic pesticides.
- Volatile Organic Compounds - Gas Chromatography (GC) will be used to identify residual VOCs used in extraction and concentration methods.

Potency:

- Potency testing will be conducted using Gas Chromatography (GC) on ALL products intended for vaporizing and burning.
- Potency testing on oils, tinctures and all products that are not intended to be used by burning or vaporizing will be conducted with Liquid Chromatography (HPLC).
- Terpene qualifying will also be performed on concentrates and flowers using Gas Chromatography (GC)
- Results on THC and CBD percentages (and ratios) are achieved through the potency tests.

Results from the safety and potency tests are tracked both electronically and in a hard copy binder kept by the Director of Quality & Product Testing. A copy of the testing binder will also be kept by the Cultivation Team Leader. All results will be maintained for a period of at least two years, and be auditable by Department of Health & Social Service inspectors.

Sample of plant matter that are used for testing are .1 gram of flower with little waste produced. Any waste is unusable due to the testing process, and is cataloged as loss due to testing in FSCC's inventory management system. [29 Del.C. Ch. 100 Freedom of Information Act](#)

[REDACTED]

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

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]

The approach to product testing has proven quite effective at the Slater Center in RI, assisting patients and regulators with greater information on the type of medicine available as well as further insights on which strains and which potency ratios are most effective for qualifying medical conditions. The Slater Center utilizes this data to assist patients with the choosing the proper medicine or strain for a given condition. The data available in this realm by Slater will be made available to FSCC to assist with the cultivation planning for the facility. The field of product testing remains an evolving space, and FSCC will remain on the forefront of emerging technologies and procedures to empower patients and comfort regulators. The Quality/Product Testing team at FSCC, led by 33-year Dupont Laboratories veteran Don Brill, will ensure that FSCC remains on the cutting edge of these scientific advancements.

G. LOCATION AND SECURITY OF COMPASSION CENTER

Measure 1A – Location: Include the proposed physical address of the compassion center

Measure 1A Response:

- FSCC has secured a site for the operation of its compassion center at:

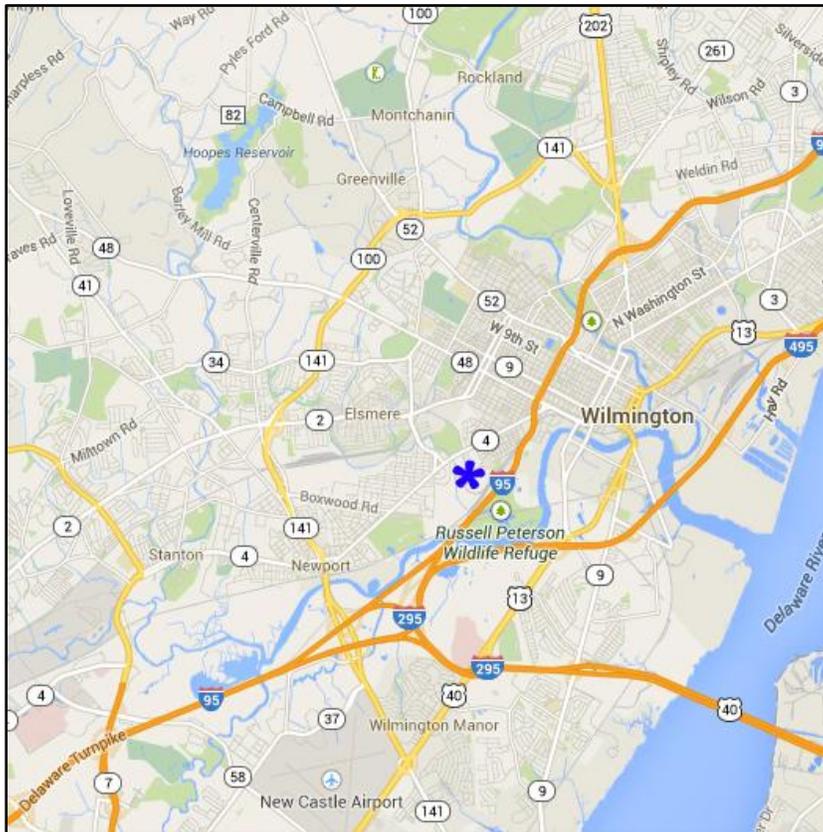
**37 Germay Drive
Germay Industrial Park
Wilmington, DE 19804**

The location for FSCC is a [29 Del.C. Ch. 100 Freedom of Information Act](#) facility just outside the city limits of Wilmington. It is conveniently located in New Castle County, with immediate access to Interstate 95, Route 4, Route 100, and Route 141. The facility is located near public transportation routes (DART buses 5 and 9), and is situated in the most populated county in the state and next to the largest city in the state.

The facility is perfectly suited for operation of compassion center. [29 Del.C. Ch. 100 Freedom of Information Act](#)



There is ample parking for over 75 cars at the location. The blue star below shows the proposed FSCC location.



New Castle County was selected by FSCC for the state's first pilot compassion center because of the proximity to the largest number of qualifying patients. With more than half of the state's population living in the county (estimated 550,000 residents), the decision was made to situate in an area that would have the largest impact. The proposed location at 37 Germay Drive is immediately accessible to major roadways, including Interstate 95 and lies on the outskirts of the state's most populous city (Wilmington).

Because the medical marijuana patient registry is in a relative stage of infancy, FSCC projects steady growth when patients realize there is a safe place to access medicine. Rhode Island's medical marijuana patient registry is similar in structure with many of the same qualifying medical conditions as Delaware. The Rhode Island patient registry currently stands at approximately 8,000 licensed patients or about .08% of the state's total population. Industry trends within medical marijuana states indicate estimates of between 1 and 2% of the total population would qualify for medical use. Using a 1% trend just in New Castle County, it can reasonably be expected that 5,500 will enter the program within the next two years.

FSCC recognizes that these patient numbers will not be achieved immediately. Internal projections show that the compassion center will have 500 licensed patients utilizing the facility in its first month of operation in December, 2014, growing to 2,000 patients by December 2016. The majority of these patients will come from New Castle County with a number of patients traveling from Kent and Sussex Counties to also utilize the facility.

FSCC is aware that the Department of Health & Social Services is not planning to allow for delivery services to patients from the pilot compassion center. FSCC does not have a delivery service built into its projections. However, if regulators from the Department were to allow for a limited delivery service of medicine to licensed patients, FSCC could develop an outreach effort to outer parts of Kent and all of Sussex Counties. Security personnel and FSCC President Mark S. Lally enjoy expertise on security requirements of a delivery protocol, which could be as straightforward as one day of delivery for Kent County and another day of deliveries to Sussex County during a week. Again, these plans would require collaboration with the department and a demonstrated need by licensed patients. It should be noted, however, that FSCC is willing and able to meet needs of patients throughout the state in concert with state regulators.

Measure 1B – Location: Evidence of compliance with local zoning laws for the physical address:

Measure 1B Response:

- FSCC’s proposed compassion center location at 37 Germay Drive in Wilmington fully complies with local zoning laws for the intended use. Correspondence from the Department of Land Use, New Castle County attesting to the compliance with zoning requirements is included on the following page.

Measure 1C – Location: Evidence of compliance that the sites are not located within 1,000 feet of a property line of preexisting public or private school:

Measure 1C Response:

- The proposed compassion center at 37 Germay Drive in Wilmington is not located within 1,000 feet of a property line of preexisting public or private school. FSCC utilized its engineering consultants, Caroselli Engineering of Rhode Island to review structural plans for its proposed compassion center building. The firm also conducted a survey to determine that the site was not within 1,000 feet of a preexisting public or private school. Professional Engineer James Caroselli conducted the survey and has provided correspondence that attests to the location being suitable for a compassion center. A copy of the correspondence with the engineer’s stamp follows the correspondence from the New Castle County Department of Land Use.

Evidence of Compliance with Zoning Laws for 37 Germay Drive, Wilmington:

Thomas P. Gordon
County Executive



Eileen P. Fogarty
General Manager

Department of Land Use

April 2, 2014

**In reply, refer to:
2014-0186-V
37 Germay Drive**

Mr. Mark S. Lally
First State Compassion Center, Inc.

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

To First State Compassion Center, 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 number 07-043.20-054, which is located at 37 Germay Drive in Wilmington, Delaware.

A review of the Official Zoning Map of New Castle County indicates the subject parcel is 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 property in a search of the County tax parcel information system.

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.

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:

87 Reads Way, New Castle, DE 19720

www.nccdelu.org

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

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.

April 2, 2014

37 Germain Drive

Page 3

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,

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



**Anna Cava Grosso
Planner I**

Evidence that the Location is Not Within 1,000 Feet of Preexisting Public or Private School



April 1, 2014

Mr. Mark S. Lally
President
First State Compassion Center, Inc.

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

Dear Mr. Lally:

Thank you for the opportunity to review the building plans for your proposed compassion center in Delaware. We look forward to consulting on any engineering issues on the structure into the future.

Per your request, we have reviewed the location of the proposed compassion center at 37 Germay Drive, Wilmington, DE 10804 and its proximity any pre-existing public or private school. To the best of our knowledge utilizing on-line mapping, the nearest schools to your location are:

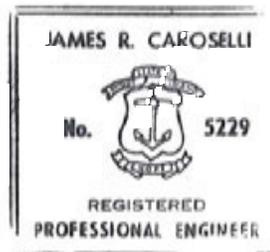
- Delaware Military Academy, 112 Middleboro Road, Wilmington, DE 19804 - 2,758 feet away
- Casimir Pulaski Elementary School, 1300 Cedar Street, Wilmington, DE 19805 – over 4,000 feet away

I attest that the school is not within 1,000 feet from your proposed facility at 37 Germay Drive.

Sincerely,

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

James R. Caroselli, PE
President
Caroselli Engineering



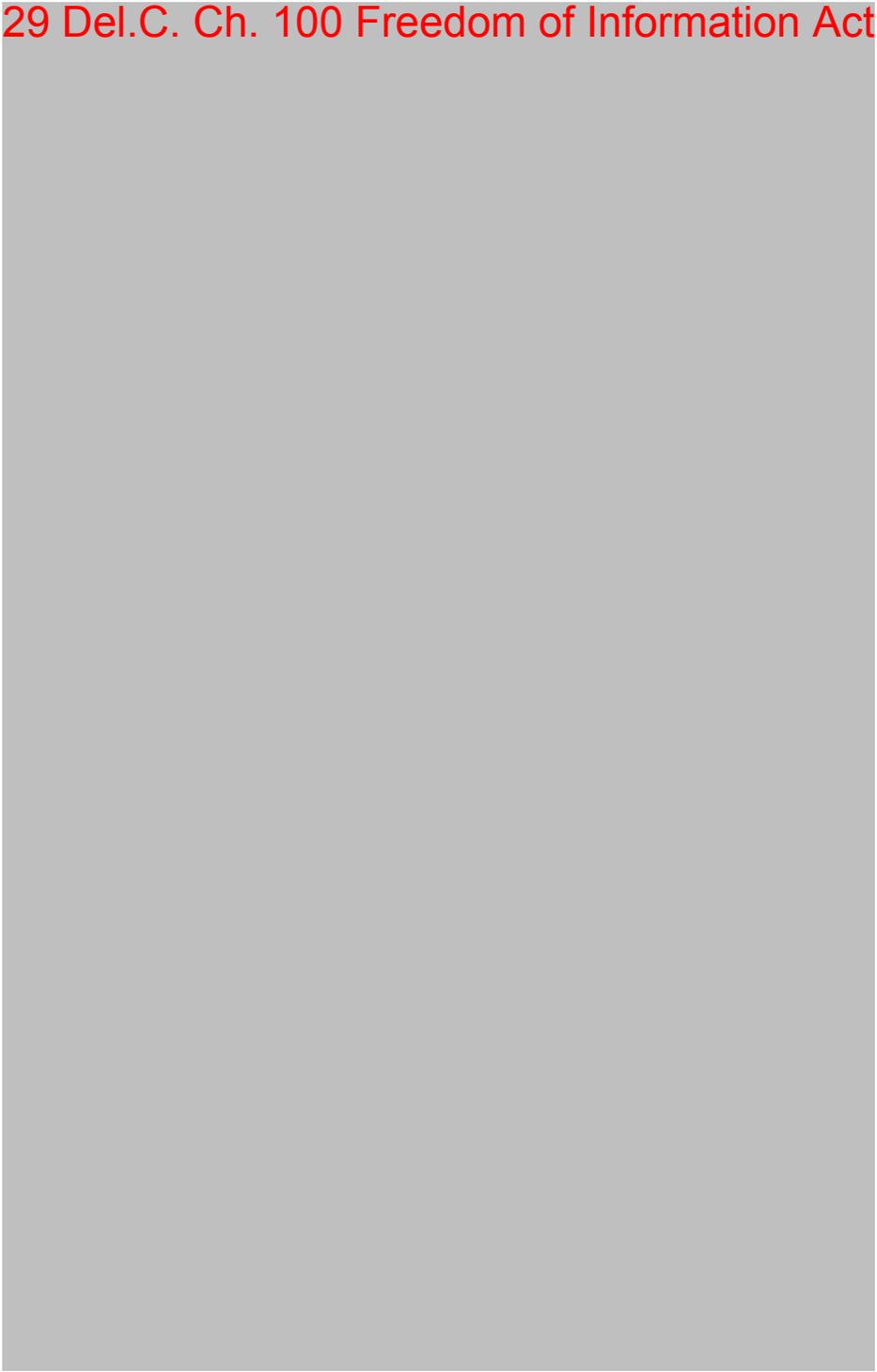
Measure 1D – Location: Legally binding evidence of site control sufficient to enable the applicant to have use and possession of the subject property for the intended purpose.

Measure 1D Response:

- FSCC will lease space at 37 Germay Drive from [REDACTED]. [REDACTED] has entered into an agreement to purchase the building from [REDACTED] if FSCC is approved by the State of Delaware to operate a compassion center. A copy of the lease agreement between FSCC and [REDACTED] is attached along with a copy of an agreement of sale between [REDACTED] and [REDACTED]

Lease Agreement: FSCC and Mia Development LLC:

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Measure 2A – Facility Description and Proposed Security: Description of the 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:

Measure 2A Response:

- **29 Del.C. Ch. 100 Freedom of Information Act**
[Redacted]

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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 :

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



Proposed Facility Floor Plan - FSCC:

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



Measure 2B – Facility Description and Proposed Security: 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:

Measure 2B Response:

- FSCC President, Mark S. Lally, a decorated retired Delaware State Trooper with over 24 ½ years in state and local law enforcement has created for implementation a security plan and procedures for the protection of the organization’s employees, patients, records, medicinal products and facility. Mr. Lally has applied his extensive training and experience as a narcotics and dangerous drug detective and his dignitary protection skills and training acquired while he was the Detail Leader for the Executive Security Unit of the Delaware State Police, with primary responsibility was for the protection of Governor Thomas R. Carper and his family, to create this plan.

Mr. Lally has also consulted and received training from Smith White Associates, LLC, a firm that provided, implemented and continues to operate the overall security and operations at the Thomas C. Slater Compassion Center in Rhode Island. Mr. Raymond S. White, President of Smith White Associates, LLC is a retired Lieutenant Colonel and Deputy Superintendent of the Rhode Island State Police, with a twenty-eight (28) year career, in both state and local law enforcement. Mr. Lally and Mr. White collaborated in preparation of FSCC’s overall security plan for implementation.

This response addresses the following areas of the RFP:

- **Page 16 & 17, II. SCOPE OF SERVICES, A. ESTABLISH AND MAINTAIN A MEDICAL MARIJUANA COMPASSION CENTER, 3. Security and Safety Measures, a, b, & c, and all subsections of a, b, & c.**
- **Page 43 & 44, Section, G. LOCATION AND SECURITY OF COMPASSION CENTER, subsection 2, including a & b**

A full security plan for the entire operation is included in this submission as an addendum, which addresses all areas of security for the RFP, Act and Regulations.

Compassion Center Location

FSCC has secured a location for operation at 37 Germay Drive in Wilmington, Delaware, a 29 Del.C. Ch. 100 Freedom of Information Act building located in an Industrial Park outside the City Of Wilmington with easy access from major routes Rt. 4, Rt. 100 and I-95. The zoning in the area is Industrial (I) that permits the full operation of a compassion center with ample parking for patients. The Center’s location is not within a 1000 feet of any preexisting public or private school.

Security System Overview

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H. BIDDER REFERENCES

Measure 1 – Provide the names and phone numbers of at least three (3) organizations/agencies for whom the vendor carried out a similar project must be included. 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) by the State of Delaware during the last three years by the State Department, Division, Contract Person, period of performance and amount.

Measure 1 Response:

- FSCC is a newly created not-for-profit/non-stock corporation that is seeking to operate a medical marijuana compassion center in Delaware. The organization has not been awarded any contract from the State of Delaware during the last three years, nor does the organization have any predecessor firms.
- Because FSCC is a new organization, it has not carried out a similar project with an organization or agency. For the purposes of providing bidder references, FSCC is providing three individuals who can attest to the competency, professionalism, and fitness of FSCC and its President Mark S. Lally for the proposed compassion center. The names and telephone numbers of the references are as follows along with letters of recommendation from each:

Mr. Gerald S. McGraw, Jr.
President & CEO
The Thomas C. Slater Compassion Center

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

[Redacted]
[Redacted]
[Redacted]

Mr. Fernando Guajardo
President
Guajardo Parks Group

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

[Redacted]
[Redacted]

The Honorable Stephen T. Smyk
State Representative, 20th District

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

[Redacted]
[Redacted]
[Redacted]

Bidder References: Letters of Recommendation, FSCC:



April 3, 2014

Mark. S. Lally
President
First State Compassion Center, Inc.

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

Dear Mr. Lally:

It is my pleasure to provide you with this letter of recommendation for your organization, First State Compassion Center, Inc. I am certain that your proposed project in Delaware will be a model facility that regulators can trust and patients can gain great benefit.

In the time we have gotten to know each other, I am duly impressed with your skills and willingness to enter the emerging medical marijuana field. As the President of CEO of Rhode Island's largest non-profit compassion center, I am intimately familiar with everything that goes into the development of a new project. Your impressive career in law enforcement is vital to the success of your project. You also have demonstrated to me a sincere interest in helping qualified patients. Together with the team you have assembled, I believe the State of Delaware would be wise to select your organization for operation of the pilot compassion center.

I was honored to have you train at my facility in Providence on all the operational aspects of running a dispensary. I pledged to remain a resource to you and your team as your project unfolds, and wish you well in your review in Delaware.

Sincerely,

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

Gerald J. McGraw, Jr.
President/CEO

The Thomas C. Slater Compassion Center
1 Corliss Street, Providence, RI 02904
401-274-1000

April 2, 2014

Mr. Paul Hyland
Delaware Health and Social Services
1901 North Dupont Highway
New Castle, Delaware 19720

Dear Mr. Hyland,

It is my pleasure to serve as a character reference for a long time colleague and friend, Mark Lally. I met Mark in early 2004, while he served as County Director for U.S. Senator Carper. Mark was instrumental in helping me develop a positive Community Relations plan for my former employer, Perdue Farms. He has always been a man of true integrity with a real heart for the community. His character is the type that will always do the "right thing", no matter what the circumstance. I trust Mark and believe he is someone who will not allow himself to lose creditability or be corrupted. Like me, Mark believes a man should always conduct himself in a manner that earns and gives respect.

Mark and I have kept in touch over the years as he furthered his career in the public relations and lobbying arena. Through the years, I have called upon Mark for advice on different issues that have touched on his experience in law enforcement, government and the public relations arena. We have developed a professional as well as a personal friendship through these experiences. He is a family man and a fine member of the community that is well respected and known throughout the state of Delaware. He is a man of many talents and I am certain he will succeed in whatever journey his life takes him. Please feel free to contact me any time to further discuss my history with Mark. I can be reached via e-mail at [29 Del.C. Ch. 100 Freedom of Information Act](#) or by cell phone at [29 Del.C. Ch. 100 Freedom of Information Act](#)

Sincerely,

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

Fernando N. Guajardo, President
Guajardo Parks Group

STEPHEN T. SMYK
STATE REPRESENTATIVE
20TH District



HOUSE OF REPRESENTATIVES
STATE OF DELAWARE
411 LEGISLATIVE AVENUE
DOVER, DELAWARE 19901

COMMITTEES
Corrections
Energy
Judiciary
Public Safety &
Homeland Security
Veterans Affairs

April 2, 2014

Mr. Paul Hyland
Delaware Health and Social Services
1901 North DuPont Highway
New Castle, Delaware 19720

Dear Mr. Hyland,

I'm pleased to have the opportunity of providing a reference for Mark Lally. Mark and I have been friends & colleagues as Delaware State Troopers for over 25 years.

I first met Mark while a new Trooper in the Delaware State Police Academy as one of my instructors. I was immediately impressed by his knowledge and experience of Police procedures and his command presence.

As I progressed in my career, I had many contacts and experiences with Mark. My interactions with him were as a "road Trooper", a narcotics detective and the detail leader of the Delaware State Police Executive Security Unit responsible for the protection of the Governor of Delaware and his family. In all these roles he always represented the Delaware State Police in a knowledgeable and professional manner. Not only have I experienced this, but I also hear the same from others he had interactions with.

Now that we both have new careers, me as a legislator, he as a lobbyist, I continue to hear at Legislative Hall that Mark is a trustworthy and knowledgeable person who can be counted on to do what is right and to share his attitude with others.

No matter what endeavor Mark would be involved, I'm sure he would continue to bring the professionalism and integrity he has displayed to others and me throughout the years. If you have any questions concerning my support of Mr. Lally, please do not hesitate to contact me.

Sincerely,

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

Stephen Smyk
State Representative
20th District

411 Legislative Avenue, Dover, DE 19901
House Office: 302-744-4171 Fax: 302-739-2773

I. PROPOSED METHODOLOGY AND WORK PLAN

Measure 1 – Products and Services Provided: This section shall contain a list of proposed products and services that will be offered by the compassion center to registered and impaneled patients should the proposal be selected and awarded the registration certificate. This should contain details on 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.

