

COMMERCIAL CANNABIS BUSINESS PERMIT APPLICATION (Retail Applications)

City of Santee 10601 Magnolia Ave Santee, CA 92071 Email:

cannabisinfo@cityofsanteeca.gov

	APPLICANT (ENTITY)	INFORMATION						
Applicant (Entity) Name:	Hilife Group Santee, LLC	DBA:	BUZZ					
Physical Address:	8011 Mission Gorge Road	Santee	CA	92071				
riiysicai Address.	Street	City	State	Zip				
Primary Contact:	Ray Ibrahim	Title:	Manager and Me	mber				
Mailing Address:	2605 Camino Del Rio S, Ste 200	San Die	ego CA	92108				
-	Street	City	State	Zip				
Phone Number:	(619) 857-3001	_{Email:} rayibra	him7@gmail.com					
HAS ANY INDIVIDUAL IN THIS	S APPLICATION APPLIED FOR ANY OTHER CANN	IABIS PERMIT IN THE CI	TY OF SANTEE?	⊠ No				
Indicate whether you inte	end to operate a Microbusiness with Retai	il. □ Yes 🏿 No						
•	ribe how the business is organized. ☐ Corporation ☐ S-Corporation	☐ Limited Partners	hip 🕅 Limited Liabi	lity Company				
	PROPOSED LO	CATION						
Property Owner Name:	Mary Garmo, Trustee for the Dar	ry and Mary Famil	y Trust					
Proposed Location Address:	8011 Mission Gorge Road	Santee	CA	92071				
	Street	City	State	Zip				
Property Owner Phone Number:	(619) 442-4017 Em	nail: missiong	orgecenter@gmail.	com				
Zoning Clearance Letter : 🛚	Yes □ No							
Assessor's Parcel Number (A	PN): 383-261-25-00							
	APPLICATION SUBMIT	TAL CHECKLIST						
of the following will be dee	uitted online via the City of Santee's Permitt emed incomplete and will not move forward omplete and signed Commercial Cannabis Busine eria response is limited to 125 pages.	ing and Licensing Port I in the application pro	ocess:	·				
✓ A si	gned Financial Responsibility, Indemnity and Cor	nsent to Inspection Agre	ement form.					
✓ A si	gned Agreement to Limitations of City Liability a	nd Indemnification to Ci	ty form.					
✓ Veri	fication of Live Scan background submittal							
✓ A si	gned and notarized Property Owner Consent/La	ndlord Affidavit.						
✓ Pro	of of Insurance or Letter of Insurability from the	Insurance Company						
✓ Pro	of of Capitalization							
✓ Zoning Verification Letter.								
✓ App	✓ Application Fee. (Note that this fee should be submitted in person to the City).							

OWNER INFORMATION

For the purpose of this section, "owner" shall have the same meaning as the word "owner" set forth Santee Municipal Code Section 7.04.060, which includes any of the following:

- 1. A person with an aggregate ownership interest of 10 percent or more in the commercial cannabis business, unless the interest is solely a security, lien, or encumbrance;
- 2. An individual who manages, directs, or controls the operations of the commercial cannabis business, including but not limited to: A) member of the board of directors of a nonprofit; B) A general partner of a commercial cannabis business that is organized as a partnership; C) A nonmember manager or manager of a commercial cannabis business that is organized as a limited liability company; D) The trustee(s) and all persons who have control of the trust and / or the commercial cannabis business that is held in trust; E) An individual with the authority to provide strategic direction and oversight for the overall operations of the commercial cannabis business, such as the chief executive officer, president or their equivalent, or an officer, director, vice president, general manager or their equivalent; F) An individual with the authority to execute contracts on behalf of the commercial cannabis business.

Ownership percentages should total 100%. If any individual(s) own(s) less than 10%, list the number of individuals who own less than 10% and the total percentage to reach 100%. For example, If John Doe owns 5%, Joe Smith owns 8%, and Mary Jones owns 9% state at the bottom of this form that three individuals own 22% so that the total will equal 100% once you individually include all those who own 10% or more.

I declare under t	the penalty of perjury that the	information provided on this disclosure form is		d accurate t	to the best of m	y knowledge.
Ownership %	15%	Background informatio included as require		X Yes □	No	
Owner Name:	Ray Ibrahim	T	Γitle:	Manag	er and Men	nber
Address:						
Signature:	Ray Ibrahim	Street C	City	Date:	State 10/18/2024	Zip 1
I declare under t	the penalty of perjury that the	information provided on this disclosure form is		d accurate t	to the best of m	y knowledge.
Ownership %	15%	Background Informatio included as require		🛚 Yes 🗆	No	
Owner Name:	Steven Abbo	т	Γitle:	Manag	er and Mer	nber
Address:						
		Street C	City		State	Zip
Signature:				Date:	10/18/2	024
I declare under t	the penalty of perjury that the	information provided on this disclosure form is		d accurate t	to the best of m	y knowledge.
I declare under t	the penalty of perjury that the	information provided on this disclosure form is Background Informatio included as require	n is	d accurate t		y knowledge.
		Background Informatio included as require	n is	X Yes □		
Ownership %	15%	Background Informatio included as require	on is red?	X Yes □	No	
Ownership % Owner Name: Address:	15%	Background Informatio included as require	on is red?	X Yes □	No er and Mer State	nber Zip
Ownership % Owner Name: Address:	15% Derek Garmo	Background Informatio included as require	on is red? Fitle:	X Yes □	No er and Mer	nber Zip
Ownership % Owner Name: Address: Signature:	15% Derek Garmo DEREKGARMO	Background Informatio included as require	on is red? Fitle:	Manag Date:	or and Mer State 10/18/2024	nber Zip
Ownership % Owner Name: Address: Signature:	15% Derek Garmo DEREKGARMO	Background Information included as required as sequired as sequire	on is red? Fitle: City true and on is	Manag Date:	State 10/18/2024 to the best of m	nber Zip
Ownership % Owner Name: Address: Signature:	15% Derek Garmo DEREKGARMO the penalty of perjury that the	Street Street Street Background Information included as required to the street of t	on is red? Fitle: City true and on is	Manag Date:	state 10/18/2024 to the best of m	nber Zip
Ownership % Owner Name: Address: Signature: I declare under t	Derek Garmo DEREKGARMO the penalty of perjury that the	Street Street Street Background Information included as required to the street of t	on is red? City true and is red?	Manag Date: d accurate t	state 10/18/2024 to the best of m	nber Zip
Ownership % Owner Name: Address: Signature: I declare under t Ownership % Owner Name:	Derek Garmo DEREKGARMO the penalty of perjury that the	Street Street Street Street Comparison on this disclosure form is a background information included as required included incl	on is red? City true and is red?	Manag Date: d accurate t	state 10/18/2024 to the best of m	nber Zip

Add more pages as necessary to accommodate all Commercial Cannabis Business Owners

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- 1. A person with an aggregate ownership interest of 10 percent or more in the commercial cannabis business, unless the interest is solely a security, lien, or encumbrance;
- 2. An individual who manages, directs, or controls the operations of the commercial cannabis business, including but not limited to: A) member of the board of directors of a nonprofit; B) A general partner of a commercial cannabis business that is organized as a partnership; C) A nonmember manager or manager of a commercial cannabis business that is organized as a limited liability company; D) The trustee(s) and all persons who have control of the trust and / or the commercial cannabis business that is held in trust; E) An individual with the authority to provide strategic direction and oversight for the overall operations of the commercial cannabis business, such as the chief executive officer, president or their equivalent, or an officer, director, vice president, general manager or their equivalent; F) An individual with the authority to execute contracts on behalf of the commercial cannabis business.

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I declare under t	ne penalty of perjury that the info	rmation provided on this disclosure form is true a	nu accurate ti	o the best of my	knowledge.
Ownership %	15%	Background information is included as required?	X Yes □	No	
Owner Name:	Rita Hirmez	Title:	Membe	r	
Address:					
	Rita Hirmes	Street City		State	Zip
Signature:	rya, o amo-		Date:	10/18/20)24
I declare under t	he penalty of perjury that the info	rmation provided on this disclosure form is true a	nd accurate to	o the best of my	knowledge.
Ownership %	15%	Background Information is included as required?	X Yes □	No	
Owner Name:	Besma Ibrahim	Title:	Membe	er	
Address:					
		Street City		State	Zip
Signature:	Beşma İbrahim		Date:	10/18/2024	
I declare under t	he penalty of perjury that the info	rmation provided on this disclosure form is true a	nd accurate to	o the best of my	knowledge.
I declare under t	he penalty of perjury that the info	rmation provided on this disclosure form is true a Background Information is included as required?	nd accurate to	•	knowledge.
		Background Information is		No	knowledge.
Ownership %	10%	Background Information is included as required?	X Yes □	No	knowledge.
Ownership % Owner Name:	10% Diah P. Asker, Jr.	Background Information is included as required?	X Yes □	No er State	knowledge.
Ownership % Owner Name:	10% Diah P. Asker, Jr.	Background Information is included as required? Title:	X Yes □	No er	
Ownership % Owner Name: Address: Signature:	Diah P. Asker, Jr. Dah p asker jr.	Background Information is included as required? Title:	Member Date:	No er State 10/18/2024	Zip
Ownership % Owner Name: Address: Signature:	Diah P. Asker, Jr. Dah p asker jr.	Background Information is included as required? Title: Street City	Member Date:	No er State 10/18/2024	Zip
Ownership % Owner Name: Address: Signature:	Diah P. Asker, Jr. Dah p asker jr.	Background Information is included as required? Title: Street City rmation provided on this disclosure form is true a	Member Date:	State 10/18/2024 o the best of my	Zip
Ownership % Owner Name: Address: Signature:	Diah P. Asker, Jr. Dah p asker jr.	Background Information is included as required? Title: Greet City Transfer Cit	Member Date:	State 10/18/2024 o the best of my	Zip
Ownership % Owner Name: Address: Signature: I declare under t Ownership %	Diah P. Asker, Jr. Dah p asker jr.	Background Information is included as required? Title: Great City Transfer City Transfer Background information is included as required?	Member Date:	State 10/18/2024 o the best of my	Zip
Ownership % Owner Name: Address: Signature: I declare under t Ownership % Owner Name:	Diah P. Asker, Jr. Dan p asker jr. The penalty of perjury that the info	Background Information is included as required? Title: Great City Transfer City Transfer Background information is included as required?	Member Date:	State 10/18/2024 o the best of my	Zip

Add more pages as necessary to accommodate all Commercial Cannabis Business Owners

List all fictitious business names the applicant is operating under including the address where each business is located: Hilife Group Santee, LLC is not currently operating, but intends on operating a cannabis retail store at 8011 Mission Gorge Road, Santee, CA with the fictitious business name of BUZZ. Has the Applicant or any of its owners been the subject of any administrative action, including but not limited to suspension, denial, or revocation of a cannabis business license at any time in the previous five (5) years? If so, please list and explain: No. Is the Applicant or any of its owners currently involved in an application process in any other jurisdiction(s)? If so, which jurisdiction(s)? Yes. Please see attached list of current state licenses and their locations.

APPLICATION CERTIFICATION

I hereby certify, under penalty of perjury, on behalf of myself and all owners, corporate officers, partners, and managers identified in this application that the statements and information furnished in this application and the attached exhibits present the data and information required for this initial evaluation to the best of my ability, and that the facts, statements, and information presented are true and correct to the best of my knowledge and belief. I understand that a misrepresentation of fact is cause for rejection of this application, denial of the permit, or revocation of a permit issued.

In addition, I understand that the filing of this application grants the City of Santee permission to reproduce submitted materials for distribution to staff, Commissions, Boards and City Council Members, and other Agencies to process the application. Nothing in this consent, however, shall entitle any person to make use of the intellectual property in plans, exhibits, and photographs for any purpose unrelated to the City's consideration of this application.

Furthermore, by submitting this application, I understand and agree that any business resulting from an approval shall be maintained and operated in accordance with requirements of the City of Santee Municipal Code and State law.

Under penalty of perjury, I hereby declare that the information contained in within and submitted with the application is true, complete, and accurate. I understand that a misrepresentation of the facts is cause for rejection of this application, denial of a license or revocation of an issued license. I further authorize the City, its agents, and employees to seek verification of the information contained in the application.

Ray Ibrahim	Ray Ibrahilm	
Name	Signature	
Manager and Member	10/18/2024	
Title	Date	

For information required as part of the application process, see the Application Procedures and Review Criteria, City of Santee Municipal Code 7.04. documents found online Chapter can be at https://www.cityofsanteeca.gov/business/cannabis-business. For questions, please email: cannabisinfo@cityofsanteeca.gov.

California State Licenses Owned/Operated or In-Process by Hilife Group Santee, LLC Owners

Name	Entity	Туре	State License #	Location	Date Opened	Ownership Percentage
Ray Ibrahim	Hilfe Group MV, LLC	Retail	C10-0001094-LIC	San Diego, CA	June 2022	17.5%
	Hilfe Group LM, LLC	Retail	C10-0001170-LIC	La Mesa, CA	August 2022	25.0%
	Wildomar Dalamar, LLC	Dotoil	C10 0001371 LIC	Wildomar CA	Opening November	20.00/
	Wildomar Palomar, LLC	Retail	C10-0001371-LIC	Wildomar, CA Lemon Grove,	2024	20.0%
	Hilife Group LG, LLC	Retail	in-process	CA	Opening January 2025	20.0%
	Hilife Group NC, LLC	Retail	in-process	National City, CA	Opening January 2025	25.0%
Besma Ibrahim	Hilfe Group MV, LLC	Retail	C10-0001094-LIC	San Diego, CA	June 2022	17.5%
	Hilfe Group LM, LLC	Retail	C10-0001170-LIC	La Mesa, CA	August 2022	25.0%
	Wildomar Palomar, LLC	Retail	C10-0001371-LIC	Wildomar, CA	Opening November 2024	20.0%
	Hilife Group LG, LLC	Retail	in-process	Lemon Grove, CA	Opening January 2025	20.0%
	NC Investment Group, LLC	Retail	in-process	National City, CA	Opening January 2025	25.0%
Rita Hirmez	Hilfe Group MV, LLC	Retail	C10-0001094-LIC	San Diego, CA	June 2022	50.0%
	Hilfe Group LM, LLC	Retail	C10-0001170-LIC	La Mesa, CA	August 2022	25.0%
	Wildomar Palomar, LLC	Retail	C10-0001371-LIC	Wildomar, CA	Opening November 2024	20.0%
	Federal and College Group, Inc.	Retail	C10-0000860-LIC	Lemon Grove, CA	August 2021	30.0%
	Hilife Group LG, LLC	Retail	in-process	Lemon Grove, CA	Opening January 2025	25.0%
	NC Investment Group, LLC	Retail	in-process	National City, CA	Opening January 2025	25.0%
Steven Abbo	Hilfe Group MV, LLC	Retail	C10-0001094-LIC	San Diego, CA	June 2022	12.5%
	Hilfe Group LM, LLC	Retail	C10-0001170-LIC	La Mesa, CA	August 2022	25.0%
	Wildomar Palomar, LLC	Retail	C10-0001371-LIC	Wildomar, CA	Opening November 2024	15.0%
	Hilife Group LG, LLC	Retail	in-process	Lemon Grove, CA	Opening January 2025	10.0%
	NC Investment Group, LLC	Retail	in-process	National City, CA	Opening January 2025	25.0%
Brandon Garmo	none					
Derek Garmo	none					
Diah Asker, Jr.	none					



October 24, 2024

Dear Ms. Best and City of Santee Commercial Cannabis Business Permit Application Review Committee:

Hilife Group Santee, LLC dba BUZZ is please to submit this retail application for a Commercial Cannabis Business Permit in the City of Santee. Our proposed location, 8011 Mission Gorge Road, which is an ideal location for a cannabis retail store, because the location is in a heavily travelled commuter thoroughfare and there are no sensitive uses nearby. BUZZ will serve adult-use customers who are 21 and over, as well as medical-use customers who are at least 18 years old with valid identification and physician recommendation.

BUZZ is owned by a team of local owners who are highly experienced in managing and operating cannabis retail stores throughout San Diego County. This group of owners also live in East County San Diego, as well as own numerous other highly regulated businesses in Santee and other cities in San Diego County.

I look forward to demonstrating how BUZZ' proven business model is a great opportunity for the City of Santee to choose a professional and experienced management team to bring A Commercial Cannabis Business to the community.

Sincerely on behalf of all the owners of BUZZ,

Ray Ibrahim

Ray Ibrahim
Owner/Operator of BUZZ

Section A: Business Plan

A.1. Finances

BUZZ has a well-capitalized group of owners who are deeply experienced in opening and operating cannabis retail stores in California. The owners of BUZZ know that a solid financial plan with available funds to start up a new location is a foundation of success, and they are prepared for unexpected costs that may arise. Most importantly, this experienced team of business owners demonstrates our well-thought-out pro forma projections based on similar cannabis retail stores they have opened in San Diego County.

Startup costs are estimated to be \$828,333. The largest startup costs are the leasehold/tenant improvements and construction costs. The property and suite will be remodeled adding to a revitalization of the commercial coordidor on Mission Gorge Road. Pre-paid rent is accounted for as BUZZ progresses through the application and permitting process. The other two largest startup expenses are employee salaries at \$108,333 and the purchase of cannabis product inventory to stock the retail store prior to opening at \$150,000. Our reserved cash for overrun expenses is \$25,000 with additional cash available as needed.

Santee Retail	
Costs	Pre-op
Working Capital (initial inventory)	150,000
Leashold Improvements/Construction	375,000
Architect	30,000
Salaries & Security	108,333
Equipment Costs	55,000
Utility Costs	5,000
Rent	30,000
Marketing	5,000
Professional Fees	10,000
Insurance	15,000
Licensing	20,000
Miscellaneous	25,000
Total	828,333

A.1.A. Proof of Capitalization

Startup costs and three-months of operating costs will be funded in the form of cash-on-hand. Proof of Capitalization has been provided by a bank statement from California Bank and Trust showing a cash balance in excess of \$2,000,000. The signatories on the account are Steven George Abbo and Andy Hirmez. Mr. Abbo is a 15% owner of the applicant entity, Hilife Group Santee, LLC, and is holding \$1,800,000 in the bank account for the startup funds needed to establish Hilife Group Santee, LLC as a Commercial Cannabis Business Permittee in the City of Santee. Mr. Hirmez agrees that \$1,800,000 is being held in this joint account for use by Hilife Group Santee, LLC. See Application Submittal Section 7. Proof of Capitalization.

A.1.B. Three Year Pro Forma

BUZZ' financial plan and 3-year pro forma are based on the startup expenses and financial performance of similarly branded cannabis retail stores in San Diego County, including Mission Valley and La Mesa. The startup data provided comes from actual results tracked over three separate cannabis retail launches. The projections for the first year are also based on years of operational data.

Pro Forma Year One

Santee Retail

Projected Income Statement - Year One

	Month1	Month2	Month3	Month4	Month5	Month6	Month7	Month8	Month9	Month10	Month11	Month12	Totals
Income													
Flower Avg \$62/sale	18,600	18,600	18,600	37,200	148,800	186,000	186,000	232,500	279,000	465,000	465,000	558,000	2,613,300
Mixed Products Avg \$89/sale	13,350	13,350	13,350	26,700	93,450	93,450	106,800	106,800	133,500	200,250	267,000	267,000	1,335,000
Branded Merchandise	13,330	-	10,000	10,000	10,000	20,000	20,000	20,000	20,000	24,000	24,000	24,000	182,000
Branded Werchandise	-	-	10,000	10,000	10,000	20,000	20,000	20,000	20,000	24,000	24,000	24,000	-
Total Income	31,950	31,950	41,950	73,900	252,250	299,450	312,800	359,300	432,500	689,250	756,000	849,000	4,130,300
Cost of Sales													
Flower Avg \$62/sale	7,500	7,500	7,500	14,999	59,996	74,995	74,995	93,744	112,493	187,488	187,488	224,986	1,053,683
Mixed Products Avg \$89/sale	5,700	5,700	5,700	11,401	39,903	39,903	45,604	45,604	57,005	85,507	114,009	114,009	570,045
Branded Merchandise	-	-	4,500	4,500	4,500	9,000	9,000	9,000	9,000	10,800	10,800	10,800	81,900
Total Cost of Sales	13,200	13,200	17,700	30,900	104,399	123,898	129,599	148,348	178,497	283,795	312,297	349,795	1,705,628
Gross Margin	18,750	18,750	24,250	43,000	147,851	175,552	183,201	210,952	254,003	405,455	443,703	499,205	2,424,672
	10,100	10,100	2 1,200	10,000	111,001	170,002	100,201	210,002	201,000	100,100	110,700	100,200	2, 12 1,072
Salaries and Wages	00.040	00.040	00.040	00.040	00.040	00.040	00.040	00.040	00.040	00.040	00.040	00.040	754 770
Total Salary and Wages	62,648	62,648	62,648	62,648	62,648	62,648	62,648	62,648	62,648	62,648	62,648	62,648	751,776
Fixed Business Expenses													
Computer/Internet/Telephone	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Dues and Subscriptions	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Insurance	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	96,000
Rent	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	216,000
Office Expenses	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Utilities	800	800	800	800	800	800	800	800	800	800	800	800	9,600
Legal and Professional Fees	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
Marketing (Including Weedmaps)	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
City Contribution	17,210	17,210	17,210	17,210	17,210	17,210	17,210	17,210	17,210	17,210	17,210	17,210	206,515
Sales Tax	3,045	3,045	3,998	7,043	24,039	28,538	29,810	34,241	41,217	65,686	72,047	80,910	393,618
Security	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
Annual License Fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Fixed Business Expenses	77,054	77,054	78,007	81,052	98,049	102,547	103,819	108,251	115,227	139,695	146,056	154,919	1,281,733
Other Expenses													
Depreciation	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2.969	2,969	35,626
Amortization	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	73,667
Interest		-,	-,		-,	.,		.,	.,	-,	-,	.,	
Commercial Loan	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-
Line of Credit	-	-	-	-	-			-	-	-	-	-	-
Credit Card Debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle Loans	-	-	-	-	-	•	-	-	-	-	-		-
Other Bank Debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes	(39,018)	(39,018)	(37,654)	(32,942)	(6,586)	375	2,288	9,284	20,106	58,201	67,767	81,759	84,561
Total Other Expenses	(29,910)	(29,910)	(28,546)	(23,835)	2,522	9,482	11,396	18,391	29,214	67,309	76,875	90,867	193,854
Net Income	(91,042)	(91,042)	(87,859)	(76,866)	(15,368)	874	5,338	21,662	46,914	135,803	158,124	190,771	197,309
	(130,060) (39.018)	(130,060) (39,018)	(125,513) (37,654)	(109,808) (32,942)	(21,954) (6,586)	1,249 375	7,626 2,288	30,946 9,284	67,020 20,106	194,004 58.201	225,891 67,767	272,530 81,759	281,871 84,561
	(39,018)	(39,016)	(57,004)	(32,942)	(0,360)	3/3	2,200	9,204	20,106	30,201	01,107	01,739	04,361

Pro Forma Year Two

Santee Retail

Projected Income Statement - Year Two

_	Month1	Month2	Month3	Month4	Month5	Month6	Month7	Month8	Month9	Month10	Month11	Month12	Totals
Income													
Flower Avg \$62/sale	588.000	675,000	675.000	700.000	781,200	781,200	781.200	837.000	837.000	837.000	837.000	837.000	9.166.600
Mixed Products Avg \$89/sale	267,000	325,000	325,000	400,000	587,400	587,400	587,400	587,400	587,400	587,400	587,400	587,400	6,016,200
Branded Merchandise	201,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	440,000
Dianasa moronanaisa		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	-
Total Income	855,000	1,040,000	1,040,000	1,140,000	1,408,600	1,408,600	1,408,600	1,464,400	1,464,400	1,464,400	1,464,400	1,464,400	15,622,800
Cost of Sales													
Flower Avg \$62/sale	237,082	272,160	272,160	282,240	314,980	314,980	314,980	337,478	337,478	337,478	337,478	337,478	3,695,973
Mixed Products Avg \$89/sale	114,009	138,775	138,775	170,800	250,820	250,820	250,820	250,820	250,820	250,820	250,820	250,820	2,568,917
Branded Merchandise	-	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	198,000
Total Cost of Sales	351,091	428,935	428,935	471,040	583,800	583,800	583,800	606,298	606,298	606,298	606,298	606,298	6,462,891
Gross Margin	503,909	611,065	611,065	668,960	824,800	824,800	824,800	858,102	858,102	858,102	858,102	858,102	9,159,909
	000,000	011,000	011,000	000,000	024,000	024,000	024,000	000,102	000,102	000,102	000,102	000,102	3,103,303
Salaries and Wages													
Total Salary and Wages	62,648	62,648	62,648	62,648	62,648	62,648	62,648	62,648	62,648	62,648	62,648	62,648	751,776
Fixed Business Expenses													
Computer/Internet/Telephone	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Dues and Subscriptions	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Insurance	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	96,000
Rent	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	216,000
Office Expenses	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Utilities	800	800	800	800	800	800	800	800	800	800	800	800	9,600
Legal and Professional Fees	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
Marketing (Including Weedmaps)	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
City Contribution	65,095	65,095	65,095	65,095	65,095	65,095	65,095	65,095	65,095	65,095	65,095	65,095	781,140
Sales Tax	81,482	99,112	99,112	108,642	134,240	134,240	134,240	139,557	139,557		139,557	139,557	1,488,853
Security Annual License Fees	7,500 60,000	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000 60,000
Total Fixed Business Expenses	263,377	221,007	221,007	230,537	256,135	256,135	256,135	261,452	261,452	261,452	261,452	261,452	3,011,593
Other Furnamen													
Other Expenses Depreciation	2.969	2,969	2.969	2.969	2,969	2,969	2,969	2,969	2,969	2,969	2.969	2,969	35,626
Amortization	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	73,667
Interest	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	0,100	70,007
Taxes	50,633	95,491	95,491	110,000	149,073	149,073	149,073	157,468	157,468	157,468	157,468	157,468	1,586,174
Total Other Expenses	59,741	104,598	104,598	119,108	158,181	158,181	158,181	166,576	166,576	166,576	166,576	166,576	1,695,467
Net Income	118,144	222,812	222,812	256,667	347,837	347,837	347,837	367,426	367,426	367,426	367,426	367,426	3,701,073
_		222,012	222,012	_00,007	311,007	311,007	311,001	301,120	551,120	501,120	001,120	301,120	5,.5.,576
Ī	168,777	318,302	318,302	366,667	496,910	496,910	496,910	524,894	524,894	524,894	524,894	524,894	5,287,247
	50,633	95,491	95,491	110,000	149,073	149,073	149,073	157,468	157,468	157,468	157,468	157,468	1,586,174

Pro Forma Year Three

Santee Retail

Projected Income Statement - Year Three

	Month1	Month2	Month3	Month4	Month5	Month6	Month7	Month8	Month9	Month10	Month11	Month12	Totals
Income													
Flower Avg \$62/sale	837.000	900.000	900,000	1.000.000	1,000,000	1,000,000	1,250,000	1,250,000	1.250.000	1,250,000	1,250,000	1,250,000	13.137.000
Mixed Products Avg \$89/sale	587,400	600,000	600,000	700,000	700,000	700,000	825,000	825,000	825,000	825,000	825,000	825,000	8,837,400
Branded Merchandise	-	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	660,000
Dianasa merenanase		00,000	00,000	00,000	00,000	00,000	00,000	00,000	00,000	00,000	00,000	00,000	-
Total Income	1,424,400	1,560,000	1,560,000	1,760,000	1,760,000	1,760,000	2,135,000	2,135,000	2,135,000	2,135,000	2,135,000	2,135,000	22,634,400
Cost of Sales													
Flower Avg \$62/sale	337,478	362,880	362,880	403,200	403,200	403,200	504,000	504,000	504,000	504,000	504,000	504,000	5,296,838
Mixed Products Avg \$89/sale	250,820	256,200	256,200	298,900	298,900	298,900	352,275	352,275	352,275	352,275	352,275	352,275	3,773,570
Branded Merchandise	-	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	297,000
													_
Total Cost of Sales	588,298	646,080	646,080	729,100	729,100	729,100	883,275	883,275	883,275	883,275	883,275	883,275	9,367,408
Gross Margin	836,102	913,920	913,920	1,030,900	1,030,900	1,030,900	1,251,725	1,251,725	1,251,725	1,251,725	1,251,725	1,251,725	13,266,992
Total Salary and Wages	62,648	62,648	62,648	62,648	62,648	62,648	62,648	62,648	62,648	62,648	62,648	62,648	751,776
Fixed Business Expenses													
Computer/Internet/Telephone	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Dues and Subscriptions	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Insurance	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	96,000
Rent	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	216,000
Office Expenses	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Utilities	800	800	800	800	800	800	800	800	800	800	800	800	9,600
Legal and Professional Fees	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
Marketing (Including Weedmaps)	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
City Contribution	94,310	94,310	94,310	94,310	94,310	94,310	94,310	94,310	94,310	94,310	94,310	94,310	1,131,720
Sales Tax	135,745	148,668	148,668	167,728	167,728	167,728	203,466	203,466	203,466	203,466	203,466	203,466	2,157,058
Security	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
Annual License Fees	60,000												60,000
Total Fixed Business Expenses	346,855	299,778	299,778	318,838	318,838	318,838	354,576	354,576	354,576	354,576	354,576	354,576	4,030,378
Other Expenses													
Depreciation	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	35,626
Amortization	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	6,139	73,667
Interest													
Taxes	125,247	162,716	162,716	192,092	192,092	192,092	247,618	247,618	247,618	247,618	247,618	247,618	2,512,663
Total Other Expenses	134,355	171,824	171,824	201,200	201,200	201,200	256,726	256,726	256,726	256,726	256,726	256,726	2,621,956
Net Income	292,243	379,670	379,670	448,214	448,214	448,214	577,776	577,776	577,776	577,776	577,776	577,776	5,862,881
	417,491 125,247	542,386 162,716	542,386 162,716	640,306 192,092	640,306 192,092	640,306 192,092	825,394 247,618	825,394 247,618	825,394 247,618	825,394 247,618	825,394 247,618	825,394 247,618	8,375,544 2,512,663

Income Statement

As you can see from our pro forma and projections, BUZZ expects sales revenue to exceed expenses in year one of operations. These projections are based on the startup and growth patterns from our Mission Valley and La Mesa cannabis stores.