Measure 1 Response:

- FSCC will offer a comprehensive array of products for licensed patients in Delaware. Senior Vice President Joel Allcock has extensive experience in building a menu of items for a compassion center, and is aware of the anticipated products that can be produced with DE's plant restrictions (150 plants) and facility cap (1,500 ounces). The product line originates from a diversified list of cannabis strains that have beneficial effects on a variety of medical conditions. Mr. Allcock has proposed the following strain list for initial development at FSCC:
 1. **Sour Diesel:** Appetite stimulation, pain relief, anti-nausea
 2. **Chemdog:** Good daytime medication, very cerebral effect, effective for social anxiety
 3. **NYC Diesel:** Headache, eye strain, anxiety, pain relief
 4. **SFV OG Kush:** Appetite stimulant, anti-emetic, body aches, joint pain
 5. **Original Diesel:** headache, muscle tremors, anti-spasticity
 6. **Headband:** Migraine/cluster headaches, anti-anxiety, appetite stimulation
 7. **Super Lemon Haze:** Excellent for cognitive issues in patients with MS, anti-emetic, appetite stimulation. Good daytime medication
 8. **Afghan Kush-47:** Stress relief, pain relief, good for nerve pain
 9. **LA Confidential:** Insomnia, anti-emetic, appetite stimulation, pain relief
 10. **Blue Dream:** Migraine/Cluster headaches, anti-anxiety, pain relief
 11. **Burmese Kush:** Pain relief, sedation, insomnia, appetite stimulation
 12. **UK Cheese:** Good for appetite stimulation, pain relief, sleep aid
 13. **CBD yummy:** a CBD rich strain effective as an anti-seizure and anti-spasticity
 14. **The Antidote:** A proprietary strain bred by Mr. Allcock, it is a CBD rich with a rare 10:1 CBD/THC ratio. Excellent anti-seizure, anti-spasticity medicine. No psychoactive effect. Reduces inflammation of the nervous system, effective neuro-protectant.
 15. **Medicine Man:** Another CBD rich strain (2:1 ratio). Effective anti-inflammatory, neuro-protectant

From these strains, FSCC will offer a product menu that includes cannabis flowers, concentrates, dry concentrates, tinctures, and oils. The facility will also offer a full complement of paraphernalia for patients to assist with their medicating needs and ingestion options.

Cannabis Flowers:

Flowers are the most commonly thought of form of cannabis based medicine. It is the part of the female Cannabis plant containing the most resin and the highest percentage of Cannabinoids. After the Cannabis plant is grown to maturity, the unpollinated flowers are

harvested, dried and cured. All of the components of the cannabis flower (calyxes, pistils, sugar leaf) all contain cannabinoids. Cannabis flowers are typically categorized as Sativa dominant, indica dominant, or hybrid strains.

- **Sativa dominant:** these strains are typically better suited for daytime medicating. Sativas effect is more cerebral, and soaring in nature. They will produce an exhilarating, uplifting effect. Because of the longer flowering time associated with the cultivation of Sativas, THC levels are typically higher.
- **Indica Dominant:** these strains are typically used as a relaxing, calming medicine, with strong analgesic effects. Most effective as a night time medicine, Indica strains are sedative in nature, producing a restful experience for the user.
- **Hybrid:** these strains are a combination of indica and sativa strains, with characteristics of both geneses. Most Medical Cannabis strains fall into this category. Hybrids combine the medicinal benefits of sativa and indicas.
- **CBD Rich:** Strains containing greater than 2% Cannabidiol (a non-psychoactive cannabinoid proven to reduce inflammation, reduce seizures, and serve as a neuro-protectant). High CBD strains are found in various CBD/THC ratios with 1:1 and 2:1 being the most common. FSCC will cultivate CBD strains in ratios of 1:1, 2:1, and higher. We will offer a CBD rich strain “The Antidote” which has a 10:1 CBD/THC ratio which is currently being used with profound results in a study on the efficacy of CBD as an anti-seizure medication in young people with seizure disorders at Hasbro Children’s Hospital in Providence, RI. The Antidote is a proprietary strain bred by Mr. Allcock.

Flowers will be sold by weight (grams) in the following denominations: 1 g, 3.5 g, 7g, 14g, and 28g.

Concentrates:

Concentrates are concentrated cannabinoids from the flowers and sugar leaf of the Cannabis plant. Concentrates will have a higher cannabinoid percentage than flowers. Concentrates can be found in numerous forms, including oils, salves, tinctures, hashish, kief, lotions, etc.

Dry Concentrates:

- **Hashish:** hashish can be produced through dry sieve, or ice water extraction method. Either method involves separating cannabinoid containing trichomes from the flowers of the harvested plant. This is a centuries old method of producing cannabis concentrates. Like all concentrates, Hashish will be of a higher potency than flowers. Hashish is smoked or vaporized by the patient.
- **Kief:** Kief is unpressed pollen from harvested flowers, shaken off the plant in a dry sieve process. Again, the potency of all concentrates is higher than flowers, so the patient can use less medicine for a similar medicinal effect. Kief is smoked by the patient.

Tinctures and Oils:

- **Ready dose infusions:** RDI's are cannabis infused tinctures delivered in a graduated pipette for ease of titration. RDI'S are offered in a variety of formulations, from high THC, high CBD, and a number of CBD/THC ratios ranging from 1:1-20:1, and 1:20. RDI'S can be formulated to particular ratios that are needed for a particular ailment or symptom. RDI'S are a convenient way for a patient who doesn't want to smoke or vaporize flowers to medicate easily and effectively. RDI's are typically prepared in a base of organic extra virgin olive oil, coconut oil, or similar base. RDI's are ingested orally by the patient, or taken sublingually.
- **Phoenix Tears/RSO Oil:** RSO is an oil that is ingested in very small quantities as it contains a very high THC content. This product has been shown to be of great benefit to cancer patients as it has shown significant promise in inducing autophagy in cancer cells. There have been numerous success stories regarding the use of RSO for its anti-cancer properties. RSO will be an effective medicine for our patients battling various cancers. RSO IS ingested orally by the patient or taken sublingually.
- **Honey Oil:** Honey oil is collected by washing the trichomes (resin glands) from flowers using a solvent such as CO2 (carbon dioxide) or alcohol and collecting it from the evaporated solvent. The oil is vaporized rather than smoked by the patient.

Like flower products, all concentrates dispensed by FSCC will be laboratory tested for cannabinoid percentages, as well as any contaminants, including residual solvents.

Concentrates will be sold by weight (grams) in the following denominations: .5g, 1g, and 3.5g.

The paraphernalia options available for sale to patients at FSCC will include the following:

Smoking/Vaporizing Accessories:

- **Water Pipes:** Used to smoke cannabis flowers. Water chilled to cool the smoke before inhalation.
- **Pipes:** Used to smoke flowers, kief and Hashish.
- **Chillums:** Used to smoke flowers, kief and Hashish.
- **Table Top Vaporizers:** Used to vaporize flowers.
- **Personal Vaporizers:** Some models allow the patient to vaporize flowers, most are for honey oil
- **Vape Pens:** used to vaporize honey oil, a very discrete ingestion option.
- **Glass Rigs:** used to vaporize honey oil and Hashish
- **Grinders:** device used to break up plant material before smoking flowers

As part of ongoing patient orientation and outreach, FSCC will educate its registered patients about safe ingestion methods of medical cannabis and alternatives to smoking.

Measure 2 – Packaging: 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.

Measure 2 Response:

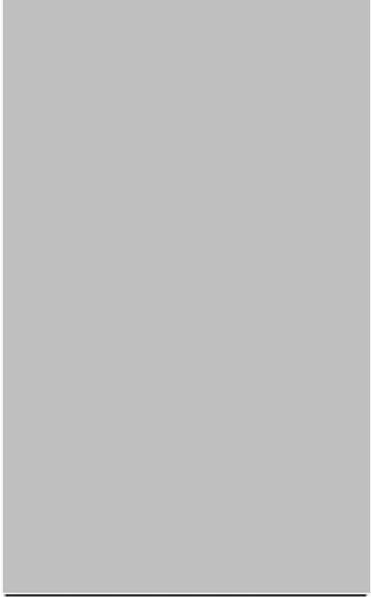
- All medicine dispensed by First State Compassion Center will be packaged in child resistant, tamper proof containers or bottles that are opaque with the following statements:
 - **“THIS PRODUCT IS FOR MEDICAL USE ONLY, NOT FOR RESALE”**
 - **“THIS PRODUCT IS FREE OF MOLDS, CONTAMINANTS, AND PESTICIDES”**
 - **“THIS PRODUCT HAS UNDERGONE LABORATORY TESTING FOR QUALITY ASSURANCE”**

The name and logo of First State Compassion Center will be prominently displayed on all labels. The barcode associated with the batch number in FSCC’s inventory control software will be visible and scannable. The registered qualifying patient’s name and Medical Marijuana Program license number will also be clearly displayed on the container. The cannabinoid percentages of the medicine (THC, CBD) will be printed on the label, so potency and cannabinoid ratios can be easily identified. Strain names will be prominently featured on all labels, with indication given if the marijuana is a Sativa Dominant, Indica Dominant, or hybrid derivative. The quantity of medicine and price will be listed on all labels as well.

All items purchased by patients at FSCC will be placed in plain paper merchandise bags. The bags will not have any identifying characteristics nor will the contents included in the bags be visible. This provides patients leaving the facility a modicum of discretion and privacy surrounding their purchase.

Example of FSCC Packaging:

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Sample FSCC Label:

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Measure 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 premises. It shall also be supplied to the Department for review.

Measure 3 Response:

- FSCC has collaborated with the Thomas C. Slater Compassion Center, RI’s first, state-licensed, non-profit medical cannabis dispensary on the development of operations manuals for all departments of the proposed facility. The operations manuals quantify and explain all facets of the day-to-day operations and employee training of the compassion center, which serves over 3,000 licensed patients and has over 50 employees. Because the intellectual property included in these operations manuals is proprietary, FSCC is providing a limited sampling of the materials for review. Complete copies of all operations manuals will be made available for review by the Department upon successful award of a certificate to operate a compassion center.

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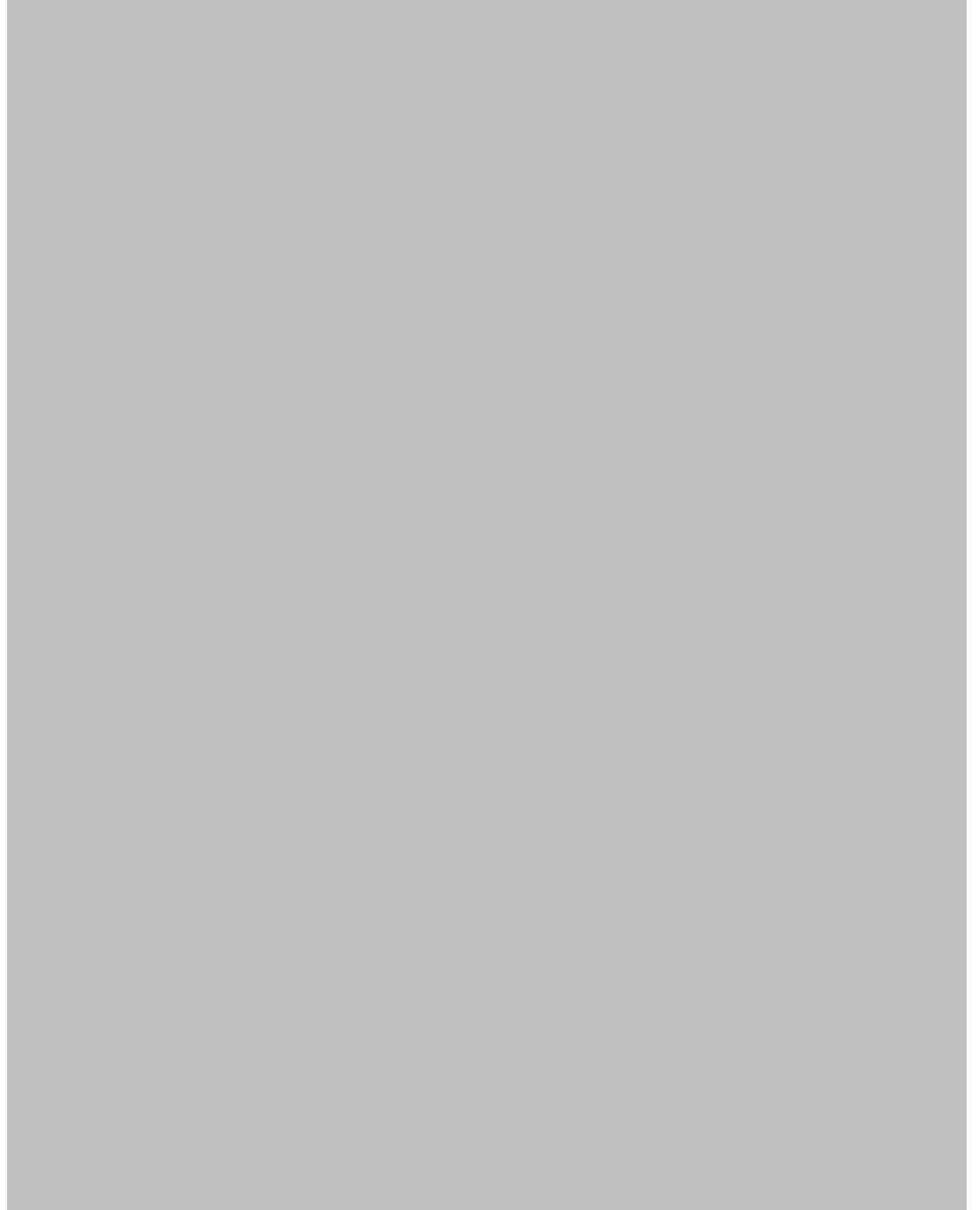
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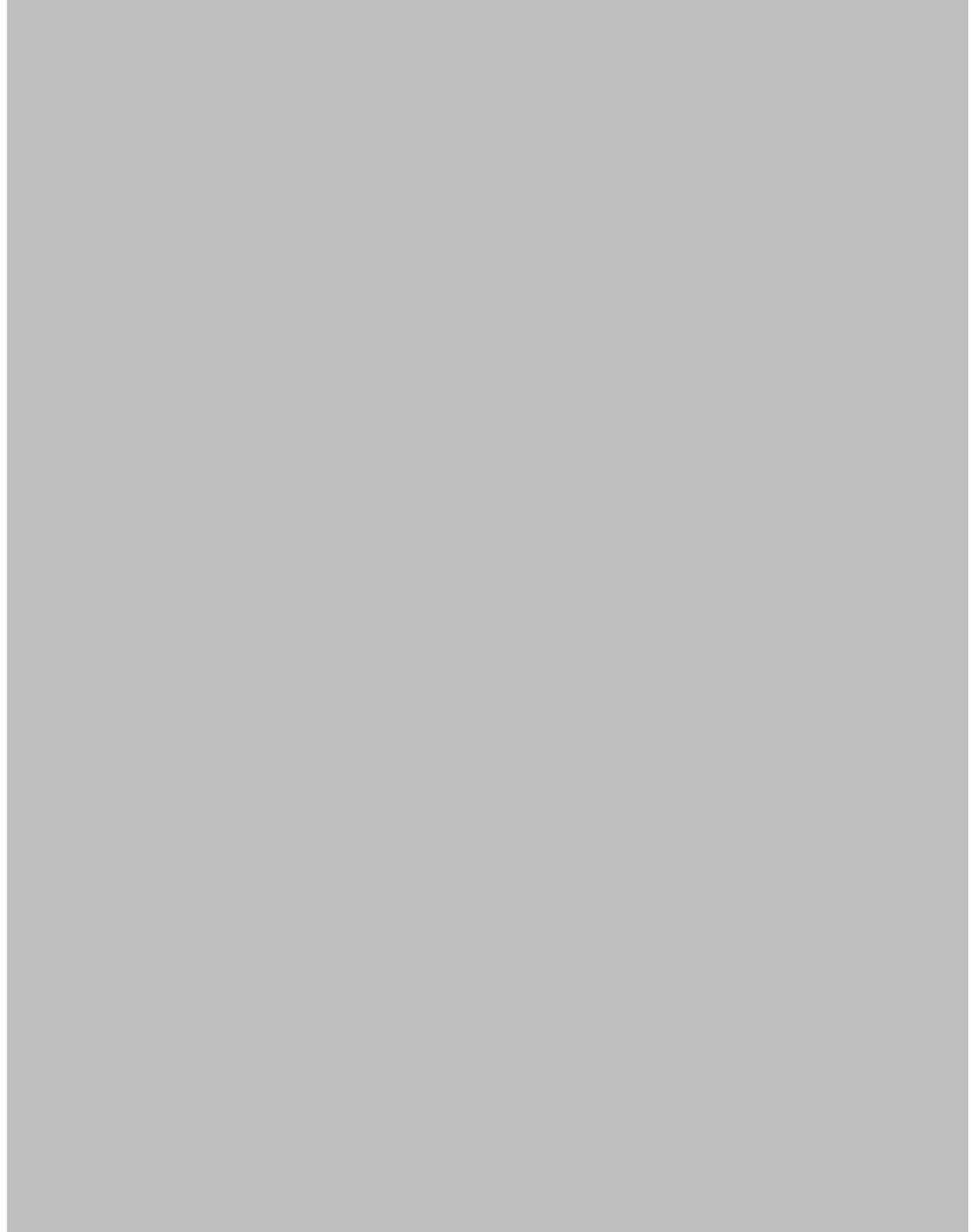
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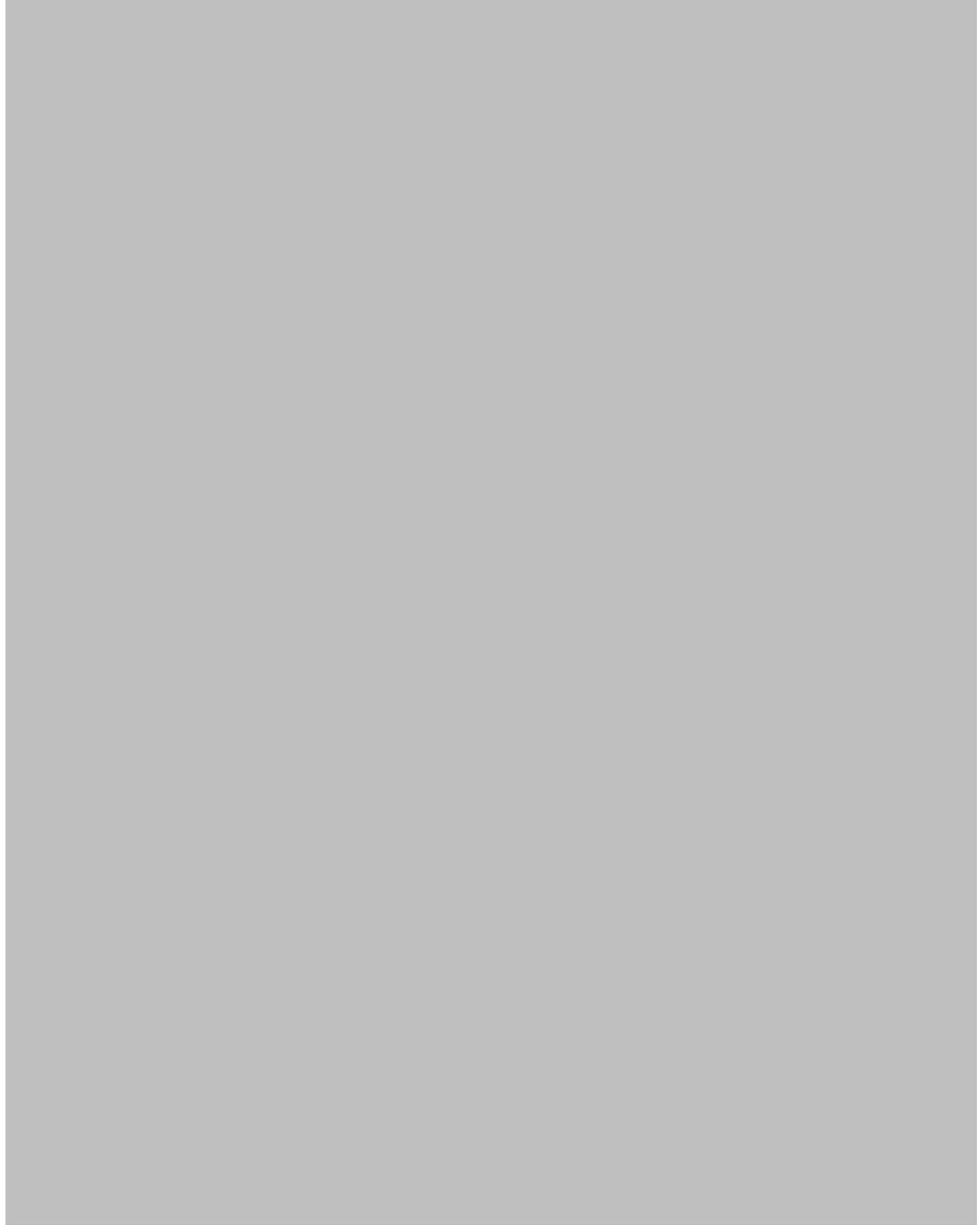
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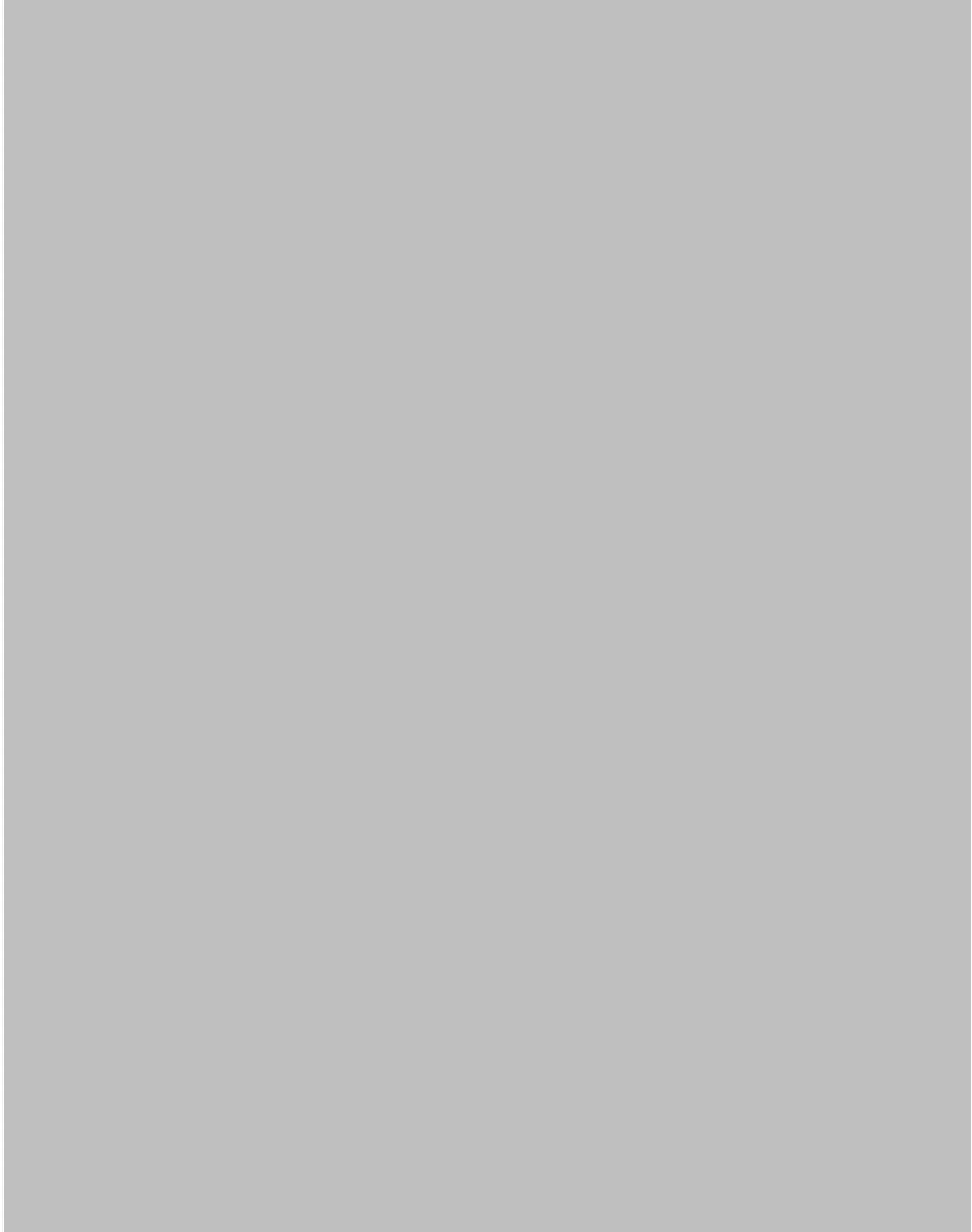
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Measure 3 – Testing Plan.

Measure 3 Response:

- As noted earlier, the leadership team at FSCC enjoys significant knowledge and practical experience in the full spectrum of requirements for product testing at a medical marijuana compassion center. Senior Vice President Joel Allcock implemented the testing protocols at the state-licensed Thomas C. Slater Compassion Center in RI. Since its opening in April of 2013, the Slater Center has conducted over 5,000 individual lab tests on products that have been sold to licensed patients in RI. At Slater, Mr. Allcock has worked collaboratively with an independent lab to build the protocols, reporting requirements, and test methodologies that are benefiting over 3,000 licensed patients in RI. The work done in RI has elevated the knowledge base of consumers and patients on what is included in their medicine, serving as a model that can be replicated in other states. More importantly, Mr. Allcock reports that through his testing protocols, medicine that is not suitable for patient use, specifically medicine that has presented with mold, insects, or other potential contaminants is completely removed from the distribution channel. Without his proven testing program, patients would have been potentially exposed to medicine that is not of a medical grade. Instead, all patients are now assured that their medicine is safe and the biological makeup is clearly identified.

Not only does Mr. Allcock understand the science behind the creation of an industry-leading product testing program, but he has intimate knowledge of the equipment and infrastructure needs for creation of FSCC's in-house lab. Director of Quality/Product Testing, Don Brill, will collaborate with Mr. Allcock on the set-up, design, and organization of the lab. Mr. Brill's three decades of experience in lab management and oversight at Dupont, combined with Mr. Allcock's experience with over 5,000 product tests in a RI dispensary are an essential combination to the success of FSCC proposed quality assurance program.

Proposed Testing Methodology:

In order to fully evaluate the efficacy and safety of cannabis for medical applications, several aspects of the plant's potential components will be considered. These include not only the cannabinoid ingredients, but the possible presence of pesticides, heavy metals, fungus, bacteria, and mycotoxins.

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Measure 4 – Growing Strategy.

Measure 4 Response:

- FSCC will implement a cultivation plan developed by Senior Vice President Joel Allcock which has already been put to use at the Thomas C. Slater Compassion Center in RI. Mr. Allcock developed the cultivation operating procedures first as a licensed Caregiver in the state of RI in 2006. He further refined and standardized the cultivation protocol as the Director of Cultivation at the Slater Center from 2013 through present.

The similar plant restrictions (150 plants), usable possession limits (1,500 ounces) of the compassion centers in RI and DE make for a seamless transition for the best cultivation practices to be employed at FSCC. Under Mr. Allcock’s direction, the Slater Center has consistently produced a variety of strains of the highest quality medical cannabis for its patients. He has developed a protocol for all phases of cannabis cultivation: [29 Del.C. Ch. 100 Freedom of Information Act](#)

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Mold and fungus are also of the utmost concern in medical cannabis grow rooms. Mr. Allcock’s background in the air quality and environmental remediation industry serve him well in this particular challenge of indoor cultivation. [29 Del.C. Ch. 100 Freedom of Information Act](#)

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The cultivation team at FSCC will be required to utilize the hygiene practices that Mr. Allcock developed

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FSCC will grow various Cannabis strains to effectively treat as many illnesses and symptoms as possible. Cannabis research has been suppressed in the United States due to Marijuana being scheduled as a Controlled Substance, but fortunately Cannabis has been studied as a medicine in other countries for some time. The strain information that follows is gleaned from exhaustive clinical research, as well as from patient feedback and data compiled in the year that the Slater Center has served its registered patients. The following strains have been chosen for inclusion in FSCC's initial menu due to medical efficacy, as well as patient satisfaction.

- 16. Sour Diesel:** Appetite stimulation, pain relief, anti-nausea
- 17. Chemdog:** Good daytime medication, very cerebral effect, effective for social anxiety
- 18. NYC Diesel:** Headache, eye strain, anxiety, pain relief
- 19. SFV OG Kush:** Appetite stimulant, anti-emetic, body aches, joint pain
- 20. Original Diesel:** headache, muscle tremors, anti-spasticity
- 21. Headband:** Migraine/cluster headaches, anti-anxiety, appetite stimulation
- 22. Super Lemon Haze:** Excellent for cognitive issues in patients with MS, anti-emetic, appetite stimulation. Good daytime medication
- 23. Afghan Kush-47:** Stress relief, pain relief, good for nerve pain
- 24. LA Confidential:** Insomnia, anti-emetic, appetite stimulation, pain relief
- 25. Blue Dream:** Migraine/Cluster headaches, anti-anxiety, pain relief
- 26. Burmese Kush:** Pain relief, sedation, insomnia, appetite stimulation
- 27. UK Cheese:** Good for appetite stimulation, pain relief, sleep aid
- 28. CBD yummy:** a CBD rich strain effective as an anti-seizure and anti-spasticity
- 29. The Antidote:** A proprietary strain bred by Mr. Allcock, it is a CBD rich with a rare 10:1 CBD/THC ratio. Excellent anti-seizure, anti-spasticity medicine. No psychoactive effect. Reduces inflammation of the nervous system, effective neuro-protectant.
- 30. Medicine Man:** Another CBD rich strain (2:1 ratio). Effective anti-inflammatory, neuro-protectant

Equally as important as the growing protocol, is the post harvest handling of the plants. The drying and curing process is vital in producing the highest quality medical cannabis. 29 Del.C. Ch. 100 Freedom of Information Act

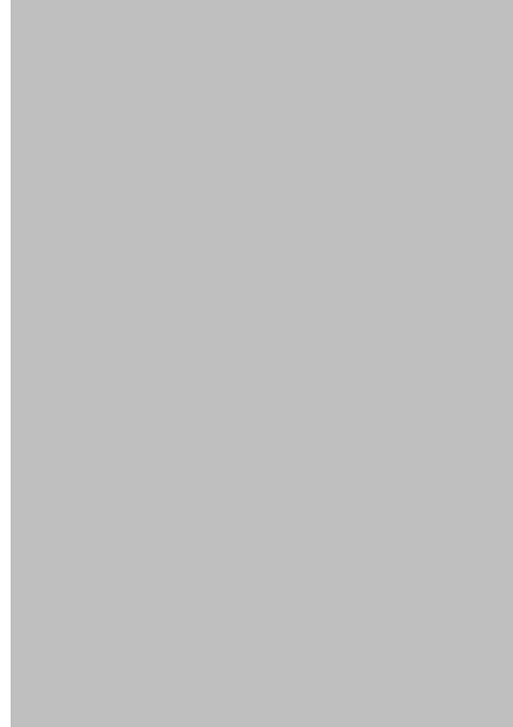


Quality, safety and effectiveness will always be paramount. All medicine cultivated at the center will be thoroughly vetted both in-house and through lab analysis before being dispensed to our patients. Strains with great medicinal benefit will be grown utilizing best practices to ensure the highest quality and medical benefit. Proven, real world techniques honed in cutting edge grow rooms will be employed to maximize efficiency and guarantee timely harvests. These methodologies learned and perfected by the Cultivation experts at the Slater Center will be put into practice by the cultivation department of FSCC.

Proposed FSCC Cultivation

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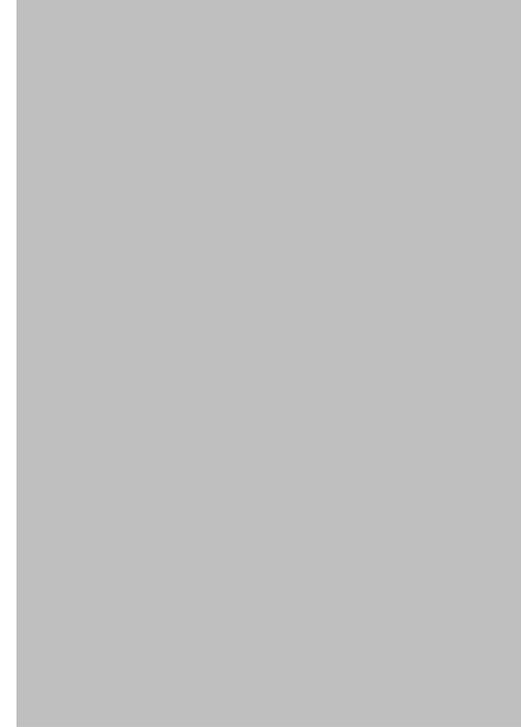
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Proposed FSCC Cultivation

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Proposed FSCC Cultivation 29 Del.C. Ch. 100 Freedom of Information Act

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Proposed FSCC Cultivation 29 Del.C. Ch. 100 Freedom of Information Act

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Measure 5 – Outreach Plans.

Measure 5 Response:

- FSCC is fortunate to have a Senior Vice President, Joel Allcock, who enjoys real-world experience in a large, non-profit compassion center in Rhode Island (the Thomas C. Slater Compassion Center in Providence). Mr. Allcock is able to replicate many of the successful patient outreach plans that have been put in place at Slater for over 3,000 licensed patients. The core of FSCC outreach plans involve providing patients with materials on the use of medical cannabis, issues pertaining to state and federal law, various ingestion methods, safe smoking techniques, and education of the potential side effects of medicine. FSCC has developed a Member Handbook that outlines the issues and concerns that patients will face when utilizing the facility (limited sample provided in under section 3 “Operations” of this section). All patients will receive a copy of the handbook along with other materials to fulfill FSCC’s outreach efforts.

Along with written materials, each registered patient at FSCC will receive counseling to assist in making appropriate decisions regarding their use of medical marijuana. A highly trained patient advisor will meet privately with each patient to provide information regarding the safe use of medical marijuana, how to choose a strain and form of medicine, how to recognize signs of substance abuse, and an overview of their rights and responsibilities as a registered medical marijuana patient. The advisor will also answer any questions the patient may have about these topics.

When a new patient makes his/her initial visit to FSCC, they will be given a packet with these required documents. Additional copies of these materials will also be available in the patient reception desk and upon request at all times. The informational packet will include: a warning that marijuana has not been analyzed or approved by the FDA, that there is limited information on side effects, that there may be health risks associated with using marijuana, and that it should be kept away from children; a warning that when under the influence of marijuana, driving is prohibited by Delaware law, and machinery should not be operated; a patient guide based on publications from Americans for Safe Access and the Slater Center designed to assist in the selection of medical marijuana, describing the potential differing effects of various strains of medical marijuana as well as various forms and routes of administration, including smoking, vaporization, topical application, and oral ingestion; a medical marijuana strain log form that enables patients and personal caregivers to track strains used and their associated effects; a medical marijuana dosage guide based on publications from Americans for Safe Access and the Slater Center that emphasizes using the smallest amount possible to achieve the desired effect, encourages responsible use, and explains the impact of potency; a statement that registered qualifying patients may not distribute marijuana to any other individual, and that they must return unused, excess, or contaminated product to FSCC for disposal.

As part of outreach efforts, patients will also receive a “Frequently Asked Questions” document. FSCC will work with the DPH on the final version of the document, but a suggested sample is included for review.



Registered Qualified Patients Frequently Asked Questions

Rights and Limitations on the Right to Use Medical Marijuana Under Delaware Law

Who qualifies for medical marijuana in Delaware?

Only those patients with the following conditions (and certified by a licensed physician): cancer; HIV/AIDS; decompensated cirrhosis; multiple sclerosis; amyotrophic lateral sclerosis (ALS); agitation of Alzheimer's disease; PTSD; or a medical condition that produces wasting syndrome, intractable nausea, seizures, severe and persistent muscle spasms, or severe debilitating pain that has not responded to other treatments for more than three months or for which other treatments produced serious side effects.

How can a patient gain entry into the program?

To apply for a medical marijuana registration card from the Division of Public Health, a patient must be suffering from a qualifying condition (listed above); and submit the following to the DPH:

- *a completed qualifying patient application;*
- *a physician certification form;*
- *a release of medical information form;*
- *copy of a DE license or state-issued identification card;*
- *a \$125 fee -- cards expire after one year.*

Once qualified, how much medicine can a registered patient purchase?

A licensed compassion center can dispense no more than three (3.0) ounces of usable marijuana to a registered qualifying patient or their licensed designated caregiver during a fourteen (14) day period.

What is forbidden under the DE Medical Marijuana Law?

Prohibited activities include the smoking marijuana in public, cultivation of marijuana by anyone other than a licensed compassion center, and driving under the influence of marijuana. Additionally, consumption or use of medical marijuana is prohibited at any compassion center.

What About Federal Law

Marijuana remains a Schedule I narcotic under the federal Controlled Substances Act. There is no protection from federal law for patients in Delaware that possess or use medical marijuana. Delaware law only allows for state protection from arrest or prosecution for possession or use of medical marijuana by state-licensed and approved patients. Licensed Delaware medical

marijuana patients are only protected from state arrest or prosecution if they adhere to state possession limits. There is no protection for those who transport marijuana across Delaware state lines.

Where can the Delaware Medical Marijuana Act be accessed online?

The Delaware Medical Marijuana Act can be found at:

<http://delcode.delaware.gov/title16/c049a/index.shtml>

Ingestion Options of Usable Marijuana by a Registered Patient

What are the various ingestion options available for registered qualified patients?

Medical cannabis can be ingested in a variety of ways, and patients may discover that one method is more effective than another for their individual needs. The effects of the medicine often vary with each method of ingestion. The amount of time it takes to feel the effects and the length of the medicine's effectiveness can vary greatly depending on how the cannabis is consumed. Each patient should determine which method of ingestion is best for them. Options include:

■ **Smoking**

Historically, the most traditional form of ingestion is smoking the dried cannabis flowers (buds). Concentrates such as Hash and Kief are also usually ingested this way. Cannabis can be smoked a variety of ways, including through a pipe, waterpipe (bong), or rolled into a joint (cigarette). When smoking, the patient will most likely feel the effects immediately, and can last anywhere from an hour to several hours.

■ **Vaporizing**

A Vaporizer is a device that extracts the therapeutic ingredients (cannabinoids) from the cannabis at a much lower temperature than required for burning (smoking). This allows the patient to inhale the active compounds as a vapor instead of smoke, and spares the irritating effects of smoking and its potentially harmful by-products. Patients who are used to smoking are advised to use caution the first time they vaporize medicine, as the experience is more subtle than smoking. Many patients report that vaporizing half as much medicine will provide twice the effect when vaporized.

■ **Edibles**

Cannabis can be infused into butter or oil that is then used to cook food. Edibles, as they are called, usually take longer than smoking or vaporizing to take effect. The effect can take as long as an hour to be felt. Dosing can be difficult to judge, so it is recommended to eat small portions

and then wait an hour to assess its effects to avoid over medicating. Edibles will take effect more quickly on an empty stomach. Generally, the effects of eating cannabis infused products lasts longer than other consumption methods, sometimes up to four hours or more. Many patients report that this method provides more of a relaxing body effect than the cerebral head “high” that is often provided by smoking or vaporizing. Note: edible products are not for sale at First State Compassion Center.

■ **Topicals**

Some cannabis infused oils are meant to be applied to the skin or are used in conjunction with massage. These oils will have a local effect depending on how much is applied and on what part of the body it is applied to.

■ **Tinctures**

A tincture is a concentrated form of cannabis in an alcohol solution or in a non alcohol solution (glycerine, etc.). Tinctures are highly concentrated and require careful dosage levels, starting out small and gradually adding more as needed. They can be taken sublingually (under the tongue) or mixed into water or other beverages.

Safe Smoking Techniques

What are the different options for smoking cannabis?

Smoking a hand rolled cigarette or in a pipe is the most expedient method of using medical cannabis. The effects are more controllable in this form and experienced within moments. Cannabis can be smoked in a hand rolled cigarette, pipe, or water pipe. Using a water pipe reduces the tar and particulate matter in smoke, making it a safer method of smoking medical cannabis. Inhalation of any sort of smoke is unhealthy.

Is there an alternative to smoking that includes inhalation?

If inhaling smoke is a concern, we recommend a vaporizer. Using a vaporizer almost completely eliminates the damage caused to your lungs. Vaporizers are sold in many retail smoke shops, as well as at this compassion center. Inhalation of vapor is not as harsh on the throat. A vaporizer releases the essence (THC) of the cannabis with the right amount of heat which is then inhaled, as opposed to burning it with a flame, producing smoke and carcinogens.

What other precautions should be taken when smoking cannabis?

Patients are always advised to be cautious around an open flame, and not to smoke while feeling fatigued, in bed, or around any flammable objects. It is important to remind patients that smoking or use of any medical cannabis is prohibited at the compassion center.

Potential Side Effects of Medical Marijuana

What are the potential side effects of using medical marijuana?

There are a host of benefits afforded to patients who utilize medical marijuana. However, some patients experience a variety of side effects from its use including the following:

- *Impaired short-term memory*
- *Slowed reaction time*
- *Potential altered judgment and decision making*
- *Increased heart rate*
- *Altered mood*

Measure 6 – Required Training. This section should outline the proposed training curriculum for the agents of the compassion center.

Measure 6 Response:

- FSCC will create a culture where employees and agents are constantly learning and realizing professional advancement. Our leadership looks to foster a work environment where all members of the team can learn more about the emerging medical cannabis industry with specific trainings on how an exceptionally compliant compassion center is run.

The most important training that all employees and agents must complete involves the issue of privacy. FSCC will provide medicine to licensed patients with an array of health conditions. Given the medical nature of the business, it is important that all staff members understand provisions for maintaining patient confidentiality. Once hired, all employees and agents will be given an overview presentation on the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”). The presentation focuses specifically on the Act’s Privacy Rule. Employees will gain a deep understanding of the Privacy Rule and what is considered to be Protected Health Information. The training regarding HIPAA compliance is completed by each employee completing a mandatory multiple choice test on all issues related to patient privacy. Because privacy is an ongoing concern, an annual in-service training on HIPAA compliance will be mandated for each employee.

Trainings for dispensary agents will be available for each department throughout the facility. FSCC will encourage employees from different departments to learn and be trained on policies and procedures for other departments. The trainings include the following:

Inventory Operations:

Employees will be provided an operations manual on all aspects of the Inventory Department. Team Leaders from FSCC will assist trainees with coaching and direction on departmental issues. A workbook that includes a departmental overview, departmental codes and forms, information on grades, packaging, racks, disposal, radio procedures, opening duties, and closing duties will be given to each employee. The training will culminate in a quiz on all inventory department issues that will be scored and retained in each employee’s employment file.

Members Services Operations:

Employees will be provided an operations manual on all aspects of the Member Services Department. Team Leaders will assist trainees with coaching and direction on departmental issues. A workbook that includes a departmental overview, reception procedures, dissemination of information, telephone etiquette, check-in procedures, point-of-sale system training, and closing duties will be given to each employee. The training will culminate in a quiz on all member services department issues that will be scored and retained in each employee’s employment file.

Sales Department Operations:

Employees will be provided an operations manual on all aspects of the Sales Department. Team Leaders will assist trainees with coaching and direction on departmental issues. A workbook that includes a departmental overview, product knowledge, workstation observation, point of sale system training, 5 steps of a sale training, sales floor procedures, opening procedures, and

closing procedures will be given to each employee. The training will culminate in a quiz on all sales department issues that will be scored and retained in each employee's employment file.

Processing Operations:

Employees will be provided an operations manual on all aspects of the Processing Department. Team Leaders will assist trainees with coaching and direction on departmental issues. A workbook that includes a departmental overview, bulk handling procedures, labeling, point of sale system training, packaging, bar-code scans, and closing duties will be given to each employee. The training will culminate in a quiz on all processing department issues that will be scored and retained in each employee's employment file.

Security & Safety Operations:

Employees will be provided an operations manual on all aspects of the Safety & Security Department. Team Leaders will assist trainees with coaching and direction on departmental issues. A workbook that includes a departmental overview, parking lot observations, rover observations, sales floor observations, control center protocols, radio procedures, and opening and closing duties will be given to each employee. The training will culminate in a quiz on all safety and security department issues that will be scored and retained in each employee's employment file.

Cultivation Operations:

Employees will be provided an operations manual on all aspects of the Cultivation Department. Team Leaders will assist trainees with coaching and direction on departmental issues. A workbook that includes a departmental overview, organic growing procedures, nutrients, watering, harvesting, drying and curing, and opening and closing procedures is provided to each departmental employee. The training will culminate in a quiz on all cultivation department issues that will be scored and retained in each employee's employment file.