Santee Retail

Pro Forma Statement of Operations / Projections Years 1-3

		Year One		Year Two	Year Three
Income					
Flower Avg \$62/sale	\$	2,613,300	\$	9,166,600	\$ 13,137,000
Mixed Products Avg \$89/sale	·	1,335,000	·	6,016,200	8,837,400
Branded Merchandise		182,000		440,000	660,000
Total Income		4,130,300		15,622,800	22,634,400
Cost of Sales					
Flower Avg \$62/sale		1,053,683		3,695,973	5,296,838
Mixed Products Avg \$89/sale		570,045		2,568,917	3,773,570
Branded Merchandise		81,900		198,000	297,000
Total Cost of Sales		1,705,628		6,462,891	9,367,408
Gross Margin		2,424,672		9,159,909	13,266,992
Salaries and Wages					
Total Salary and Wages		751,776		751,776	751,776
Fixed Business Expenses					
Computer/Internet/Telephone		24,000		24,000	24,000
Dues and Subscriptions		36,000		36,000	36,000
Insurance		96,000		96,000	96,000
Rent		216,000		216,000	216,000
Office Expenses		30,000		30,000	30,000
Utilities		9,600		9,600	9,600
Legal and Professional Fees		60,000		60,000	60,000
Marketing (Including Weedmaps)		120,000		120,000	120,000
City Contribution		206,515		781,140	1,131,720
Sales Tax		393,618		1,488,853	2,157,058
Security		90,000		90,000	90,000
Total Fixed Business Expenses		1,281,733		3,011,593	4,030,378
Operating Income (before Other Expen [EBITDA]	•	391,164		5,396,540	8,484,837
Other Expenses Amortization		73,667		73,667	73,667
Interest					
Taxes		84,561		1,586,174	2,512,663
Total Other Expenses		100 05 1		4 005 407	2 624 056
		193,854		1,695,467	2,621,956

A.1.C. Schedule for Beginning Operations

BUZZ' ownership team is deeply experienced in property development and construction of successful cannabis retail stores and other high-volume retail stores including liquor stores, grocery markets, and gas stations. One of BUZZ' owners is also the owner of a large construction company serving four counties in Southern California and with access to the best resources to ensure a high-quality and ontime remodeling of the site and premises to open as quickly as possible. BUZZ' ownership and management team have developed model for the design, permitting, construction, security installations, and launching new cannabis retail stores to become operational as quickly as possible. The timeline below is an example of how we would plan the launch of a new cannabis retail store in Santee.

- **10/24/24 Commercial Cannabis Business Permit Application Submittal.** BUZZ submits its application materials via Santee's application portal and hand-delivers the application fee.
- 1/01/25 Phase 1 through Phase IV Application review, scoring, and interviews. The City of Santee and the City Manager evaluate and score each application using its merit-based points system and interview processes. BUZZ has submitted a top-scoring application and advances at each Phase receives notice that its application is eligible to advance from Phase I to Phase II.
- **2/01/25** Notification of Commercial Cannabis Business Permits awarded. BUZZ is notified that is has been awarded one of the four Commercial Cannabis Business permits in the City of Santee.
- 3/01/25 BUZZ and the City Council enter into a Community Development Agreement. Within 30-days of being notified of the City Council's intent to issue a Commercial Cannabis Business permit to BUZZ, we will work with the City Council to obtain approval of a Community Development Agreement that meets Santee Municipal Code requirements.
- 3/01/25 Submit application for a state retail Type 10 license to the Department of Cannabis Control (DCC). The DCC's current processing time to obtain a state license is approximately three months.
- 3/15/25 BUZZ submits land use applications and building plans. BUZZ' experienced ownership team submits site and floor plans to begin the building permit process with the Planning and Building Department.
- **4/01/25 Building permits obtained and tenant improvements begin.** Interior construction and remodeling includes wall reconfiguration and drywall, upgraded electric, upgraded HVAC and odor filtration, upgraded plumbing, finish work, and painting with an estimated completion time of six to eight weeks.
- **4/15/25 Employee recruitment.** Job postings, resume review, and phone interviews begin. Employees will be hired for a target start date of 6/1/25.

- **Exterior improvements begin.** Exterior work includes painting the entire exterior of the building, upgraded security lighting on the building, asphalt resurfacing and parking stall restriping, and new tree installation and landscape improvements. Estimated completion is four weeks.
- Security systems installation and interior fixtures installation.
- **Certificate of Occupancy, Santee CCB, and State License Issued.** BUZZ' goal is to have all City of Santee building and CCB permits signed off so that we can begin bringing cannabis inventory onto the premises. Cannabis is prohibited from being on the premises until the local permits are issued and the state license is issued.
- 6/01/25 Inventory delivery, employee training and product merchandizing. As part of our training process new employees will help set-up the cannabis product displays and systems they will be using when the store opens. It is important that employees are trained on proper inventory management, security, limited-access areas, while cannabis is being brought into the facility and while they are learning their job responsibilities.
- **Neighborhood and Community Tour.** BUZZ will invite City Staff, neighbors, and community members to an informal meeting at the cannabis retail store to introduce ourselves to the community and address questions and concerns. We will ensure that neighbors have the contact information for our Community Liaison.
- **7/01/25 BUZZ open to public.** BUZZ proposes to commence operations prior to the July 4th holiday.

A.1.D. Letter from Bank Confirming Willingness to Serve

BUZZ' works with Safe Harbor Financial, LLC as its banking service provider and presents this letter as proof that we have access to cannabis banking services.



10/18/2024

To whom it may concern,

Hillife Group Santee, LLC DBA Buzz Cannabis, has a pre-existing relationship with Safe Harbor Financial. We provide banking services for cannabis businesses. For any questions please reach out with the contact information below.

Drew Strickland

Onboarding Manager

Direct | 720.603.3169

Drew.Strickland@shfinancial.org

Jonathan Drew Strickland



A.2. Daily Operations

BUZZ has designed a successful cannabis retail storefront model that brings together an exceptional customer experience, extensive product offering, beautiful design and aesthetic, operations that are compliant with local and state regulatory requirements, and experienced management that leads and nurtures. Our cannabis retail model is designed to ensure that the community is always considered in our daily operations to ensure we are a good neighbor and that youth cannot access cannabis.

We are known for our expansive product offering that allows customers to choose from a wide range of cannabis and cannabis products to meet their own unique needs. We have chosen a convenient location for customers that has easy access to 8011 Mission Gorge Road, as well as a discrete building and location that is not near any sensitive uses. Our unique location allows us to add security features, like a perimeter fence and ample off-street parking, that makes our location even more desirable to the community.

A.2.A. Customer Check-In

BUZZ' customer check-in procedures include both identification verification, age verification, and for medical-use customers, verification of the Physician who provided the cannabis recommendation. We use cutting-edge technology with fraud-detection features that are integrated into our Dutchie point-of-sale (POS) and customer relationship management (CRM) system to ensure the highest possible compliance with the identification and age verification requirements. Our technology-aided check-in procedures assist us with efficient and effective procedures, which is critical to our business given our high-volume of customers served each day.

BUZZ uses an identification scanner that validates the identification with a software service called VeriScan. The VeriScan system purports to catch 95% of fake IDs and the system verifies age and ID expiration. VeriScan works on all government-issued IDs and validates the expiration date on driver's licenses and passports and checks to ensure they are not "fake." Check-In staff conduct a visual inspection of the ID to assess is the picture on the ID matches the person holding the ID. Because VeriScan is integrated with our Dutchie POS, each customer visit is logged into the CRM software whether or not they make a purchase that day. If it is the person's first visit, an automatic profile is created and saved in the software.

Security guards are stationed at the threshold of the customer entrance. All persons entering the facility are greeted by a uniformed security guard who directs them to the Check-In desk. The security guard manages customer queueing at the check-in desk busy periods to ensure customers do not bypass the check-in procedure. All new and repeat customers must check-in and show their valid identification on each and every visit without exception. "Valid identification" means identification that is not expired. The check-in procedure then varies depending on if the person is an adult-use customer, a medical-use customer, or a visitor to the facility for a business purpose.

A physical ID is required to be presented by the customer on each and every visit to the store. We do not allow mobile IDs or Apple Wallet IDs, for example. Even repeat customers who are well-known to employees are required to present a physical ID on each visit.

<u>Identification and Age Verification</u>

Upon the entering the facility, customers check-in with the Check-In employee where they are asked to present their government-issued identification. The Check-In scans the patient's identification with our Electronic Identification Verification scanner that automatically validates the identification as authentic, verifies age, and saves the identification in our Dutchie POS software. If the patient is in our database, the Check-In employee will verify current address. If the patient is new to BUZZ, the Check-In employee will create a new account in our system. These verification procedures are an important part of ensuring that customers do not exceed their daily purchase limited as explained in Title 4 of the California Code of Regulations §15409.

Acceptable forms of identification include the following:

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

Adult-Use Customer Check-In Procedures

Upon a new customer's first visit, the customer's government-issued identification (ID) is scanned using our VeriScan technology and a customer profile is created in Dutchie our point-of-sale (POS) and integrated customer relationship management (CRM) software. The customer's profile is shared between all of our BUZZ branded stores, allowing for seamless purchases between our various locations. Having a customer profile allows our system to automatically keep track of the customer's purchases, including ensuring that the customer is not sold more than the maximum amount of cannabis a person is legally allowed to purchase in a single day in accordance with applicable laws and their physician's recommendations, if applicable.

Medical-Use Customer Check-In Procedures

A customer who is 18 to 20 years old can only enter the cannabis retail store with a physician's recommendation <u>and</u> a valid government-issued ID. A Medical Marijuana Identification Card (MMIC) issued by the California Department of Public Health (CDPH) alone is not sufficient. The same ID scanned

and Dutchie profile set-up process and check-in procedure is followed for a medical-use customer as for an adult-use customer. All ID go through the VeriScan process.

Physician's Recommendation

A physician's recommendation must be issued by a physician licensed by the Medical Board of California or the Osteopathic Medical Board of California. When a physician's recommendation is presented by a patient, the cannabis retailer must check the physician's license credentials via the websites listed below to ensure the physician is licensed/registered by the State of California.

- A person who is at least 18 years old can enter and purchase cannabis products at a licensed cannabis retail store with a valid government-issued identification <u>and</u> a physician's recommendation. An MMIC is not required. If an 18 to 20-year-old person only has an MMIC and government-issued ID, the person <u>cannot</u> enter the cannabis retail store or purchase cannabis.
- The physician's recommendation allows the person to purchase cannabis in the amount specified on the physician's recommendation, even if the amount exceeds the daily purchase limits for medicinal cannabis patients explained in §15409.
- If the physician's recommendation does not specify the amount of cannabis, the person can only purchase up to the medicinal daily limit explained in §15409.
- A physician's recommendation alone does not allow a caregiver to purchase cannabis products for a medicinal-use patient.
- A person with a physician's recommendation may purchase cannabis products labeled "For Medical Use Only."
- The credentials of the physician who wrote the physician's recommendation must be verified on the following websites:
 - Medical doctors: http://www.mbc.ca.gov/breeze/license_verification.aspx
 - Osteopathic doctors: https://www.ombc.ca.gov/consumers/license-ver.shtml

The physician's recommendation cannot be honored unless all the following are valid: 1) the physician's recommendation is not expired; 2) the physician's credentials are valid and not expired per one of the above websites; and 3) the name on the physician's recommendation matches the name on the unexpired government-issued ID.

Medical Marijuana Identification Card (MMIC)

MMICs give medicinal patients and their caregivers specific legal protections within California. Additionally, MMIC holders do not have to pay state sales tax, but they still have to pay the cannabis

excise tax. This website provides information about California's MMIC program: https://www.cdph.ca.gov/Programs/CHSI/Pages/MMICP.aspx#

- An MMIC without a physician's recommendation is not sufficient to allow someone under the age 21, but at least 18, access to the cannabis retail store and purchase cannabis products. Persons age 18 to 20 must have a physician's recommendation with valid identification (e.g. driver's license) to enter the cannabis retail store and purchase cannabis products.
- A 21+ customer with only an MMIC only can purchase up to the adult-use daily limit.
- A 21+ customer/patient with an MMIC and a physician's recommendation can only purchase up to the adult-use daily limit if the physician's recommendation does not specify the daily use amount.
- A 21+ customer/patient with an MMIC and a physician's recommendation that specifies the daily use amount can purchase up to the amount specified on the physician's recommendation. If no amount is specified, the person can only purchase up to the medicinal-use daily limit.
- A primary caregiver with an MMIC can purchase for a designated patient. (On the MMIC application, the patient also applies for the primary caregiver's MMIC at the same time.)
- Excise tax is charged on all cannabis sales regardless of whether the customer is medicinal-use or adult-use. If the person has an MMIC without a physician's recommendation, that person does not pay the state's sales tax.
- The validity of the MMIC must be checked at this website: https://mmic.cdph.ca.gov/MMIC Search.aspx

Copy of Customer Documents

We will keep a copy of all customer documents related to the medicinal cannabis sale, including government ID, physician's recommendation, and/or MMIC. Check-In employees will make a photo copy of the government-issued ID, physician's recommendation, and MMIC (if applicable) and store these records in the CRM. This process ensure BUZZ can prove that we are legally only selling to 18 to 20 year old persons who have a physician's recommendation, are in compliance if the customer is purchasing more than the daily purchase limit, and are accurately not collecting the sales tax for customers with MMICs.

An MMIC only gives the customer relief from the sales tax (NOT excise tax). Cannabis retailers are required to record the nine-digit MMIC number and expiration date in our POS.

Visitor Check-In

All visitors, contractors, vendors, and other authorized personnel must enter the facility through the customer entrance and sign-in with the Check-In staff. Check-In staff asks visitors to do the following: a)

provide identification; b) identify the person they are visiting; and c) sign-in on the Visitor Sign-In Sheet compliant with 4 CCR §15042. Each visitor is provided with a "Visitor Badge" on a lanyard. Visitors must be accompanied at all times while on the premises. Visitors are permitted to access employee-only areas for variety of official reasons. For example, BUZZ works with a third-party compliance expert to conduct compliance audits and inspect the facility to ensure compliance with local and state requirements, as well as to work with management and staff on implementing best practices. Thus, this person is permitted to access limited-access areas. An example of our Visitor Sign-In Sheet is below.

	BUZZ Santee - Visitor Sign-In Sheet								
	All visitors, contractors, vendo	rs, and authoriz	ed personnel must	sign-n.					
	First and Last Name	Company	Visit Reason	Date	In Time	Out Time			
1									
2									
3									

A.2.B. Location and Procedures for Deliveries

Inventory Receiving Location

BUZZ designs its facility layouts for maximum security when receiving deliveries of inventory. Our established procedure for receiving inventory shipments exceeds State's requirements. All shipments of inventory are scheduled in advance so that we can ensure proper staffing when shipments arrive. All inventory is received under video surveillance and with at least two employees present to increase security. When onboarding a new distribution partner, we establish specific agreed upon procedures that the distributor's driver must follow when delivering cannabis products to our retail premises.

inventory necessing cocation



Dimensions of premises diagram on full architectural drawing.

Inventory Receiving Procedures

All deliveries of inventory are scheduled in advance with an estimated time of arrival on a specific day.

In the Inventory Receiving Office where employees review invoices, state-required shipping manifests, and actual product counts and skus. The state-required shipping manifest is checked line-by-line to ensure that all items ordered and only items ordered are being delivered. If the shipping manifest is accurate, the distribution driver and the BUZZ manager sign off on the shipping manifest and the driver exits the premises. If the shipping manifest is not accurate, notations are made on the shipping manifest. Items that were not ordered are rejected. If the order is missing items, it is notated on the shipping manifest and the accurate items are accepted. At this point, the employee who received the cannabis products brings the cannabis products into an inventory storage room. If the agreement with the distributor calls for cash on delivery, the distributor is then paid via cash or check, and then the delivery driver leaves

Once all data is checked and accurate, the shipment is accepted and entered into the DCC's METRC system for track-and-trace compliance. Once that process is complete, the inventory is moved into the

Inventory Documentation and Quality Assurance Review

Cannabis products must be appropriately packaged and labeled as they will be sold. All items will be inspected for compliance. A packaging, labeling, and documentation checklist will be used to ensure compliance and proper documentation. Upon receipt of the cannabis products, the BUZZ will:

- Verify that all products are within their expiration or sell-by dates and are not otherwise defective.
 - Expired products will not be accepted and will be returned for exchange.
 - Defective products can be returned for a non-defective version, a product of equal value, or a refund if payment has been made.
- Verify products received against the shipping manifest.
- Record all products in the track and trace system.
 - Any discrepancies will be documented in the track and trace system and any other relevant business record and reported to the distribution company.
- Ensure all records include strain type, quantity, variety, batch number, identification details of the licensed operators and cannabis retail store agents involved, and the date of acquisition.

In addition to the above, inventory documentation is accomplished via our Dutchie POS and inventory management software. Within 24 hours of cannabis products being received, cannabis products are logged into Dutchie with the following information:

- A description of each item so that cannabis products are easily identified;
- The quantity of each item;
- The date and time cannabis products were received;
- A sell-by or expiration date, if any;
- The name and license number of the distributor who delivered the cannabis products; and
- The price BUZZ paid for the cannabis products including taxes, delivery costs, and other fees.

The Dutchie inventory management system includes electronic tracking of each package with a bar code sticker and scanner. Each individual product/unit receives a small sticker with a bar code on it and is associated with the cannabis product received. When the cannabis product is scanned to be sold to a customer, inventory counts are updated and we have a record of the sale. This procedure produces very accurate inventory tracking and makes compliance with state MetrC track-and-trace mandates, including inventory reconciliation, efficient to accomplish, because MetrC is automatically updated through the Dutchie to MetrC API (application programming interface; an API is how two different software systems work together and transfer data).

A.2.C. Point-of-Sale System

Buzz Cannabis uses Dutchie as its point-of-sale system (POS), because it is known as the most robust cannabis POS in the cannabis industry with full integration into the State of California's track-and-trace system, MetrC. Dutchie provides a full suite of services, including ID scanning, HIPAA compliance, and managing and maintaining the servers, databases, and code for our POS operations. We are set up to have up to six POS stations, as depicted below.

Each POS station is equipped with a secured cash drawer, barcode scanner, receipt printer, and spa	are
printing paper. For security,	



Dimensions of premises diagram on full architectural drawing.

A.2.D. Number of Customers Per Hour and Day

We expect sales in the BUZZ Santee store to be similar to our Mission Valley store due to both being located on heavily travelled thoroughfares that are easy to get to, with similar sales floor area, and excellent parking. Additionally, according to City of Santee economic data from 2022, 89.1% of Santee residents commute to work alone in their own vehicle. Our location on Mission Gorge Road that fronts Highway 52 and is very near the Highway 52 and Highway 125 interchange is a perfect location to attract cannabis customers who are commuting West and East along Highways 52 and 125. BUZZ believes our location is ideal because it is easy to access and there is sufficient customer parking.

Based on this economic data and our experience in other cannabis retails stores in San Diego County, we expect to serve 850 customers per day at approximately 60 customers per hour. Customer arrival patterns depend on the day of the day of the week and the time of day. We use our experience and logistical data to schedule our sales staff to meet visit patterns. For example, we have additional staff on hand on Saturdays and Thursday and Friday afternoons since those times usually see the highest sales. Our hiring and staffing plan is designed to best serve our customers and ensure that wait times to checkout are kept low.

A.2.E Proposed Product Line

Product Categories

Product types to be offered for sale will include, but may not be limited to the following:

Flower: This is cannabis flower buds that have passed mandatory testing and are pre-packaged in compliant packaging. These are typically smoked using a pipe or bong or rolled into cannabis cigarettes. We will offer flower strains including sativa, indica, and hybrid (a mix of the sativa and indica strains). Different potencies of THC and CBD, prices, and different weights will be offered to meet the interests of the local community. Examples of weights include 0.5 gram, 1.0 gram, 3.5 grams, 7 grams, 14 grams, and 28 grams.

Pre-Rolls and Infused Pre-rolls: Pre-rolls are cannabis flower buds, leaves, and trichomes rolled into cannabis cigarettes. Pre-rolls can contain only cannabis flower material rolled in paper, or they can be "infused", which means they contain cannabis flower and additional ingredients like cannabis oil. Different strains of sativa, indica, and hybrid will also be offered in pre-roll form with different potencies and different weights similar to cannabis flower.

Vaporizer Pens, Cartridges, and Batteries: These include cannabis concentrate placed into cartridges and attached to a vaporizing device, usually the size of a ballpoint pen. These vaporized cannabis products are offered in different THC and CBD blends of sativa, indica, and hybrid in 0.25 grams, 0.5 grams and 1.0 gram sizes.

Concentrates: These are cannabinoid products obtained through extraction, typically 'dabbed' by heating and inhaling. Examples of concentrates include but are not limited to the following: tinctures, capsules, wax/budder/crumble; shatter; rosin; distillate, and live resin (batter; diamond; sauce; sugar; and high terpene extract). Concentrates can be consumed like edibles or smoked like cannabis flower. Cannabis concentrates will be offered in various sizes that are packaged to meet strict state standards and sizes.

Cannabis-infused Edibles: Edibles are non-combustible consumption options like gummies, chocolates, cookies, and beverages. Cannabis-infused beverages are the fastest growing product category. Consuming cannabis edibles is a growing trend in the market. We will offer a variety of cannabis edibles that are cannabis-infused and meet strict state requirements for maximum serving and package sizes.

Topical Products: These include cannabis-infused products such as lotions, crams, massage oils, transdermal patches, lubricants, balms, and ointments. We intend to odder topical products of varying THC and CBD concentrations as well as different scents and package sizes. Our product mix reflects the most commonly purchased items at retail dispensaries. Based on our experience, we anticipate the following sales distribution:

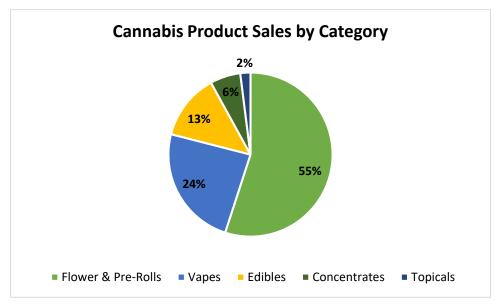
Concentrates: 6%

Edibles: 13%Flower: 40%

• Pre-rolls: 15%

Vape Products: 24%

• Topicals: 2%



Popular Product Brands

As an experienced cannabis retailer in San Diego County, BUZZ has existing, long-standing relationships with the most popular and best-selling cannabis products brands. The top 10 selling cannabis brands in BUZZ' Mission Valley store are as follows:

- 1. Stiiizy
- 2. Dab Daddy
- 3. Pacific Stone
- 4. The Fight
- 5. Jeeter

- 6. Coldfire
- 7. West Coast Cure
- 8. Time Machine
- 9. Ember Valley
- 10. Claybourne Co.

BUZZ branded cannabis stores are known for our high-quality and wide selection of cannabis products and brands including flower and manufactured cannabis products. Below is a list of cannabis brands that we carry in our Mission Valley and La Mesa stores. When we are ready to begin ordering inventory for the Santee location, we will work with our brand partners to stock the store.