Product Testing Operations:

Employees will be provided an operations manual on all aspects of the Product Testing Department. Team Leaders will assist trainees with coaching and direction on departmental issues. A workbook that includes a departmental overview, sample selection, chemical analysis, testing machine operations, report analysis, and documentation is provided to each departmental employee. The training will culminate in a quiz on all Product Testing department issues that will be scored and retained in each employee's employment file.

Along with departmental training for all staff members, FSCC will conduct orientation sessions for all new employees to cover issues like professionalism in the medical cannabis industry, overview of state and federal legal issues, facility security protocols, emergency procedures, incident reporting, and customer service. Orientation is mandatory for all new FSCC employees and will follow the successful practices put in place at other state-regulator medical marijuana dispensaries, including the Thomas C. Slater Compassion Center of RI.

Additionally, FSCC has developed a working relationship with the Slater Center to ensure the proper training and preparation of all workers. Because FSCC Senior Vice President Joel Allcock comes from the Slater Center, he has fostered a collaborative relationship for both organizations to share best practices. The Slater Center has pledged to serve as an on-site training facility for all FSCC employees prior to the facility's opening. This will allow all initial employees the

opportunity to gain hands-on experience in a highly regulated compassion center setting. FSCC President Mark S. Lally has already undergone a comprehensive training program at Slater, and looks forward to working collaboratively with that organization in the months ahead.

Staff development is a priority for the leadership and board at FSCC. The organization believes that a strong correlation exists between a well-trained staff that receives ongoing training and opportunities for advancement, and a satisfied patient base. The departmental trainings listed above along with a strong emphasis on privacy issues will foster an environment of excellence that licensed patients will appreciate.

Measure 8 – Pricing and Payment. This section should include proposed pricing schedules for the retail medical marijuana products and paraphernalia, including 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. This section should also include an example of a receipt of payment form and a list of the form of payment the compassion center will accept.

Measure 8 Response:

- Pricing strategies employed at FSCC strive to strike an important balance between providing patients with affordable access to medicine, while maintaining a business model that allows the operation to be in full compliance with all regulatory requirements. Upholding compliance measures for security, record keeping, personnel, and hardware/software is costly, and serve as a primary factor in the ultimate price of medicine. FSCC is also sensitive to the potential for diversion of medicine to the illicit market if prices are well below those sought on the street. Pricing strategies are an effective tool to prevent diversion of medicine and will be a factor in the proposed ranges. As a not-for-profit organization, FSCC is fully committed to implementing a program of free and reduced priced medicine for those patients enrolled in Medicaid or those receiving Supplemental Security Income or Social Security Disability Insurance.

Pricing will reflect the type of medicine, quantity purchased, and quality. Certain strains of cannabis produce higher yields of medicine while some strains require a longer period of growth. These factors will play into the pricing strategy and are the basis for the ranges listed below:

Proposed Price Ranges, FSCC:

FLOWERS	
• 1 gram:	\$12 - \$16
• 3.5 grams:	\$35 - \$55
• 7 grams:	\$75 - \$110
• 14 grams:	\$125 - \$200
• 28 grams:	\$250 - \$380
DRY CONCENTRATES	
Hashish:	
• .5 grams:	\$15 - \$25
• 1 gram:	\$30 - \$55
• 3.5 grams:	\$70 - \$100
Kief:	
• .5 grams:	\$10 - \$15
• 1 gram:	\$20 - \$35
• 3.5 grams:	\$55 - \$75

TINCTURES AND OILS

Ready dose infusions:

- 5 ml: one for \$20, 3pack for \$50

Phoenix Tears/RSO Oil:

- 1 gram: \$80

Honey Oil:

- .5 grams: \$30 - \$35
- 1 gram: \$55 - \$65

Pricing of paraphernalia sold to licensed patients at FSCC is proposed as follows:

Proposed Price Ranges, FSCC:

Paraphernalia

- **Water Pipes:** \$35 - \$100
- **Pipes:** \$5 - \$35
- **Chillums:** \$5 - \$8
- **Table Top Vaporizers:** \$75 - \$350
- **Personal Vaporizers:** \$35 - \$350
- **Vape Pens:** \$60 - \$300
- **Glass Rigs:** \$80 - \$300
- **Grinders:** \$12 - \$35

FSCC Compassion Program – Free & Reduced Priced Medicine:

FSCC’s board of directors has made it a priority to provide medicine that is affordable for all patients regardless of their ability to pay. As such, a sliding scale is proposed for FSCC patients who meet certain income guidelines, along with a provision for free medicine for patients with a documented terminal diagnosis from their physician. The FSCC sliding scale is based on patients providing documentation of their income status in relation to the Federal Poverty Level. The documentation will be required during the patient orientation session of their first visit. The sliding scale is proposed as follows:

- Individuals that fall between 0 – 100% of the Federal Poverty Level: 20% discount
- Individuals that fall between 101 – 200% of the Federal Poverty Level: 15% discount
- Individuals that fall between 201 – 300% of the Federal Poverty Level: 10% discount

Because FSCC is bound to a restriction of 150 plants, the facility must administer its compassion program to balance patient need with operational viability. Therefore, the board of directors has approved that 10% of all FSCC inventory will be dedicated to the compassion program.

For those patients who have received a terminal diagnosis for their condition, the FSCC management team will work to ensure their medical needs are met without cost.

Sample FSCC Sample Receipt of Payment:



FOR MEDICAL USE ONLY, NOT FOR RESALE

December 12, 2014 11:30 am

3.5g (1/8oz) DCB Sour Diesel	\$	39.50
3.5g (1/8 oz) SFV OG Kush	\$	39.50
5 ml Ready Dose Infusion	\$	20.00
SUBTOTAL:		\$ 99.00
Discount 10% Off: Compassion	\$	9.90
TOTAL:		\$ 89.10
PAID:		\$ 100.00
CHANGE:		\$ 10.90
Payment Received:		
CASH:		\$ 100.00
CASH:		-\$ 10.90

Order ID: 12140001

Types of Payment Accepted at FSCC:

The forms of payment that will be accepted at FSCC include cash and credit cards.

Measure 9 – 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. This is also the section where an address and company name should be provided for where offsite retention of records will take place.

Measure 9 Response:

- FSCC will maintain electronic and paper records of all pertinent patient information, business transactions, inventory reports, product test results, facility inspections, security inspections, incident reports, financial reports/audits, agent personnel records, and video footage from the surveillance apparatus. In compliance with Delaware law, records on sales of medical cannabis to licensed patients or their licensed caregiver will be maintained for a minimum of three years. Any record requested by the Department will be available immediately for review if maintained in secure storage on site, or within 1 hour if held at the proposed record storage facility in Wilmington. FSCC plans to utilize the following vendor for off-site secure storage:

**Iron Mountain Wilmington
150-200 Todds Ln
Wilmington, DE 19802**

On site records storage will be maintained in a secure area of FSCC with access limited to appropriate senior management personnel. All hard copies will be stored in fire-resistant, locked cabinets within the compassion center. Records to be maintained on-site include personnel files (maintained for at least six months after an employee ceases employment at FSCC), facility inspection reports, security inspection reports, incident reports, business transaction reports, inventory reports, product test reports, and patient records. It is envisioned that each of these reports will remain on site for a period of time (1 year) and transitioned to the off-site records retention provider (Iron Mountain Wilmington) thereafter.

FSCC will implement inventory controls and records systems that are unmatched in the industry. It will utilize MJ Freeway, a point of sale (POS), inventory, sales, and cultivation management system that has proven effective at the Slater Compassion Center in Rhode Island. MJ Freeway was specifically designed for medical cannabis dispensaries. It offers tracking of medicine from “seed to sale,” meaning every gram of medicine can be tracked from the moment it is planted to the time it is sold.

MJ Freeway is a powerful business platform that focuses on two specific areas at FSCC. The “GramTacker” system will follow every gram of medicine from seed to sale including shake, evaporated product, wet weights, and even spillage. Because the system so thoroughly tracks all inventory, it will be easy to determine instances of theft or shrinkage. Along with the “GramTracker” system, FSCC will utilize MJ Freeway’s “GrowTracker,” a system that allows for the management of all cultivation operations. “Grow Tracker” maintains oversight of all plant ingredients, harvest scheduling, strain performance, and ratios.

The point of sale system from MJ Freeway allows FSCC to create a thorough inventory management environment. The system records all inventory to the fraction of a gram. There are unlimited inventory categories, allowing for quick and easy addition of new items and product

lines. All marijuana will initially be recorded in bulk quantities and then converted to individual items like specific quantities of medicine or infused products. The system allows the ability to follow and sort products by a nearly infinite number of custom attributes, ensuring that every single item and quantity is counted.

Once bulk items and individual items are included in the inventory control system, bar codes will be generated with appropriate labels. The labels will conform to all Delaware regulations and include appropriate information on the type of medicine, quantity, laboratory test results, and space for the name of the registered patient. The inventory control system includes specific fields for FSCC staff to populate including name of product, description, cost, retail price, expiration date, image, attributes specific to the product, barcodes, notes, and quality/condition.

Administration of the inventory control system is streamlined with the MJ Freeway system. Every transaction has a virtual paper trail, allowing FSCC to see the time and date for every transaction as well as which staff member performed it. User levels are built into the system as a security measure to limit access to the system's full capabilities. Reports covering sales, inventory, and patient transaction are readily available to the staff as well as any regulator upon request. MJ Freeway is a cloud-based product that ensures that data contained on FSCC's internal servers is always accessible and backed-up to prevent loss. This means that records maintenance and retention, regarding all patient transactions, inventory reports, and testing results are immediately accessible, HIPAA compliant, and available for immediate inspection.

FSCC will also maintain video surveillance records from its 24-hour security cameras. The data will be preserved on internal servers in concert with the Department of Public Health's Record Retention Policy, and ultimately archived for review or inspection by regulators upon request.

FSCC's combination of paper records, auditable reports through its comprehensive inventory/point-of-sale tracking system, internal file servers, cloud-based backup, and off-site secure storage of paper files provides comprehensive assurance that all pertinent information can be reviewed, tracked, audited, and acquired by state regulators.

Measure 10 – Form Samples. This section should include form samples to be used in the operation of the compassion center.

Measure 10 Response:

- FSCC has already developed a number of forms for use in its operation. The forms include documents for use in human resources, as well as documents for patient use. A sampling of forms follows. FSCC recognizes that its compilation of forms will increase upon approval to operate as a compassion center. Sample forms provided include:
 - 1 FSCC Offer of Employment
 - 2 FSCC Receipt of Employee Handbook
 - 3 FSCC New Employee Information Form
 - 4 FSCC Company Employee Proprietary Agreement Form
 - 5 FSCC Company Employee Application Form
 - 6 FSCC Good Neighbor Agreement Form
 - 7 FSCC New Patient Intake Form
 - 8 FSCC Frequently Asked Questions Document

Form Samples: FSCC Offer of Employment:



CONDITIONAL OFFER OF EMPLOYMENT

Date

Name
Street
City, State, Zip

Dear Name

Congratulations, you have been chosen for employment with First State Compassion Center, Inc. At this time, we would like to extend to you a **CONDITIONAL OFFER** of probationary employment for the position of _____.

Training Start Date:

Start Date: TBD

Pay per hour: \$

*All pay is paid in arrears and payroll is every two (2) weeks

Bonus:

At company discretion based on individual performance and company performance.

Vacation Time:

Two (2) Weeks accrued based on hours worked after ninety (90) days employment.

Sick and Personal Time:

Employees are eligible for five (5) days paid personal time based on their actual hours worked. Employees are not eligible for time until they have worked more than five-hundred (500) hours.

CONDITIONAL OFFER

This conditional offer is be extended to you only if, you successfully complete any and all required state and company background investigations as well as full training phases for your position. Every **CANDIDATE** selected for employment with First State Compassion Center, Inc. is required to successfully complete each of these same phases.

This offer shall be withdrawn immediately upon your failure to meet any one of the above-mentioned **TERMS OR CONDITIONS**. Furthermore, First State Compassion Center, Inc., is an at-will employer. This means that the company may terminate the employment relationship at any time, for any reason, with or without cause of notice.

If you choose to accept the terms and conditions of this OFFER OF EMPLOYMENT you must sign the attached ACKNOWLEDGEMENT FORM and return to First State Compassion Center, Inc.

Sincerely,

Mark S. Lally
President
First State Compassion Center, Inc.



ACKNOWLEDGMENT
OF
CONDITIONAL OFFER OF EMPLOYMENT
for the
First State Compassion Center, Inc.

Successful compliance with these terms and conditions of employment is required in order to carry out the essential functions of the above position. I have read and understand the terms of this **CONDITIONAL OFFER** of probationary employment and agree to abide by these terms.

Candidate (print)

Candidate (signature)

Date

First State Compassion Center, Inc.
Receipt of Employee Handbook and Employment-At-Will Statement

This is to acknowledge that I have received a copy of the Company Employee Handbook and I understand that it contains information about the employment policies and practices of the Company. I agree to read and comply with this Employee Handbook. I understand that the policies outlined in this Employee Handbook are management guidelines only, which in a developing business will require changes from time to time. I understand that the Company retains the right to make decisions involving employment as needed in order to conduct its work in a manner that is beneficial to the employees and the Company. I understand that this Employee Handbook supersedes and replaces any and all prior Employee Handbooks and any inconsistent verbal or written policy statements.

I understand that except for the policy of at-will employment, which can only be changed by the President of the Company in a signed written contract, the Company reserves the right to revise, delete and add to the provisions of this Employee Handbook at any time without further notice. All such revisions, deletions or additions to the Employee Handbook will be in writing and will be signed by the President of the Company. I understand that no oral statements or representations can change the provisions of this Employee Handbook.

I understand that this Employee Handbook is not intended to create contractual obligations with respect to any matters it covers and that the Employee Handbook does not create a contract guaranteeing that I will be employed for any specific time period.

THE COMPANY IS AN AT-WILL EMPLOYER. THIS MEANS THAT REGARDLESS OF ANY PROVISION IN THIS EMPLOYEE HANDBOOK, THE COMPANY OR I MAY TERMINATE THE EMPLOYMENT RELATIONSHIP AT ANY TIME, FOR ANY REASON, WITH OR WITHOUT CAUSE OR NOTICE. NOTHING IN THIS EMPLOYEE HANDBOOK OR IN ANY DOCUMENT OR STATEMENT, WRITTEN OR ORAL, SHALL LIMIT THE RIGHT TO TERMINATE EMPLOYMENT AT-WILL. NO OFFICER, EMPLOYEE OR REPRESENTATIVE OF FSCC IS AUTHORIZED TO ENTER INTO AN AGREEMENT— EXPRESS OR IMPLIED— WITH ME OR ANY EMPLOYEE FOR EMPLOYMENT FOR A SPECIFIED PERIOD OF TIME UNLESS SUCH AN AGREEMENT IS IN A WRITTEN CONTRACT SIGNED BY THE PRESIDENT OF THE COMPANY.

I understand that this Employee Handbook refers to current benefit plans maintained by the Company and that I must refer to the actual plan documents and summary plan descriptions as these documents are controlling.

I also understand that if a written contract is inconsistent with the Employee Handbook, the written contract is controlling.

If I have questions regarding the content or interpretation of this Employee Handbook, I will ask my manager or a member of management.

NAME: _____

DATE: _____

EMPLOYEE
SIGNATURE: _____

Form Samples: FSCC New Employee Information Form:

<u>FIRST STATE COMPASSION CENTER</u>			
<u>NEW EMPLOYEE INFORMATION FORM</u>			
Date of Hire:			
Position:	Annual Salary or Hourly Wage Amt:	Type: (circle one)	
		Full Time / Part Time	
Employee Name:			
<i>Last Name</i>	<i>First Name</i>	<i>Middle Initial</i>	
Identifying Information:			
<i>Date of Birth</i>	<i>Social Security No.</i>	<i>Race:</i>	
Home Address:			
<i>Street, Apt No.</i>	<i>City</i>	<i>State</i>	<i>Zip</i>
Phone Numbers:			
<i>Home</i>	<i>Cell</i>	<i>Other</i>	
W-4 Information			
Single/Married	Deductions (withholdings)	Additional Withholdings	
Email:			
Emergency Contacts:			
1.	2.		
2.	3.		
<i>Name</i>	<i>Phone Number</i>	<i>Relationship</i>	
Employee Document Status: R= Received P=Pending N=Not Applicable D=Declined/Waiver			
W-4			
I-9			
Direct Deposit			
Health Insurance			
Dental STD LTD			

First State Compassion Center, Inc.
Company Employee Proprietary Agreement

In consideration of my employment by *The Company* and/or by companies which it owns, controls or is affiliated with, or their successors in business, and the compensation paid therefore:

Confidentiality: I agree to keep confidential, except as the Company may otherwise consent in writing, and not to disclose or make any use of, except for the benefit of the Company, at any time either during or subsequent to my employment any trade secrets, confidential information, knowledge, data or other information of the Company that relates to products, processes, know-how, designs, formulas, test data, customer lists, business plans, marketing plans and/or strategies, pricing strategies and any other operational information or subject matter pertaining to any business of the Company, any of the Company's clients, customers, consultants, licensees and/or affiliates which I may produce, obtain or otherwise acquire during the course of my employment. I further agree not to deliver, reproduce or in any way allow any such trade secrets, confidential information, knowledge, data or other information, as well as documentation relating thereto, to be delivered or used by any third parties without specific direction or consent of a duly authorized representative of the Company. My duty hereunder to maintain trade secrets, confidential information, knowledge and data in confidence shall only be relieved by written consent from the Company or by, and only to the extent that any such trade secret, confidential information, knowledge and data, shall become known in the industry through no direct or indirect fault of mine. Following my employment at the Company I will maintain trade secrets, confidential information, knowledge and data as confidential and proprietary information in accordance with Delaware law.

Conflicting Employment/Return of Confidential Material: I agree that during my employment with the Company I will not engage in any other employment, occupation, consulting or other activity relating to the business in which the Company is now, or may hereafter become, engaged or which would otherwise conflict with my obligation to the Company. In the event of termination of my employment with the Company, for any reason whatsoever, I agree to promptly surrender and deliver to the Company all records, materials, equipment, drawings, documents and data of nature pertaining to any invention, creative work, trade secrets or confidential information of the Company or my employment. I will not take with me any trade secret, confidential information, knowledge or data of the Company which I may produce or obtain during the course of my employment.

Acknowledgment: I acknowledge receipt of the Company's Proprietary Agreement and agree that, with respect to the subject matter thereof, it is my entire proprietary agreement with the Company which supersedes any previous oral or written communications, representations, understandings or arrangements with the Company or any officer/representative thereof.

Binding: This agreement shall be governed by the laws of the State of Delaware.

NAME: _____

DATE: _____

EMPLOYEE
SIGNATURE: _____

Form Samples: FSCC Company Employee Application Form:

First State Compassion Center, Inc.

APPLICATION FOR EMPLOYMENT

Application must be clearly printed in ink. All items in the application must be filled in completely, correctly, and to the best of your knowledge be true. Applicant must sign application. Any applications that are incomplete and/or illegible can result in the rejection of the application by First State Compassion Center, Inc. It is your responsibility to provide any or all telephone numbers for the institutions or persons that you have listed on the application.

You are being requested to provide the information in this Application for Employment in a complete manner as this information will be utilized to successfully complete any required background investigation for continued consideration in the selection and hiring process.

SECTION I - PERSONAL HISTORY

LAST NAME:	FIRST NAME:	MIDDLE NAME:	*OPTIONAL MALE <input type="checkbox"/>	FEMALE <input type="checkbox"/>
PRESENT HOME ADDRESS - STREET (ALSO INCLUDE P.O. BOX IF THAT IS YOUR CORRECT MAILING ADDRESS):		CITY:	STATE:	ZIP CODE:
DATE OF BIRTH (MM/DD/YYYY):	AGE:	SOCIAL SECURITY #:		
*AS MANDATED BY THE RULES AND REGULATIONS RELATED TO THE MEDICAL MARIJUANA PROGRAM, ALL EMPLOYEES OF A COMPASSION CENTER SHALL BE RESIDENTS OF THE STATE OF DELAWARE AND SHALL BE TWENTY-ONE (21) YEARS OF AGE.				
ARE YOU A CITIZEN OF THE U.S.? YES <input type="checkbox"/> NO <input type="checkbox"/>	IF NATURALIZED, PLACE OF NATURALIZATION AND NATURALIZATION NUMBER			
HOME TELEPHONE NUMBER: ()	WORK TELEPHONE NUMBER: ()	E-MAIL ADDRESS: ()		
ARE YOU A LICENSED AUTOMOBILE OPERATOR? YES <input type="checkbox"/> NO <input type="checkbox"/>	OPERATOR LICENSE NUMBER	STATE		
HAVE YOU EVER BEEN CONVICTED OF A FELONY? (YOU MUST DISCLOSE THE FACT OF A CONVICTION EVEN IF IT HAS BEEN EXPUNGED.) Please note that arrests and conviction are not an automatic bar to employment. Any impact will depend on the circumstances. YES <input type="checkbox"/> NO <input type="checkbox"/>				
ARE YOU A VETERAN OF THE UNITED STATES MILITARY (circle Yes or No)?..... YES <input type="checkbox"/> NO <input type="checkbox"/>				

SECTION II - POSITION SOUGHT

POSITION APPLYING FOR?:
ARE YOU APPLYING FOR?:
Regular full-time work?.....YES <input type="checkbox"/> NO <input type="checkbox"/>
Regular part-time work?.....YES <input type="checkbox"/> NO <input type="checkbox"/>
Temporary work?.....YES <input type="checkbox"/> NO <input type="checkbox"/>
Internship?.....YES <input type="checkbox"/> NO <input type="checkbox"/>
WHAT DAYS AND HOURS ARE YOU AVAILABLE TO WORK?
If hired, on what date can you start work? _____ Wage desired? _____

First State Compassion Center, Inc.
APPLICATION FOR EMPLOYMENT

Page 2

SECTION III - EDUCATION, TRAINING AND EXPERIENCE

Educational Institution	Name and Address	Degree or Diploma (Y/N)	Major / Subjects of Study
HIGH SCHOOL OR GED			
COLLEGE OR UNIVERSITY			
VOCATIONAL SCHOOL			
OTHER EDUCATION OR TRAINING			

SECTION IV - EMPLOYMENT HISTORY

START WITH YOUR PRESENT OR LAST JOB. INCLUDE MILITARY ASSIGNMENTS AND OTHER VOLUNTEER ACTIVITIES. THE LAST FIVE (5) YEARS IS SUFFICIENT.

Employer 1: _____
 Address _____ City _____ State _____ Zip _____
 Phone # (____) _____ Supervisors' Name _____
 Job Title _____ Reason for leaving _____
 Dates of Employment: From _____ To _____ Salary or Hourly wage _____

Employer 2: _____
 Address _____ City _____ State _____ Zip _____
 Phone # (____) _____ Supervisors' Name _____
 Job Title _____ Reason for leaving _____
 Dates of Employment: From _____ To _____ Salary or Hourly wage _____

Employer 3: _____
 Address _____ City _____ State _____ Zip _____
 Phone # (____) _____ Supervisors' Name _____
 Job Title _____ Reason for leaving _____
 Dates of Employment: From _____ To _____ Salary or Hourly wage _____

First State Compassion Center, Inc.
APPLICATION FOR EMPLOYMENT

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SECTION V - BUSINESS/PERSONAL REFERENCES

Name: _____	Occupation: _____
Address: _____	City: _____ State: _____ Zip: _____
Telephone #: (____) _____	E-mail Address _____
No. of Years known: _____	Personal or Business Reference: _____
Name: _____	Occupation: _____
Address: _____	City: _____ State: _____ Zip: _____
Telephone #: (____) _____	E-mail Address _____
No. of Years known: _____	Personal or Business Reference: _____
Name: _____	Occupation: _____
Address: _____	City: _____ State: _____ Zip: _____
Telephone #: (____) _____	E-mail Address _____
No. of Years known: _____	Personal or Business Reference: _____

Although First State Compassion Center, Inc. is duly licensed by the State of Delaware as a "Compassion Center" and as such has the right to acquire, possess, cultivate, manufacture, deliver, transfer, transport, supply and dispense marijuana pursuant to state law and the regulations adopted by the Delaware Department of Public Health, marijuana remains illegal under the Federal Law known as the Controlled Substance Act, 21 U.S.C. sec 801 et seq (the CSA). Federal Law provides no protection for patients, doctors and suppliers, including, cultivators, in Delaware and other states which have medical marijuana laws. MARIJUANA REMAINS ILLEGAL UNDER FEDERAL LAW FOR ALL PERSONS IN ALL CIRCUMSTANCES, AND HARSH PENALTIES APPLY. You are directed to read the Controlled Substances Act, 21 U.S.C. sec 801 et seq (the CSA) and advised to seek advice from an attorney.

I CERTIFY that answers given herein are true and complete to the best of my knowledge. I authorize investigations of all statements contained in this application for employment as may be necessary in arriving at an employment decision. I understand that this application is not intended to be a contract of employment. In the event of employment, I understand that false or misleading information given on my application or interview may result in termination.

Signature _____ Date _____

Applications are considered for all positions without regard to race, color, religion, sex, national origin, age, marital or veteran status, or in the presence of a non-related medical condition or disability.

Form Samples: FSCC Good Neighbor Agreement Form:

**First State Compassion Center
Good Neighbor Agreement**

As a member of our compassion center, you are expected to act in a respectful manner to all employees, members, and neighbors of our facility. Please observe the following guidelines at all times:

- ⌘ Do not medicate on site or in the parking lot. This includes smoking or eating medicine
- ⌘ Please refrain from using cell phones and cameras while in the building
- ⌘ No minors are allowed in the building, unless they are a patient and are accompanied by a parent or legal guardian.
- ⌘ Do not leave minors in your vehicle unattended while you are visiting our center
- ⌘ Do not bring in animals unless they are guide animals
- ⌘ If leaving an animal in your vehicle, make sure the windows remain open, especially on hot days
- ⌘ Always be discreet when entering or exiting our center. Keep medicine and money out of plain sight.
- ⌘ Do not bring weapons into our center. If you have a pocket knife, box cutter, or other small cutting tool, you may leave it with security when you enter and pick it up upon exit
- ⌘ Do not invite individuals who are not patients or caregivers, unless special arrangements are made with management prior to this visit
- ⌘ Do not throw litter into our parking lot or surrounding areas
- ⌘ Medicine purchased in our center is not for resale. Any member found reselling medicine will have their membership to our center revoked
- ⌘ Keep all conversations respectful and appropriate

Patient, by his/her signature below, acknowledges that he/she shall follow the advice and treatment prescribed by his recommending physician relative to the use of all medicines sold and distributed by FSCC. Patient agrees to follow all the regulations of the DE Department of Public Health and the State of Delaware relative to his/her use of all medicines sold or distributed by FSCC including not to drive under the influence of any medicines. Patient acknowledges that he has not relied on any advice of anyone at FSCC relative to his use of any medicine and agrees not to hold FSCC liable for any direct or indirect damages resulting there from.

I have read and understand all of the policies outlined above:

Name _____

Signature _____

Date _____

Form Samples: FSCC New Patient Intake Form:

First State Compassion Center



NEW PATIENT ORIENTATION

INTAKE FORM

FSCC STAFF SIGNATURE: _____ **DATE:** _____

IDENTIFYING DATA:

Last name: _____ First name: _____ MI: _____

Birth date: _____ Age: _____ Gender: Male Female

Race (optional): African Asian Hispanic Caucasian Native American Pacific Is.

Others _____

Current employment: Full Time Part Time Unemployed Retired
 Disabled Low-Income Senior

Veteran Yes No

MEDICAL CONCERNS - Optional

(check the box most applicable to you)

- | | |
|--|--|
| <input type="checkbox"/> Arthritis | <input type="checkbox"/> Herpes zoster / shingles / other |
| <input type="checkbox"/> Back and neck pain | <input type="checkbox"/> High blood pressure |
| <input type="checkbox"/> Blood Disorders (<i>anemia, abnormal clotting</i>) | <input type="checkbox"/> HIV/AIDS |
| <input type="checkbox"/> Brain disorders (<i>epilepsy, trauma, etc</i>) | <input type="checkbox"/> Intestinal disorders (<i>Crohn's, ulcers, colitis, IBS</i>) |
| <input type="checkbox"/> Breast lesions | <input type="checkbox"/> Kidney disease (<i>cystitis, renal failure</i>) |
| <input type="checkbox"/> Cancer, specify: _____ | <input type="checkbox"/> Liver disease (<i>cirrhosis, hepatitis B or C</i>) |
| <input type="checkbox"/> Chronic pain, specify: _____ | <input type="checkbox"/> Lungs disease (<i>asthma, emphysema</i>) |
| <input type="checkbox"/> Circulation (<i>stroke, phlebitis, etc</i>) | <input type="checkbox"/> Mental disorders (<i>depression, anxiety, PTSD</i>) |
| <input type="checkbox"/> Diabetes | <input type="checkbox"/> Migraine headache |
| <input type="checkbox"/> Dystonia (<i>spasms, tremors, Parkinson's</i>) | <input type="checkbox"/> Multiple sclerosis |
| <input type="checkbox"/> Prostate disease | <input type="checkbox"/> Eating disorder (<i>anorexia, bulimia</i>) |
| <input type="checkbox"/> Rheumatic disease (<i>Lupus, Sjogrens, Reiters</i>) | <input type="checkbox"/> Endocrine problems (thyroid, hormones) |
| <input type="checkbox"/> Skin disorders (<i>psoriasis, eczema</i>) | <input type="checkbox"/> Eye problems (glaucoma, cataracts) |
| <input type="checkbox"/> Sleep disorders (<i>insomnia, sleep apnea</i>) | <input type="checkbox"/> Substance abuse (<i>tobacco, alcohol, other drugs</i>) |
| <input type="checkbox"/> Heart disease | <input type="checkbox"/> Weight loss / gain |

Check treatment modalities that you have tried in treating your problem:

- Medications Surgery Therapeutic injections Physical therapy Osteopathic Care
 Chiropractic Care Acupuncture Counseling Others: _____

Symptoms: Check [X] symptoms you currently have or have had in the past		MUSCLE/JOINT/BONE <i>Pain, weakness, numbness in:</i>
<input type="checkbox"/> Chills	<input type="checkbox"/> Abdominal pain or cramps	<input type="checkbox"/> Arms <input type="checkbox"/> Hips
<input type="checkbox"/> Depression	<input type="checkbox"/> Appetite poor	<input type="checkbox"/> Back <input type="checkbox"/> Legs
<input type="checkbox"/> Dizziness	<input type="checkbox"/> Excessive hunger	<input type="checkbox"/> Feet <input type="checkbox"/> Neck
<input type="checkbox"/> Headache	<input type="checkbox"/> Indigestion	<input type="checkbox"/> Hands <input type="checkbox"/> Shoulders
<input type="checkbox"/> Loss of sleep	<input type="checkbox"/> Nausea	<input type="checkbox"/> Arthritis <input type="checkbox"/> Muscle Cramp
<input type="checkbox"/> Loss of weight	<input type="checkbox"/> Stomach pain	
<input type="checkbox"/> Nervousness	<input type="checkbox"/> Vomiting	
<input type="checkbox"/> Poor energy	<input type="checkbox"/> Chest pain or angina	
<input type="checkbox"/> Seizures	<input type="checkbox"/> Cardiac palpitations	
<input type="checkbox"/> Anxiety	<input type="checkbox"/> High blood pressure	
<input type="checkbox"/> Depression		
<input type="checkbox"/> Panic attack		
<input type="checkbox"/> Restlessness		

CANNABIS USE PATTERN:

Do you currently use medical cannabis? Yes No

If Yes, does cannabis ease your medical symptoms? Yes No

Which Types do you prefer: sensimillawhole planthashish kiefoil

others: _____

Methods of consumption:

Inhaled: vaporsmoke (jointpipe water pipe)

others: _____

Ingested: tea capsules butteroiltincture baked goods

others: _____

Topical: tincturecreamointmentpoulticepara bathDMSO

others: _____

How often do you use cannabis?

1 times per month 2 - 3/week 1/day 2/day 3/day 4/day > 4/day

Estimate the average amount of cannabis you use per day? (large joint = 1 gram, 1/8 oz. = 3.5 gm)

< 1 gram 1 gram 2 grams 3 grams 4 grams 5 grams 6 grams

others: _____

Would you use more if it were: 1) easier to obtain? Yes No

Would you use more if it were: 2) cheaper to obtain? Yes No

How much more? 25% 50% 75% 100% Others: _____

Has the amount of cannabis needed to control your symptoms changed over time?

much more little more about the same little less much less variable

If changed, to what do you attributed to the change:

How effective is cannabis in treating your condition?

Much better (*very effective*) Better (*effective*) Slightly better (*somewhat effective*)

How does cannabis compare with your usual prescribed medicines in relieving your symptoms?

Prescribed medicines work much better Cannabis works a little better than prescribed medicines

Prescribed medicines work a little better Cannabis works much better than prescribed medicines

Prescribed medicines work no better Cannabis and prescribed medicines work best together

Explain: _____

Have you ever stopped using cannabis only to find that your symptoms return or worsen? Yes No

Explain: _____

If your symptoms disappear or are substantially reduced would you keep on using cannabis?

Yes No

Have you ever used synthetic THC (Marinol)? Yes No

If yes, compare effect of Marinol to natural cannabis:

Does use of cannabis modify your use of other drugs? Yes No

Explain: _____

Does use of cannabis modify your use of alcohol? Yes No

Explain: _____

Which do you prefer, check all that apply: Higher THC% Higher CBD%

Which do you prefer, check all that apply: ⁺Sativa ⁺Indica Don't Know

Sativa dominant hybrid Indica dominant hybrid

50% - 50% Sativa/Indica Don't Know

others: _____

Which Topic 's would you want to learn more about:

Medical Cannabis (Strains) Which medicine will help my symptoms?

Veteran Support Groups Other: _____

All information provided to FSCC is voluntary, and only used to assist FSCC in evaluating the needs of patients. All Patient data is confidential and will not be disclosed to any third party or anyone who is not an authorized FSCC Staff member. This information is only to be used for analysis and research on the efficacy of medical cannabis for certain medical conditions. The data collected will be generic and will not include any identifying information, including no patient names, address, phone or email.

I understand that the information I have provided on this form is on a volunteer basis, and may be used to gather research in the future.

Patient Signature: _____ Date: _____



Registered Qualified Patients Frequently Asked Questions

Rights and Limitations on the Right to Use Medical Marijuana Under Delaware Law

Who qualifies for medical marijuana in Delaware?

Only those patients with the following conditions (and certified by a licensed physician): cancer; HIV/AIDS; decompensated cirrhosis; multiple sclerosis; amyotrophic lateral sclerosis (ALS); agitation of Alzheimer's disease; PTSD; or a medical condition that produces wasting syndrome, intractable nausea, seizures, severe and persistent muscle spasms, or severe debilitating pain that has not responded to other treatments for more than three months or for which other treatments produced serious side effects.

How can a patient gain entry into the program?

To apply for a medical marijuana registration card from the Division of Public Health, a patient must be suffering from a qualifying condition (listed above); and submit the following to the DPH:

- *a completed qualifying patient application;*
- *a physician certification form;*
- *a release of medical information form;*
- *copy of a DE license or state-issued identification card;*
- *a \$125 fee -- cards expire after one year.*

Once qualified, how much medicine can a registered patient purchase?

A licensed compassion center can dispense no more than three (3.0) ounces of usable marijuana to a registered qualifying patient or their licensed designated caregiver during a fourteen (14) day period.

What is forbidden under the DE Medical Marijuana Law?

Prohibited activities include the smoking marijuana in public, cultivation of marijuana by anyone other than a licensed compassion center, and driving under the influence of marijuana. Additionally, consumption or use of medical marijuana is prohibited at any compassion center.

What About Federal Law

Marijuana remains a Schedule I narcotic under the federal Controlled Substances Act. There is no protection from federal law for patients in Delaware that possess or use medical marijuana. Delaware law only allows for state protection from arrest or prosecution for possession or use of medical marijuana by state-licensed and approved patients. Licensed Delaware medical

marijuana patients are only protected from state arrest or prosecution if they adhere to state possession limits. There is no protection for those who transport marijuana across Delaware state lines.

Where can the Delaware Medical Marijuana Act be accessed online?

The Delaware Medical Marijuana Act can be found at:

<http://delcode.delaware.gov/title16/c049a/index.shtml>

Ingestion Options of Usable Marijuana by a Registered Patient

What are the various ingestion options available for registered qualified patients?

Medical cannabis can be ingested in a variety of ways, and patients may discover that one method is more effective than another for their individual needs. The effects of the medicine often vary with each method of ingestion. The amount of time it takes to feel the effects and the length of the medicine's effectiveness can vary greatly depending on how the cannabis is consumed. Each patient should determine which method of ingestion is best for them. Options include:

■ **Smoking**

Historically, the most traditional form of ingestion is smoking the dried cannabis flowers (buds). Concentrates such as Hash and Kief are also usually ingested this way. Cannabis can be smoked a variety of ways, including through a pipe, waterpipe (bong), or rolled into a joint (cigarette). When smoking, the patient will most likely feel the effects immediately, and can last anywhere from an hour to several hours.

■ **Vaporizing**

A Vaporizer is a device that extracts the therapeutic ingredients (cannabinoids) from the cannabis at a much lower temperature than required for burning (smoking). This allows the patient to inhale the active compounds as a vapor instead of smoke, and spares the irritating effects of smoking and its potentially harmful by-products. Patients who are used to smoking are advised to use caution the first time they vaporize medicine, as the experience is more subtle than smoking. Many patients report that vaporizing half as much medicine will provide twice the effect when vaporized.

■ **Edibles**

Cannabis can be infused into butter or oil that is then used to cook food. Edibles, as they are called, usually take longer than smoking or vaporizing to take effect. The effect can take as long as an hour to be felt. Dosing can be difficult to judge, so it is recommended to eat small portions

and then wait an hour to assess its effects to avoid over medicating. Edibles will take effect more quickly on an empty stomach. Generally, the effects of eating cannabis infused products lasts longer than other consumption methods, sometimes up to four hours or more. Many patients report that this method provides more of a relaxing body effect than the cerebral head “high” that is often provided by smoking or vaporizing. Note: edible products are not for sale at First State Compassion Center.

■ **Topicals**

Some cannabis infused oils are meant to be applied to the skin or are used in conjunction with massage. These oils will have a local effect depending on how much is applied and on what part of the body it is applied to.

■ **Tinctures**

A tincture is a concentrated form of cannabis in an alcohol solution or in a non alcohol solution (glycerine, etc.). Tinctures are highly concentrated and require careful dosage levels, starting out small and gradually adding more as needed. They can be taken sublingually (under the tongue) or mixed into water or other beverages.

Safe Smoking Techniques

What are the different options for smoking cannabis?

Smoking a hand rolled cigarette or in a pipe is the most expedient method of using medical cannabis. The effects are more controllable in this form and experienced within moments. Cannabis can be smoked in a hand rolled cigarette, pipe, or water pipe. Using a water pipe reduces the tar and particulate matter in smoke, making it a safer method of smoking medical cannabis. Inhalation of any sort of smoke is unhealthy.

Is there an alternative to smoking that includes inhalation?

If inhaling smoke is a concern, we recommend a vaporizer. Using a vaporizer almost completely eliminates the damage caused to your lungs. Vaporizers are sold in many retail smoke shops, as well as at this compassion center. Inhalation of vapor is not as harsh on the throat. A vaporizer releases the essence (THC) of the cannabis with the right amount of heat which is then inhaled, as opposed to burning it with a flame, producing smoke and carcinogens.

What other precautions should be taken when smoking cannabis?

Patients are always advised to be cautious around an open flame, and not to smoke while feeling fatigued, in bed, or around any flammable objects. It is important to remind patients that smoking or use of any medical cannabis is prohibited at the compassion center.

Potential Side Effects of Medical Marijuana

What are the potential side effects of using medical marijuana?

There are a host of benefits afforded to patients who utilize medical marijuana. However, some patients experience a variety of side effects from its use including the following:

- *Impaired short-term memory*
- *Slowed reaction time*
- *Potential altered judgment and decision making*
- *Increased heart rate*
- *Altered mood*

J. CERTIFICATION AND STATEMENT OF COMPLIANCE

Measure 1 – 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. (See Appendices D&E)

Measure 1 Response:

- FSCC President Mark S. Lally has completed and signed the Delaware Health and Social Services Request for Proposal CERTIFICATION SHEET (Appendix D) and STATEMENTS OF COMPLIANCE FORM (Appendix E). Electronic copies of both documents appear on the following pages. Hard copies with original signature are included in the submission proposal.



**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 _____.
- 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:

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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April 8, 2014
Date

 President
Signature & Title of Official Representative

Mark S. Lally
Type Name of Official Representative

Delaware Health and Social Services Request for Proposal
STATEMENTS OF COMPLIANCE FORM (Appendix E):



**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 First State Compassion Center, Inc. (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.

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

Authorized Signature: _____

Title: President

Date: April 8, 2014

V. BUDGET

Measure 1 – A list of financial obligations and fiscal operating principles that will be required of the selected vendor is included in the Scope of Services section of this RFP. In addition to demonstrating availability of sufficient capital to establish and maintain the compassion center, the proposal should also include a financial business plan that incorporates the listed obligations and principles.

Suggested formats for a line item budget are included as Appendices A&B of this RFP. Details of the specific equipment should be included in the budget worksheet including price of purchase or lease and how it will be used. Applicants shall also describe any factors that may have an impact on the projected budget.

A proposed plan for providing medical grade marijuana to registered qualifying patients enrolled in Medicaid or receiving SSI or SSDI should be placed in this section as well.

Measure 1 Response:

- FSCC will uphold all the financial requirements as spelled out in the RFP for operation of a compassion center. This includes payment of a bi-annual license fee of \$40,000, all costs associated with obtaining agent registry identification cards, criminal background checks for agents, costs for sample testing initiated by the DPH, costs related to implementation of a secure inventory control/point-of-sale tracking system, costs of off-site records retention, and all expenses associated with maintaining the compassion center facility and required security apparatus.

FSCC will operate on a not-for-profit basis and maintain all documentation of its status for review by the DPH at any time. The organization will keep and maintain detailed financial records of proceeds and expenses, maintain inventory, sales, and financial records in accordance with generally accepted accounting principles, create and maintain a plan for free and reduced priced medicine for those with limited financial means, and enlist a certified public accounting firm to produce an audits and prepare all requisite tax filings.

FSCC also will employ electronic capabilities to link with the DPH via a secure computer interface to verify the status of licensed cardholders that seek entry and purchase medicine at the compassion center. The interface will be linked to FSCC's point-of-sale system, housing secure patient information and documentation of all purchases in accordance with Delaware law.