-				1
Stiiizy Dab Daddy Pacific Stone The Fight Jeeter Coldfire West Coast Cure (Wcc) Time Machine Ember Valley Claybourne Co.	Josh Wax Presidential Preferred Gardens Maven (Mvn) Turn Wyld Level N/A Sherbinskis St. Ides Boutig	Puffco Topshelf Made Hi Lime West Coast Trading Company (Wctc) Kurvana Eyeelle Paper Planes West Coat	Big Pete's Yocan / Wulf Pistil Whip The Tablet Yummy Karma Lavinia Revelry Errl Hill Petra Cann Holy Water Kwik Fase	Nasha Stoned Goods Not Your Father Planta Sip Elixirs Dank Donuts Zig Zag Mary Jones Tonik Kikoko Terra
Almora Farm	Microbar	Hookah & Glass	Heirbloom	Just J
Cream Of The	Lost Farms	Moods	Tyson	Swifts
Crop (Cotc)	Nameless	The 8th	Dixie	Keef
Plug N Play	Kanha	Lift Tickets	Master Maker	Flora Terra
Hashish	Tempo	Oakfruitland	Royal Blunts	Ocb
Autumn Brands	Farmers Cup	Happy Fruit	Kiva	Carta
Heavy Hitters	Pax	Dr. Norms	Holy Smokes	Crave
Jetty	Huxleys	Originals	Seed Junky	Wonderbrett
Pearl Pharma	Dabwoods	Platinum Vape	Everyday	Juva
Sauce	Pure Beauty	Ghost	Cannabis Co.	Bang 4 Buck
Raw Garden	Ursa	Mary's Medicinals	Kush Co.	Kush Cups
710 Labs	Humo	Wizard Trees	High Power	Artisan
Team Elite	Choiceslab	Whoa	Bangers	Foreign Genetics
Genetics	Papa & Barkley	Uncle Arnie's	The Fizz	Up Hill
Camino	(P&B)	Smokiez	Side Hustle	Pine Park
Punch Kushy Bunch	Delights	Doja	Quiet Kings	Kush Queen Olala
Kushy Punch Clsics	Cannabiotix (Cbx) Way	Pbr (Pabst) Raw	Trilogy 710 Lowell Farmers	Bloom
Decibel Gardens	La Family Farms	Cure Company	Kings Garden	De La Bo
Rollers Delight	Yocan	818 Brand	Good Tide	Tall Tree Society
The Design	355500	2.3.10		1133 33334

A.2.F Local and State Law Conformance

BUZZ owners are experienced in complying with state law and the varying local ordinances and requirements within each local jurisdiction where our cannabis stores are located. We also work with a cannabis attorney and a third-party licensing and compliance expert to ensure we meet or exceed all cannabis operating requirements.

SMC Section 7.04.360(A): We will not commence any retail cannabis operations in Santee unless and until issued a cannabis business permit by the City.

SMC Section 7.04.360(B): We will verify the age and all necessary documentation of each person entering the facility to ensure the customer is not under the age of 18 years. If the potential customer is 18 to 20 years old, we will confirm the customer's possession of a valid doctor's recommendation and

identification card. For adult-use purchases, we will verify that all customers are 21 years of age or older for the purchase of cannabis or cannabis products.

SMC Section 7.04.360(C): Everyone entering the facility must show their government-issued identification, and, in the case of medical cannabis facilities, their physician's recommendation, in order to gain access. The government-issued identification and, if applicable, doctor's recommendation or cannabis card must also be shown at the point-of-sale station at the time of purchase. No doctor recommendations may be obtained or provided at the retail facility.

SMC Section 7.04.360(D): Uniformed licensed security personnel shall be employed to monitor site activity, control loitering and site access, and to serve as a visual deterrent to unlawful activities. The security personnel shall be at least 21 years of age and shall be licensed by the Bureau of Security and Investigative Services and shall comply with Chapters 11.4 and 11.5 of Division 3 of the Business and Professions Code. Security personnel may be allowed to carry firearms if authorized by Bureau of Security and Investigative Service.

SMC Section 7.04.360(E): We will have only that quantity of cannabis and cannabis products to meet the daily demand readily available for sale on site in the retail sales area of the facility. Additional product may be stored in a secured, locked area to which customers, vendors, and visitors shall not have access.

SMC Section 7.04.360(F): All restrooms used by the public shall remain locked and under the control of management.

SMC Section 7.04.360(G): We will only serve customers who are within the licensed premises, or at a delivery address that meets the requirements of SMC Chapter 7.04. Without limiting the foregoing:

- 1. The sale and delivery of cannabis products shall not occur through a pass-through window or a slide-out tray to the exterior of the premises.
- 2. We will not operate as or with a drive-in or drive-through at which cannabis products are sold to persons within or about a motor vehicle.
- 3. No cannabis products shall be sold and/or delivered by any means or method to any person within a motor vehicle.
- 4. All cannabis products sold by us shall be contained in child-resistant packaging.
- 5. We will record point-of-sale areas and areas where cannabis products are displayed for sale on the video surveillance system. At each point-of-sale location, camera placement must allow for the recording of the facial features of any person purchasing or selling cannabis products, or any person in the retail area, with sufficient clarity to determine identity.

SMC Section 7.04.360(H): Access to the premises shall be limited to individuals who are at least 21 years of age, or individuals who are at least 18 years of age and in possession of a valid physician's recommendation provided such access is for the sole purpose of purchasing medicinal cannabis consistent with the physician's recommendation.

SMC Section 7.04.360(I): We will only sell adult-use cannabis and adult-use cannabis products to individuals who are at least 21 years of age. Furthermore, we will only sell medicinal cannabis or

medicinal cannabis products to individuals who are at least 18 years of age, but not yet 21, if those individuals are in possession of a valid physician's recommendation. Medicinal cannabis sales to individuals 21 years of age and older are unrestricted.

SMC Section 7.04.360(J): We shall establish limited-access areas and permit only authorized individuals to enter the limited-access areas. Authorized individuals include individuals employed by BUZZ as well as any outside vendors, contractors, or other individuals conducting business that requires access to the limited access area. All individuals granted access to the limited access area shall be at least 21 years of age, and if not employed by BUZZ, shall be escorted at all times by an employee of BUZZ. We will maintain a log of all individuals who are not employees who are granted access to the limited access area. These logs shall be made available to the City Manager or the Sheriff's Department upon request.

SMC Section 7.04.360(K): Our hours of operation shall be limited to the hours of 9:00 a.m. through 9:00 p.m., seven days a week.

SMC Section 7.04.360(L): We will comply with all applicable provisions of SMC Section 7.04.320, as discussed below.

SMC Section 7.04.320(A)(1): The premises have perimeter fencing and exterior lighting systems (including motion sensors) installed for afterhours security

SMC Section 7.04.320(A)(2): Security staff will prevent individuals from remaining on the premises if they are not engaging in an activity directly related to our business. In cases in which the individual will not voluntarily leave the premises in violation of applicable law, employees shall contact the Sheriff's Department.

SMC Section 7.04.320(A)(3): We have established limited-access areas and are accessible only to authorized personnel, including surveillance operations security staff, managers, law enforcement authorities, and security service personnel or contractors.

SMC Section 7.04.320(A)(4): Except for limited amounts of cannabis or cannabis products being used for display purposes in retail areas, all finished products shall be stored in a secured and locked vault during non-operating hours. All safes and vaults used to store cash and / or cannabis products are burglary-resistant and fire-resistant. All cannabis and cannabis products, including live clone plants that are being sold, shall be kept in a manner as to prevent diversion, theft, and loss.

SMC Section 7.04.320(A)(5): We will have 24-hour security surveillance cameras of at least high definition (HD) quality to monitor all entrances and exits to and from the premises, all interior spaces within the facility which are open and accessible to the public, all interior spaces where cannabis, cash, or currency is being stored for any period of time on a regular basis, and all interior spaces where diversion of cannabis could reasonably occur.

All cameras record in color. All exterior cameras are in weather-proof enclosures, are located so as to minimize the possibility of vandalism, and have the capability to automatically switch to black and white video in low light conditions.

The security surveillance camera's footage is remotely accessible and is compatible with the City's software and hardware, and access will be given to the City Manager. In addition, if required by City, remote and real-time live access to the video footage from the cameras shall be provided to the Sheriff's Department. We will maintain security camera videos for a minimum of 120 days, and all such videos will be made available to the Sheriff's Department upon request.

Surveillance video is of sufficient quality to assist with prosecution of any crime found to have occurred on the premises and is capable of enlargement via projection or other means. We will provide internet protocol address information to the Sheriff's Department to facilitate remote monitoring of security cameras by the Sheriff's Department. Our network security protocols are certified by Underwriters Laboratories, LLC.

SMC Section 7.04.320(A)(6): Sensors shall be installed to detect entry and exit from all secure areas and shall be monitored in real time by security professionals engaged by the Company and licensed by the state of California Bureau of Security and Investigative Services.

SMC Section 7.04.320(A)(7): Panic buttons shall be installed with direct notification to the Sheriff's Department dispatch and shall be configured to immediately alert dispatch for the Sheriff's Department.

SMC Section 7.04.320(A)(8): We will have a real-time alarm system professionally installed, maintained, and monitored by a security company licensed by the state of California Bureau of Security and Investigative Services.

SMC Section 7.04.320(A)(9): All security measures such as bars, security screens, etc. are installed only on the interior of the building.

SMC Section 7.04.320(A)(10): Security personnel shall be on site 24 hours a day and must have a verified response security patrol when closed. Security personnel will be licensed by the state of California Bureau of Security and Investigative Services personnel.

SMC Section 7.04.320(A)(11): We will be able to remain secure during a power outage by having doors, windows and other access points capable of being locked with a physical key and will ensure that all access doors are not solely controlled by an electronic access panel, to ensure that locks are not released during a power outage.

SMC Section 7.04.320(A)(12): Designated employees and/or security professionals shall control entrance areas to the facility.

SMC Section 7.04.320(A)(13): We will have an accounting software system in place to provide point-of-sale data as well as audit trails for both product and cash, where applicable.

SMC Section 7.04.320(A)(14): We will keep all track and trace records on file at the Company's facility to demonstrate compliance with the state's track and trace system for cannabis and cannabis products.

SMC Section 7.04.320(A)(15): We will have a professionally installed video surveillance system, access control and intrusion alarm systems designed to protect the inventory, facility, and employees. Our network security protocols will be certified by Underwriters Laboratories, LLC.

SMC Section 7.04.320(A)(16): Exterior vegetation will be planted, altered, and maintained in a fashion that precludes its use as a hiding place for persons on the premises.

SMC Section 7.04.320(A)(17): We will have emergency access and emergency evacuation plans that are in compliance with state and local fire safety standards and that are easily accessible to all employees.

SMC Section 7.04.320(A)(18): We will install "mosquitos" (high-pitch frequency devices) as a deterrent to vandalism/loitering.

SMC Section 7.04.320(B): We have designated Martin Samo as our security representative / liaison to the City (the "Liaison"), who will be reasonably available to meet with the City Manager regarding any security related measures or operational issues. The Liaison will annually maintain a copy of the Company's current security plan on the premises and present that same to the City Manager upon request.

The Company's security plan maintained by the Liaison shall contain provisions that:

- 1. Confirm that a designated manager will be on duty during business hours and will be responsible for monitoring the behavior of employees.
- 2. Identify all managers of the cannabis business and their contact phone numbers.
- 3. Confirm that first aid supplies and operational fire extinguishers are located in the service areas and the manager's office.
- 4. Confirm that burglar, fire, and panic alarms are operational and monitored by a licensed security company 24 hours a day, seven days a week, and provide contact information for each licensed security company.
- Identify a sufficient number of licensed, interior and exterior security personnel who will monitor
 individuals inside and outside our business, the parking lot, any adjacent property under our
 control, and ensure that the parking lot is cleared of employees and their vehicles one-half hour
 after closing.

SMC Section 7.04.320(C): All employees are required to be familiar with the Company's storage and transportation plan, which describes in detail the procedures for safely and securely storing and transporting all cannabis, cannabis products, hazardous materials that may be used by our business, and cash and other currency.

SMC Section 7.04.320(D): All employees are required to cooperate with the City whenever the City Manager makes a request, with or without prior notice, to inspect or audit the effectiveness of our Security Plan.

SMC Section 7.04.320(E): The Company shall notify the City Manager within 24 hours after discovering any of the following:

- 1. Significant discrepancies identified during inventory.
- 2. Diversion, theft, loss, or any criminal activity involving our business or any agent or employee of the Company.
- 3. The loss or unauthorized alteration of records related to cannabis, customers or employees or agents of the Company.
- 4. Any other breach of security.

A.2.G. Diversion Control

Our Security Plan (see Section C of the Application) details how we prevent diversion and theft of cannabis products. Employees are thoroughly trained on diversion and theft prevention methods and reporting requirements. We ensure compliance and proper follow-up through the use of video surveillance, MetrC track-and-trace inventory reconciliation and audits, security guard and management oversight, and confidential reporting of suspicious activities.

Our Dutchie POS is integrated with the state-mandated MetrC track-and-trace system. While the DCC regulations require inventory reconciliation to the track-and-trace system at least every 30 days, BUZZ performs a rolling inventory audit each week based on product type and category. This inventory reconciliation process ensures that discrepancies in on-hand inventory to MetrC and our POS are identified very quickly.

Other methods for preventing diversion, theft, and loss is employee presence on the retail sales floor, video surveillance, and inventory audit and reconciliation. To detect or deter internal theft, a bag check takes place at the beginning and end of each shift, or as employees enter and leave the premises. All employees working with product processing will be required to wear provided pocket-less clothing.

Youth Diversion Prevention

Our strict check-in procedure and other security measures ensure that underage individuals do not enter our facility. Furthermore, BUZZ does not use marketing or advertising that can be attractive to children. We take responsible steps to reduce exposure to children, including:

- No advertising, billboards, or promotions near schools, churches, or libraries where youth might congregate.
- Discreet logos and branding, avoiding colors or designs that appeal to young children.
- Frosted windows where cannabis purchases and shopping occur.
- A secured check-in area separating customers from the street and store.
- Staff patrols to ensure youth are not loitering nearby.
- Security shutters at night to secure the premises and reduce visibility.

BUZZ takes proactive steps to reduce youth exposure through store design, location selection away from youth areas, and advertising policies that limit where and how we advertise. The lobby will feature flyers and brochures to help parents store cannabis safely, and all products will be sold in child-resistant packaging.

A.2.H. Waste Management, Disposal, and Security

BUZZ aims to create an efficient, environmentally friendly waste and recycling system. We will conform to and follow all guidelines set forth by the Department of Public Health and the State of California pertaining to any waste matter produced by the premises. Training sessions with employees will emphasize the importance of proper waste management for cannabis waste, chemical waste, and the ramifications of not properly categorizing waste for proper disposal. Our waste management protocols set forth below will continue to be refined as our operation advances in practice and implementation, and in accordance with changes to all laws and regulations.

Cannabis Waste

Any cannabis or cannabis by-product that is unused, damaged, defective, expired, contaminated, or otherwise non-usable is stored, secured, managed, and ultimately disposed of in accordance with the "cannabis waste" procedures detailed below. "Cannabis waste" is considered non-hazardous except vaporizer cartridge and battery waste. Causes of cannabis waste may be due to the following:

- A batch that is determined by the DCC to adulterated or contaminated and is recalled;
- Cannabis products remain unsold and have passed their "best by" or "sell by" dates;
- Damaged packaging or cannabis products spoilage;
- Cannabis products have been returned to us;
- Other reasons that make the cannabis or cannabis products unusable or unsaleable.

Prior to be destroyed, cannabis waste is documented and logged into the track and trace system and documented via our internal inventory tracking methods.

Cannabis Waste Stored in a "Secure" Limited-Access Vault Area

The Cannabis Waste Storage area is in a limited access area, which is secured, under video surveillance, and accessible only to authorized personnel. Cannabis Waste is stored in a container or bucket clearly labeled as Cannabis Waste.

Regular Waste

General municipal solid waste, more commonly known as trash or garbage, is collected and removed from the facility at the end of each shift in covered bins and taken to locked outdoor dumpsters. All non-hazardous, non-cannabis waste is handled in this manner and includes paper towels used for drying

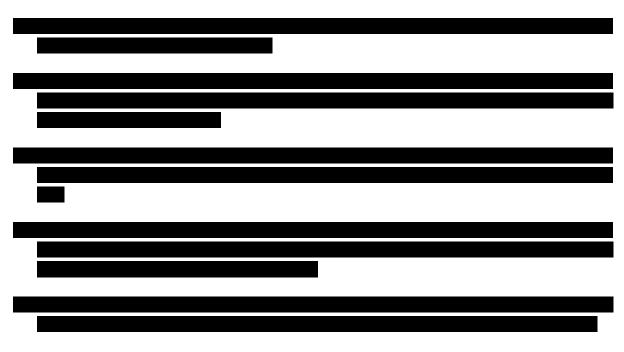
hands in the restrooms, food wrappers, and other such daily waste. BUZZ encourages practices that reduce the amount of waste that needs to be disposed of by using techniques such as waste prevention and recycling. Recyclable waste is placed in a separate dumpster.

Cannabis Waste Disposal

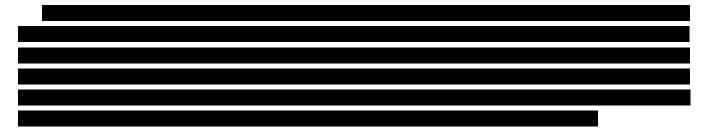
All cannabis waste will be disposed of and transported in the follow manner.

A. Destruction and Disposal

When cannabis products need to be destructed and destroyed, the following procedures will be followed.



B. Cannabis Waste Transportation



Battery Waste

Beginning July 1, 2024 state law required that cannabis vaporizer products ("vape cartridges") be labeled with instructions that the spent/empty vaporizer must be disposed of as hazardous waste and not treated as regular household waste by consumers. BUZZ is aware that there will likely be additional new state legislation requiring retailers to establish a spent battery and vape cartridge collection

program where customers can return this hazardous waste to the retail store to help in protecting the environment. In 2025 BUZZ will be proactively implement a spent vape battery and cartridge collection program and BUZZ will dispose of this hazardous waste per state guidelines and regulations.

Record Keeping

The responsible employee shall record what type of waste was disposed of, how it was disposed, and when and where the disposal was carried out. The responsible employee for cannabis waste disposal shall weigh or calculate the volume of the cannabis to be disposed of and enter the date, time, and location where the cannabis waste was disposed of into the track and trace system. The manager shall maintain accurate and comprehensive records regarding cannabis waste material that accounts for, reconciles and evidences all activity related to the generation and disposal of cannabis waste.

Section B: Labor and Employment Plan

B.1. Number of Employees

BUZZ will staff its retail store during the allowable operating hours of 9:00 am to 9:00 pm, seven days a week. A manager or owner will be on-site at all times that we are open to the public. In order to have adequate staff for these hours of operation, BUZZ plans a combination of full-time and part-time employees.

Based on our experience opening the BUZZ Mission Valley and BUZZ La Mesa stores, we intend on hiring all employees prior to initial opening, which will be the same number of employees as our "full capacity" number of employees. The BUZZ Mission Valley and La Mesa stores grew so rapidly in customer visits and sales that we believe it is impractical to delay hiring to full capacity. Hiring all employees prior to initial opening allows us to fully train employees prior to serving customers and to build the team into a cohesive unit. After hiring initially, there can be some employee attrition, so we find that staffing to full capacity prior to initial opening works best for our business model.

Setting up store operations prior to initial opening involves many hours of work and preparation. In addition to the training that occurs prior to initial opening, employees will assist in merchandising the store, stocking the shelves, organizing inventory, completing new-hire onboarding requirements, taking photos for their ID badges, and so much more. It's fun and exciting to be part of an initial store opening. We find that when we hire all initial employees at once up to our full capacity, we have a more successful store opening.

Initial Opening and Fully Staffed						
	Full-Time	Part-Time	Total			
General Manager	1	0	1			
Assistant Manager	1	0	1			
Check-In Associates	2	2	4			
Budtenders/Shift Leads	2	0	2			
Budtenders	6	2	8			
Inventory Lead	1	0	1			
TOTALS	13	4	17			

These hiring and employee numbers do not include owner-operator participation in daily management and operations. These employee numbers also do not include security guards, because those personnel are directly employed by the licensed security company.

B.2. Pay Ranges and Employee Responsibilities

Pay Ranges

BUZZ pay ranges for the Santee cannabis retail store exceed local and national pay standards for similar retail positions. The minimum wage in California is \$16 per hour. BUZZ's non-management positions pay a minimum of \$20 per hour with an opportunity earn overtime. The maximum pay hourly non-management staff is \$25 per hour. Budtenders (sales associates) also earn tips that are in addition to the hourly range of \$20 to \$25 per hour.

Employee Wages					
	Salary	Hourly			
General Manager	\$100,000	-			
Assistant Manager	\$75,000	-			
Check-In Associates	-	\$20-\$23			
Budtenders/Shift Leads*	-	\$20-\$25			
Budtenders*	-	\$20-\$24			
Inventory Lead	-	\$20-\$25			

^{*} Budtenders make tips on top of the hourly rate.

Employee Responsibilities

General Manager

The General Manager will work closely with Ray Ibrahim, Owner-Operator, in the daily management and operation of the BUZZ Santee cannabis retail store. The General Manager provides leadership in people management, training program, cannabis inventory management, sales operations, security and facility management, and all other aspects of running store operations.

The General Manager directly manages the day-to-day operations of our retail and delivery business. This includes ensuring that all managers and employees are operating in accordance to our company policies and practices, that our business operations are consistently in compliance, that all of our records are being inputted and organized correctly, and that all customer concerns and issues are appropriately addressed. Additional duties include:

- Responsible for managing the daily activities of the retail store.
- Responsible for contributing to sales strategy and store operations planning with BUXX owners.
- Supervises critical inventory procedures.

- Responsible for recruiting, training and managing staff.
- Responsible for scheduling and reporting employee payroll hours.
- Prepares financial and sales report at the end of every working week.
- Performs quality control checks on cannabis products.
- Communicates with Product Acquisition Liaison about product selection when necessary.
- Handles any other duty as assigned by the Owner.

Assistant Manager

The Assistant Manager will support the General Manager in the daily management and operation of the BUZZ Santee cannabis retail store. The Assistant Manager will help ensure that all aspects of store operations run smoothly and efficiently while maintaining compliance with company policies and local and state regulations. Key responsibilities will include:

- Assist in managing and motivating the sales staff and workforce to achieve company goals.
- Support the General Manager in implementing training programs for new and existing employees.
- Address and resolve customer concerns and issues, ensuring a positive shopping experience.
- Help manage cannabis inventory, including tracking and ordering products as needed.
- Oversee daily sales operations, including ensuring the accurate input and organization of sales records.
- Ensure all store operations comply with local and state regulations.
- Assist in creating employee schedules and reporting payroll hours.
- Perform quality control checks on cannabis products to maintain high standards.
- Support the management of store security and facility maintenance.
- Prepare and submit reports to the General Manager as required.
- Liaise with the General Manager and other staff to ensure seamless operations.
- Perform other duties as assigned by the General Manager.

Check-In and Verification Specialist

The Check-In and Verification Specialist greets each customer or visitor as they enter the store and ensures the person checks in. There are different check-in procedures for customers and for visitors who arrive for a business purpose. The person who fills this role must have

excellent customer service skills, the ability to communicate effectively, attention to compliance requirements. Their duties include:

- Responsible for checking in new and returning customers.
- Responsible for verifying patients CA ID and CA Physician Recommendation.
- Responsible for creating patient files and updating patient database with patient information which included CA Physician Recommendation and MMIC expiration dates.
- Responsible for ensuring the digital patient files are being remotely backed up to a secure, encrypted server.
- Responsible for phone operation and delivery requests.
- Responsible for assisting with the "patient flow" into the showroom.
- Responsible for cleaning registration, patient lobby, break room and patient bathroom.
- Leverage the internet and social media platforms like; Instagram, Facebook, Twitter, YouTube, Google +, etc... to promote our brand.
- Handles any other duty as assigned.

Operational procedures for the Check-In and Verification Specialist are:

- Turn on all registration equipment. (ID scanner, printer/ scanner).
- Review previous night menu changes were performed. Correct any inventory level changes reported by consultant. (Check-In employee will update menu throughout sales day updating sold out inventory and new additions).
- Review answering machine messages and communicating to appropriate resource.
- Online orders reviewed every 20 minutes and communicated to manager on duty.
- Once dispensary opens all phone calls are answered.
- Must keep a positive and professional attitude/appearance creating a positive retail experience for all customers.
- Maintain organizational standards.
- All customers are check-in per training and required procedures.
- Check-In employee is the first point of contact for patients/ customer. Check-In employee is responsible for high energy greeting and high energy departure greeting.

Budtender / Shift Lead

Budtender / Shift Lead positions will be the supervisory position below an assistant manager. The Budtender / Shift Lead will oversee retail employees and ensure that all day-to-day

operations are being handled according to our company's policies and practices. Additional duties include:

- Responsible for training and managing sales staff.
- Responsible for processing cannabis orders, handling payment and dispensing medication.
- Issues receipt to customers.
- Ensures that the store facility is organized and clean which includes turning on equipment such as computers, scales, printers and fax machines.
- Responsible for processing patient orders.
- Supervise regular Budtenders.
- Responsible for closing out registers and "drops" the cash into the drop safe.
- Assists Assistant Manager with ensuring sales report is uploaded to METRIC.
- Handles any other duty as assigned by the Operations Manager or Inventory Manager.
 Operational procedures for Budtender / Shift Lead employees will include:
- Arrives 1 hour before the dispensary opens.
- Starts up Server and Intuit POS systems which are used for sales and inventory tracking.
- Validates employee punch (clock in/out) history from the previous day. Identifying misspunches and errors for correction.
- Validates housekeeping standards. All housekeeping tasks must be completed before dispensary opens.
- Validates all POS equipment is ready for business use.
- Makes POS envelopes assigning each consultant to a POS register. These envelopes are
 used to close registers at shift change and end of night. Envelopes consist of closing sheet,
 change denomination sheet, paper clip for receipts turned in and rubber band to keep
 paper money together.
- During "shift change" each cash register is closed and \$50 is left in each register to begin the next shift. A sales report is printed for each register when it is closed out for the shift. There are two sets of display jars for every dried cannabis strain; each set of display jars is weighed out by a cannabis consultant and the next shift's showroom manager. These weights are recorded for the inventory manager to be used with the master inventory list which calculates the amount of dried cannabis flowers to be compared to the POS system.
- Non-opening Showroom Sales Managers clock-in 30 minutes before shift change.
- Validates all POS registers have change distributed.