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

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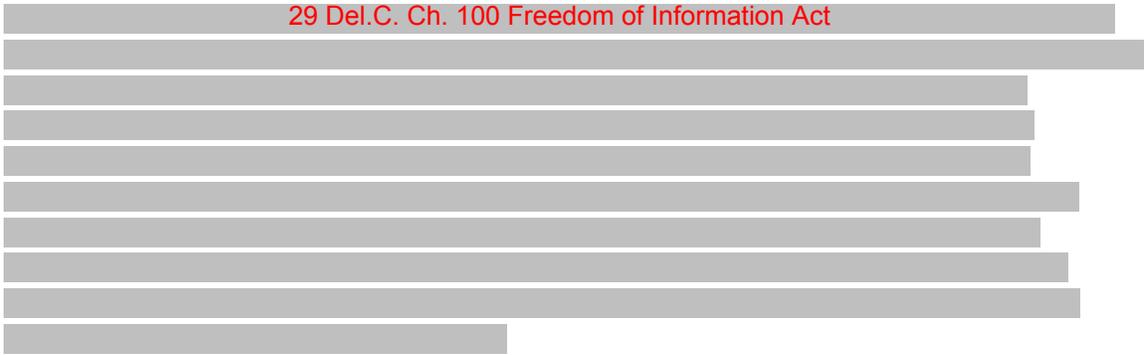
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FSCC Plan for Medicaid/SSI/SSDI Patients:

FSCC's board of directors has made it a priority to provide medicine that is affordable for all patients regardless of their ability to pay. As such, a sliding scale is proposed for FSCC patients who meet certain income guidelines, along with a provision for free medicine for patients with a documented terminal diagnosis from their physician. The FSCC sliding scale is based on patients providing documentation of their income status in relation to the Federal Poverty Level. The documentation will be required during the patient orientation session of their first visit. The sliding scale is proposed as follows:

- Individuals that fall between 0 – 100% of the Federal Poverty Level: 20% discount
- Individuals that fall between 101 – 200% of the Federal Poverty Level: 15% discount
- Individuals that fall between 201 – 300% of the Federal Poverty Level: 10% discount

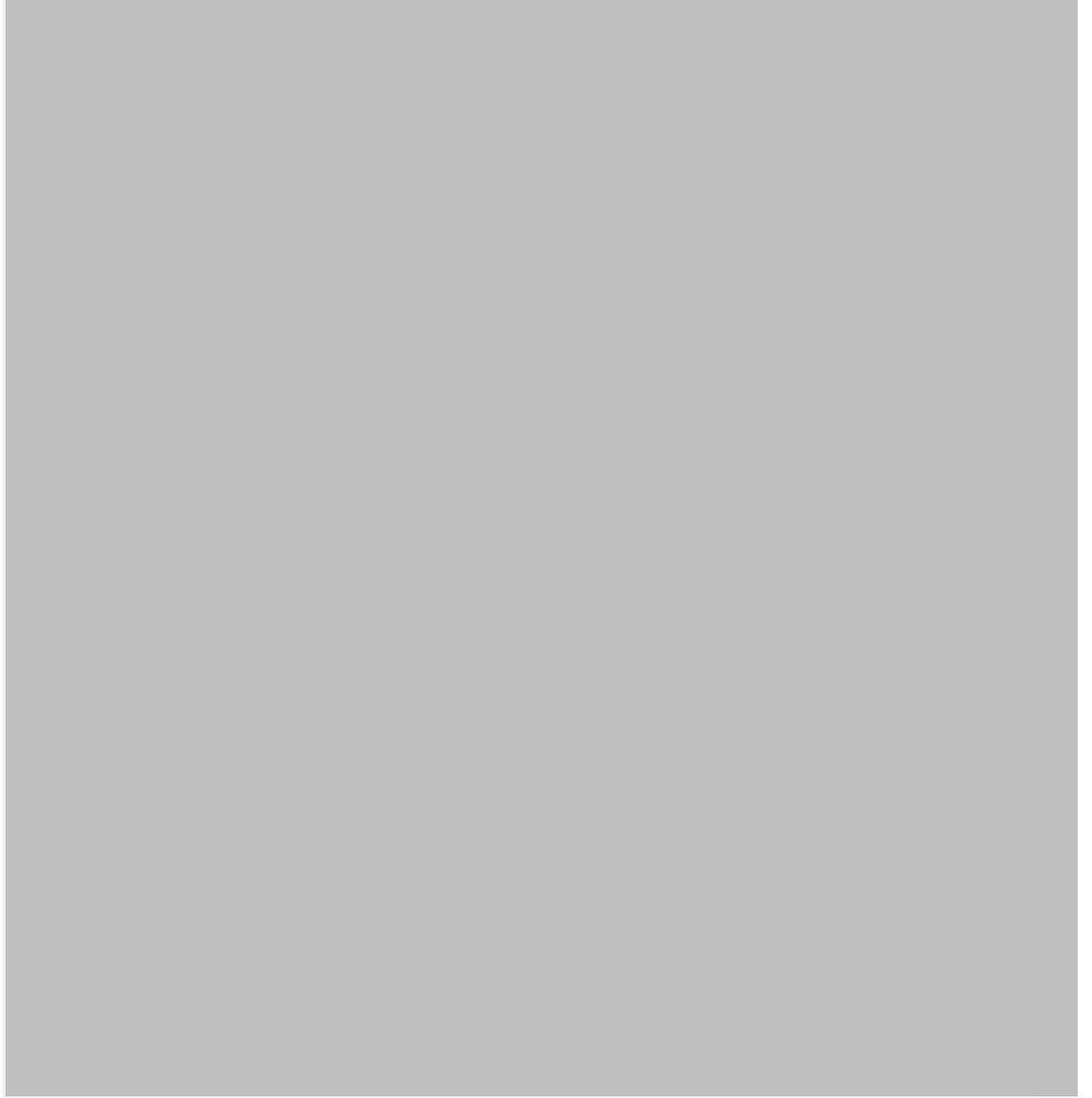
Because FSCC is bound to a restriction of 150 plants, the facility must administer its compassion program to balance patient need with operational viability. Therefore, the board of directors has approved that 10% of all FSCC inventory will be dedicated to the compassion program.

For those patients who have received a terminal diagnosis for their condition, the FSCC management team will work to ensure their medical needs are met without cost.

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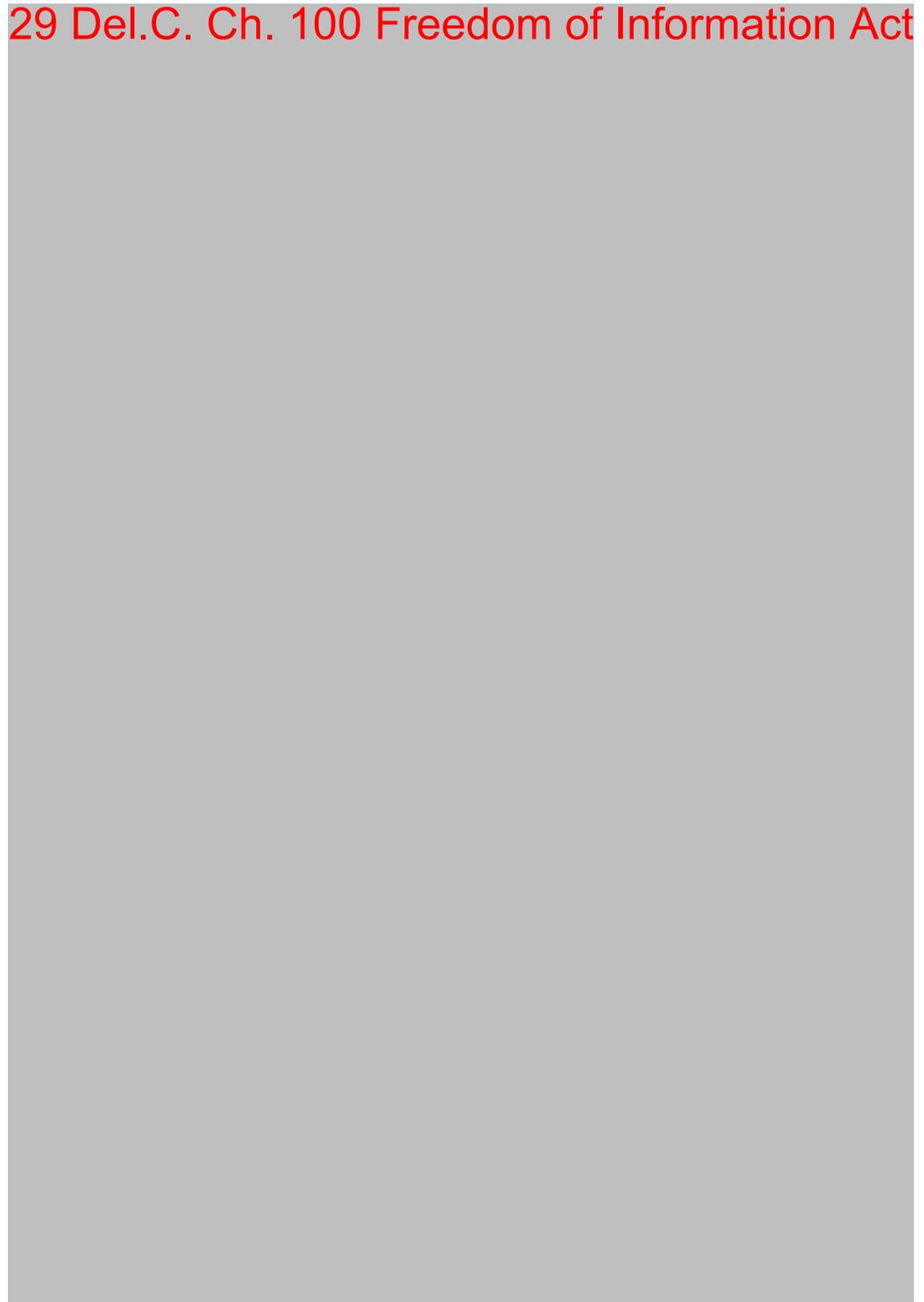


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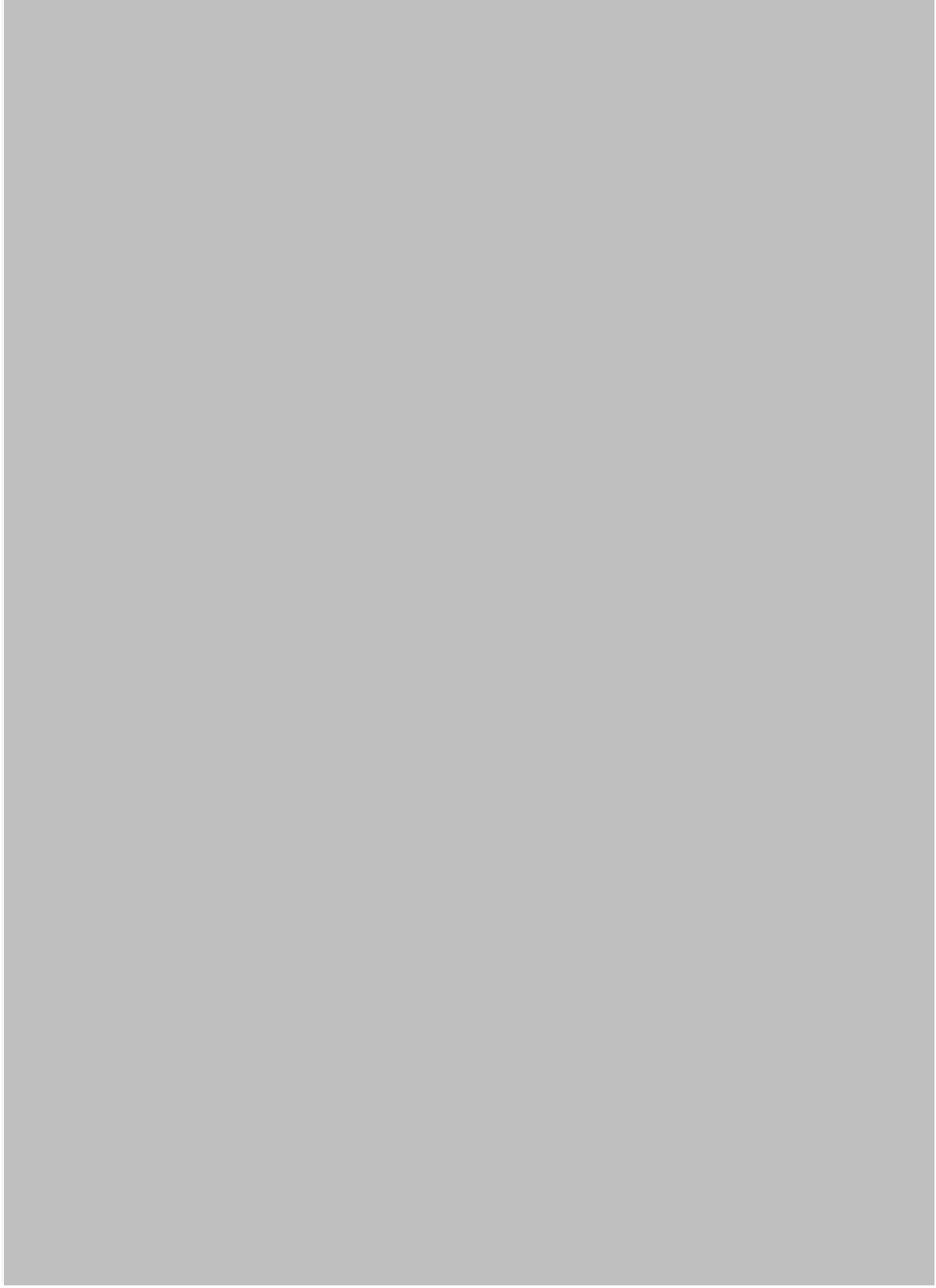


FSCC Budget Summary Sheet:

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FSCC Build-Out/Construction Timeline:

Key Benchmarks	Due Dates	Person Responsible	Risk Level If Not Completed on Time	Date FSCC Opens	
Submit cultivation & dispensary plans to D.P.H& county	5/5/14	General contractor	High		
Apply for demo permits with county	5/5/14	General contractor	High		
Demo work at cultivation section	5/5/14	General contractor	High	December 13, 2014	
Demo work at dispensary section	5/5/14	General contractor	High		
Rough electrical & plumbing in general areas at the dispensary section	5/30/14	Electrical & Plumbing contractor	Medium to High		
Rough electrical & Plumbing in general areas at the cultivation section	5/30/14	Electrical & Plumbing contractor	Medium to High		
Rough framing of veg. room at cultivation section	6/6/14	General contractor	Medium to High		
Rough Electrical and Plumbing in veg. room at cultivation section	6/8/14	Electrical & Plumbing contractor	Medium to High		
Rough framing of floor rooms 1,2 &3 in cultivation section	6/8/14	General contractor	Medium to High		
Rough framing of security command center at the cultivation section	6/8/14	General contractor	Medium to High		
Rough framing of Lab in cultivation section	6/8/14	General contractor	Medium		
Sheet rock veg. room in cultivation building	6/12/14	General contractor	Medium to High		
Rough Electrical and Plumbing in flower rooms 1,2&3 (cultivation section)	6/12/14	Electrical & Plumbing contractor	Medium		
Rough framing in flower rooms 4,5&6 (cultivation section)	6/12/14	General contractor	Medium		
Rough framing in trimming & packing room (cultivation section)	6/12/14	General contractor	Medium		
Rough framing in concentrate room (cultivation section)	6/12/14	General contractor	Medium		
Sheet rock flower rooms 1,2&3 (cultivation section)	6/13/14	General contractor	Medium		
Rough Electrical and Plumbing in flower rooms 4,5&6 (cultivation section)	6/13/14	Electrical & Plumbing contractor	Medium		
Rough framing in curing and drying room (cultivation section)	6/13/14	General contractor	Medium		
Rough Electrical and Plumbing in Lab (cultivation section)	6/13/14	Electrical & Plumbing	Medium		

		contractor		
Joint compound and tape in veg. room (cultivation section)	6/14/14	General contractor	Medium	
Rough framing in flower rooms 7,8&9 (cultivation section)	6/14/14	General contractor	Medium	
Rough Electrical and Plumbing in security command center (cultivation section)	6/14/14	Electrical & Plumbing contractor	High	
Sheet rock flower rooms 4,5&6 (cultivation section)	6/14/14	General contractor	Medium	
Rough Electrical and Plumbing flower rooms 7,8,&9 (cultivation section)	6/15/14	Electrical & Plumbing contractor	Medium	
Rough framing of storage room (cultivation section)	6/15/14	General contractor	Medium	
Sheet rock Lab (cultivation section)	6/15/14	General contractor	Medium	
Paint veg. room (cultivation section)	6/16/14	General contractor	Medium	
Joint compound and tape in flower rooms 1,2&3 (cultivation section)	6/16/14	General contractor	Medium	
Sheet rock security command center (cultivation section)	6/16/14	General contractor	Medium	
Rough Electrical and Plumbing in concentrate room (cultivation section)	6/16/14	General contractor	Medium	
Joint compound and tape flower rooms 4,5&6 (cultivation section)	6/17/14	General contractor	Medium	
Sheet rock flower rooms 7,8,&9 (cultivation section)	6/17/14	General contractor	Medium	
Joint compound and tape in Lab (cultivation section)	6/17/14	General contractor	Medium	
Paint flower rooms 1,2&3 (cultivation section)	6/18/14	General contractor	Medium	
Joint compound and tape security command center (cultivation section)	6/18/14	General contractor	Medium	
Sheet rock concentrate room (cultivation section)	6/18/14	General contractor	Medium	
Joint compound and tape flower rooms 7,8&9 (cultivation section)	6/19/14	General contractor	Medium	
Rough framing in flower rooms 10,11&12 (cultivation section)	6/19/14	General contractor	Medium	
Rough Electrical and Plumbing in flower rooms 10,11&12 (cultivation section)	6/19/14	General contractor	Medium	
Sheet rock flower rooms 10,11&12 (cultivation section)	6/19/14	General contractor	Medium	
Rough Electrical and Plumbing trimming and packing (cultivation section)	6/19/14	General contractor	Medium	
Paint Lab (cultivation section)	6/19/14	General contractor	Medium	
Joint compound and tape concentrate room	6/19/14	General	Medium	

(cultivation section)		contractor		
Rough framing of the Dispensary section	6/19/14	General contractor	High	
Paint flower rooms 4,5&6 (cultivation section)	6/20/14	General contractor	Medium	
Joint compound and tape flower rooms 10,11&12 (cultivation section)	6/20/14	General contractor	Medium	
Paint security command center (cultivation section)	6/20/14	General contractor	Medium	
Rough Electrical and Plumbing in curing and drying room (cultivation section)	6/20/14	General contractor	Medium	
Finish Electrical and Plumbing in veg. room (cultivation section)	6/21/14	Electrical & Plumbing contractor	Medium to High	
Rough framing in flower rooms 13,14&15(cultivation section)	6/21/14	General contractor	Medium	
Rough Electrical and Plumbing in flower rooms 13,14&15 (cultivation section)	6/21/14	Electrical & Plumbing contractor	Medium	
Sheet rock trimming and packing room (cultivation section)	6/21/14	General contractor	Medium	
Paint concentrate room (cultivation section)	6/21/14	General contractor	Medium	
Rough Electrical and Plumbing in Dispensary section	6/21/14	Electrical and Plumbing contractor	Medium to High	
Install HVAC system in veg. room (cultivation section)	6/21/14	HVAC contractor	Medium to High	
Paint flower rooms 7,8&9 (cultivation section)	6/22/14	General contractor	Medium	
Rough Electrical and Plumbing in storage room (cultivation section)	6/22/14	Electrical & Plumbing contractor	Medium	
Sheet rock flower rooms 13,14&15 (cultivation section)	6/23/14	General contractor	Medium	
Rough Electrical and Plumbing in flower rooms 16&17 (cultivation section)	6/23/14	Electrical & Plumbing contractor	Medium	
Joint compound and tape trimming and packing room (cultivation section)	6/23/14	General contractor	Medium	
Sheet rock curing room (cultivation section)	6/23/14	General contractor	Medium	
Paint flower rooms 10,11&12 (cultivation section)	6/24/14	General contractor	Medium	
Install HVAC system in security command center (cultivation section)	6/24/14	HVAC CONTRACTOR	Medium	
Joint compound and tape flower rooms 13,14&15 (cultivation section)	6/25/14	General contractor	Medium	
Sheet rock flower rooms 16&17 (cultivation section)	6/25/14	General contractor	Medium	

Paint trimming and packing room (cultivation section)	6/25/14	General contractor	Medium	
Joint compound and tape curing room (cultivation section)	6/25/14	General contractor	Medium	
Sheet rock storage room (cultivation section)	6/25/14	General contractor	Medium	
Install grow equipment in veg. room (cultivation section)	6/26/14	Electrical Contractor	High to Medium	
Finish Electrical and Plumbing in flower room 1 (cultivation section)	6/26/14	Electrical & Plumbing contractor	Medium	
Install HVAC system in flower rooms 1,2&3 (cultivation section)	6/26/14	HVAC CONTRACTOR	Medium	
Paint flower rooms 13,14&15 (cultivation section)	6/26/14	General contractor	Medium	
Rough framing in flower rooms 16&17 (cultivation section)	6/26/14	General contractor	Medium	
Sheet rock Dispensary	6/26/14	General contractor	Medium to High	
Joint compound and tape Dispensary	6/26/14	General contractor	Medium	
Joint compound and tape flower rooms 16&17 (cultivation section)	6/27/14	General contractor	Medium	
Paint curing and drying room (cultivation section)	6/27/14	General contractor	Medium	
Joint compound and tape storage room (cultivation section)	6/27/14	General contractor	Medium	
Install grow equipment in flower rooms 1,2&3 (cultivation section)	6/28/14	Electrical Contractors	Medium	
Install HVAC system in trimming and packing (cultivation section)	6/28/14	HVAC CONTRACTOR	Medium	
Paint flower rooms 16&17 (cultivation section)	6/29/14	General contractor	Medium	
Paint storage room (cultivation section)	6/29/14	General contractor	Medium	
Finish Electrical and Plumbing in flower rooms 4,5&6 (cultivation section)	6/30/14	Electrical and Plumbing contractor	Medium	
Install HVAC system in flower rooms 4,5&6 (cultivation section)	6/30/14	HVAC CONTRACTOR	Medium	
Finish Electrical and Plumbing in security command center (cultivation section)	6/31/14	Electrical and Plumbing contractor	High	
Install HVAC system (cultivation building)	7/2/14	HVAC CONTRACTOR	Medium	
Install grow equipment flower rooms 4,5&6 (cultivation section)	7/2/14	Electrical Contractors	Medium	
Begin recruitment process of cultivation staff	8/1/14	SVP	Medium	
Install HVAC system flower rooms 7,8&9 (cultivation section)	8/1/14	HVAC contractor	Medium	