- Assigns opening consultant to review menu reporting any inventory changes to reception for correction. Menu changes are made online reflecting our physical inventory to our online menu. Manger makes the final validation the menu is correct.
- Validates daily specials are advertised and consultants are aware to better assist.
- Both opening Sales Managers and closing Sales Managers are responsible for overall retail customer experience. Addresses any customer service issues and works with sales consultants for correction.
- Performs observation on Consultant Sales team identifying any training and customer service opportunities. Sales Manager will obtain a signed acknowledgement of performance during observation. Sales Manager and consultant are to create a small action plan for progress. All opportunities are to be addressed immediately using coaching resources such as observation sheet, role playing, and online product information.

Budtender

Budtenders will be responsible with educating patrons on our products and providing sales transactional services. This will include:

- Responsible for processing cannabis orders.
- Responsible for consulting the customers, helping to find the product that's right for their needs.
- Ensures that goods and products are properly arranged.
- Responsible for processing customer orders and receiving payment.
- Issues receipt to customers.
- Responsible for sanitizing the counter tops, scales, showcases, showroom, breakroom and bathroom.
- Handles any other duty as assigned by management.
 - Operational procedures for Budtenders will include:
- Arrives 30 minutes before the dispensary opens.
- Setup displays and lay out inventory turned in from previous night.
- Review menu reporting any changes needed to Check-In employee for correction.
- Review daily specials and perform housekeeping duties.
- Must up keep a positive and professional attitude/appearance creating a positive retail experience for all customers.

- Budtenders are to assist customers in their buying decision. Offering current product knowledge using the sales presentation taught during training. Once a customer has decided on their purchase the consultant will ring up the transaction using our POS program Dutchie. POS program Dutchie is the system we use to track all sales and all inventory. Once the transaction is completed the consultant will read back the order to the customer verifying correct items, tax rate and total price paid.
- Budtenders are trained and responsible for handling payment tender. Cash or Debit card.
 Budtenders are to communicate all stipulations regarding service charges and taxes.
- Budtenders are to seal all purchased cannabis products leaving the facility within a bag, and customers are instructed to keep their bags sealed until they reach their final destination.
- Budtenders are responsible for greeting, thanking and inviting every customer back to the shop.
- Budtenders are responsible for proper highlighting and communication for all customer incentive and review programs. Asking customers for social media reviews of the dispensary is a crucial part of marketing and advertising previous dispensary shopping experiences.

Inventory Lead

The Inventory Lead a critical position that first and foremost ensures compliance with state required track-and-trace of all cannabis inventory, auditing, etc. The person will be trained to become an expert on the state's METRc track-and-trace system and.

The Inventory Lead will have the primary responsibility of managing and overseeing all inventory storage and tracking at our facility. This includes working with our inventory software, physical inventory and overseeing all employees responsible for inventory management. This position will be responsible for performing weekly and monthly inventory counts and monthly and annual audits with the General Manager. Additional duties include:

- Responsible for monitoring inventory to deter theft and diversion of cannabis.
- Controls the sales floor inventory levels.
- Responsible for managing the daily inventory related activities in the dispensary.
- Responsible for training and managing any staff that works within inventory.
- Communicates with staff in regards to any inventory issues such as expired products, defective cartridges and/or negative customer feedback.
- Responsible for uploading all inventory records including state mandated shipping manifests, invoices, and daily physical Inventory reports to our cloud based secure filing system used for records software storage.
- Helps to ensure consistent quality of cannabis products on the showroom floor.

- Perform daily, weekly and monthly inventory counts, files paperwork, and stocks inventory.
- Receives all inventory shipments ensuring manifest and actual products delivered match while then inputting all inventory into the Dutchie POS system before releasing it for sale.
- Reports all inventory discrepancies to owners and distribution company.
 - Operational procedures for Inventory Leads include:
- Collects all physical inventory count paperwork done from previous night (all showroom inventory is counted daily).
- Performs physical inventory, recounting and performing inventory corrections to our POS system which is our inventory tracking software.
- Identifies inventory errors created by consultants at point of sale.
- Reports to opening manager for correction and consultant coaching.
- Retail sales floor inventory replenishment. All products available to the showroom are stocked in the morning. In the event items need to be refilled while the Inventory Lead is not on duty, small amounts of products are kept in a secondary safe which the manager has access to. All bulk amounts are housed in the main safe which only the Owner, General Manager and Inventory Lead have access.
- The Inventory Lead oversees all products that are for sale.
- Enter all products into the POS system upon a product transfer from distribution.
- Use CA compliant shipping manifest to ensure delivery of products ordered matches what was received.
- Scan the shipping manifest and invoice, upload to our cloud based storage.
- If there is a discrepancy between the shipping manifest and what was received, notify the General Manager immediately and await instruction.
- Track POS inventory counts against master inventory spreadsheet, highlight discrepancies.
- Note and resolve all discrepancies. In the event they cannot be resolved, notify the General Manager.
- Review inventory levels.
- Send official orders for a two-week replenishment to distribution providers of our cannabis products.
- Determine if emergency orders need to be sent out for low inventory levels.

B.3. Employee Benefits

BUZZ' culture and business philosophy is that when the business takes care of its employees, those employees take care of customers and take pride in where they work. Therefore, BUZZ offers a wide array of benefits to its employees.

Health Care Insurance

Employees are offered PPO and HMO health care plans, dental insurance, and vision insurance to meet their individual needs. BUZZ pays the following health insurance premiums for employees:

- 100% of the health care insurance premium for managers;
- 50% of the health care premium for full-time hourly employees. Hourly employees are considered full-time if they work 30 hours or more per week.

Holiday Pay

Hourly employees who work on holidays are paid double their hourly rate.

Paid Sick Leave

Part-time and full-time employees may take paid sick leave of at least 5 days or 40 hours annually that complies with California law. Our Human Resources department will assist employees and store managers with complying with sick leave requirements.

Paid Vacation Leave

BUZZ offers paid vacation leave to salaried management employees of up to one week per year.

Uncompensated Time-Off

BUZZ understands that employees may need more time off to care of themselves or their families. In cases where the employee has exhausted all of the compensated annual sick leave of 5 days or 40 hours, whichever is greater, employees may take uncompensated time off with a formal agreement. BUZZ management may grant extended uncompensated leave as business circumstances allow. In such cases, BUZZ will work with the person on re-introduction into the operation.

Employee Discounts

Employees receive up to a 20% discount on cannabis products and BUZZ branded merchandise, like t-shirts and sweatshirts. Employees are also provided a BUZZ t-shirt to wear as a uniform while at work.

Employment Promotion Opportunities

BUZZ is a rapidly growing cannabis retail store brand in San Diego County. Given our rapid growth, BUZZ rewards employees who are high performers and who are interested in

advancement opportunities. Employees are offered the opportunity to apply for newly opened positions. BUZZ is rewarded with loyal employees who take pride in the company, their jobs, and their communities.



Electronic Security System Martin Samo 6350 El Cajon Blvd. San Diego, CA 92115 Tel (619) 588-6964 Fax (619) 324-7795

Lic #: 457107 & ACO 6970 Email: msamo@sd-elite.com

August 21, 2024 City of Santee

Re: Security Plan & Review Hilife Group Santee, LLC. Buzz Cannabis 8011 Mission Gorge Rd. Santee, CA 92071

I am the C.E.O. of Elite Security. I am considered a qualified physical security expert. I have developed dozens of cannabis business security plans that have been submitted with cannabis business license applications. I have analyzed many cannabis businesses in California and other states. Like other cannabis security consultants, I observe and advise these businesses regarding their security risk and how to be compliant. In addition to understanding the theory, I manage the day-to-day operations of a security company with a significant client base focused on cannabis.

Personal Qualifications include;

- ALARM COMPANY QUALIFIED MANAGER (Current)
- ALARM COMPANY OPERATOR (Current)
- NICET certified
- Security consultant since 1999
- Certificates/course completion First Alert (DSC)
- Potter Fire Alarm Certified Technician/Training
- Honeywell/Silent Knight, and DMP Fire Alarm System Certification
- Designed over 90 licensed cannabis facilities in California
- Authored over 75 SOP for licensed cannabis facilities in California
- Electrical Engineer 1990 SDSD BS Degree

I have reviewed the attached Security Diagram (Diagram) and Security Plan (Plan) that identify the site security related to the proposed cannabis dispensary and have advised regarding the implementation of the security industry best practices.

The Diagram and Plan incorporate the following best practices:

- Building design, the lends itself to being secured;
- Physical entry and access control;
- Intrusion detection;
- Video surveillance:

The Diagram and Plan identify all active security measures including the assignment of uniformed security officers, live-monitored video surveillance (during business hours) and an array of UL listed and monitored alarms inclusive of contact points, motion detectors and duress/robbery alarms situated.

There will be two (2) redundant alarm systems. The alarm systems will be wired with door contacts, motion sensors, sirens, keypad and duress/hold-up switches. The alarm panel will be placed in a secure office or dedicated closet/cabinet. The Alarm system will detect movement in all required areas within the premise when it is vacant using motion detectors placed throughout the facility. In the event of an intrusion, the alarm system will notify the central dispatch center that will immediately get in contact with its authorized assignee and Security Guard Company onsite. If the authorized assignee cannot be reached, local police will be notified and dispatched. The burglar alarm practices meet or exceeds those requirements of the City of Santee, the State of California, and best industry practices.

Passive security measures are described in appropriate detail and will be effective. The measures incorporated into the Plan include a robust surveillance system exceeding State and local requirements, as well as comprehensive CPTED (crime prevention through environmental design) concepts inclusive of target hardening, territorial reinforcement, and natural surveillance.

The security camera plan is described in appropriate detail and will be effective. It involves 52 cameras, each operating at 90 days recording at 4MP resolution and 20 frames per second. The camera layouts are provided for both interior and exterior environments, ensuring no blind spots and distinctive coverage of all areas where cannabis and currency may be stored, loaded, unloaded, moved, or transacted upon and about the premises.

Incorporated into the Plan are customer parking spaces situated for strong natural surveillance from the public thoroughfare, sufficiently near the structure to provide for uniform, white lighting,

and sufficiently close to the structure to provide for high- quality video production of these areas. Outdoor perimeter detection for any overnight delivery vehicle.

A detailed premise diagram demonstrating stringent access control and staff protection, enhanced natural surveillance and placement of critical areas (security infrastructure, cannabis storage and currency storage) in areas that cannot be seen by customers, and which maximize the time and distance that an offender would have to overcome in accessing these critical areas of the premises. The design inherently reduces opportunities for diversion, restricting access to these areas to management personnel.

Within the product security heading of the Security Plan that follows, procedures are outlined that describe how the retail area will maintain only that stock required to support average daily sales, how cannabis goods will be securely stored after hours.

Beyond the local and state requirements, the Plan implements a vast array of best practices including but not limited to exterior lighting commitments, specific training standards/ content for employees, off-premises security measures for delivery personnel, contingency plans, crime prevention measures and more.

For these reasons it is my opinion that the site security Plan and Diagram exceed the City and State requirements and provide for a very safe and secure operation.

If you have any questions, please contact me at 619-588-6964 Ext.2

Sincerely,

Martin Samo

Elite Security & Surveillance, Inc.

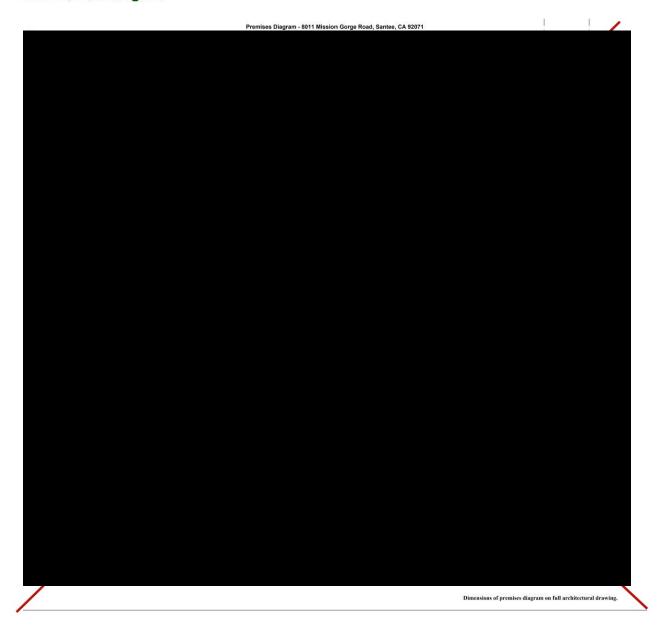
Section C: Security Plan

C.1. Qualified Security Professional

<u>Santee Group has engaged security surveillance and alarm specialist, Martin Samo of Elite Security & Surveillance, to assist with this Security Plan.</u>

Martin Samo is the founder of Electronic Security Systems (later merged with Elite Security & Surveillance). Elite Security & Surveillance has been serving local businesses in the greater San Diego area for approximately 40 years providing a variety of security needs, including alarm system installation and monitoring, surveillance system installation and monitoring, perimeter monitoring, access control, and more. Mr. Samo also has direct experience in advising commercial cannabis businesses in its security needs.

C.2. Premises Diagram



Full security installation locations of panic buttons and key access attached.

C.2.A DCC REQUIREMENTS

CCR §15006(a): A complete and detailed diagram of the premises is provided in Section C.2 above.

CCR §15006(b): The diagram shows the boundaries of the property and the premises to be licensed, including all boundaries, entrances and exits, interior partitions, walls, rooms, windows, and doorways, and includes a brief statement or description of the principal activity to be

conducted therein. The diagram also includes the dimensions of the boundaries of the premises and structures, including interior and exterior dimensions, to clearly identify the bounds of the premises.

CCR §15006(c): The diagram shows and identifies commercial cannabis activities that will take place in each area of the premises, and identifies limited-access areas. Commercial cannabis activities identified on the diagram include the following: storage, batch sampling, loading or unloading of shipments, packaging and labeling, customer sales, and loading for deliveries.

CCR §15006(d): The diagram shows where all cameras are located and assigns a number to each camera for identification purposes.

CCR §15006(e): The diagram is to scale to clearly determines the bounds of the premises.

CCR §15006(f): The diagram is labeled indicating which part of the property is the proposed premises and for what purpose(s) the remaining property is used.

CCR §15006(g): The diagram clearly shows the designated entrances and walls under the exclusive control of the Company for the premises, as well as the designated entrances and walls for each additional premises. The diagram also shows all proposed common or shared areas of the property.

CCR §15006(h): We are not seeking to conduct cultivation activities on the premises.

CCR §15006(i): We ae not seeking a Type S license to manufacture cannabis products or registering as a manufacturing shared-use facility.

CCR §15006(j): The premises is not located on a portion of a property that also includes a residence.

CCR §15006(k): We are not seeking a license to conduct manufacturing activities using a closed-loop extraction system.

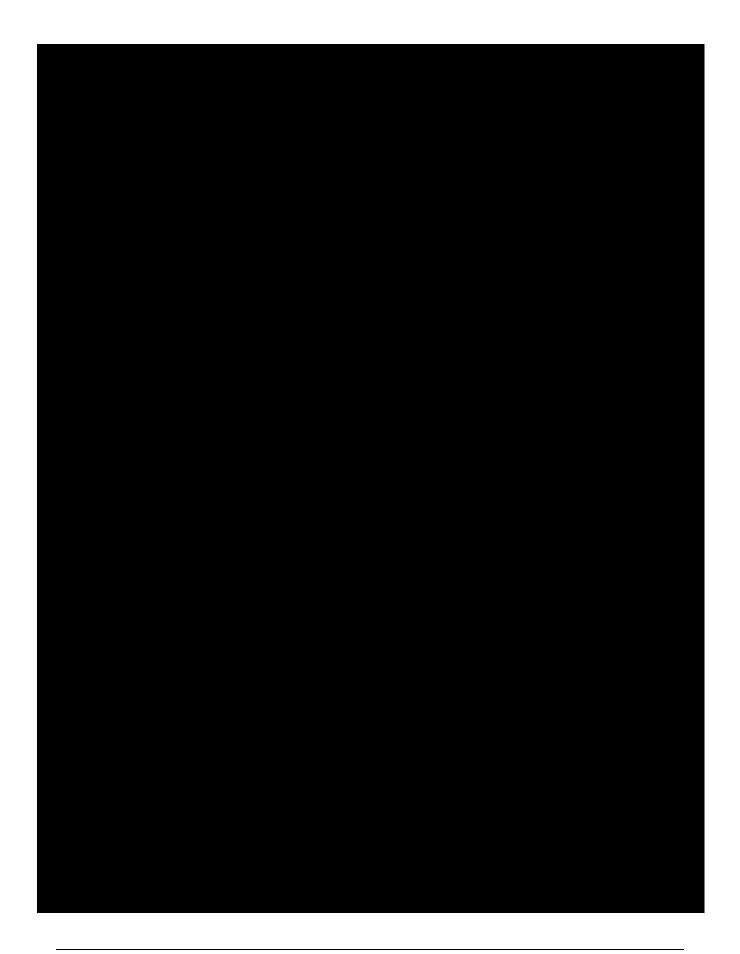
C.2.B BOUNDARIES OF PROPERTY AND PROPOSED LOCATION

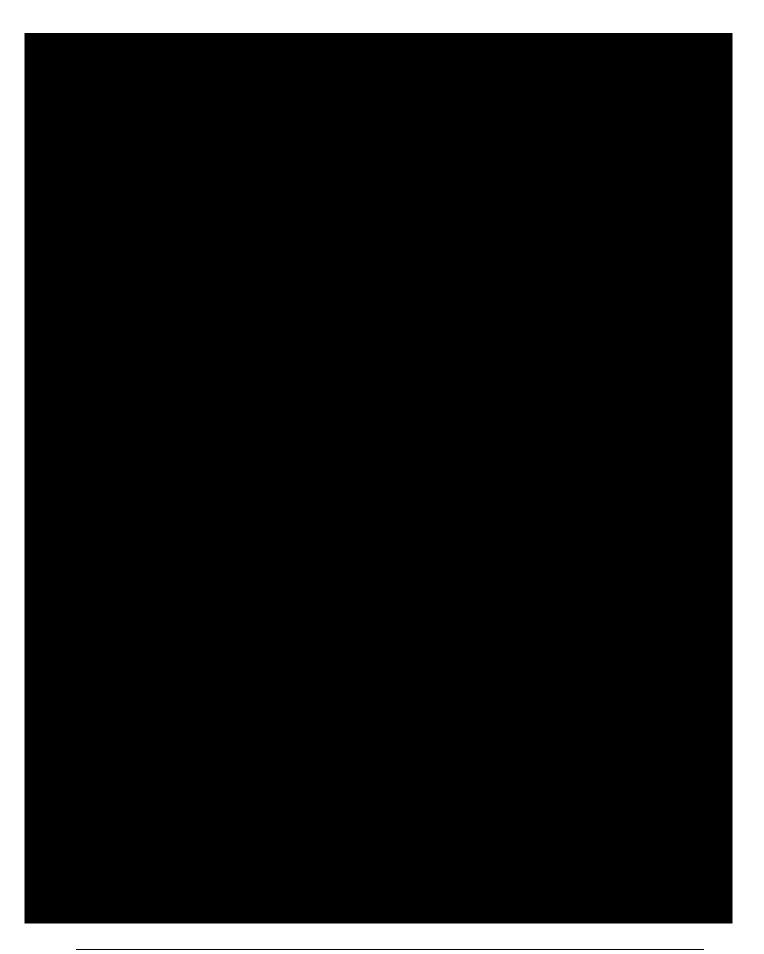
Site plan with boundaries of the property and dimensions is attached.

C.2.C CANNABIS ACTIVITIES & LIMITED-ACCESS AREAS

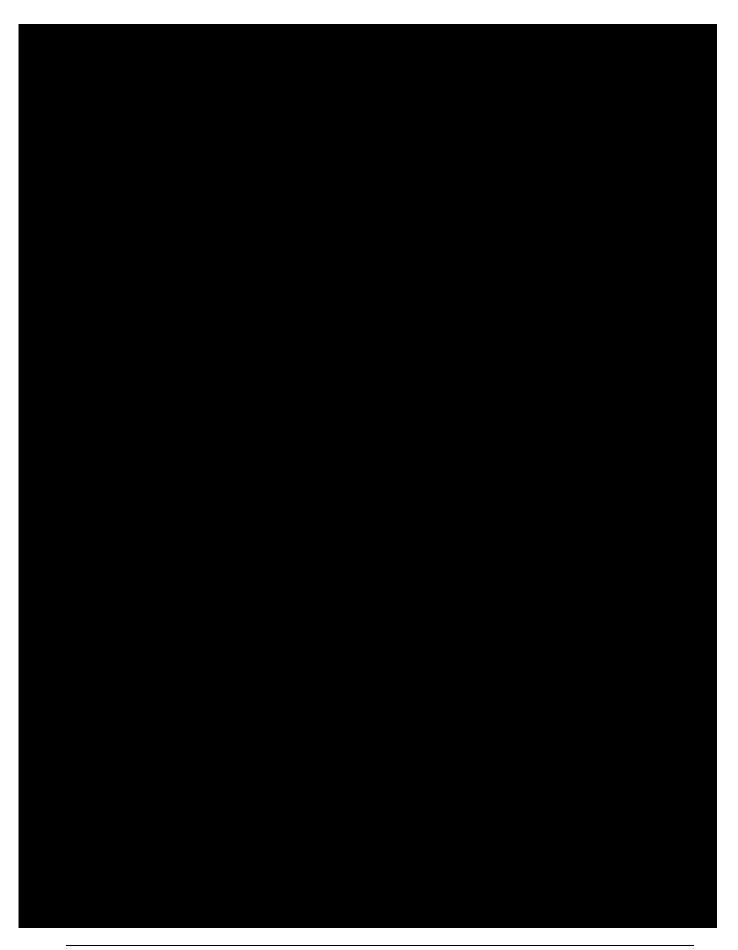
Our premises are designed to exceed local and state security requirements, compartmentalizing commercial cannabis operations into designated areas for increased efficiency. Each room where cannabis is stored or held is only accessible to the Company or its employees and is considered a limited-access area (IIa). Below is a summary of all cannabis activities that take place in each area of the premises:

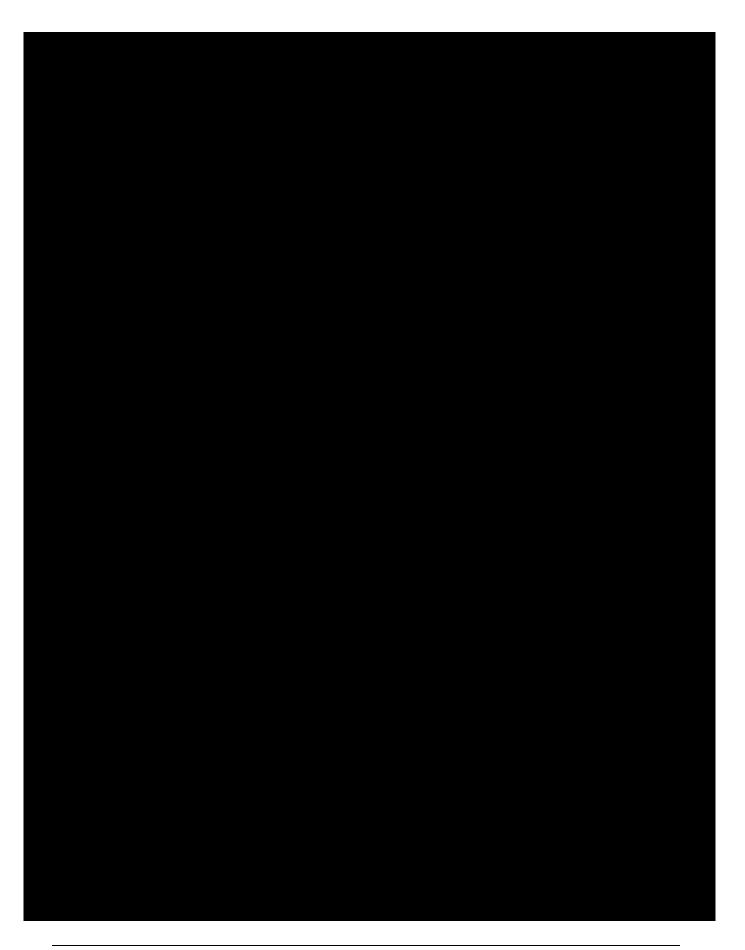














Record-Keeping

Financial Records

We maintain accurate electronic records detailing all revenues, expenses, assets, and liabilities. BUZZ shall comply with SMC 7.04.310(A).

Annually, or upon reasonable request by the City, we will file a sworn statement detailing our monthly sales for the previous 12 months, including gross sales and all applicable taxes and fees.

We will ensure an independent certified public accountant conducts an annual financial audit of our operations, which we will submit to the City.

We are subject to a regulatory compliance review and, where applicable, a gross receipts financial audit as determined by the City Manager.

Register of Stakeholders and Personnel

We maintain a current register with names and contact information (name, address, and telephone number) of all individuals owning or holding an interest in our Company. We maintain a separate register for all officers, Managers, employees, agents, and volunteers currently engaged with our Company. We will provide these registers to the City Manager upon reasonable request.

Inventory Control and Reporting

We implement an inventory control and reporting system that accurately documents the location, amounts, and descriptions of all cannabis and cannabis products. Our system covers all stages of growing, production, manufacturing, retail, and laboratory testing (as applicable) until purchase, as required by the MAUCRSA.

Accounting Software System

We will have an accounting software system in place to provide point-of-sale data as well as audit trails for both product and cash, where applicable.

Track and Trace Records

We will maintain an account within the track and trace system at all times while engaging in any commercial cannabis activity.

All commercial cannabis activity shall be accurately recorded in the track and trace system.

We will keep all track and trace records on file at the Company's facility to demonstrate compliance with the state's track and trace system for cannabis and cannabis products.

Storage and Transportation Plan

All employees are required to be familiar with the Company's standard operating procedures, which describes in detail the procedures for safely and securely storing and transporting all cannabis, cannabis products, hazardous materials that may be used by our business, and cash and other currency.

Cooperation with City Inspections/Audits

All employees are required to cooperate with the City whenever the City Manager makes a request, with or without prior notice, to inspect or audit the effectiveness of our Security Plan.