Finish Electrical and Plumbing in flower rooms 7,8&9 (cultivation section)	8/2/14	Electrical and Plumbing contractor	Medium	
Install HVAC system in flower rooms 7,8&9 (cultivation section)	8/2/14	HVAC CONTRACTOR	Medium	
Finish Electrical and Plumbing in trimming and packing (cultivation section)	8/2/14	Electrical and Plumbing contractor	Medium	
Install grow equipment in flower rooms 7,8&9 (cultivation section)	8/3/14	Electrical Contractors	Medium	
Install HVAC system in Lab (cultivation section)	8/3/14	HVAC CONTRACTOR	Medium	
Finish Electrical and Plumbing in curing and drying room (cultivation section)	8/5/14	Electrical and Plumbing Contractors	Medium	
Install HVAC system in concentrate room (cultivation section)	8/5/14	HVAC CONTRACTOR	Medium	
Finish carpentry in Dispensary section	8/5/14	General contractor	Medium	
Finish Electrical and Plumbing in flower rooms 10,11&12 (cultivation section)	8/7/14	Electrical and Plumbing contractor	Medium	
Install HVAC system in flower rooms 10,11&12 (cultivation section)	8/7/14	HVAC CONTRACTOR	Medium	
Install grow equipment in flower rooms 10,11&12 (cultivation section)	8/7/14	Electrical Contractors	Medium	
Finish Electrical and Plumbing in storage room (cultivation section)	8/8/14	Electrical and Plumbing contractors	Medium	
Finish Electrical and Plumbing in flower rooms 13,14&15 (cultivation section)	8/11/14	Electrical and Plumbing Contractors	Medium	
Install HVAC system in flower rooms 13,14&15 (cultivation section)	8/11/14	HVAC CONTRACTOR	Medium	
Install grow equipment in flower rooms 13,14&15 (cultivation section)	8/12/14	Electrical Contractors	Medium	
Finish Electrical and Plumbing in Lab (cultivation building)	8/14/14	Electrical and Plumbing contractors	Medium	
Install flooring in Dispensary section	8/14/14	General contractor	Medium	
Finish paint in Dispensary section	8/14/14	General contractor	Medium	
Finish Electrical and Plumbing in flower rooms 16&17 (cultivation section)	8/16/14	Electrical and Plumbing contractor	Medium	
Install HVAC system in flower rooms 16&17 (cultivation section)	8/16/14	HVAC contractor	Medium	
Finish Electrical and Plumbing in concentrate room (cultivation section)	8/16/14	Electrical and Plumbing	Medium	

		contractor		
Install grow equipment in flower rooms 16&17 (cultivation section)	8/17/14	Electrical contractor	Medium	
Install HVAC system in Dispensary section	8/19/14	HVAC Contractor	Medium	
Finish Electrical and Plumbing in Dispensary section	8/19/14	Electrical and Plumbing contractors	Medium	
Punch list in cultivation section	8/21/14	General contractor	Medium	
Hire cultivation staff	8/21/14	SVP	High	
Punch list in Dispensary section	8/21/14	General contractor	Medium	
Final walk through in cultivation section	8/24/14	General contractor	Medium	
Final walk through in Dispensary section	8/24/14	General contractor	Medium	
Final inspections in cultivation section	8/25/14	DPH& County	High	
Final inspections in Dispensary section	8/25/14	DPH& County	High	
Seed germination	8/29/14	Cultivation team	High	
Trait and gender selection	9/2/14	Cultivation team	High	
Rooting of female clones from donor plants	9/20/14	Cultivation team	High	
Transplant rooted cuttings	9/30/14	Cultivation team	High	
Rooting of female clones from donor plants (round 2)	9/30/14	Cultivation team	High	
Flowering phase	10/6/14	Cultivation team	High	
Transplant rooted cuttings (round 2)	10/9/14	Cultivation team	High	
Rooting of female clones from donor plants (round 3)	10/9/14	Cultivation team	High	
Flowering phase (round 2)	10/16/14	Cultivation team	High	
Transplant rooted cuttings (round 3)	10/19/14	Cultivation team	High	
Rooting of female clones from donor plants (round 4)	10/19/14	Cultivation team	High	
Flowering phase (round 3)	10/26/14	Cultivation team	High	
Transplant rooted cuttings (round 4)	10/29/14	Cultivation team	High	
Rooting of female clones from donor plants (round 5)	10/29/14	Cultivation team	High	
Transplant rooted cuttings (round 5)	11/2/14	Cultivation team	High	
Rooting of female clones from donor plants (round 6)	11/2/14	Cultivation team	High	
Flowering phase (round 4)	11/6/14	Cultivation team	High	
Flowering phase (round 5)	11/9/14	Cultivation team	High	
Transplant rooted cuttings (round 6)	11/12/14	Cultivation team	High	
Provide employment offers to all departmental (non-management) staff, begin training	11/12/14	SVP	High	
Complete installation of all IT systems, software, hardware, telephone systems	11/12/14	SVP	High	
Flowering phase (round 6)	11/19/14	Cultivation team	High	
Complete all employee trainings, HIPAA compliance	12/1/14	SVP	High	
Harvest and dry	12/1/14	Cultivation team	High	

Package (ready for opening)	12/9/14	Trimming and packing	High	
Testing	12/11/14	Lab	High	
Harvest and dry (round 2)	12/11/14	Cultivation team	High	
OPENING DAY	12/13/14	Entire Team	High	
Testing (round 2)	12/21/14	Lab	High	
Harvest and dry (round 3)	12/21/14	Cultivation team	High	
Package (round 2)	12/25/14	Trimming and packing	High	
Harvest and dry (round 4)	12/31/14	Cultivation team	High	
Testing (round 3)	1/1/15	Lab	High	
Package (round 3)	1/3/15	Trimming and packing	High	
Testing (round 4)	1/3/15	Lab	High	
Harvest and dry (round 5)	1/3/15	Cultivation team	High	
Package (round 4)	1/5/15	Trimming and packing	High	
Testing (round 5)	1/13/15	Lab	High	
Harvest and dry (round 6)	1/13/15	Cultivation team	High	
Package (round 5)	1/15/15	Trimming and packing	High	
Testing (round 6)	1/23/15	Lab	High	
Package (round 6)	1/26/15	Trimming and packing	High	

FSCC Business Plan:



BUSINESS PLAN

April, 1, 2014

1.0 Executive Summary

1.1 Overview

First State Compassion Center, Inc. ("FSCC") was founded by individuals committed to a responsible and regulated distribution system for medical cannabis in the state of Delaware. As a not-for-profit organization dedicated to providing licensed patients with safe access to affordable medicine, FSCC will serve as a model dispensary that Delaware regulators and leaders can confidently entrust with a two year compassion center pilot license.

FSCC respects the diligence and time Delaware officials have taken in formulating a responsible compassion center program. Delaware is wise to avoid the mistakes of states that have weak regulatory structures. The proposed operating framework allows the state to balance the needs of qualifying patients while avoiding an environment that further stresses the inherent conflicts of state and federal law. FSCC is acutely aware of the balance that must be achieved with the initial pilot compassion center, and has formulated a leadership team and operational structure to give maximum assurance of competency that is unmatched in this emerging industry.

To achieve an optimal level of competency in the distribution of medical cannabis, FSCC has created a team that is highly experienced in the fields of security, law enforcement, and existing state-licensed compassion center operations. FSCC is led by President Mark S. Lally, a retired, decorated member of the Delaware State Police who is exceptionally equipped to ensure the safety, security, and diversion prevention necessary in this high-profile endeavor. The Senior Vice President of FSCC is Joel Allcock, a new resident of Delaware who enjoys extensive experience in management of Rhode Island's largest state-licensed compassion center in Providence, RI. Mr. Allcock is a Director at the non-profit Thomas C. Slater Compassion Center in Providence, with responsibility for cultivation and dispensary operations serving over 3,000 licensed patients. Together, Mr. Lally and Mr. Allcock share a deep appreciation and concern for patients with qualifying medical conditions, and look forward to combining their diverse skill sets to create a compassion center in Delaware that is a model for the nation.

As part of its operational plan, FSCC has collaborated with the Slater Compassion Center in RI to develop dispensary protocols, training programs, security procedures, construction/build out plans, and compassionate patient-centric services. The Slater Compassion Center is one of two licensed compassion centers in RI, where statutory requirements are nearly identical to the Delaware model. Like Delaware, RI's compassion centers are limited to in-house cultivation of 150 plants and no more than 1,500 ounces of medicine on premises at any time. The Slater Center has proven, auditable, and lauded experience under this operating structure, and will pass along all the knowledge, experience, and insights to FSCC to ensure that it can fulfill its non-profit mission and maintain full compliance with all regulatory requirements.

FSCC believes it is best to develop a local team with individuals committed to serving patients with a safe place to acquire medicine. If this goal can be achieved with the guidance and support of an existing state-licensed, non-profit industry leader – that operates under the same regulatory structure – the people of the State of Delaware will ultimately benefit.

1.2 Objectives

During the first year, business goals for the Center are to:

1. Open FSCC and serve 500 patients during the first month of operations.
2. 29 Del.C. Ch. 100 Freedom of Information Act
3. [REDACTED]
4. Hire employees who are happy, motivated and actively contribute to a good working atmosphere for patients and other employees.
5. Develop and maintain a loyal patient following.
6. Provide the highest quality of organic medicine that is tested for purity and safety.
7. Serve as a model for the State of Delaware as it progresses with its medical marijuana program.

1.3 Mission

First State Compassion Center, Inc. will provide certified, licensed patients with safe, affordable access to high quality medical cannabis in a dignified and patient-centric environment. We will utilize our skills to strictly comply with the laws, rules, and regulations established by the State of Delaware in creating a facility that is a model for regulatory compliance and compassion for patients.

1.4 Vision

FSC envisions being a community-oriented, nonprofit organization that provides Delaware patients in need with safe access to high quality medicine and educational resources.

We foresee the Center 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.

Our Commitments:

- Operate with complete adherence to state and local ordinances, and maintain a solid working relationship with all government authorities, including law enforcement and health department officials.
- Maintain financial viability to support our ongoing mission as a non-profit organization whose purpose is to serve our patients, our community and our other stakeholders.
- Maintain a physical environment and organizational culture where all are treated with respect, compassion and care.
- Be a good neighbor to local residents and businesses by engaging community leaders and citizen groups as a responsible service provider.
- Educate our patients on the proper and responsible use of medical cannabis.
- Serve our community, both patients and non-patients alike, through charitable community events and services.

1.5 Core Values

The Center believes in:

- **Highest Quality Products**- we cultivate and provide safe, high-quality medicinal products subject to careful processing and, where feasible, testing by an in-house laboratory.
- **Compassion**- serving our patients professionally with sensitivity to their needs in a clean environment where they feel safe and secure.
- **Responsiveness**- in our dealings with our patients, employees, lenders and the community.
- **Transparency**- our financial data is regularly audited by an independent accounting firm.
- **Community Service**- conducting varied and ongoing outreach activities to serve the needs of patients and others in our community.
- **Education**- providing facts and information to help people understand the responsible and effective use of medical cannabis.
- **Being a "Good Neighbor"**- by working with the community, the city and police department as a responsible service provider.

1.6 Keys to Success

Important keys to our success include:

- We will position the Center as a responsible business in the community and develop close working relationships with civic, business and government leaders and their staffs.
- Highly detailed planning and execution is critical. We will put in place the staffing, training and infrastructure required to cultivate safe, high-quality medicine, and we will apply industry best practices to medical cannabis dispensary operations.
- Financials, especially cash flow, must be well planned and managed, and kept to high standards commensurate with our nonprofit status and visibility in the industry.

2.0 Organization Summary

2.1 Legal Entity

Legally named First State Compassion Center, Inc., the Center is a not-for-profit/non-stock Delaware corporation founded in 2014. It is governed by a board of directors, with its President overseeing daily operations and serving as the senior manager in charge of operations.

2.2 Startup Summary

Following are some of the milestones the Center has accomplished thus far:

- Secured an appropriate site with approvals from zoning and building officials in Wilmington.

- Engaged a qualified team to serve as advisors with expertise in legal, financial, cannabis dispensary operations, security and more.
- Prepared a comprehensive application package and business plan that addresses all areas required to fund and operate a legally compliant, sustainable organization that can fully deliver on its mission.

2.3 Start-Up Funding

Management has assumed that [REDACTED] ^{29 Del.C. Ch. 100 Freedom of Information Act} is needed for the initial capital and operating needs to open the compassion center. This includes all costs borne by FSCC prior to the facility being cash flow positive. To fund the initial phase of this project, the Center has received a commitment from an investor, ^{29 Del.C. Ch. 100 Freedom of Information Act} [REDACTED]. ^{29 Del.C. Ch. 100 Freedom of Information Act} [REDACTED] This commitment does not constitute an equity stake in the Center. It is a loan amount payable ^{29 Del.C. Ch. 100 Freedom of Information Act} [REDACTED]. For construction and build out of the compassion center facility, ^{29 Del.C. Ch. 100 Freedom of Information Act} [REDACTED] ^{29 Del.C. Ch. 100 Freedom of Information Act} [REDACTED] will fund improvements to the building for use as a compassion center. The budget for the build-out ^{29 Del.C. Ch. 100 Freedom of Information Act} [REDACTED].

2.4 Long-Term Viability

As a non-profit organization, the Center will ensure its long-term viability through a continuing focus on three key pillars of operation:

1. **Staying true to its mission.** The Center's mission is to provide safe, dignified and affordable access to medical cannabis for approved patients in the State of Delaware. We will publish this mission prominently for our patients, employees and the general community. Management will actively use our mission as a yardstick by which to measure our actions and performance.
2. **Involving stakeholders.** Successful organizations are those where stakeholders feel a sense of ownership and pride, and actively participate in shaping the direction and future of the organization. We will conduct ongoing efforts to seek feedback from patients, employees, advisors, government officials and the general community on key matters involving the Center. Examples will include periodic surveys, open meetings and actively encouraging submission of feedback.
3. **Financial viability.** Although the Center is a not-for-profit organization, we cannot fulfill our mission unless we have sufficient resources to continue operations. We are committed to providing services at a fair market value and generating a funding surplus. Our board of directors will review our financial performance on a regular basis and take appropriate action to ensure that we meet these commitments. We will also involve qualified advisors to help us achieve prudent financial management and efficient operations. These advisors include certified public accountants, lawyers, and existing medical cannabis dispensary operators.

3.0 Products and Services

3.1 Product and Service Philosophy

Based on the core values of the Center, product sales are firmly grounded in a service model. While there may be some differences in product quality from one dispensary to

another, cannabis is largely a commodity, so product differentiation rests primarily on how products are sold. The Center will work diligently to deliver on its core value that calls for "highest quality products." Following is a general outline of how the Center plans to approach product quality and service.

Strict Quality Control Guidelines

FSCC will implement in-house laboratory testing to control contaminants and standardize potency for all products. This will enable us to sell only the highest quality medicine and enable patients to know what to expect from their purchase, including an objective measure of the amount needed to appropriately address their symptoms.

Zero Tolerance on Product Performance Issues

Any product found to have a potential problem shall not be provided to patients.

3.2 Product Line

The Center's current product line includes the following:

- **Flowers**
- **Concentrates**
- **Dry Concentrates**
- **Tinctures & Oils**
- **Paraphernalia**

3.3 Services for Charity Care

FSCC's board of directors has made it a priority to provide medicine that is affordable for all patients regardless of their ability to pay. As such, a sliding scale is proposed for FSCC patients who meet certain income guidelines, along with a provision for free medicine for patients with a documented terminal diagnosis from their physician. The FSCC sliding scale is based on patients providing documentation of their income status in relation to the Federal Poverty Level. The documentation will be required during the patient orientation session of their first visit. The sliding scale is proposed as follows:

- Individuals that fall between 0 – 100% of the Federal Poverty Level: 20% discount
- Individuals that fall between 101 – 200% of the Federal Poverty Level: 15% discount
- Individuals that fall between 201 – 300% of the Federal Poverty Level: 10% discount

Because FSCC is bound to a restriction of 150 plants, the facility must administer its compassion program to balance patient need with operational viability. Therefore, the board of directors has approved that 10% of all FSCC inventory will be dedicated to the compassion program.

For those patients who have received a terminal diagnosis for their condition, the FSCC management team will work to ensure their medical needs are met without cost.

4.1 Market Assessment

The medical cannabis dispensary industry is still in its infancy and is relatively undeveloped compared to most industries. Quantifying the market (the number of patients and/or potential revenue) is difficult to quantify because:

- There is no central trade association or source of comprehensive information about dispensary operations and data.
- The stigma associated with cannabis use, along with the threat of possible legal difficulties, has forced many patients to “fly under the radar.” Therefore, user data that might be openly published and accessible in other types of markets is not available.
- Data gathering is further impacted by HIPAA laws that specify strict handling of patient information for privacy reasons.

Delaware’s Emerging Medical Cannabis Market

The Delaware Medical Marijuana Act removes criminal sanctions and provides protection from arrest for the compassionate, doctor-recommended use of medical marijuana by Delaware patients with serious medical conditions. The law took effect on July 1, 2011. It initially included an affirmative defense for patients until ID cards were available. Now that ID card applications are available upon request, only those patients who have filed their applications for IDs but have yet to receive the IDs may assert the affirmative defense. Patients are not allowed to grow their own medicine, but they may possess up to six ounces of marijuana. The program will include tightly regulated, limited distribution of medical marijuana by not-for-profit compassion centers.

Decriminalizing Patient Use: A patient will be granted protection from arrest only if his or her physician has certified, in writing, that the patient has a specified debilitating medical condition and that the patient would receive therapeutic benefit from medical marijuana. Patients then must send the Delaware Department of Health and Social Services (DHSS) a completed application (obtained from DHSS), including a copy of the written certification, and DHSS will issue an ID card after verifying the information. As long as the patient is in compliance with the law and in possession of an ID card, there will be no arrest.

Qualifying Medical Conditions: The qualifying conditions are: cancer; HIV/AIDS; decompensated cirrhosis; multiple sclerosis; amyotrophic lateral sclerosis (ALS); agitation of Alzheimer’s disease; PTSD; or a medical condition that produces wasting syndrome, intractable nausea, seizures, severe and persistent muscle spasms, or severe debilitating pain that has not responded to other treatments for more than three months or for which other treatments produced serious side effects.

Compassion Centers (Dispensaries): Delaware’s law does not allow patients or caregivers to grow marijuana at home. Instead, it provides patients with access to their medicine at state-regulated, not-for-profit compassion centers, which will also cultivate the medical marijuana.

Market Size- Delaware

As of April, 2014, there are less than 100 registered patients in the state's medical marijuana registry. It is assumed that the majority of patients are waiting until the development and opening of the first compassion center before processing paperwork and paying fees to gain entry into the program.

FSCC projects that by the time the facility opens in December 2014, there will be 500 registered patients that will utilize the facility. Because the state law allows for a wide assortment of qualifying conditions, including severe pain, it is assumed that this projection will be easily met.

The largest challenge for FSCC will be meeting a demand of patients under a restrictive 150 plant count at the facility. We project that the plant restriction will only allow for approximately 2,000 patients to receive their medicine.

4.2 Market Segmentation / Customer Profile

Constructing a detailed profile of the Center's patients is challenging because of dispensaries' rigorous commitment to privacy and confidentiality. Most dispensaries not only protect patient data, but most avoid the appearance of collecting it—given the health issues that patients face and the risks they perceive with the legality of visiting a medical cannabis dispensary.

However, some data is available from anonymous surveys conducted for dispensaries in 2009 and 2010. While the Center's patient base may vary due based on local or regional differences, the following data provides a general glimpse of what its patient base can be expected to look like.

Gender: Two out of three patients are male (67%).

Age: Median age (half above, half below) is approximately 37 years. More than a quarter are mid-forties and older.

Zip Code: The largest concentration of patients lives within a 30-minute driving range of the dispensary.

Employment: Respondents are employed (33%-41%), with another 16%-18% are self employed. Around 11% are retired, and 12%-15% are disabled and/or on disability.

Occupation: Those who work outside the home are concentrated in white collar occupations (management, professionals, service, sales and office workers).

Medical Need: When asked what condition prompted their need to seek medicine, respondents report that chronic pain is at the top of the list, with well over a third selecting this option. Sleeplessness, anxiety and arthritis also rank high, combining to affect over a third of dispensary members.

Last Visit: More than a third of patients reported visiting their dispensary within the prior month, and nearly two thirds said their last visit was within 90 days.

5.0 Strategy and Implementation Summary

5.1 SWOT Analysis

The SWOT analysis provides us with an opportunity to examine the internal strengths and weaknesses the Center must address. It also allows us to examine the opportunities presented to the Center as well as potential threats that lie beyond its control.

5.1.1 Strengths

The following strengths are internal to the Center:

- Qualified, professional management team with backgrounds in law enforcement, business, and management.
- Proven model of patient-centered approach with strong emphasis on health and wellness.
- Strong support team.
- Heavy reliance on financial and operations data and systems (e.g. MJ Freeway point of sale/inventory tracking system).
- Sophisticated merchandising approach: packaging, labeling, display, etc.
- Ideal location in Wilmington DE, accessible to major roadways and public transportation.
- Facility with adequate space for patient support programs and a cultivation area.
- Strong board of directors who are focused on fulfilling the Center's mission and meeting community needs.
- Good working relationships with area law enforcement.
- Access to market data from partner center – The Thomas C. Slater Compassion Center in Providence, RI.
- Access to sufficient capital.

5.1.2 Weaknesses

The following weaknesses are internal to the Center:

- Restrictive plant count.
- Unclear on the pool of viable applicants for positions within the center.

5.1.3 Opportunities

The following are opportunities the Center can leverage that lie outside of its organization or control:

- General public acceptance of cannabis use as a medicine is growing.
- New federal administration policies toward legal dispensaries are more tolerant.
- There is still a significant underserved market in the Delaware area.
- The size of the State is small, which will help the Center connect well with the community and more easily generate awareness.
- There will be limited or no competition, which creates predictability and enables management to divert resources into better serving patients.

5.1.4 Threats

The following factors represent potential threats that lie outside the Center's organization and control.

- The dynamic tension between federal and state government regarding legalities of medical cannabis is not fully resolved. While raids are unlikely, particularly in view of the Center's transparency and legal operation under state and local law, issues with the legality of medical cannabis could re-surface as an issue. The Center will continue to remain compliant with state and local ordinances.
- Irresponsible users of cannabis.
- The economy could turn down, dampening the Center's performance.
- The Center could experience a crop failure.

5.2 Marketing and Sales

5.2.1 Branding and Positioning

Many medical cannabis dispensaries operate with the assumption that, since patients are pursuing cannabis as a medicine, they must also resonate with most or all of the other aspects of the drug counter-culture. This leads to many developing an image more closely associated with hip-hop or stereotypical "stoners" than with service-oriented professionals who regard themselves as part of a healing, healthy lifestyle.

The Center's approach is clearly the latter. Our focus is healing, health and a balanced lifestyle. We also believe the overwhelming portion of those seeking medical cannabis will be responsive to this wellness-based approach, so our brand will reflect this. Our staff will be professional in appearance, and see themselves as a positive, integral part of the community—rather than as an isolated subculture standing in opposition to the mainstream.