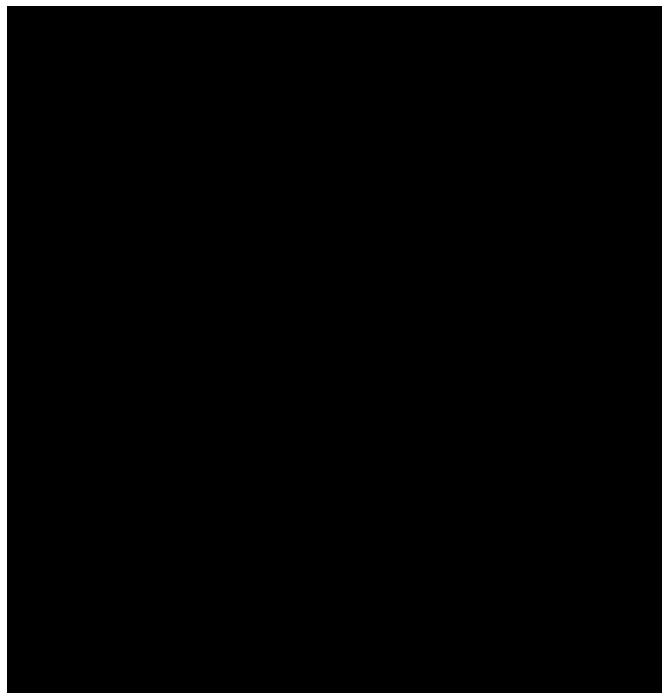
C.4. Cash Handling

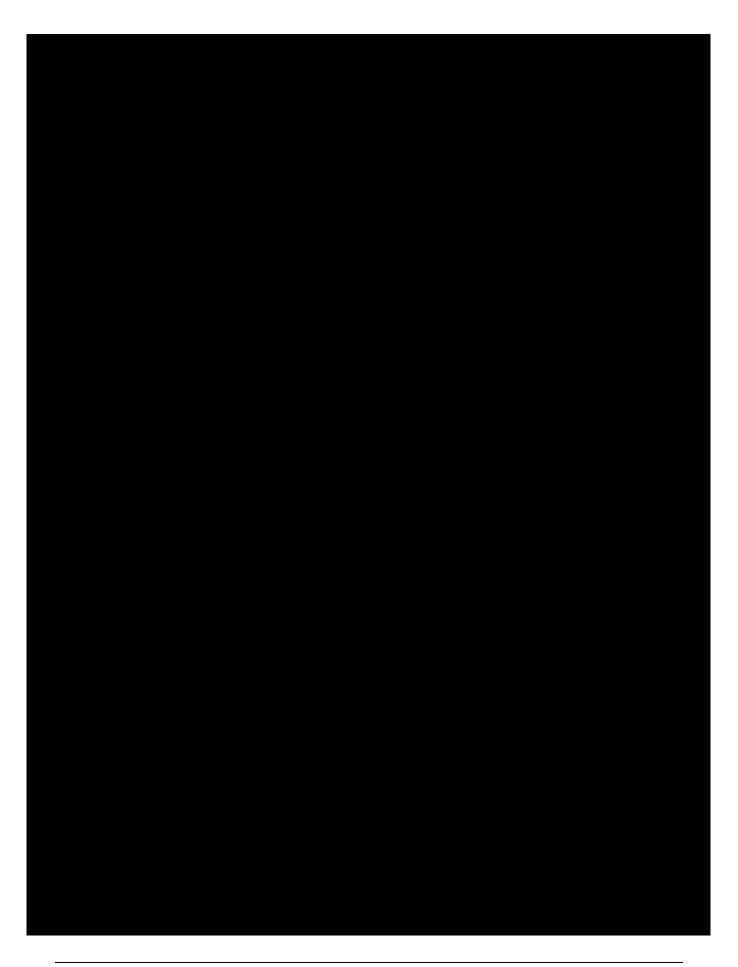
Introduction

We understand that we must have strict controls for managing cash in our business to ensure compliance with applicable laws and the safety of our employees, customers, and community.

Our cash handling procedure details every step in the process from customer cash payment to putting the money in safe storage (whether that's a bank account, offsite secure facility, or onsite safe). This section accounts for such incidents as how to handle cash at opening, when and how to do cash drops during the day, accepting cash and giving change to customers, when and how to close out drawers, deposit the day's cash at closing, reconcile discrepancies, and storage and transport of cash.

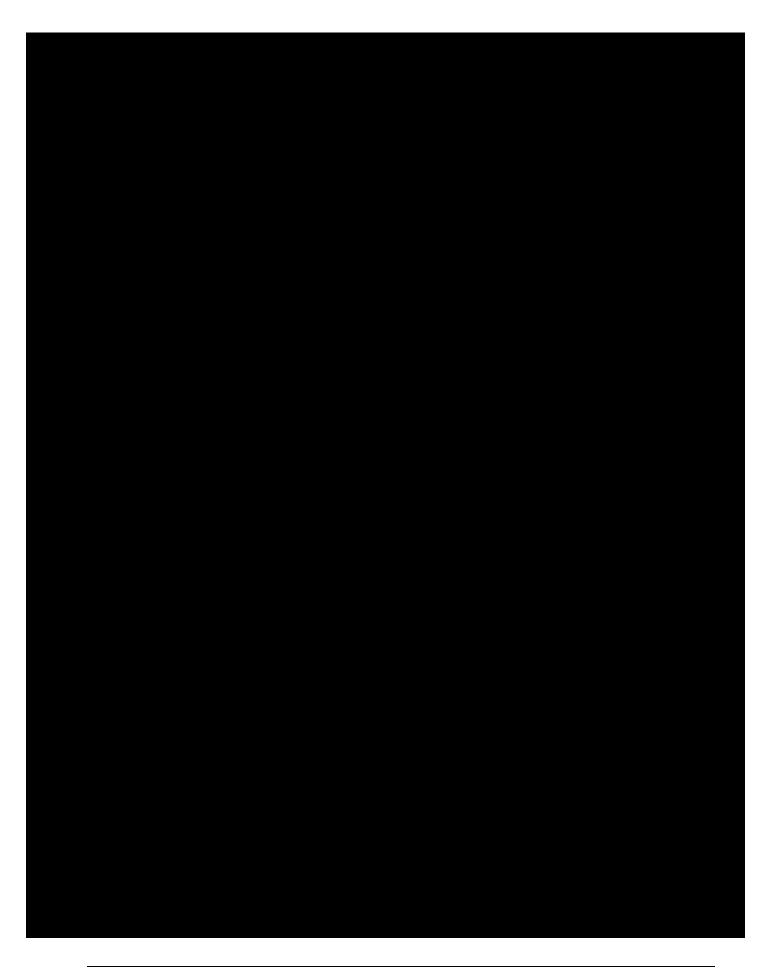
Cash Storage & Transport Process

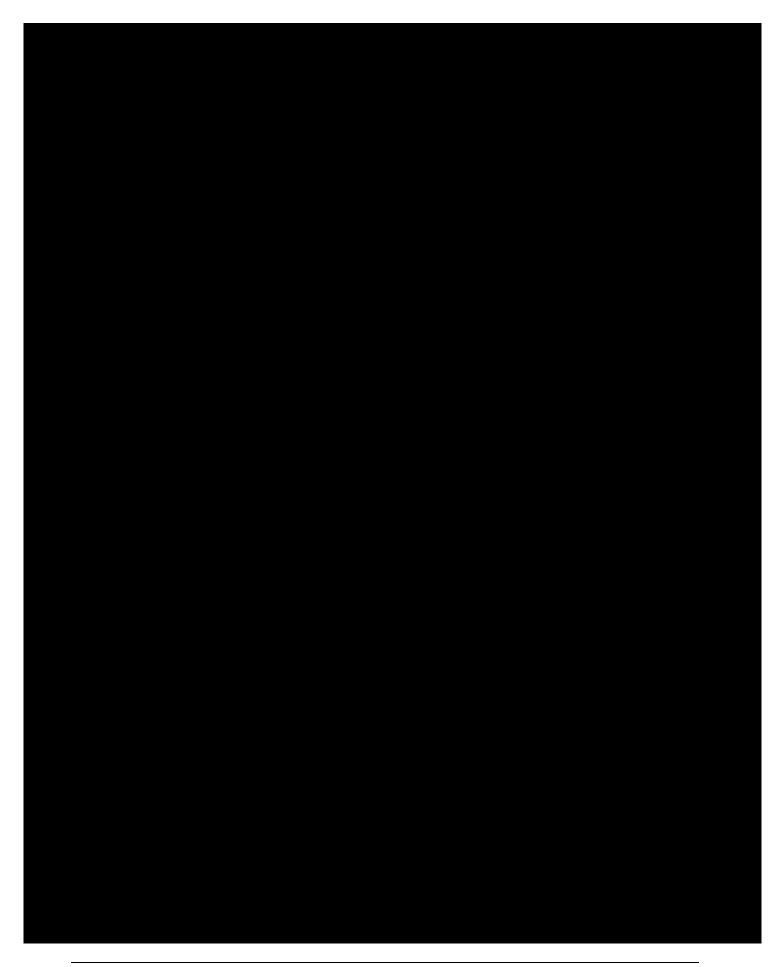


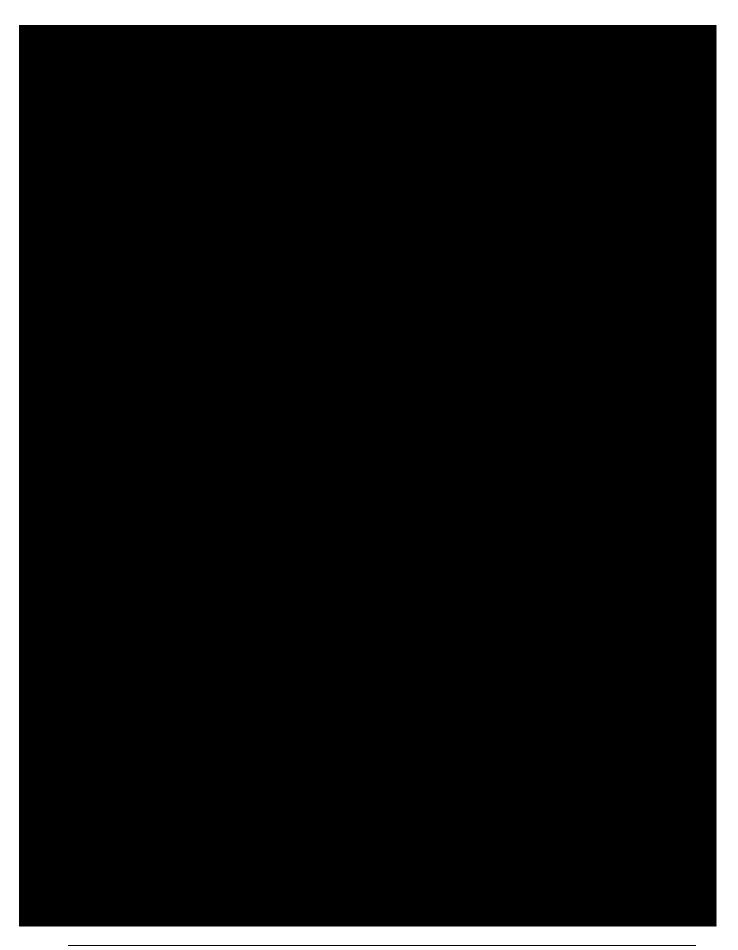


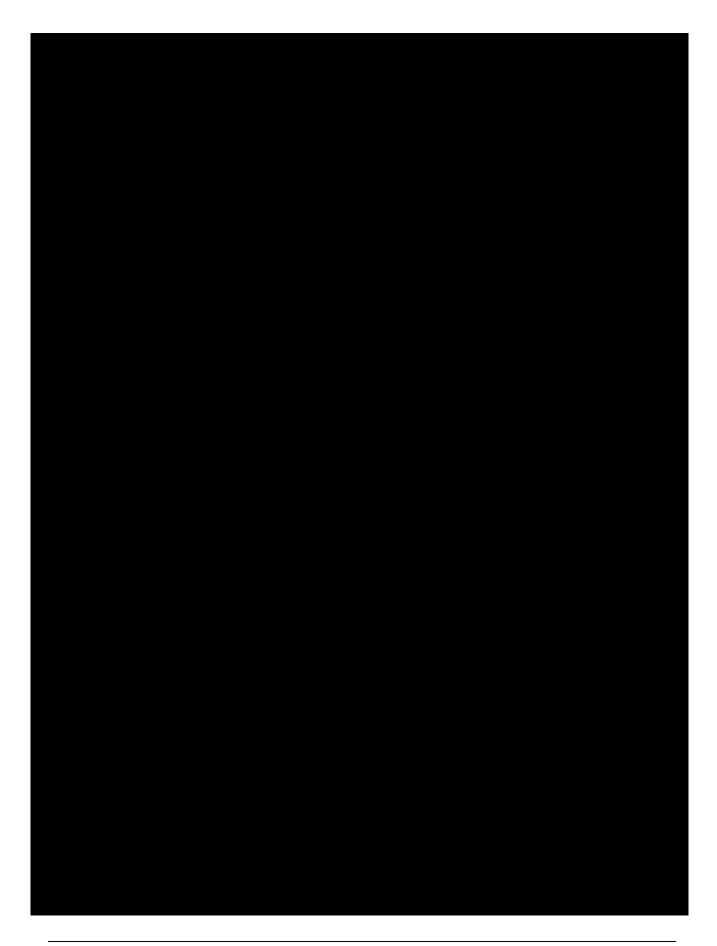




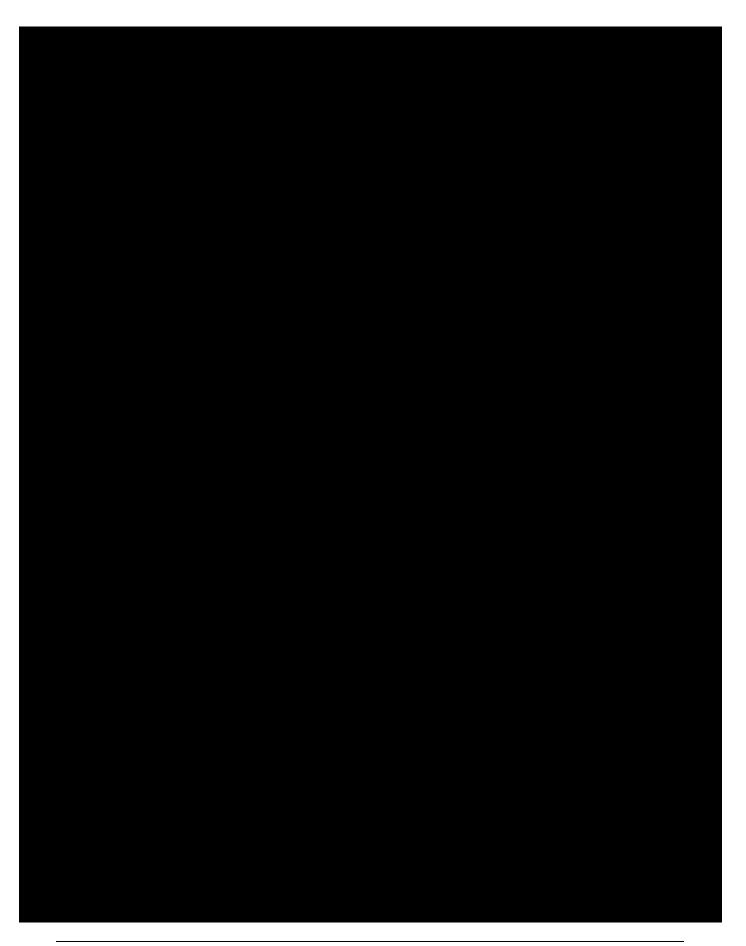














Signage

Signage is a deterrent and communicates to would-be criminals that the business is prepared and will act on illegal or disruptive behavior. All signage will comply with SMC 13.32 and 7.04.340.G. Sign permits shall be obtained as required and will be installed in a manner that shall not obstruct any entrance or exit to the building or any window.

Exterior signage will include the following:

- "No Trespassing-Private Property" signage will be posted at the property entrance and the premises entrance.
- A sign reading "Smoking, ingesting, vaping, or otherwise consuming cannabis on the premises or property is strictly prohibited" will be posted at the entrance of the premises and shall be no larger than two feet by two feet.
- External signage identifying the business shall read "BUZZ" and shall not use the word cannabis or the company's logo.

Signage placed on moving or stationary vehicles will not be used. Sign spinners and/or persons holding signs to attract attention or traffic shall not be used. Additionally, banners, flags, temporary billboards, or other prohibited signs will not be used per City ordinances.

Youth Access Prevention Plan

As part of Buzz Cannabis' commitment to preventing youth from accessing cannabis, our Youth Access Prevention Plan makes it every employee's responsibility to be aware of concerning behaviors on the premises or property. Security guards are specifically responsible for will watch

out for youth loitering in the general area. THC's security and safety plans include measures to prevent youth access to cannabis.

Our strict age and identification procedures are our first line of defense. Secondly, if we suspect that an adult is illegally purchasing cannabis for a minor, we will not complete the sale and the security guard will assist in ask the person to exit the premises. Diversion is when employees steal or otherwise "divert" cannabis from the legal market.

In addition to the entirely of our Security Plan, Buzz has a "safe to say" policy so that employees feel comfortable reporting suspicious activity to a manager or security guard. All reports of youth access or diversion/theft are immediately investigated and documented.

We are dedicated to strict enforcement of our safety and security policies, so our operations do not become a nuisance to our neighbors. Security guards will be monitoring the surrounding area by foot and surveillance camera, so that all suspicious activity is immediately addressed. Therapeutic Health Collective will remain open to the concerns of our neighbors and will place high priority on addressing those concerns in the most efficient methods.

Loitering Prevention Plan

We shall have a strict no-loitering policy. To prevent and also enforce our no-loitering policy, security guards will be required to constantly walk the perimeter of the facility to ensure no individual remains on the premises If an individual is found on the premises without a lawful purpose, security will be instructed to politely ask that individual to leave and avoid any physical confrontation. If the individual fails to cooperate, security will be instructed to call law enforcement.

C.6. Employee Training and Policies

Introduction

All employees will undergo comprehensive training in store security procedures to ensure a safe and secure environment for both staff and customers. This training will cover various aspects of store security, including product knowledge, emergency response, and customer interaction. By implementing this comprehensive training program, we aim to ensure that all employees are well-prepared to maintain a safe and secure store environment. Regular training and easy access to security procedures will help reinforce the importance of security and emergency preparedness.

Workforce Security

All potential employees will be subject to proper background checks going back at least the last 5 years. No person who is prohibited from working in a licensed cannabis facility pursuant to local or state laws shall be hired by the Company.

New employees will undergo an orientation program that includes training on security protocols, emergency procedures, and loss prevention strategies. Employees will participate in regular training sessions to stay updated on the latest security practices and procedures.

All employees must review and sign security handbooks and will be given proper training on procedures in case of an emergency. Handbooks will be kept on site for updating and safekeeping.

Employees must adhere to the Company's code of conduct, which includes guidelines on maintaining a secure and respectful workplace.

The store enforces a zero-tolerance policy for substance abuse. Employees found to be under the influence of drugs or alcohol while on duty will face immediate disciplinary action, up to and including termination.

Employees will undergo regular performance evaluations that include assessments of their compliance with security procedures and their ability to contribute to a safe working environment.

Employee Training

Product Knowledge:

Employees will be trained on the variety of products offered for sale, including their potency, absorption time (if known), and effects.

Employees will educate customers on these items to promote responsible consumption. Brochures containing information on safe consumption, potency, and absorption will also be handed out with every sale.

Emergency Response and Security Procedures:

Employees will be trained on store security protocols, including how to handle suspicious activities, theft prevention, and emergency situations.

Training will include the use of security equipment such as surveillance cameras and alarm systems, as well as safety equipment such as first aid kits and fire extinguishers.

Training will include emergency access and evacuation plans that comply with state and local fire safety standards.

Periodic Refresher Courses

Employees will receive periodic refresher courses to reinforce their training in store security procedures.

Refresher courses will include updates on any changes to security protocols, product information, and emergency response procedures.

Regular drills will be conducted to practice evacuation plans and the use of emergency equipment.

Accessibility of Security Procedures

Important security procedures will be documented and made available in the store office and employee break room. Employees will have easy access to these documents to ensure they can quickly reference security protocols when needed.

Additional Training Requirements

The Company understands that the City Manager or their designee may require additional training for business operations as deemed necessary under any circumstances. Employees will be informed and trained on any new procedures or requirements as they arise.

Training Records

All employee training records will be kept on-site in a secured office, with backup records maintained at the Company's headquarters. Training records will include documentation of initial training, refresher courses, and any additional training required by the city Manager or other authorities.

Customer Education

Employees will engage with customers to educate them on the safe use of cannabis products.

Employees will provide information on the potency and absorption times of products, helping customers make informed decisions. Employees will also educate customers on the potential risks and side effects of cannabis use, ensuring that customers are aware of how to use products safely. Employees will emphasize the importance of starting with low doses, especially for new users, and waiting to feel the effects before consuming more.

Brochures containing information on safe consumption, potency, and absorption will be handed out with every sale. These materials will serve as a reference for customers, reinforcing the information provided by employees. Informational brochures and materials will also be readily available for free in the customer service area and at the point of sale.

C.7. Summary of Compliance with State Law Security Requirements

SMC Section 7.04.320(A)(1): The premises have perimeter fencing and exterior lighting systems (including motion sensors) installed for afterhours security

SMC Section 7.04.320(A)(2): Security staff will prevent individuals from remaining on the premises if they are not engaging in an activity directly related to our business. In cases in which the individual will not voluntarily leave the premises in violation of applicable law, employees shall contact the Sheriff's Department.

SMC Section 7.04.320(A)(3): We have established limited-access areas and are accessible only to authorized personnel, including surveillance operations security staff, managers, law enforcement authorities, and security service personnel or contractors.

SMC Section 7.04.320(A)(4): Except for limited amounts of cannabis or cannabis products being used for display purposes in retail areas, all finished goods shall be stored in a secured and locked vault during non-operating hours. All safes and vaults used to store cash and / or cannabis goods are burglary-resistant and fire-resistant. All cannabis and cannabis products, including live clone plants that are being sold, shall be kept in a manner as to prevent diversion, theft, and loss.

SMC Section 7.04.320(A)(5): We will have 24-hour security surveillance cameras of at least high definition (HD) quality to monitor all entrances and exits to and from the premises, all interior spaces within the facility which are open and accessible to the public, all interior spaces where cannabis, cash, or currency is being stored for any period of time on a regular basis, and all interior spaces where diversion of cannabis could reasonably occur.

All cameras record in color. All exterior cameras are in weather-proof enclosures, are located so as to minimize the possibility of vandalism, and have the capability to automatically switch to black and white video in low light conditions.

The security surveillance camera's footage is remotely accessible and is compatible with the City's software and hardware, and access will be given to the City Manager. In addition, if required by City, remote and real-time live access to the video footage from the cameras shall be provided to the Sheriff's Department. We will maintain security camera videos for a minimum of 120 days, and all such videos will be made available to the Sheriff's Department upon request.

Surveillance video is of sufficient quality to assist with prosecution of any crime found to have occurred on the premises and is capable of enlargement via projection or other means. We will provide internet protocol address information to the Sheriff's Department to facilitate remote monitoring of security cameras by the Sheriff's Department. Our network security protocols are certified by Underwriters Laboratories, LLC.

SMC Section 7.04.320(A)(6): Sensors shall be installed to detect entry and exit from all secure areas and shall be monitored in real time by security professionals engaged by the Company and licensed by the state of California Bureau of Security and Investigative Services.

SMC Section 7.04.320(A)(7): Panic buttons shall be installed with direct notification to the Sheriff's Department dispatch and shall be configured to immediately alert dispatch for the Sheriff's Department.

- **SMC Section 7.04.320(A)(8)**: We will have a real-time alarm system professionally installed, maintained, and monitored by a security company licensed by the state of California Bureau of Security and Investigative Services.
- **SMC Section 7.04.320(A)(9)**: All security measures such as bars, security screens, etc. are installed only on the interior of the building.
- **SMC Section 7.04.320(A)(10)**: Security personnel shall be on site 24 hours a day and must have a verified response security patrol when closed. Security personnel will be licensed by the state of California Bureau of Security and Investigative Services personnel.
- **SMC Section 7.04.320(A)(11)**: We will be able to remain secure during a power outage by having doors, windows and other access points capable of being locked with a physical key and will ensure that all access doors are not solely controlled by an electronic access panel, to ensure that locks are not released during a power outage.
- **SMC Section 7.04.320(A)(12)**: Designated employees and / or security professionals shall control entrance areas to the facility.
- **SMC Section 7.04.320(A)(13)**: We will have an accounting software system in place to provide point-of-sale data as well as audit trails for both product and cash, where applicable.
- **SMC Section 7.04.320(A)(14)**: We will keep all track and trace records on file at the Company's facility to demonstrate compliance with the state's track and trace system for cannabis and cannabis products.
- **SMC Section 7.04.320(A)(15)**: We will have a professionally installed video surveillance system, access control and intrusion alarm systems designed to protect the inventory, facility, and employees. Our network security protocols will be certified by Underwriters Laboratories, LLC.
- **SMC Section 7.04.320(A)(16)**: Exterior vegetation will be planted, altered, and maintained in a fashion that precludes its use as a hiding place for persons on the premises.
- **SMC Section 7.04.320(A)(17)**: We will have emergency access and emergency evacuation plans that are in compliance with state and local fire safety standards and that are easily accessible to all employees.
- **SMC Section 7.04.320(A)(18)**: We will install "mosquitos" (high-pitch frequency devices) as a deterrent to vandalism/loitering.
- **SMC Section 7.04.320(B)**: We have designated Martin Samo as our security representative / liaison to the City (the "Liaison"), who will be reasonably available to meet with the City Manager regarding any security related measures or operational issues. The Liaison will annually maintain a copy of the Company's current security plan on the premises and present that same to the City Manager upon request.

The Company's security plan maintained by the Liaison shall contain provisions that:

- 1. Confirm that a designated manager will be on duty during business hours and will be responsible for monitoring the behavior of employees.
 - 2. Identify all managers of the cannabis business and their contact phone numbers.
- 3. Confirm that first aid supplies and operational fire extinguishers are located in the service areas and the manager's office.
- 4. Confirm that burglar, fire, and panic alarms are operational and monitored by a licensed security company 24 hours a day, seven days a week, and provide contact information for each licensed security company.
- 5. Identify a sufficient number of licensed, interior and exterior security personnel who will monitor individuals inside and outside our business, the parking lot, any adjacent property under our control, and ensure that the parking lot is cleared of employees and their vehicles one-half hour after closing.
- **SMC Section 7.04.320(C)**: All employees are required to be familiar with the Company's Storage and Transportation Plan which describes in detail the procedures for safely and securely storing and transporting all cannabis, cannabis products, hazardous materials that may be used by our business, and cash and other currency.
- **SMC Section 7.04.320(D)**: All employees are required to cooperate with the City whenever the City Manager makes a request, with or without prior notice, to inspect or audit the effectiveness of our Security Plan.
- **SMC Section 7.04.320(E)**: The Company shall notify the City Manager within 24 hours after discovering any of the following:
 - 1. Significant discrepancies identified during inventory.
- 2. Diversion, theft, loss, or any criminal activity involving our business or any agent or employee of the Company.
- 3. The loss or unauthorized alteration of records related to cannabis, customers or employees or agents of the Company.
 - 4. Any other breach of security.
- **CCR Section 15042**: We have established an identification and sign-in/sign-out procedure for all persons accessing the premises, including authorized individuals, suppliers, and visitors. Only employees and other authorized individuals access the licensed premises. For the purpose of this section, "authorized individuals" include outside vendors, contractors, or other individuals

conducting business that requires access to the premises. Any non-employee person who enters the premises shall be escorted by an employee at all times while within the premises.

We will maintain a record of all authorized individuals who are not employees and who enter the premises. The record includes (i) the name of the person, (ii) the company the person works for, if applicable, (iii) the reason the person entered the premises, (iv) the date, and (v) the times the person entered and exited the premises. These records will be made available to the DCC immediately upon request. It shall be prohibited for any person to receive consideration or compensation for permitting anyone to enter the premises.

CCR Section 15043: All agents, employees and contractors engaged by the Company will display a laminated or plastic-coated identification badge issued by the Company at all times while working. The identification badge shall, at a minimum, include the Company's "doing business as" name and license number, the individual's first name, a number exclusively assigned to that person for identification purposes, and a color photograph of the person that clearly shows the full front of the employee's face and that is at least 1 inch in width and 1.5 inches in height.

CCR Section 15044: We will have a digital video surveillance system with a minimum camera resolution of 1280 x 720 pixels on the premises. The video surveillance system shall at all times be able to effectively and clearly record images of the area under surveillance. Each camera will be permanently mounted and in a fixed location that allows the camera to clearly record activity occurring within 20 feet of all points of entry and exit on the premises. The cameras will allow for the clear and certain identification of any person and activities in all of the following areas:

- (1) Areas where cannabis or cannabis products are weighed, packed, stored, loaded, and unloaded for transportation, prepared, or moved within the premises;
 - (2) Limited-access areas;
 - (3) Security rooms;
- (4) Areas storing a surveillance-system storage device with at least one camera recording the access points to the secured surveillance recording area;
- (5) Entrances and exits to the licensed premises, which shall be recorded from both indoor and outdoor vantage points; and
 - (6) Point-of-sale areas and areas where cannabis goods are displayed for sale.

Cameras shall record continuously 24 hours per day and at a minimum of 15 frames per second (FPS). The physical media or storage device on which surveillance recordings are stored shall be secured in a manner to protect the recording from tampering or theft. Surveillance recordings shall be kept for a minimum of 90 calendar days and will be kept in a manner that allows the DCC to view and obtain copies of the recordings immediately upon request.

Additionally, we will timely send or otherwise provide copies of the recordings to the DCC upon request.

Recorded images shall clearly and accurately display the time and date. The video surveillance system shall be equipped with a failure notification system that provides notification of any interruption or failure of the video surveillance system or video surveillance-system storage device.

CCR Section 15045: We have engaged security personnel who are at least 21 years of age to provide onsite security services for the licensed retail premises during the hours of operation. All security personnel are licensed by the Bureau of Security and Investigative Services and shall comply with chapters 11.4 and 11.5 of division 3 of the Business and Professions Code.

CCR Section 15046: A licensee shall ensure that all limited-access areas can be securely locked using commercial-grade, nonresidential door locks. A licensee shall also use commercial-grade, nonresidential door locks on all points of entry and exit to the licensed premises. This requirement does not apply to a licensed premises authorized exclusively for cultivation activities or the cultivation area of a licensed microbusiness premises.

CCR Section 15047: (a) A licensee shall maintain an alarm system as defined in Business and Professions Code section 7590.1(c) at the licensed premises. This requirement does not apply to a licensed premises authorized exclusively for cultivation activities or the cultivation area of a licensed microbusiness premises.

- (b) A licensee shall ensure a licensed alarm company operator or one or more of its registered alarm agents installs, maintains, monitors, and responds to the alarm system.
- (c) Upon request, a licensee shall make available to the Department all information related to the alarm system, monitoring, and alarm activity.
- (d) If multiple licensed premises are contained within the same building or parcel of land, a single alarm system covering the entire building or parcel of land may be used by all of the licensees if all licensees have access to and are able to provide the information under subsection (c). All licensees shall be held responsible and subject to discipline for any violations of the alarm system requirements.

CCR Section 15047.2: (a) A licensee shall create and maintain an account within the track and trace system prior to engaging in any commercial cannabis activity.

- (b) All commercial cannabis activity shall be accurately recorded in the track and trace system.
- (c) A licensee is responsible for the accuracy and completeness of all data and information entered into the track and trace system. The licensee is responsible for all actions taken by the designated account manager or other account users while performing track and trace activities.
- (d) A person shall not intentionally misrepresent or falsify information entered into the track and trace system.

APPENDIX A

Store this log in a secured location near t	the deliver access	point.
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Date	Time	Company	Name	Verified ID	Signature

APPENDIX B

Store this log in a secured location near the deliver access poi	nt.
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Date	Time	Company	Name	Verified ID	Product Description

Section D: Qualifications of Owners

D.1. Owners Prior Experience in Cannabis

BUZZ has dedicated its focus on cannabis retail store development within California. This means we have become expert in managing and owning licensed cannabis retail stores that comply with California cannabis laws found in the Business and Profession Code Division 10 and California Code of Regulations Title 4 Division 19, otherwise known as the "cannabis laws and regulations" in California. None of Buzz's owners are owners or operators of licensed retail cannabis businesses in other states. The chart on the following page lists the State of California cannabis licenses that are owned by BUZZ Santee owners.

BUZZ' ownership team stands out in managing and operating cannabis retail stores, because all of the owners are highly experienced in regulated retail management and operations in other retail industries that sell highly-regulated products like alcohol, lottery tickets, food service, and gas. Best practices learned by selling these highly-regulated products have been directly applied to BUZZ' cannabis retail store operations. Due to the decades of experience BUZZ' owners have in retail operations, our cannabis retail stores quickly become customer favorites with high sales volumes.

	ornia State Licenses Owne			1		
Name	Entity	Туре	State License #	Location	Date Opened	Ownership %
Ray Ibrahim	Hilfe Group MV, LLC	Retail	C10-0001094-LIC	San Diego, CA	June 2022	17.5%
	Hilfe Group LM, LLC	Retail	C10-0001170-LIC	La Mesa, CA	August 2022	25.0%
	Wildomar Palomar, LLC	Retail	C10-0001371-LIC	Wildomar, CA	Opening November 2024	20.0%
	Hilife Group LG, LLC	Retail	in-process	Lemon Grove, CA	Opening January 2025	20.0%
	Hilife Group NC, LLC	Retail	in-process	National City, CA	Opening January 2025	25.0%
Besma Ibrahim	Hilfe Group MV, LLC	Retail	C10-0001094-LIC	San Diego, CA	June 2022	17.5%
	Hilfe Group LM, LLC	Retail	C10-0001170-LIC	La Mesa, CA	August 2022	25.0%
	Wildomar Palomar, LLC	Retail	C10-0001371-LIC	Wildomar, CA	Opening November 2024	20.0%
	Hilife Group LG, LLC	Retail	in-process	Lemon Grove, CA	Opening January 2025	20.0%
	NC Investment Group, LLC	Retail	in-process	National City, CA	Opening January 2025	25.0%
Rita Hirmez	Hilfe Group MV, LLC	Retail	C10-0001094-LIC	San Diego, CA	June 2022	50.0%
	Hilfe Group LM, LLC	Retail	C10-0001170-LIC	La Mesa, CA	August 2022	25.0%
	Wildomar Palomar, LLC	Retail	C10-0001371-LIC	Wildomar, CA	Opening November 2024	20.0%
	Federal and College Group, Inc.	Retail	C10-0000860-LIC	San Diego, CA	August 2021	30.0%
	Hilife Group LG, LLC	Retail	in-process	Lemon Grove, CA	Opening January 2025	25.0%
	NC Investment Group, LLC	Retail	in-process	National City, CA	Opening January 2025	25.0%
Steven Abbo	Hilfe Group MV, LLC	Retail	C10-0001094-LIC	San Diego, CA	June 2022	12.5%
	Hilfe Group LM, LLC	Retail	C10-0001170-LIC	La Mesa, CA	August 2022	25.0%
	Wildomar Palomar, LLC	Retail	C10-0001371-LIC	Wildomar, CA	Opening November 2024	15.0%
	Hilife Group LG, LLC	Retail	in-process	Lemon Grove, CA	Opening January 2025	10.0%
	NC Investment Group, LLC	Retail	in-process	National City, CA	Opening January 2025	25.0%
Brandon Garmo	n/a					
Derek Garmo	n/a					
Diah Asker, Jr.	n/a					

D.2. Owner and Team Overall Knowledge and Experience in Cannabis Industry

Knowledge

BUZZ understands that knowledge and industry best practices are not static. The cannabis industry in California is still a very new industry that constantly changes. Legislative changes that affect cannabis operations are signed into law each year by the Governor. The DCC promulgates regulations from those legislative directives, as well as develops new regulations on a consistent basis to keep up with a rapidly changing cannabis industry. If a cannabis business does not stay current on these changes, the cannabis business will quickly become non-compliant, which leads to a plethora of business problems. Thus, BUZZ' ownership team maintains a commitment operational excellent by attending industry trade shows and belonging to the most respected cannabis industry association in California as demonstrated by these examples:

MJBizCon. This is the largest cannabis tradeshow and conference in the U.S. The event is held each December in Las Vegas. It is the primary multi-day event where best practices, product innovations, and business connections are made by leading cannabis companies.

Hall of Flowers. This is a premier event tailored to connecting licensed cannabis retailers with licensed cannabis product manufacturers. This large trade show is held at a fair grounds location in different California cities once or twice per year. These events focus on the art and science of cannabis and offer opportunities to create strategic business relationships.

California Cannabis Industry Association (CCIA). CCIA is a trade association that is the leading voice of the licensed cannabis businesses in California. CCIA promotes the growth and health of the cannabis industry and works toward promoting a legislative and regulatory environment so that cannabis businesses can thrive.

Industry Best Practices

Given BUZZ owners' focus on cannabis retail in California, we have developed a consistent set of best practices that provide the foundation for successfully launching new locations and then growing the customer base and sales at that location. Our "best practices" are designed to ensure we maintain up-to –the-minutes current knowledge about new DCC regulatory requirements and guidelines. Our list of best practices is foundational to our business operations and guide our daily decision-making.

1. State Regulatory Compliance

BUZZ maintains its knowledge of state regulatory compliance in two ways. First, our owners and store-level managers received the DCC's email notifications, which are discussed at management meetings. We also regularly educate ourselves on updated DCC regulatory guidelines and change by using the DCC's CannaConnect compliance hub on its website.

Second, BUZZ works with a Compliance Consultant, Michaela Sweatt, of ALG Strategies. Ms. Sweatt is a well-known compliance consultant who currently works with licensed cannabis businesses in California who collectively own over 300 state licenses. Part of our regulatory compliance success is because we are proactive in addressing industry changes, which we can only do when we work with expert knowledge.

2. Focus on carrying the top-rated brands in each product category

BUZZ has become known for its vast selection of cannabis products in every category. We only carry the highest quality brands from licensed product manufacturers. Because we attend industry tradeshows and events, we keep our product offering fresh and interesting.

3. Employee pay, training, and advancement opportunities

BUZZ owners' vast retail operations experience means that we know employees are a primary key to success. Our compensation packages are among the best in the cannabis industry. Employees received onboarding paid training and regular refresher training, which gives them the skills and confidence to deliver operational excellence and customer service. Promoting from within and providing advancement opportunities into management roles builds employee loyalty.

4. Owner involvement in daily management

Employees are a primary key to success, but owner involvement in daily management is necessary to provide direction and focus on BUZZ's operating standards. The owners regularly participate in management meetings with store-level staff to discuss operations. Most importantly, in their own areas of expertise, the owners work with store employees as coaches to ensure operational excellence.

The best practices explained above have been incorporated into our cannabis retail store launches and ongoing management in our Mission Valley and La Mesa cannabis retail stores as explained below.

BUZZ Mission Valley. BUZZ owners have been managing and operating its flagship cannabis retail store in Mission Valley for two years. Within just over one year of operating, the BUZZ Mission Valley store quickly grew to a total annual sales revenue of over \$7,000,000 due to its large selection of cannabis products that appeal to a wide customer base, its excellent location in a high-traffic commuter corridor, beautiful interior design, and reputation for excellent customer service and business practices. A testament to the owners' experience in directly managing and operating this cannabis retails store is that BUZZ has not received any regulatory violations from the Department of Cannabis Control (DCC) or the City of San Diego.

BUZZ La Mesa. The BUZZ La Mesa location also grew rapidly in customer sales volume. The same principles were employed to build the La Mesa store as the Mission Valley store. Within the first year of operations, BUZZ La Mesa achieved over \$3,000,000 in annual gross revenue and

is still growing its customer base. BUZZ' experience in owning, managing, and operating cannabis retail stores has resulted in highly compliant operations as evidenced by state and local regulatory compliance inspections. BUZZ was inspected in May 2024 by a third-party cannabis compliance company hired by the City of La Mesa to conduct a comprehensive evaluation of BUZZ' compliance with DCC regulations and local cannabis ordinances, BUZZ received zero compliance violations.

These examples of BUZZ owner's prior experience in managing and operating cannabis retail stores that produce high-volume sales and highly compliant operations translates into tax revenue and community benefit for the City, as well as a multitude of contributions to public health, safety, and welfare. The City of Santee will benefit by choosing the local owners to manage and operate one of the CCB retail permits.

Wellgreens Lemon Grove. Rita Hirmez is a majority owner of this cannabis retail store in Lemon Grove. This location has won 13 "best" awards in the categories of knowledgeable staff, product selection, deals/prices, and best overall, from Weedmaps, a cannabis marketing and ordering platform. Weedmaps is the most powerful online sales platform used by the most cannabis purchasers in the cannabis industry. Winning Weedmaps awards is a customer testament to embodying the best practices explained above. As an owner and leader, Ms. Hirmez focuses on merchandising and ensuring the highest-quality-products are available in the store.

D.3 Ownership Team Involvement in Day-to-Day Operations

BUZZ is owned by a tight-knit group that has worked together on many business ventures in San Diego County. All seven of the owners of Hilife Group Santee, LLC dba BUZZ live in East County San Diego and specifically in El Cajon, California. Each individual owner is highly experienced in retail operations and the selling of highly-regulated products.

Ray Ibrahim is the primary day-to-day management and operational leader BUZZ Santee store and he performs the same role at the Mission Valley and La Mesa stores. Mr. Ibrahim personally launches each new cannabis retail store and participates in the hiring process when staffing a new cannabis store, especially the hiring of management staff, because Mr. Ibrahim works directly with management staff to ensure that the best practices explained above remain a focus of store-level management teams. Ray directly manages the daily financial operations of each store to ensure proper accounting and tax compliance.

Rita Hirmez and Besma Ibrahim participate in daily operations through cannabis product selection and store merchandizing. BUZZ' stores are known for their beautiful, stylish design and welcoming shopping experience. The entire BUZZ management team recognizes the value of cannabis product display to enhance sales.

Steve Abbo, Derek Garmo, and Brandon Garmo will participate behind-the-scenes at the retail store. Each of these owners have extensive retail experience in high-regulated businesses that require ID checking and security measures to keep customers and employees safe.

Additional Owner Qualifications – Owner Bios

Ray Ibrahim

Ray Ibrahim owns five (5) cannabis retail stores. His prior cannabis experience also includes owning and operating a cannabis manufacturing and distribution facility in Miramar San Diego, until he decided to exclusively focus on cannabis retail stores. He has chosen to expand his retail expertise into cannabis retail store development, because it is the newest and most unique type of retail business in a new industry to emerge in a long time. In addition to cannabis retail stores, Ray's extensive retail holdings and non-cannabis customer-facing businesses include two (2) liquor stores, three (3) Little Caesar's Pizza, nine (9) Jersey Mike's Subs (one in Santee), and three (3) restaurants in San Diego County. Cannabis and alcohol sales require compliance with state laws and regulations, such as alcohol sales requiring age verification and special excise tax collection and remittance. Ray brings focus to financial management of each business. Ray has held multiple charity events for local community organizations, including the Santee School District Foundation and the EricParedes Save a Life Foundation. Mr. Ibrahim is known for matching the contributions collected at his stores and takes pride in giving back.

Steve Abbo

Steve Abbo is the owner of numerous successful businesses throughout San Diego County. Importantly, Steve's businesses are in highly-regulated industries and including the following: eight (8) liquor, beer, and wine licenses; five (5) convenience stores that sell liquor, beer, and wine; three (3) gas stations; three restaurants; and a non-emergency medical transport company. Each of these businesses requires extensive compliance with state laws and regulations, alcohol sales require age verification and special excise tax collection, gas stations require special excise tax collection and remittance. Steve is expert in selecting retail business locations that serve both the surrounding community and visitor/tourist customers. A key to his success in these highvolume locations is understanding the customers that visit the retail locations with diverse needs. He also owns TLC Medical Transport, a non-emergency medical transport company serving critical community needs. Mr. Abbo is on the Planning Board of the Mission Valley Planning Group, which is a land use and land development advisory group recognized by the City of San Diego. This group works closely with City officials on matters important to Mission Valley area businesses and community. As an Executive Board member of the Neighborhood Market Association board of Directors, Steve works to empower family-owned businesses prosper in the small neighborhood markets they serve.

Rita Hirmez

Rita Hirmez is an owner operator in the BUZZ branded cannabis retail stores and has an ownership interest in the Wellgreens cannabis store in Lemon Grove, CA. Rita is proud to expand and represent women in the cannabis industry as both an owner and operator the BUZZ branded cannabis retail stores and one Wellgreens cannabis store in San Diego County. Rita is involved in

the design elements of each new retail store to ensure the style fits with the neighborhood and works on merchandising cannabis products for display within the cannabis stores. Prior to entering the cannabis industry, Rita was a bank manager.

Besma Ibrahim

Besma Ibrahim is an owner operator in the BUZZ branded cannabis retail stores. Besma is proud to expand and represent women in the cannabis industry as both an owner and operator the BUZZ branded cannabis retail stores in San Diego County. Besma works with Rita on cannabis store design, product merchandising, and ensuring that the stores cater to a diverse audience including adult-use and medical-use customer, as well as customers who want to experience non-smokable cannabis like gummies and beverages. Prior to entering the cannabis industry, Besma was a bank manager.

Derek Garmo

Derek Garmo owns many businesses and commercial properties in East County San Diego. His businesses include liquor stores, convenience stores, gas stations, and car washes that he manages as part of his family's investments. His business ownership includes liquor stores and convenience stores that also sold lottery tickets, which are both highly regulated businesses. At one time he owned three (3) Subways® in Santee for 17 years with his brother, Brandon, where he managed human resources and operations. Derek has owned and managed the family's Santee Sunshine carwash for 14 years and lead the development of the site into a Shell gas station that is now open with the carwash to be reopening soon. Derek supports community development and enhancement as evidenced by repaved the street and intersection at the carwash that was not part of the CUP requirement but was a benefit the City. The carwash was awarded the license and approved by the Sheriff's department to service their vehicles. Derek's skillset includes property management and ensuring compliance with building and security measures that are required of cannabis businesses.

Brandon Garmo

Brandon Garmo owns many businesses in East County San Diego and he currently employs a total of approximately 700 people. Mr. Garmo's numerous businesses are in very diverse industries. He is the Executive Vice President and owner of Prowall Lath and Plaster that serves four (4) counties in Southern California and has been in the construction industry for 35 years. Along with his family, he owns and develops real estate contributing the economic growth and job development and many of these properties are in Santee. His other businesses include liquor and convenience stores that sell highly-regulated products like lottery tickets, alcohol, and gas. His particular skillset is in daily hands-on management of people and operations and he enjoys maintaining close relationships with customers and neighbors. Brandon is proud that at the age of 21 he was the youngest Subway® franchisee in history of the company and at one time owned three (3) Subways® in Santee for 17 years with his brother, Derek. Mr. Garmo regularly

participates in local fundraisers and community events where he donates money and resources to local groups like the VFW.

Diah Asker, Jr.

Mr. Asker is a long-time business partner of Ray Ibrahim. Together, they own extensive retail holdings and non-cannabis customer-facing businesses include two (2) liquor stores, three (3) Little Caesar's Pizza, nine (9) Jersey Mike's Subs (one in Santee), and three (3) restaurants in San Diego County. Separately, Mr. Asker owns a large food distribution company and has an expertise in inventory transportation.

Section E: Neighborhood Compatibility Plan

E.1. Nuisances and Negative Impact Avoidance

BUZZ is dedicated to being proactive in the neighborhood to ensure our cannabis retail storefront is compatible with the neighborhood through every stage of our business from the startup stage, through growth, and ongoing success. Cannabis businesses have a special responsibility to ensure that operations do not have a negative impact in the neighborhood. Mitigating negative impacts are partly achieved through security measures like video surveillance, security guards, proper lighting, and the maintenance and appearance of the parking lot and building. Other nuisances and potential negative impacts are achieved through our operational standards and attention to being a good neighbor. We are always open to feedback and communication with neighbors as part of our commitment to being a good neighbor.

BUZZ believes in taking extra steps to ensure our operations achieve positive impacts in the neighborhood. Other positive impacts are achieved by the culture and operating procedures of BUZZ and our neighborhood outreach. All of BUZZ' owners live in East County San Diego and own other highly-regulated businesses around San Diego County. Santee is part of the neighborhood where our own families and children frequent. Employees we hire will also be members of the general neighborhood. Because we are already part of the neighborhood, we have a deep understanding of how to connect with and communicate with neighbors to ensure concerns or issues that arise are handled promptly and in a manner that creates good will.

Noise

Buzz takes a proactive approach to ensuring its business activities are not a nuisance to immediate neighbors or the surrounding neighborhood. Customers are required to leave the premises and property immediately after visiting the dispensary. There is no loitering or gathering on the property. Security guards and management ensure the no loitering policies are followed. If a customer or other visitor is making noise or being disruptive, the security guard will approach the person or group in a friendly manner and ask that they move on. If there is resistance or escalation, the security guard will return to the preemies and call law enforcement. We will not have any activities or operations on site that would create excessive noise for neighboring businesses. The design of our facilities provides sound-proofing measures via insulation and double-paned windows that will absorb excess sound produced from daily business practices onsite, preventing it from affecting neighboring businesses or residences. Entrance and exit points will be directed away from noise-sensitive areas, especially in regard to deliveries and vehicles moving materials on-or offsite. There will be 24-hour surveillance of the property to ensure that noise levels are at a minimum at all times. Customers and patients will be asked to quietly leave the premises after all transactions have been completed.

Lighting

All exterior lighting is designed for the security and safety of all customers, employees, and the premises. Lighting is designed to illuminate the parking area and entrance to the premises in a manner that enhances the property. All lighting will be City of Santee lighting codes.

Odor

Since all cannabis goods sold by Buzz are already packaged as they will be sold to customers, there is very little, if any, odor that can be detected from the exterior of the building. As a safeguard, Buzz has installed upgraded air filtration systems to ensure that odors do not escape. These "odor scrubber" air filtration systems are very effective at eliminating all odors and actually improve the interior air quality for all customers and employees.

Public Consumption

On site consumption by customers or employees is strictly prohibited. BUZZ security guards ensure that no cannabis consumption occurs in the parking area or anywhere on the property. Other businesses on the parcel are encouraged to report to our security guards or managers if they observe any consumption of cannabis on the property and our security guards will immediately request the consumption to stop and for the person to exit the property.

Loitering

To prevent possible nuisances and related security issues, we will prohibit loitering within 20 feet of the premises and post "No Loitering" signs at strategic locations. A security guard will monitor the perimeter, and a state-of-the-art security system with high-tech cameras will provide 24/7 surveillance. Areas that might encourage loitering will be refurbished or eliminated.

Littering and Graffiti

Security guards will monitor the cannabis facility and surrounding area, noting any litter, debris, graffiti, and other undesirable changes. The security guards will notify management, who will assign one or more employees to correct the issue(s) as needed. We will promptly address any litter, debris, graffiti, or unappealing aspects of the building. Graffiti will be removed and painted over within 24 hours to match the original surface color. Any unsightly appearances will be quickly remedied.

Vehicle and Pedestrian Traffic

BUZZ' location on Mission Gorge Road is a heavily travelled thoroughfare in an established commercial area. Increased foot and vehicle traffic is a natural outcome for any successful business. However, BUZZ expects that the overall increase in vehicle traffic at our location will be minimal, given the already well-populated area.

Our facility location has adequate parking for staff, customers, and patients. Our loading areas are strategically located to reduce traffic congestion, and deliveries will be scheduled during non-peak times if possible. This approach ensures that we do not contribute to peak hour traffic issues.

By strategically managing parking and traffic flow, BUZZ aims to minimize any negative impact on the surrounding area while ensuring easy access for our customers and employees. We are also prepared to work with the City to improve roads and minimize traffic congestion

Social Media Monitoring

Social media is a powerful communication tool for monitoring complaints from customers who purchase products sold in our retail store, as well as monitoring for complaints from the neighborhood and community. The primary social media platforms we will use in daily business are Instagram and X (formerly known as Twitter). Our business office and marketing personnel use Instagram and X for promoting our cannabis retail store locations, new cannabis products, and sales promotions. Since these social media tools are used in our everyday business operations, we already engaged with customers and the community and will be able to detect any negative trends or comments.

Social Media monitoring is made easier for BUZZ since it is integrated into our Dutchie CRM system. Social media has become a major way for people, communities, and businesses to connect. The benefits of social media allow for quick communication and highlight any community complaints very quickly.

When a complaint is posted to one of our social media pages, we will respond immediately and request that the poster contact us directly via email or phone call so that we can address the complaint or concern. All complaints will be treated seriously and BUZZ staff will follow our standard complaint procedures to document the concern and resolve it.

Neighborhood Contact

Each business that is adjacent to out cannabis retail store will be provided with the name, phone number, and email address of our Neighborhood Contact. It is important that neighboring businesses know how to reach us so that we can address nuisances or concerns immediately.

Neighborhood Meeting and Outreach

As a new business within the neighborhood, we feel it is our responsibility to establish a community network that will foster not only our growth, but the growth of the businesses around us. The following discusses the implementation of our "good neighbor" policies, and why we feel it is so important to incorporate our fellow business owners and neighbors, into the opening of our retail storefront.