The Center's approach is designed to better meet the needs of patients who seek a modern, clean, safe and professionally managed facility. General differentiators that appeal to patients will include the following:

- **Focus on Healing-** The Center emphasizes health and healing—not the drug culture. We are a member-focused community whose mission is to help our members heal and achieve the highest possible quality of life.
- **Service Orientation-** The Center’s staff will be extremely well trained. We are truly committed to service quality and providing a high degree of information to patients in a consultative format.
- **Higher Quality Medicine-** The Center will focus on cultivating safe, high-quality medicine grown with organic processes. With an in-house laboratory available, all medicine will be tested for contaminants and to determine potency.
- **Reliance on Merchandising-** The Center will take a personalized approach to dispensing medicine so service is tailored to patients’ individual needs. This includes giving patients a variety of choices in neatly arranged display cases, packaging product in attractive containers and allowing patients to see product up close and smell it while making a purchase decision.
- **Use of Current Technology-** The Center will utilize point-of-sale software and bar-coding technology to help manage its transactions and track inventory. This technology provides more information and control to help us make better decisions about how to better serve patients.

5.2.2 Competition

Because of prevailing law in Delaware, there are no current competitors in the state for a two-year period. Should one or two additional compassion center licenses be granted, they could pose competition. Indirectly, the Center faces competition from illegal sales of cannabis, although this is very difficult to quantify because it is a prohibited activity.

5.2.3 Pricing Strategy

Pricing strategies employed at FSCC strive to strike an important balance between providing patients with affordable access to medicine, while maintaining a business model that allows the operation to be in full compliance with all regulatory requirements. Upholding compliance measures for security, record keeping, personnel, and hardware/software is costly, and serve as a primary factor in the ultimate price of medicine. FSCC is also sensitive to the potential for diversion of medicine to the illicit market if prices are well below those sought on the street. Pricing strategies are an effective tool to prevent diversion of medicine and will be a factor in the proposed ranges. As a not-for-profit organization, FSCC is fully committed to implementing a program of free and reduced priced medicine for those patients enrolled in Medicaid or those receiving Supplemental Security Income or Social Security Disability Insurance.

5.2.4 Marketing Objectives

In view of data and opportunities presented within this plan, the following summarizes general objectives for the dispensary in the next one to two years of operation:

- **Increase Public Education-** Prevailing attitudes about medical cannabis are continuing to relax. But prior issues with legality and social stigma have constrained the market. The Center can attract new patients by continuing to educate the local public about cannabis as a viable, safe alternative medicine.

- **Heighten Standards and Recruit Members**- The Center plans to increase membership and revenue growth as it improves operations and expands services.
- **Increase Brand Awareness**- One of the early challenges for a dispensary is generating awareness and earning high brand loyalty. Our design and service-based programs, based on best practices of leading successful dispensaries, will make us a destination for patients throughout Delaware.
- **Maintain Outreach Efforts**- By working with community groups and participating in community events, the Center better serves its community. It also builds awareness, relationships and cooperation that will lead to increased referrals and member growth. FSCC has also pledged to support local charitable organizations and become an upstanding participant in its host community.

5.2.5 Sales Strategy

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5.3 Operations

5.3.1 Operations Manual

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5.3.2 Cultivation

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5.3.3 Site Security

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5.3.4 Information Security

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5.4 Location / Facility

5.4.1 Site Selection

The proposed site is located at 37 Germay Drive, Wilmington, DE in a one-story building formerly used as a retail/warehouse facility. This location is ideal because of its proximity to freeways and easy access for patients throughout Delaware. The majority of the state's residents live in New Castle County, which surrounds the city of Wilmington.

The location at 37 Germay Drive provides easy access from public transportation lines as well as immediate access from Interstate-95 with over 75 spaces available for parking at the facility.

The location can be accessed by the state's public transportation system (DART): buses 5&9. Bus lines are available seven days a week.

5.4.2 Site Design

The Center will complete designs of its facilities to accommodate patient in-flow and egress, service, production and storage areas. The Center's design will feature:

- Approximately 45,000 square feet of total space.
- Approximately 3,000 square feet for dispensary and service areas.
- A cultivation facility in the rear of the facility with no pedestrian access. The size of the cultivation area (total 12,000 square feet) allows the Center to meet initial patient demand.
- Easy patient flow through the facility.
- Air filtration system to treat exhaust emissions for odor control.

5.4.3 Site Build Out

The Center will complete a construction program to build the infrastructure specified in its site design specifications. Cosmetic and functional modifications will be based on the recommendations of design consultants.

The build out includes electrical upgrades, design and remodel of the dispensary portion of the building, HVAC upgrades and plumbing install. The construction process is expected to be completed in December, 2014.

5.4.4 Site Financing

The Center will lease its location from Mia Development LLC, a limited liability corporation that will retain ownership of the building and land.

6.0 Management and Organization

6.1 Executive Team

The Center will be managed initially by President Mark S. Lally, who also serves on the board of directors, along with Senior Vice President Joel Allcock, another member of the FSCC board.

Mark S. Lally, President

Mark S. Lally is the President of First State Compassion Center, Inc. In this role, he is responsible for all day-to-day management oversight of the proposed compassion center facility along with serving as an officer of the corporation. He brings a wealth of experience to the position, most notably a distinguished career in law enforcement, along with a deep understanding of regulatory and compliance issues in Delaware. In his law enforcement career, Mr. Lally was involved in the prosecution and arrest of large-scale drug distribution rings. He is sensitive to the potential for abuse within Delaware's burgeoning medical marijuana program, and will work diligently to prevent diversion of medicine from the state's first compassion center. Mr. Lally is committed to running a compassion center offers patients a safe and accessible place to receive medicine while maintaining a secure and compliant facility that works collaboratively with all regulators.

Mr. Lally enjoyed a distinguished career with the Delaware State Police, where he worked in patrol, was a Field Training Officer for new Troopers, an Instructor at the Delaware State Police Academy for Trooper Recruits and municipal Police Officers, and in-service training and other police agencies throughout the State. He also served in undercover capacities as a narcotic and dangerous drugs detective conducting investigations that resulted in a large seizure of marijuana in coordination with the DEA and United States Customs in the U.S. and Jamaica. He also initiated an investigation that involved a drug ring from Florida operating in Delaware that resulted in several arrests and a large seizure of cocaine. He served on a DEA & FBI Task Force whose mission involved several other states.

Mr. Lally received DEA training in drug detection and investigative measures as well as the safe disassembling of illegal Methamphetamine laboratories. After this, he was assigned as an undercover detective in a newly formed "Street Crimes" Unit, responsible for surveillance, tracking and apprehending career criminals. He finished his career with the Delaware State Police as the Detail Leader of the Executive Security Unit responsible for the protection and transportation of the State of Delaware's Governor and family. Mark received Dignitary Protection and Threat Assessment training from the prestigious Pennsylvania State Police Dignitary Protection School and from the U.S. Secret Service in Washington D.C.

After serving over 24 years in law enforcement, Mr. Lally retired a decorated Trooper, most notably receiving a Delaware State Police Superintendent Citation for acts of heroism. He also received the highest award for the Delaware State Police, the Medal of Valor, for his behavior and actions in the apprehension of an armed federal fugitive who was threatening the public and police.

After retiring from the Delaware State Police, he was selected by U.S. Senator Thomas R. Carper to oversee his operations in Sussex County as the Sussex County Regional Director. In this role, Mr. Lally established and maintained relationships that instilled trust with political, business, non-profit agencies, and community leaders. He represented the Senator at public and private events, facilitated meetings with federal and state agencies, and provided constituent services to the residents of Delaware and Sussex County.

After serving over six years as the Sussex County Regional Director for Senator Carper, he founded M.S. Lally & Associates, a governmental affairs and consulting business in Lewes, Delaware. The firm provides governmental affairs and strategic development services to corporations, industry associations, non-profit organizations, League of Local

governments, real estate developers, and educational institutions throughout the Delmarva region. Through his diverse governmental and private sector network, he has successfully monitored legislation and was involved in providing valuable input to clients as well as Legislators in developing good public policy. Mr. Lally developed and executed complex governmental affairs strategies, led land negotiations, and connected his clients with prospective donors through his business development work. Today Mark continues to serve his community by volunteering on the Executive Board of the Sussex County Land Trust and Destination Station Center.

In preparation for his leadership of FSCC, Mr. Lally reached out to leading organizations throughout the country that operate state-licensed medical marijuana compassion centers. His outreach led to a relationship with the first state-licensed compassion center in Rhode Island, the Thomas C. Slater Compassion Center in Providence. The Slater Center operates under the same regulatory framework as Delaware's proposed compassion center program (no more than 150 total plants for cultivation). It provides medicine to over 3,000 licensed patients in RI. Given the synergy between the Rhode Island and Delaware programs, Mr. Lally formed a relationship with the leaders of the Slater Center who have mentored him and provided further insight on how a facility can meet the needs of patients while operating in strict compliance with all state laws.

Mr. Lally underwent a week-long training session at the Slater Center in March where he worked in all departments of the organization. His trainings included deep interaction with Slater's senior management, security personnel, and board. He trained in departments including cultivation, inventory, security, product development, patient registration/orientation, and retail sales. He was provided access to all operating manuals that detail the responsibilities for all functions of a compassion center. The insights received during his training at the Slater Center serve as a springboard for the development of FSCC. The relationship will also serve as an ongoing resource for Mr. Lally and his team moving forward.

Joel Allcock, Senior Vice President

Joel Allcock is the Senior Vice President of Dispensary & Cultivation at FSCC. In this role, he has oversight of the following departments: Inventory, Cultivation, Dispensary, Patient Services, and Product Development. The position reports directly to FSCC President Mark S. Lally. Along with being a member of the senior management team, Mr. Allcock also serves as a member of the board of directors for the corporation.

Mr. Allcock recently established residency in Delaware to develop FSCC as a model medical cannabis dispensary for the patients and residents of Delaware. He currently works as the Director of Cultivation at the Thomas C. Slater Compassion Center – Rhode Island's first state-licensed dispensary. Mr. Allcock was integral in the development of the Slater Center project, serving as a senior manager and key advisor in the growth of the project. Slater has grown to be the largest, most successful non-profit dispensary in the northeast, serving over 3,000 licensed patients. Mr. Allcock was part of the group that developed the concept for the RI facility, which spanned nearly four years of planning and regulatory/political hurdles. In that time, he worked diligently to develop the protocols and procedures for various departments of the compassion center, including implementation of organic hydroponic cultivation methods, a proprietary seed-to-sale inventory management system, protocols for production and packaging of medicine, and oversight of production line development.

Mr. Allcock is intimately familiar with all phases of dispensary operations. His experience and knowledge from his work at the Slater Center will ensure a smooth implementation at FSCC. He is particularly attuned to the regulatory and compliance aspects of dispensary management, specifically the inventory control and tracking of all medicine from the moment it is harvested to its final sale. Mr. Allcock has guided an integration of a point-of-sale system that tracks all patient data and maintains safeguards to ensure that statutory possession limits for medicine are upheld. He believes that the success of any new dispensary operation lies in stringent adherence to rules and regulations, and his practical experience in the RI regulatory environment brings great benefit to FSCC.

At his core, Mr. Allcock is a master cultivator of medical grade cannabis. In his current position, he oversees a team of cultivators that adhere to a strict cap of 150 plants. Utilizing organic hydroponic techniques, he has developed a system for achieving maximum yields from the plant cap all to benefit licensed patients of the Slater Center. Mr. Allcock has worked with patients and medical professionals to develop a diverse crop strategy, including strain varieties that have beneficial effects on a variety of medical conditions. His cultivation methods have won praise from patients that suffer from ailments like cancer, multiple sclerosis, Crohn's Disease, and chronic debilitating pain. He has also focused on strains of cannabis with high percentages of cannabidiol (or CBD), which provide patients with no euphoric effect but tremendous palliative benefits. Mr. Allcock's work with CBD cultivation has led to an exciting clinical trial at the Slater Center involving a pediatric neurologist providing his medicine to a cadre of young patients suffering from epileptic seizures.

Mr. Allcock initiated the laboratory testing and quality assurance protocols for the Slater Compassion Center. Under his direction, all medicine sold at the facility undergoes an extensive scientific examination for the presence of molds, toxins, or any contaminants that could pose harm to patients. His experience and understanding of the evolving field of laboratory testing of cannabis is essential to the proposed quality assurance plans at FSCC.

Along with inventory management, product development, and cultivation, Mr. Allcock's oversight roles at FSCC will also extend to the patient registration and orientation department. He has a longstanding concern for patients suffering from medical conditions that can be alleviated through cannabis. In 2006 he received his licensure and certification as a caregiver in the Rhode Island Medical Marijuana program. This work allowed him to gain first-hand experience in treating the needs of his patients. He carries this sensitivity and concern for patients in his current role at Slater and will further his commitment to patients in his oversight of the patient registration/orientation department of FSCC.

As a condition of his work at the Slater Center, Mr. Allcock was required to pass both a state and federal criminal background checks (with fingerprints).

Prior to his working on the Slater Center project in RI, Mr. Allcock owned and operated two companies: Air Quality Services, LLC, and Indoor Air Quality Management of New England. Both companies focused on environmental remediation, biological remediation, and healthy air solutions for residential and industrial clients. This experience in air quality and remediation is particularly important to creating the proper environments for growing the highest grade of medical cannabis. Mr. Allcock holds the following professional accreditations: Certified Mold Remediator (CRM), Certified Mold Remediation Supervisor (CRMS), and Indoor Environmentalist (CIE).

6.2 Board of Directors

The initial board of FSCC includes Mr. Lally and Mr. Allcock. FSCC envisions expansion of the board membership to include those with backgrounds in medicine, finance, law, and patient advocacy upon successful award of a license to operate.

6.3 Professional Advisory Team

One of the dispensary's key assets is the strength of the team it has recruited to provide expertise and advice to the Center as it makes important decisions about every aspect of operation.

Erik D. Stancofski, MD, MBA, FACS

FSCC has created an advisory board to advise President Mark Lally on issues pertaining to the medical benefits of cannabis for patients. The advisory board will not be compensated for its time or services, nor will any advisory board member be considered an employee, agent, or representative of the company. The purpose of the advisory board is to help the FSCC senior leadership gain an enhanced medical perspective to shape policies and procedures for the operation. Advisory board members agree to not recommend any patients to the Delaware Medical Marijuana Program. The initial member of the FSCC Advisory Board is Dr. Erik Stancofski, a surgeon based on Lewes, DE.

Dr. Stancofski is the President and owner of Cape Surgical Associates, a private surgery practice of three physicians. In his practice he focuses on general surgery, laparoscopic surgery (colon and gall bladder), and trauma care. Prior to his current role at Cape Surgical, Dr. Stancofski was the Medical Director of Southern Delaware Surgery Center where he oversaw quality of care in a three-operating room joint venture surgical center. From 2006 to 2010 he was Vice Chairman of Surgery at Beebe Medical Center in Lewes.

Dr. Stancofski is board-certified by the American Board of Surgery, is a Fellow of the American College of Surgeons, and a Fellow of the Society of Laparoendoscopic Surgeons. He graduated from the Medical School, American University of Beirut in Lebanon (with high distinction), completed a General Surgery Residency at St. Agnes Hospital in Baltimore, and earned a Master's of Business Administration from George Washington University (graduated Beta Gamma Sigma).

As a practicing surgeon with an extremely active practice, Dr. Stancofski has extensive interaction with patients that suffer from an array of health care conditions. This understanding of patient conditions, as well as their accompanying pain and ancillary symptoms, leaves him well suited to advise FSCC senior management on the needs of those who may seek cannabis for relief. FSCC is committed to creating a facility that upholds the highest standards of patient care while maintaining strict adherence to all regulations. Having an advisory board with a medical perspective is an important component of fulfilling this commitment.

Thomas C. Slater Compassion Center, Providence, RI

FSCC will also work closely with the non-profit Thomas C. Slater Compassion Center of Providence, RI on development of its project. Leadership of the Slater Center is impressed with Mr. Lally and the FSCC team and hopes to assist with implementation and training needs as the project unfolds.

6.4 Personnel Plan

6.4.1 General Philosophy

Because of its patient-focused mission, the Center will maintain a high staff-to-patient ratio in order to provide a consistent level of quality service. As patient numbers increase, the Center will adjust staffing to maintain this capability.

The Center has adopted a comprehensive staffing plan to guide recruitment, hiring, training and managing its employees. Highlights of the plan feature:

- Precise definition of responsibilities
- Clearly understood chains of authority
- Well paid, well qualified, well trained personnel
- High patient/staff ratio
- Professional recruiting practices
- Thorough training of new hires

6.4.2 Employee Handbook

A comprehensive handbook provides information to guide employees' behavior and relationship with the Center (available for review upon request). The manual, which is furnished to all employees upon being hired, addresses:

Section 1: The Way We Work

Section 2: Your Pay and Progress

Section 3: Time Away From Work and Other Benefits

Section 4: On the Job (covers various aspects of conduct policy and procedures)

Section 5: Safety in the Workplace

6.4.3 Organization

The following chart shows how the Center's current management structure is organized.

Chart: Organization

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6.4.4 Recruitment

The Center's recruiting efforts will be primarily directed at candidates with the following qualifications:

- Health-related educational/professional backgrounds
- Interest and aptitude for the healing arts
- Spotless criminal records
- Experience in restricted access retail venues

6.4.5 Training

Qualified candidates will be hired on a three-month probationary status. During this period, they will participate in a rigorous training process, and be evaluated for suitability in a restricted-access medical environment. Training will include the employee handbook, other reading materials, lectures by qualified professionals, hands-on training and quizzes. The program will consist of the following modules:

Legal- Legal training will cover all Delaware State and Federal laws relating to marijuana, and especially those related to medical cannabis. Legal obligations of licensed cannabis dispensaries will be emphasized. Other topics will include the rules and regulations of the dispensary, sexual harassment training, effective interaction with law enforcement personnel, and the rights and responsibilities of medical cannabis patients.

Medical- Medical training will include disabled rights and sensitivity, how to identify and interact with a patient having a medical emergency, the proper uses and benefits of medical cannabis, and an introduction to the other medical treatments offered by Thomas Slater Compassion Center.

Sales- As noted under Sales Strategy, staff will be trained in patient care—not retail sales. The focus will be on assisting patients in making appropriate decisions about how to choose the type of medicine which is right for them. Staff will be provided with ongoing training in product information as well as general service philosophy.

Safety- In addition to its focus on safety, security training will include 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.

7.0 Financial Plan

7.1 Important Assumptions

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Projected Expenses:

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Projected Revenue:

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Construction/Build-Out Costs:

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

Working Capital Requirements:

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

FSCC Plan for Medicaid/SSI, SSDI Patients:

FSCC's board of directors has made it a priority to provide medicine that is affordable for all patients regardless of their ability to pay. As such, a sliding scale is proposed for FSCC patients who meet certain income guidelines, along with a provision for free medicine for patients with a documented terminal diagnosis from their physician. The FSCC sliding scale is based on patients providing documentation of their income status in relation to the Federal Poverty Level. The documentation will be required during the patient orientation session of their first visit. The sliding scale is proposed as follows:

- Individuals that fall between 0 – 100% of the Federal Poverty Level: 20% discount
- Individuals that fall between 101 – 200% of the Federal Poverty Level: 15% discount
- Individuals that fall between 201 – 300% of the Federal Poverty Level: 10% discount

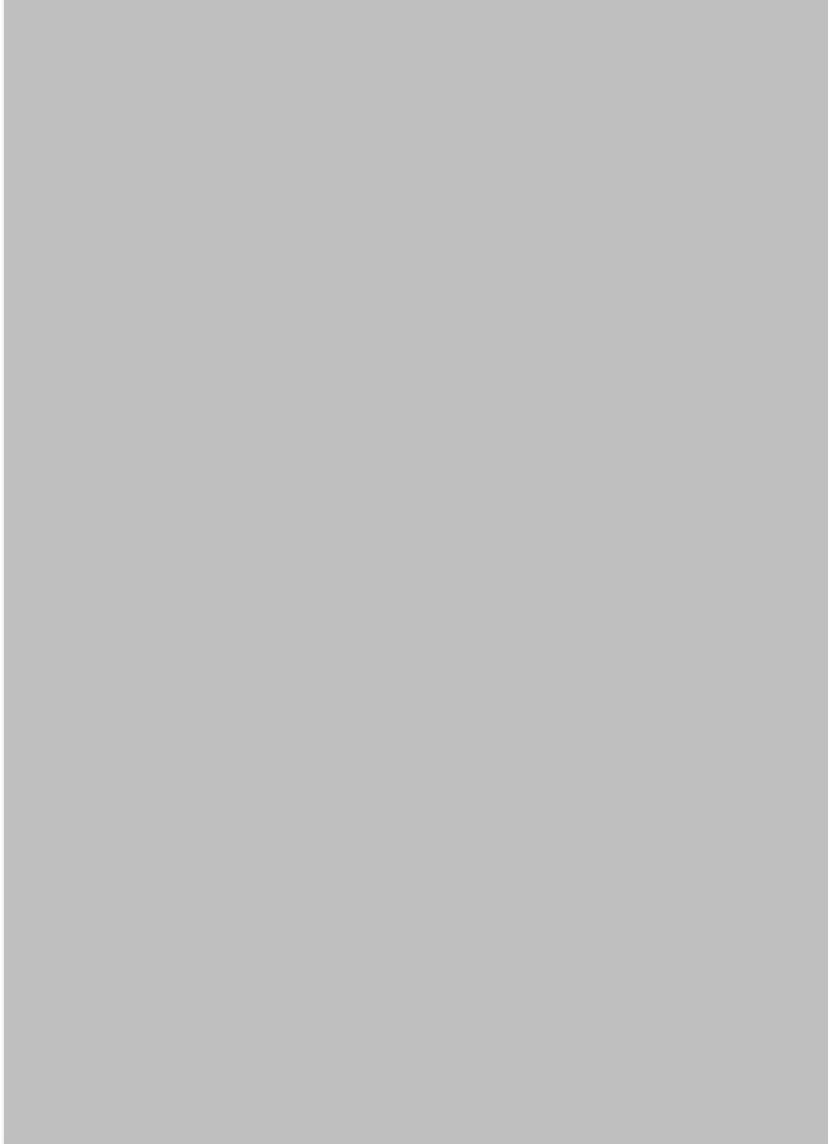
Because FSCC is bound to a restriction of 150 plants, the facility must administer its compassion program to balance patient need with operational viability. Therefore,

the board of directors has approved that 10% of all FSCC inventory will be dedicated to the compassion program.

For those patients who have received a terminal diagnosis for their condition, the FSCC management team will work to ensure their medical needs are met without cost.

7.2 Projected Budget Years 1-3

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