Being a good neighbor involves sustained effort. Our community relations contact will proactively seek feedback and communication with our neighbors. BUZZ intends to conduct this outreach by conducting neighborhood surveys, inviting neighbors to tour our premises, or hosting neighbors for feedback sessions at a local hotel conference room. We understand that adult-use cannabis is newly legal in California and that communities, such as the City of Santee, have created new laws and ordinances about which neighborhood community members may have questions. We have a deep appreciation for neighbor concerns and take very seriously our role in being a leader in the community to ensure a harmonious neighborhood environment. Prior to opening, we will invite neighboring businesses and residents to tour our facility so that we can show them how a professionally-operated cannabis retail storefront succeeds in creating a safe and legal environment. We believe that informing and educating others on how we operate is a crucial step in becoming part of the vibrant City of Santee commercial corridor. We want our neighbors to get to know us and to feel comfortable calling on our community relations contact to resolve any nuisance caused by our business. During this tour, the public will meet our managers and staff and will be provided with a handout of our good neighborhood policies and community relations contact information.

Complaints Generally

All complaints are handled by a manager or specially trained staff member immediately if the complaint is received via a phone call or within 24-hours if the complaint is received via email or social media. To ensure consistency and the ability to track complaints, BUZZ uses a Complaint Form to ensure that all complaint information is thoroughly documented at the time the complaint is received. The Complaint Form is used for all types of complaints including neighborhood/community nuisance complaints and cannabis product complaints.

Once the complaint is thoroughly documented, a manager or owner conducts an investigation. Depending on the nature of the complaint, the investigation might involve reviewing video surveillance, interviewing neighboring businesses, gathering additional information from employees, or contacting the complainant for additional information. BUZZ thoroughly documents all aspects of the complaint. Records of the complaint are maintained for seven years with all other operating documentation.

Complaint Form

Reporter's Details					
Name:	Location Visited:				
Address:					
E-mail:	Telephone:				
Product Con	nplaint Details				
Date of Complaint: Date of Purchase					
Product Name:	(or date of incident):				
Trouder Nume.					
Product Lot/Batch No.	Product Strength:				
Expiry Date:	Product Sample Available (yes or no):				
Description of Product Complaint (provide a	as many details as possible):				
Description of Nuisance Complaint (provide	as many details as possible):				

Complaint Procedures

In the event of a serious adverse event or emergency, employees and customers will be instructed to seek medical attention immediately and/or call 911.

A manager will use the Complaint Form to gather and document all complaints. For cannabis product-related complaints, additional information needed includes:

- Complainant's name and contact information.
- Any illness or injury reported.
- Detailed description of the complaint (e.g., allergic reaction, illness, object in the product, chemical taste, dissatisfaction).
- Events and circumstances leading to the complaint, including how the product was stored and handled.
- Product name, package type and size, UID and batch number, manufacturer name, and license number (customers will be asked to bring in the packaging or send a photo).
- Date and location of product acquisition.
- Whether the complaint has been referred to anyone else (e.g., public health, law enforcement).

Management will investigate the complaint based on the provided information. A thorough follow-up and review of the entire seed-to-sale tracking and notification of regulatory agencies will be completed promptly. A response will be provided to the customer. Depending on the investigation outcome, we may segregate the batch and implement recall procedures if necessary. Outcomes may range from offering a product exchange for customer satisfaction issues to referral to our legal counsel for follow-up.

Cannabis Product Recalls

Cannabis product recalls can be initiated by the DCC, San Diego County public health department, or the licensed distributor or manufacturer in the supply chain. BUZZ will immediately comply with all recall requests.

Factors that may necessitate a recall include, but are not limited to:

- Inaccurate Certificate of Analysis from the licensed laboratory.
- Inaccurate packaging or labeling.
- Misbranding of the product.
- Adulteration of the product batch at some point in the supply chain.

- Determination after a customer complaint that a product batch should be recalled.
- Requirement by a cannabis regulating authority.

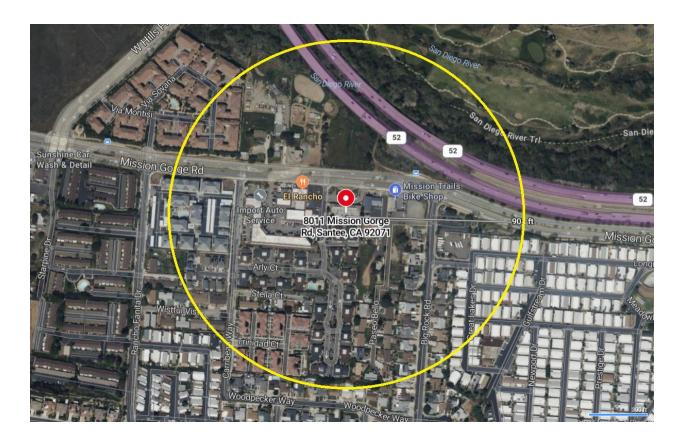
Recall Protocol

Our procedures for responding to cannabis product recalls are as follows:

- After receiving recall notice from DCC, other authority, or the licensed distributor or manufacturer, begin recall procedures within 24 hours.
- Document the following recall information:
 - Name of the cannabis product.
 - Date and time of recall.
 - UID and/or batch number.
 - Quantities or counts of the product in possession.
- Notify all customers via:
 - Posting recall notice with relevant information and instructions on our website, social media, and other effective media.
 - Contacting each customer who may have purchased the recalled product via email and telephone to return unused product and provide written recall instructions.
- Quarantine recalled cannabis products.
- Arrange for a licensed distributor to retrieve unsold recalled products.
- Follow METRc track-and-trace data entry and on-site documentation requirements as per state regulations.

900 Foot Separation From Sensitive Uses

The proposed site is at least 900 feet away from any sensitive use.



E.2. Youth Access Prevention

One of the greatest concerns of BUZZ owners is inadvertent youth access to cannabis and we have developed multiple strategies and procedures to ensure that cannabis products do not reach youth. Our proposed location at 8011 Mission Gorge Road is zoned General Commercial and exceed the minimum requirement of being not less than 900-feet away from sensitive uses as defined in SMC §7.04.290 including schools, churches, day care centers, youth centers, video arcades, and similar amusement park type facilities. Additionally, there are no parks of playgrounds near our proposed location. Mission Gorge Road is a very busy thoroughfare, and is not an attractive place for youth to gather.

BUZZ's comprehensive Youth Access Prevention Program has been implemented at our other cannabis retail storefronts in California and has proven successful. Our employees are trained that each component of our Youth Access Prevention Program is their responsibility.

Employee Education

BUZZ promotes its culture through employee education. New hire employees All employees are responsible to awareness and preventing youth access Part of business success comes with being a good neighbor. Company employees in and around the facility will conduct themselves in a professional manner at all times. Employees will be expected to handle or report unneighborly behavior to management, security, or law enforcement. Additionally, we will implement the following "good neighbor" policies and community outreach programs.

If we discover that an employee is undermining our youth access and diversion prevention efforts, that employee will be terminated immediately. BUZZ will also do the following to promote educational awareness regarding the commercial cannabis industry: (i) share all research it has gained through its own operations; (ii) participate in community meetings and informational sessions regarding cannabis use; (iii) create its own educational materials for its storefront regarding the risks of cannabis abuse and providing helpful local resources to address any issues; (iv) conduct employee awareness sessions to consistently train and educate our employees about adult and minor cannabis abuse; and (v) offer to speak at local high schools and youth organizations regarding the impairment issues associated with early cannabis use.

Age and Identity Verification

As detailed in our Customer Check-In procedures, no one under the age of 21 may enter our retail store unless the individual is at least 18 and has a medical cannabis recommendation from a physician. Security guards are posted at the front entrance to assist with the monitoring and management of individuals attempting to enter the store.

Youth Loitering on the Premises

Security guards and management are responsible for being aware of and preventing any youth loitering in the parking lot or surrounding sidewalks. The managers and/or security guards are to notify the City police department if anyone continues to loiter around the building or premises after all reasonable action has been taken to remove the individual(s) and the action has failed to do so in a timely manner.

Suspicious Buying Behaviors

Suspicious activity and security will be noted and logged so we can analyze trends and track repeat offenders. All employees are trained to observe potentially suspicious buying behaviors of customers to deter and prevent diversion of legally purchased cannabis products by an adult to youth. For example, if youth are loitering in the parking lot BUZZ' POS software automatically calculates the maximum daily quantity that any one customer can purchase in a single day. If a customer returns to the store more than once in a single day, our POS will calculate the aggregate purchase quantity of all sales to that person in a single day. The POS will also display that the customer has made previous purchases in the day, notifying the retail employee to be

on heightened alert for suspicious activity. Furthermore, our POS system shares information across our various stores in other locations, ensuring that we are aware if someone attempts to buy more than the legal limit by shopping at different stores.

For example, if an adult purchases cannabis, leaves the store, and comes back to the same store or a different BUZZ store to purchase more cannabis, the POS system will show the customer's prior purchases that day and will not permit a sale if the customer has met the daily limit. Additionally, by logging suspicious activity such as loitering by underage individuals, people walking around the premises, people attempting to be out of view from surveillance cameras, etc., we hope to be able to determine violations such as if an adult is buying cannabis for underage persons and report such activities to the City police department.

Customer Education program

BUZZ will engage with local neighbors, businesses and customers to promote education about the cannabis industry and our business, and to foster positive relationships. Employees will educate all customers about cannabis products offered for sale, their potency, absorption time (if known), and effects of the products, in an effort to ensure responsible consumption. Brochures and other educational materials containing safe consumption as well as potency/absorption information will also be available to customers for free in the retail floor space.

Customers will not be allowed to open cannabis products on the premises, whether the product is available for sale or has been purchased. However, with the assistance of an employee, customers may inspect the product label to educate themselves and ask questions. Our business model encourages customers to pick up cannabis products to read the labels and inspect the packaging to be informed about the products' testing results, product ingredients, THC and CBD potency, manufacturing and packaging dates, and many other useful pieces of information. We believe that informed customers are more responsible consumers. By allowing customers to handle products to inspect child-resistant packaging, tamper-evident seals, testing results, and labeling, we aim to raise awareness about the importance of storing cannabis safely at home to prevent children from accessing these products.

Marketing and Advertising

BUZZ exceeds State standards on placement of marketing and advertising. The California cannabis laws and regulations include strict rules and guidelines prohibiting marketing, advertising, and packaging designed to be attractive to children.

Our storefront signage shall comply with City of Santee rules and will not use the word "cannabis", or use cannabis leaves, slogans, or any related insignia in its store designs. We take responsible steps to reduce exposure to children, including:

 No advertising, billboards, or promotions near schools, churches, or libraries where youth might congregate.

- Discreet logos and branding, avoiding colors or designs that appeal to young children.
- A check-in area separating customers from the street and store.
- Staff patrols to ensure youth are not loitering nearby.
- Security shutters at night to secure the premises and reduce visibility.

BUZZ will take proactive steps to reduce youth exposure through store design, location selection away from youth areas, and advertising policies that limit where and how we advertise. The lobby will feature flyers and brochures to help parents store cannabis safely, and all products will be sold in child-resistant packaging.

"Stash Your Stash" Campaign

BUZZ is not just concerned about teens and young adults accessing cannabis. We are deeply concerned about young children inadvertently accessing and consuming cannabis in their own homes. While BUZZ knows it can't control how cannabis is stored outside of its premises, we can educate customers on the safest way to store cannabis in their homes. BUZZ will promote the "Stash Your Stash" campaign, which is a campaign that promotes best practices to "stash" (store) cannabis at home. The campaign has two components. The first component is to provide educational tips on how and where to store cannabis at home to prevent youth and pets from inadvertently access cannabis of the adult in the home. The second component to promote specific home cannabis storage containers that are lockable (via key or combination) to prevent youth from accessing the cannabis and these containers also have special seals to prevent odors from escaping.

Section F: Community Benefits and Investment Plan

F.1. Benefits to Local Community

BUZZ demonstrates its benefit to the community by directly aiding, participating in, and donating to local groups including non-profits, community and civic organizations, and service organizations. Our commitment to benefiting the community begins in our hiring processes to ensure that we have the best employees who share our values of operating a cannabis store that serves medical and adult-use customers responsibility with high-quality products. Preventing youth from obtaining and using cannabis products is included in our operating plans and employee training programs.

Since we hire the best employees, we trust and encourage employees to work with the owners and managers to develop ways to benefit the community that are meaningful and inspiring to employees. Employees are an important part of our community benefit planning. Each year in January we have an employee meeting where we ask employees to contribute ideas and identify organizations that would benefit from BUZZ' commitment to inventing in community groups. Below BUZZ presents several of our community benefit programs that are popularly recommended by employees.

Back-to-school Supplies

Before school begins each year, BUZZ will buy backpacks and develop "shopping lists" of items that are needed to fill the backpacks such as colored pencils, graph paper, pencil sharpeners, notebooks, etc. Customers and employees contribute supplies. The backpacks are donated to a local charity or foster care organization.

Holiday Toy and Food Drives

Holiday toy and food drives are very popular among customers and employees. BUZZ participates in holiday toy and food drives by first asking employees which local charity organizations they wish to support. We will set up toy and food donation bins to give employees and customers an easy way to support the community. BUZZ will also contribute toys and food to support the program.

Veterans Support

BUZZ is always eager to support charitable giving to our country's Veterans. Whether it's a new clothing drive, a coat drive, a special request from a Veteran's group, BUZZ will find ways to support giving to Veterans.

Local Park Clean-Up Days

Employees enjoy doing things in their community that make public places more beautiful and safe for the community. BUZZ will buy supplies like trash bags, gloves, buckets,

and trash grabber tools for employees to participate in park or community clean-up days. Employees may be given paid time-off to support BUZZ sponsored events.

Volunteering and Community Service

Our management team will lead and participate in volunteer activities that are recommended by employees. For example, we may make a direct donation of food to a homeless shelter and arrange for employee volunteers to help cook, distribute supplies, and serve the community.

Direct Donation

BUZZ will consider direct donations to charities that are not political in nature. Employees can make recommendations for fundraising drives that BUZZ will support.

F.2. Minimum Wage

BUZZ is proud to offer some of the highest compensation in the cannabis industry to its employees. Each position in the retail store is compensated at a rate that is generally higher than what is paid to retail employees in other industries. BUZZ' pay ranges are very competitive and in many cases are higher than standard pay rates in Santee. Our entry-level minimum hourly rate is \$20 per hour (excluding tips), which is above the California minimum wage of \$16 per hour. Full-time hourly employees also have the opportunity to earn overtime.

Part-Time Hourly Staff

Part-time hourly staff make a minimum wage of \$20 per hour with a pay range of \$20 to \$25 per hour. BUZZ hires part-time hourly staff in the positions of Check-In, Inventory Specialist, Budtender. Part-time hourly staff generally work 15 to 20 hours per week depending on the season, time-off schedules, and other factors related to the needs of the business. Part-time staff who work on holidays receive the holiday pay rate of double their regular hourly rate. In addition to the hourly rates explained above, part-time Budtenders earn tips which vary depending on the number of hours and days of the week the Budtender works.

Full-Time Hourly Staff

Full-time hourly staff make a minimum wage of \$20 per hour with a pay range of \$20 to \$25 per hour. BUZZ hires full-time hourly staff in the positions of Check-In, Inventory Specialist, Budtender, and Shift Lead. Full-time hourly staff work 30-hours or more per week. Full-time hourly staff who work more than eight hours per day and/or 40 hours per week earn time-and-half per California law. Full-time staff who work on holidays receive the holiday pay rate of double their hourly rate.

Full-time staff are eligible to receive our full employee benefit package, with BUZZ paying 50% of the health care insurance premium. In addition to the hourly rates explained

above, Budtenders earn tips. Based on experience, a full-time Budtender can earn an additional \$400 per week in tips.

Assistant Manager

The minimum salary of an Assistant Manager is \$75,000 per year, which is approximately \$38 per hour. Assistant Managers also receive our full manager benefit package, with BUZZ paying 100% of the health care insurance premium.

General Manager

The minimum salary of the General Manager is \$100,000 per year, which is approximately \$50 per hour. The General Manager also receives our full manager benefit package, with BUZZ paying 100% of the health care insurance premium.

F.3. Local Hiring Outreach, Local Workforce Benefits, and Annual Payroll Hours of Local Residents

Local Hiring Outreach

Upon being awarded a CCB permit and while BUZZ is working through the building permit and tenant improvement projects, Mr. Ibrahim will begin working within the local community to develop prospective employee interest in cannabis industry jobs. The cannabis industry is rapidly growing and offers many entry-level opportunities, on-the-job training, and career paths to management and leadership positions. Mr. Ibrahim already owns several retail businesses in Santee, including the Jersey Mike's Subs on Mission Gorge Road, and so he is already very familiar with recruiting employees from the local community. As part of BUZZ' commitment to the local community, he will expand his connections with the following organizations to support BUZZ's local hiring outreach.

- Santee Chamber of Commerce. Ray Ibrahim is a member of the Santee Chamber of Commerce via his Jersey Mike's Subs restaurant in Santee on Mission Gorge Road that he has owned for 12 years. As part of its local hiring and outreach, BUZZ will post its open Santee positions on the Santee Chamber of Commerce jobs board.
- The East County Economic Development Council. The cannabis industry is still a nascent industry with tremendous new economic opportunities for direct employment and for indirect employment through the third-party services needed to launch and grow cannabis businesses. This economic development group will be able to assist with connections to identify hiring resources.
- East County Career Center. We will conduct outreach to the East County Career Center, part of the San Diego Workforce Partnership, to discuss the many career opportunities in the cannabis industry. Cannabis businesses need all the same employee skills and talents as other businesses including technical, sales, people management, and many others.

From entry level positions to management positions, a job in the cannabis industry offers many possibilities for personal and economic growth.

- Santee Job Fairs. Using all the resources mentioned in this section of our application, BUZZ will also seek out Job Fairs being held in Santee. Participating in these job fairs will give BUZZ an opportunity to meet job seekers who may not have considered working in the cannabis industry.
- On-Site Recruiting Days. When BUZZ is ready to begin recruiting employees, it will advertise in local online publications and job board to announce the dates and times of on-site drop-in job fairs. These On-Site Recruiting Days are an excellent opportunity for prospective employees to bring in a resume and participate in a short interview on the spot. Applicants that are a good fit for BUZZ will be invited to participate in the next phase of our hiring process with a lengthier interview.
- Partner with Local Recruiting Company. One of the best ways to find local job applicants
 is to work with a local recruiter. Local recruiters are expert at knowing the skills and
 talents of local job seekers and may even maintain profiles of local residents that may be
 a good fit for the jobs BUZZ will be filling with Santee residents.

Local Workforce Benefits

BUZZ anticipates hiring approximately 17 employees, in addition our owners and outside security personnel. Cannabis retail stores are not like other retailer stores, because there are significantly more local and state compliance requirements that must be adhered to. Employment at BUZZ offers the new and unique opportunity to learn a new industry and apply one's talents to in new ways.

- The New Cannabis Industry Means New Opportunities for Employees. The cannabis industry is still a new industry that is constantly changing and adjusting to updates in local and state laws and regulations, new product innovations, different customers who may be trying cannabis for the first time, and other novel situations. This dynamic environment creates a fertile ground for employees to gain experience and grow their careers in a unique sector. Employees will have the chance to be part of pioneering efforts, contribute to the development of best practices, and be on the front lines of an evolving market. From compliance and safety protocols to customer service and product knowledge, employees will gain a diverse skill set that is highly valuable in the cannabis industry and beyond.
- Local Employment for Contracted Services. A significant number of jobs and economic benefits will be created via the short-term and long-term services we will require during the duration of our business existence. Such contracted services

include, but are not limited to: architects, general construction (electrical, plumbing, painting, HVAC, flooring installation, fixture installation, etc.), interior construction, painting, plumbing, locksmith, landscaping, materials vendors, interior finishes and furniture, security guards, alarm system monitoring, video surveillance system installation and maintenance, recruiting/hiring services, accountants, bookkeepers, IT/computer maintenance, etc. and janitorial services. BUZZ hires these local services that are not specific to cannabis, thus creating more local jobs that benefit the local workforce.

- Paid Training. Due to BUZZ' commitment to creating a safe, customer-friendly
 environment, effective employee training is one of our top priorities. Creating a
 team that encompasses the same values as our business will help our employees
 and customers maintain overall happiness with our operations. We are committed
 to creating an employee training program that is thorough in its presentation of
 knowledge regarding our products and the diversity of needs amongst different
 customers.
- Mentorship and Promotions. Employees who show an interest in advancing to management positions will receive robust mentorship and support to develop their management skills and entrepreneurial spirit. Through a combination of structured training programs, one-on-one coaching sessions, and hands-on projects, employees will be guided by experienced leaders who are dedicated to their professional growth. They will have opportunities to lead initiatives, educate and train new employees, and drive business results, gaining invaluable experience in the process. Encouragement to innovate and think like entrepreneurs will be a key component, fostering an environment where creativity and strategic thinking are highly valued. This comprehensive approach ensures that employees not only advance in their careers, but can also contribute meaningfully to the local economy for years to come.

Once an individual has been selected by BUZZ, that individual will be required to undergo our mandatory training program prior to independently working a shift at our retail premises. This training will include informational sessions regarding the products our retail store will have to offer, and those products' consumption methods, effects, strengths and characteristics. We will discuss the common reasons customers seek to purchase cannabis and cannabis products and will discuss best product matches for those reasons. Providing this type of education to our employees will greatly increase the value of the customer's experience in visiting our retail store. BUZZ wants our employees to be able to provide the best possible customer service to each new and returning customer during each and every one of the customers' visits.

Along with product informational sessions, BUZZ will also ensure that its owners and management team stay current with all update and new changes within the cannabis industry. Such information will be provided to our employees so that such knowledge can also be provided to customers when relevant. BUZZ also encourages learning about other licenses within the cannabis industry so that our staff can be educated on the entire process of commercial cannabis from "seed-to-sale." Our employees will also be provided with software training and in-depth security and safety training.

Specific job training will also be conducted for each new employee focusing on that job's responsibilities and corresponding procedures. This will be conducted primarily through a one-on-one shadowing with an experienced employee or manager for a minimum of 5 days before they work independently. The ownership team and/or managers will be responsible for overseeing and supervising all employee training. Additional shadowing or training may be needed for an employee which will be determined by management.

Upon completion of training, all employees are required to complete an employee acknowledgement page affirming that they received training and are comfortable performing their assigned task. In addition, the employees will agree to maintain the utmost ethical behavior and display good moral character. A copy of the employee's signed acknowledgement will be maintained in the personnel files for accurate and current record keeping.

All training is paid at the employee's regular hourly pay rate. BUZZ views it training program as a community benefit and investment due to the skills and knowledge gained by employees. These skills and knowledge are directly transferable to other jobs and employment within the city.

Annual payroll hours performed by Santee residents

BUZZ anticipates that 88% of its annual payroll hours will be performed by City of Santee residents. Our retail store will have mix of full-time and part-time positions available. BUZZ has planned 17 total positions to be hired in the first year of operation, which translates to 15 people to be hired who currently live in Santee. Our hours of operation will be 9:00 a.m. to 9:00 p.m. seven days a week. These hours of operation mean that we have numerous different shift schedules that are beneficial to local residents. For example, a part-time shift spanning the midday and beginning at 9:30 a.m. leaves a comfortable amount of time to drive children to school before work, as well as time to pick up children after school. A full-time shift might begin at 2:00 p.m. and end at 9:30 p.m., which could be an ideal shift for someone who prefers working in the evening.

F.4. Community Benefit Agreement

BUZZ owners selected Santee as the location for its newest cannabis retail store because the owners already live and work in the surrounding community, and specifically East County San Diego. The owners believe that living close to the businesses that they own enhances the financial success of the location. The extensive number of other retail businesses owned and operated by BUZZ owners in the City of Santee demonstrate their long-term connection to the community.

The owners of BUZZ will be pleased to work the City on a Community Benefit Agreement that sets forth the terms and conditions of BUZZ' cannabis business operations. The owners will work with City officials to meet this requirement within 30 days of being notified of the City's intent to award BUZZ a CCB permit. BUZZ's owners intend on offering innovative ideas to meet this requirement and shall plan that the Community Benefit Agreement is anticipated to equal at least 5% of annual gross receipts.

Section G: Proposed Site Plan

G.1. Existing Site

A. Physical Address

Address: 8011 Mission Gorge Road, Santee, CA 92071

APN: 383-261-25-00

B. Narrative

The proposed location of the BUZZ retail cannabis store is an existing single story commercial building in the Lot 3 District of the Santee Tract No. 10697. The entire building is 8,424 square feet with six separate retail suites of different sized. The center suite that BUZZ proposes to occupy is 3,363 square feet. The property was developed in 1990 with the existing building, parking spaces, driveways, and pedestrian sidewalks/right-of-ways.

Parking

There are a total 34 parking spaces on the parcel. Two of the parking spaces are ADA (American's with Disabilities Act) compliant. There are two dedicated bicycle parking racks. The short-term bicycle parking rack accommodates two bicycles. The long-term bicycle parking rack accommodates one bicycle. There are no plans for major parking reconstruction, because it predates the Santee Municipal Code basic regulations for off-street parking (SMC 13.24.020, Section H (2019)). Employees will have street parking and are encouraged to take public transportation. There are bus stops within .2 of a mile from the store. Parking directly in front of the retail store is captured by our extneral video cameras.

Driveways

There are two driveways onto the parcel. On driveway is on Mission Gorge Road. The other driveway is on the West side of the parcel on Crossway Court. These are existing driveways and we are not proposing any changes.

Pedestrian Sidewalks / Rights-of-way

There are existing sidewalks with ADA compliant ramps on the parcel on Mission Gorge Road and Crossway Court. We are not proposing any changes to sidewalks or rights-of-way.

C. Photos of Existing Site

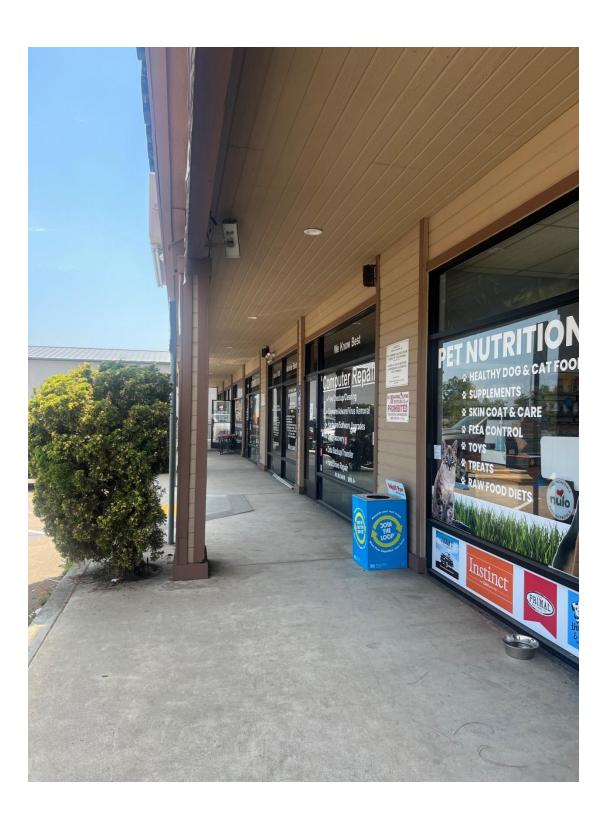
Aerial Photo



Existing Façade







D. Current Use of Site

The parcel has one single story commercial building with six retail suites.

E. Current Use of Parcel

There is only one building on the parcel is currently commercial retail space and includes The current tenants are East County Sign Works, Inc. (a sign company), Fox's Pizza (a pizza restaurant), Custom Gift Baskets (a custom gift basket company), Happy Pet (a pet store), and Big Rock Liquor (a liquor store). The suite located in the center of the building was occupied by a computer repair and data recovery company, which is the suite that BUZZ currently leases. BUZZ is also taking over the suite located to the East where the gift basket shop is located. BUZZ proposed to occupy make tenant improvements and occupy two of the suites and will be the anchor tenant in the center of the building.

G.2. Proposed Site

A. Site Plan



B. Narrative of Site Improvements

The site and the exterior façade of the entire building will be remodeled. The design of the remodel will bring a fresh and modern look to the property, which will elevate the entire neighborhood.

The site remodel modifications include the following:

- · Parking lot asphalt resealing and parking lot re-stripping;
- 2 short-term and 1 long-term bicycle parking;
- New ADA accessible ramp;
- New 8- to 15-gallon trees in the parking area landscaping per SMC 13.36.100-B.1;
- · Refreshed landscaping;
- 3 new clean-air vehicle parking stalls; and
- 1 new motorcycle parking stall.

The façade modifications include the following:

- Paint;
- Upgraded lighting;
- Video surveillance; and
- New business identification signage.

C. Visual Depictions of Proposed Exterior

Our exterior concept is designed to be modern, inviting, appropriately branded and low-maintenance. The signage will be yellow letters on a black background. To adhere to the local ordinance regarding cannabis signage, we will eliminate the word "Cannabis" from the exterior sign. Only the word "BUZZ" will be used on the exterior of the building.





Interior



G.3. Modifications and Utilization Improve Neighborhood

Use of the proposed site as a cannabis retail storefront will increase site utilization, visual appeal, and sales tax collection for the City of Santee. The proposed exterior tenant improvement modifications will significantly beautify the property. Attractive looking exterior retail spaces naturally attract more business.

BUZZ believes that public health is improved when a licensed cannabis retail store opens in the neighborhood, because research demonstrates that when communities have access to legal cannabis, illegal cannabis purchases decrease. Additionally, legally purchased cannabis improves public health of cannabis consumers, because it is third-party laboratory tested and complies with state product quality statutes and regulations.

Because cannabis businesses are required by state and local law to implement extensive security measures, the site and surrounding businesses often experience an increase in public safety and welfare of the surrounding area. Security like surveillance cameras and alarm systems, personnel like trained security guards, and strict cannabis product storage requirements increase public safety of the areas directly surrounding the cannabis retail store. BUZZ is aware of its special opportunity to be a business leader that attends to the neighborhoods welfare and quality of life. As a cannabis retail store we will be offering new jobs in a new and growing industry with opportunities to learn new skills and advancement.

Environmental quality of the site is improved by the new 15-gallon tree that will be planted between the parking lot and Mission Gorge Road and refreshed landscaping. The remodeling of the site and façade increase the beauty of the neighborhood and encourages other businesses and the community to also maintain their properties.

CITY OF SANTEE COMMERCIAL CANNABIS BUSINESS PERMIT APPLICATION (RETAIL APPLICATIONS) FINANCIAL RESPONSIBILITY, INDEMNITY AND CONSENT TO INSPECTION TERMS

(Must be completed by all owners)

Dated: September 30 , 2024

I hereby agree to the following term:	s:		

- 1. I herewith pay the sum of \$25,711 for the application fee for the review and processing of an application for commercial cannabis business permit.
- 2. The entire fee amount paid to the City of Santee ("City") is non-refundable. There is no guarantee expressed or implied that by submitting the application or paying the application fee that I will obtain a permit to operate a commercial cannabis business.
- 3. All costs incurred by the City in processing said application, including staff time, attorney's fees, Consultant's fees and overhead, shall be funded from the fees paid. This is a personal obligation and shall not be affected by sale or transfer of the property subject to the application, changes in business organization, or any other reason.
- 4. I acknowledge and agree to the defense, waiver, and indemnification obligations stated in the attached "Agreement on Limitations of City's Liability, and Certifications, Assurances Warranties and Indemnification to City", incorporated herein by reference.
- 5. The City will promptly notify the Applicant(s) and Owner(s) of any claim, action, or proceeding that is or may be subject to this Agreement on Limitations of City's Liability, and Certifications, Assurances Warranties, and Indemnification to City. The City may, within its unlimited and sole discretion, participate in the defense of any such claim, action, or proceeding.
- 6. I will fund a deposit account ("Fund") to reimburse the City's cost, including attorney's fees, to defend any claim, action, or proceeding that is or may be subject to the Agreement on Limitations of City's Liability, and Certifications, Assurances Warranties, and Indemnification to City. In the event that any such claim, action, or proceeding is filed against the City, I shall within 30 days of the filing, deposit an initial sum of \$20,000 to the Fund to reimburse the appropriate portion of the City defense costs, as determined by the City in its sole discretion. The Fund shall contain an amount necessary to cover three months' worth of budgeted expenditures by the City relating to the City's defense of the claim, action, or proceeding, including all time to appeal, or as long as expenditures made by the City relating to its defense remain unreimbursed, whichever is later. Once all remaining

- and outstanding reimbursements have been paid to the City by me, City shall return any remaining unused portion of the deposit.
- 7. The City shall have the sole and absolute right to approve any and all counsel employed to defend the City. To the extent the City uses any of its resources to respond to such claim, action or proceeding, or to assist the defense, I will reimburse the City for those costs. Such resources include, but are not limited to, staff time, court costs, City Attorney's time, or any other direct or indirect cost associated with responding to, or assisting in defense of, the claim, action, or proceedings.
- 8. I consent and expressly allow, authorize, and permit the City, all its departments, agents, and employees, to enter upon and inspect the subject property identified in the application, with or without prior notice, for the purposes of processing this application or inspection or photographing for compliance with all laws, regulations, and conditions placed on land use approvals or the cannabis business permit. No additional permission or consent to enter upon the property is necessary or shall be required. By signing this agreement, I further certify and warrant I am authorized to, and hereby do, consent, and allow such inspections on behalf of each and all Owners of the property and Applicants.
- 9. I understand that all materials submitted in connection with the application are public records that the City may in accordance with applicable law determine are subject to inspection and copying by members of the public. By filing an application, I agree that the public may, if the City determines the law requires it, inspect and copy these materials and the information contained therein, and that some or all of the materials may be posted on the City's website. For any materials that may be subject to copyright protection, or which may be subject to Sections 5500.1 and 5536.4 of the California Business and Professions Code, by submitting such materials to the City I represent that I have the authority to grant, and hereby grant, the City permission to make the materials available to the public for inspection and copying, whether in hardcopy or electronic format.
- 10. This Agreement shall constitute a separate agreement from any cannabis business permit approval, and that if the cannabis business permit, in part or in whole, is revoked, invalidated, rendered null or set aside by a court of competent jurisdiction, I agree to be bound by the terms of this Agreement, which shall survive such invalidation, nullification or setting aside.
- 11. This Agreement shall be construed and enforced in accordance with the laws of the State of California and in any legal action or other proceeding brought by either party to enforce or interpret this Agreement; the appropriate venue is the San Diego County Superior Court.

After review and consideration of all of the foregoing terms and conditions, I agree to be bound by and to fully and timely comply with all of the foregoing terms and conditions, and the attached "Agreement on Limitations of City's Liability, and Certifications, Assurances Warranties and Indemnification to City".

Applicant(s)/Owner(s):		
Ray Ibrahim	Ray Ibrahitm	
Printed Name	Signature	
Besma Ibrahim	Besma Ibrahim	
Printed Name	Signature	
Brandon Garmo	Brandon Garmo	
Printed Name	Signature	
Derek Garmo	DEREKGARMO	
Printed Name	Signature	
Rita Hirmez	Ritz Hirmez	
Printed Name	Signature	
Steven Abbo	travelers, covenience inc	
Printed Name	Signature	
Diah P. Asker, Jr.	Dah p aşker ir	
Printed Name	Signature	

(Must be completed by all owners)

A. WAIVER, RELEASE AND HOLD HARMLESS

I hereby waive, release, and hold harmless the City of Santee ("City") and its City Council, boards and commissions, officers, officials, employees, and agents from any and all actual and alleged claims, losses, damages, injuries, liabilities, costs (including attorney's fees), suits or other expenses which arise out of, or which are in any way relate to the application for a cannabis business permit, the issuance of the cannabis business permit, the process used by the City in making its decision, the enforcement of the conditions of the cannabis business permit, or the cannabis business' operations.

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B. AGREEMENT TO INDEMNIFY

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E. PROSECUTION UNDER FEDERAL LAW

The person(s) whose signature appears below is/(are) authorized to sign this Agreement on behalf of the business, applicant/permittee, and operators, and each of them, if more than one, has submitted this information and all attachments as required by the application process to obtain a cannabis permit from the City of Santee.

I declare under penalty of perjury that the information provided on this form is true and correct and do hereby apply for a permit pursuant to City of Santee Municipal Code, Chapter 7.04, and all other applicable sections of the Municipal Code.

Comment of the second	Ray Ibrahin
Applicant Signature	Printed Name and Title
Hilise Group Santee, LLC Name of Business Entity	8011 MISSIVH GOVGE Rd Santee Address of Permitted Location 920
10/2/24	Address of Fermitted Location 920
Date	
Applicant Signature	Printed Name and Title
Name of Business Entity	Address of Permitted Location
Date	
A notary public or other officer completing this complete who signed the document to which this certificate or validity of that document.	ertificate verifies only the identity of the individual e is attached, and not the truthfulness, accuracy,
State of California County of	
Subscribed and sworn to (or affirmed) before me 2024, by COLONO evidence to be the person(s) who appeared before	, proved to me on the basis of satisfactory
Signature MBOOLET	MICHELLE BONNET (COMM. #2390320 0 NOTARY PUBLIC-CALIFORNIA SAN DIEGO COUNTY My Commission Expires JANUARY 11, 2026

(Must be completed by <u>all</u> owners)

A. WAIVER, RELEASE AND HOLD HARMLESS

I hereby waive, release, and hold harmless the City of Santee ("City") and its City Council, boards and commissions, officers, officials, employees, and agents from any and all actual and alleged claims, losses, damages, injuries, liabilities, costs (including attorney's fees), suits or other expenses which arise out of, or which are in any way relate to the application for a cannabis business permit, the issuance of the cannabis business permit, the process used by the City in making its decision, the enforcement of the conditions of the cannabis business permit, or the cannabis business' operations.

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B. AGREEMENT TO INDEMNIFY

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I declare under penalty of perjury that the information provided on this form is true and correct and do hereby apply for a permit pursuant to City of Santee Municipal Code, Chapter 7.04, and all other applicable sections of the Municipal Code.

	Steven Abbo
Applicant Signature	Printed Name and Title
Hilife Group Santee, LLC	8011 Mission Gorge Rd, Santee, CA 92071
Name of Business Entity	Address of Permitted Location
10 4 24 Date	
n/a	n/a
Applicant Signature	Printed Name and Title
n/a	n/a
Name of Business Entity	Address of Permitted Location
n/a	
Date	
A notary public or other officer completing this c who signed the document to which this certifica or validity of that document.	certificate verifies only the identity of the individual te is attached, and not the truthfulness, accuracy,
State of California County of San Diego	
	-rd: 2 1 1
Subscribed and sworn to (or affirmed) before m	the on this $3^{\prime\prime}$ day of $0^{\prime\prime}$ day of $0^{\prime\prime}$, proved to me on the basis of satisfactory
evidence to be the person(s) who appeared bet	, provou to mis on the beat of
Signature	OMAR R. KANAN COMM. # 2436183 NOTARY PUBLIC -CALIFORNIA OF SAN DIEGO COUNTY MY COMM. EXP. FEB. 23, 2027
~	

(Must be completed by all owners)

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I declare under penalty of perjury that the information provided on this form is true and correct and do hereby apply for a permit pursuant to City of Santee Municipal Code, Chapter 7.04, and all other applicable sections of the Municipal Code.

Durker	DEREK GARMO, MEMBER and Manager
Applicant Signature	Printed Name and Title
HILIFE GROUP SANTEE,LLC	8011 MISSION GOREG RD. SANTEE CA, 92071
Name of Business Entity	Address of Permitted Location
10/02/2024	
Date	
Applicant Signature	Printed Name and Title
Name of Business Entity	Address of Permitted Location
Date	
A notary public or other officer completi who signed the document to which this or validity of that document.	ng this certificate verifies only the identity of the individual certificate is attached, and not the truthfulness, accuracy,
State of California County of San Diego	
Subscribed and sworn to (or affirmed) to 2024, by DUIL GOUND	, proved to me on the basis of satisfactory
evidence to be the person(s) who appe	ared before me.
\bigcirc	JOLEEN M. LEE
Signature Ollek Jul	(Seal) Commission No. 2459702 SAN DIEGO COUNTY
	Commission Expires August 18, 2027

(Must be completed by all owners)

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Sul Mi	BRANDON GIARMO MEMBER
Applicant Signature	Printed Name and Title
Hilife Group Santee, LLC	8011 Mission Gorge Rd, Santee, CA 92071
Name of Business Entity	Address of Permitted Location
Date	
n/a	n/a
Applicant Signature	Printed Name and Title
n/a	n/a
Name of Business Entity	Address of Permitted Location
n/a	
Date ·	
A notary public or other officer completing this who signed the document to which this certificator validity of that document.	certificate verifies only the identity of the individual ate is attached, and not the truthfulness, accuracy,
State of California County of Sun Viego	
Subscribed and sworn to (or affirmed) before me 2024, by Revidence to be the person(s) who appeared be	proved to me on the basis of satisfactory
Signature	ALI NUHAILY Commission No. 2430723 NOTARY PUBLIC - CALIFORNIA S SAN DIEGO COUNTY SAN DIEGO COUNTY Commission Expires December 13, 2026

(Must be completed by all owners)

A. WAIVER, RELEASE AND HOLD HARMLESS

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The person(s) whose signature appears below is/(are) authorized to sign this Agreement on behalf of the business, applicant/permittee, and operators, and each of them, if more than one, has submitted this information and all attachments as required by the application process to obtain a cannabis permit from the City of Santee.

I declare under penalty of perjury that the information provided on this form is true and correct and do hereby apply for a permit pursuant to City of Santee Municipal Code, Chapter 7.04, and all other applicable sections of the Municipal Code. Rita Hirmez
Printed Name and Title Applicant Signature **Applicant Signature** Printed Name and Title Name of Business Entity Address of Permitted Location Date A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document. State of California County of San Die 2024, by KHG Hirmez proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Agreement of Limitations of City's Liability, and Certifications, Assurances, Warranties, and Indemnification to City

(Seal)

(Must be completed by all owners)

A. WAIVER, RELEASE AND HOLD HARMLESS

I hereby waive, release, and hold harmless the City of Santee ("City") and its City Council, boards and commissions, officers, officials, employees, and agents from any and all actual and alleged claims, losses, damages, injuries, liabilities, costs (including attorney's fees), suits or other expenses which arise out of, or which are in any way relate to the application for a cannabis business permit, the issuance of the cannabis business permit, the process used by the City in making its decision, the enforcement of the conditions of the cannabis business permit, or the cannabis business' operations.

I hereby waive, release and hold harmless the City and its City Council, boards and commissions, officers, officials, employees, and agents from any and all actual and alleged claims, losses, damages, injuries, liabilities, costs (including attorney's fees), suits or other expenses which arise out of, or which are in any way relate to: (1) any repeal or amendment of any provision of the Santee Municipal Code or Zoning Ordinance relating to commercial cannabis activity; or (2) any investigation, arrest or prosecution of me, or the cannabis business' owners, operators, employees, clients or customers, for a violation of state or federal laws, rules or regulations relating to cannabis activities.

B. AGREEMENT TO INDEMNIFY

I shall defend, indemnify, and hold harmless the City and its City Council, boards and commissions, officers, officials, employees, and agents from and against any and all actual and alleged liabilities, demands, claims, losses, damages, injuries, actions or proceedings and costs and expenses incidental thereto (including costs of defense, settlement and attorney's fees), which arise out of, or which are in any way related to i) the requested cannabis business permit and any land use entitlement related thereto, ii) the proceedings undertaken in connection with the approval, denial, or appeal of the requested cannabis business permit and any land use entitlement related thereto, iii) any subsequent approvals or licensing/permits relating to the requested cannabis business permit and any land use entitlement related thereto, iv) the processing of the requested cannabis business permit and any land use entitlement related thereto, v) any amendments to the approvals for the requested cannabis business permit and any land use entitlement related thereto, vi) the City's approval, consideration, analysis, review, issuance, denial or appeal of the cannabis business permit; vii) the City's approval, consideration, analysis, review, issuance, denial or appeal of any land use entitlement related thereto, viii) the City's drafting, adoption and passage of an ordinance, and related resolutions, policies, rules and regulations, allowing for cannabis businesses, ix) the City's drafting, adoption and passage of an ordinance, and related resolutions if necessary in the future regarding any zoning law amendment(s) related to the cannabis business, x) the operation of the cannabis business or activity, xi) the process used by the City in making its decision to approve, consider, analyze, review, issue, or deny, the cannabis business permit or any related land use entitlement, or the appeal of either, xii) City's compliance or failure to comply with applicable laws and regulations or xiii) the alleged violation of any federal, state or

City may (but is not obligated to) defend such challenge as City, in its sole discretion, determines appropriate, all at applicant's sole cost and expense. I shall bear any and all losses, damages, injuries, liabilities, costs, and expenses (including, without limitation, staff time and in-house attorney's fees on a fully-loaded basis, attorney's fees for outside legal counsel, expert witness fees, court costs, and other litigation expenses) arising out of or related to any challenge ("Costs"), whether incurred by me, City, or awarded to any third party, and shall pay to the City upon demand any Costs incurred by the City.

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Applicant Signature	Besma Thrahm Printed Name and Title
Name of Business Entity 10/2/24 Date	Address of Permitted Location Santee Up 92071
Applicant Signature	Printed Name and Title
Name of Business Entity Name of Business Entity Date	Address of Permitted Location
A notary public or other officer completing this ce who signed the document to which this certificate or validity of that document.	ertificate verifies only the identity of the individual e is attached, and not the truthfulness, accuracy,
State of California County of Own Dico	
Subscribed and sworn to (or affirmed) before me 2024, by BCSMOL DOWN evidence to be the person(s) who appeared before	, proved to me on the basis of satisfactory
Signature Wylense (Pynau)	(Seal) MCKENZIE R. BADLEY-MANN Notary Public - California San Diego County Commission # 2408411 My Comm. Expires Jun 17, 2026

(Must be completed by <u>all</u> owners)

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Dick Potros abler JR. Applicant Signature	Diah Pedros Asker, Ir Sharehol Printed Name and Title
High life Grove Sentel Name of Business Entity	8011 Mission Gronge Rd Santee, C Address of Permitted Location
10.1.2024 Date	
Applicant Signature	Printed Name and Title
Name of Business Entity	Address of Permitted Location
Date	
	certificate verifies only the identity of the individual ate is attached, and not the truthfulness, accuracy,
State of California County of <u>San กรุง</u>	
Subscribed and sworn to (or affirmed) before n 2024, by <u>Dially PETROS ASKER</u> TR evidence to be the person(s) who appeared be	, proved to me on the basis of satisfactory
Signature	PEDRO OLIVEIRA Notary Public - California San Diego County Commission # 2494528 Wy Comm. Expires Aug 8, 2028



WEBSTER INSURANCE AGENCY, INC.

10/04/2024

Hilife Group Santee, LLC 8011 Mission Gorge Rd Santee, CA 92071

Subject: Letter of Insurability for Hilife Group Santee, LLC

To Whom It May Concern,

This letter serves as a formal confirmation of insurability for Filife Group Santee, LLC, located at 8011 Mission Gorge Rd, Santee, CA 92071.

Hilife Group Santee, LLC has been a valued client of Webster Insurance for the past 10 years. Throughout this period, they have demonstrated consistent reliability by maintaining a satisfactory history of timely premium payments. Additionally, their claims history has been managed with due diligence, with no frequency or severity that would impact coverage negatively.

Webster Insurance assures that Hilife Group Santee, LLC meets our criteria for insurability based on their history of compliance and financial responsibility.

We are committed to supporting Hilife Group Santee, LLC witn any additional documents or information needed to verify their insurance status.

If you have any questions or require further validation, please to not hesitate to contact me directly at 619-433-3801 or via email at dan@websterinsur.com

Thank you for your attention to this confirmation.

Toniel alstor

Sincerely,



City of Santee

10601 Magnolia Ave Santee, CA 92071 Email: cannabisinfo@cityofsanteeca.gov

PROPERTY OWNER CONSENT/LANDLORD AFFIDAVIT

Property Owner Consent/Landlord Affidavit is required for all Applications. If the business owner is the same person/entity as the property owner, the business owner must complete, sign and notarize the Property Owner Consent/Landlord Affidavit form. If the property is owned by an entity, the entity owner must complete, sign, and notarize the Property Owner Consent/Landlord Affidavit.

Stree	et 383-261-25-00	City	State	Zip
Acces	ssor Parcel Numbe	r (APN)		
of the descr prope	e subject property, ribed herein. I/We erty for the purpos	filed is true and correct to the consent to the filing of this a further consent and hereby e of examining and inspectir review for the processing of	application and use of the authorize City representang the property in prepara	property for the purposes ative(s) to enter upon my tion of any reports and/o
BY M	Y SIGNATURE BE	LOW, I CERTIFY TO EACH	OF THE FOLLOWING:	
X		owner or am authorized to act os correct. I acknowledge that I ha	ave read and understand the i	nformation contained herein
\square	I acknowledge th	at the proposed commercial car	nnabis business	oup Santee, LLC
	has the legal righ cannabis activity	t to occupy the property, and cor at the Property:		ation/LLC/Partnership/Sole Owner) ing the following commercia
		Retail (Storefront)	1	
	X	Retail (Storefront with Deliver)		
		Microbusiness (with Retail)	9	
X	I agree to comply	with all applicable City Ordinar	nces and State Laws.	
SIGN	IATURE OF PROF	PERTY OWNER(S):		
ary Ga	rmo, Trustee for th	e Dary and Mary Family Trus	st Manil &	Laimo
	<u>PRINTED NAME</u> O	F PROPERTY OWNER(S)	SIGNA	TURE OF PROPERTY OWNER(S)
	<u>PRINTED NAME</u> OI	F PROPERTY OWNER(S)	SIGNA	TURE OF PROPERTY OWNER(S)
notary	public or other offi	cer completing this certificate v	verifies only the identity of t	ne individual who signed th
docum	nent, to which this co	ertificate is attached, and not t	he truthfulness, accuracy, or	validity of that document.
ribed ar	nd sworn to before r	me this 16 day of September	, 20 2H , proved to r	ne on the basis of satisf
nce to b	e the person(s) who	me this le day of of other of the day of other of the day of other of the day of other other of the day of other o	barro	

Som



City of Santee Marlene Best, City Manager 10601 Magnolia Avenue Santee, CA 92071

RE: Proof of Capitalization – Commercial Cannabis Business Permit Retail Application

Dear Ms. Best:

Hilife Group Santee, LLC has provided the attached bank statement from California Bank and Trust showing a cash balance in excess of \$2,000,000. The signatories on the account are Andy Hirmez and Steven George Abbo. Mr. Abbo is a 15% owner of the applicant entity, Hilife Group Santee, LLC and is holding \$1,800,000 in the bank account for the startup funds needed to establish Hilife Group Santee, LLC dba Buzz Cannabis as a Commercial Cannabis Business Permittee in the City of Santee.

Mr. Hirmez, by his signature below, agrees that \$1,800,000 is being held in this joint account for use by Hilife Group Santee, LLC for the purpose explained above without any restrictions.

Sincerely,

6

Steve Abbo

KA

Andy Hirmez



City of Santee

10601 Magnolia Ave Santee, CA 92071 Email: cannabisinfo@cityofsanteeca.gov

PROPERTY OWNER CONSENT/LANDLORD AFFIDAVIT

Property Owner Consent/Landlord Affidavit is required for all Applications. If the business owner is the same person/entity as the property owner, the business owner must complete, sign and notarize the Property Owner Consent/Landlord Affidavit form. If the property is owned by an entity, the entity owner must complete, sign, and notarize the Property Owner Consent/Landlord Affidavit. I certify that I am/we are the record owner(s) of the property at: 8011 Mission Gorge Rd, Santee, CA 92071 Street State Zip City 383-261-25-00 Accessor Parcel Number (APN) and that the information filed is true and correct to the best of my (our) knowledge. I/We, as the owner(s) of the subject property, consent to the filing of this application and use of the property for the purposes described herein. I/We further consent and hereby authorize City representative(s) to enter upon my property for the purpose of examining and inspecting the property in preparation of any reports and/or required environmental review for the processing of the application(s) being filed. BY MY SIGNATURE BELOW, I CERTIFY TO EACH OF THE FOLLOWING: \square I am the property owner or am authorized to act on the property owner's behalf, and the information I have provided above is correct. I acknowledge that I have read and understand the information contained herein. Hilife Group Santee, LLC \square I acknowledge that the proposed commercial cannabis business Tenant (Corporation/LLC/Partnership/Sole Owner) has the legal right to occupy the property, and consent to the business conducting the following commercial cannabis activity at the Property: Retail (Storefront) Retail (Storefront with Deliver) Microbusiness (with Retail) X I agree to comply with all applicable City Ordinances and State Laws. SIGNATURE OF PROPERTY OWNER(S): Mary Garmo, Trustee for the Dary and Mary Family Trust PRINTED NAME OF PROPERTY OWNER(S) PRINTED NAME OF PROPERTY OWNER(S) SIGNATURE OF PROPERTY OWNER(S) A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

Subscribed and sworn to before me this le day of September, 20 24 , proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me May barro

*NOTARIZATION REQUIRED. This authorization form will not be valid without notarization. The authorization contained in this form automatically expires upon sale or transfer of title to the Property. If sale or transfer of the Property occurs prior to obtaining a business license, the applicant must resubmit this notarized form with approval of the new legal owner(s) of the Property as well as pay any applicable fees. Property Owner authorization must be signed by all Property Owners of the property identified in the Application. Attach additional pages if necessary.



SYDNIE BAILEY

Commission No. 2445749 ARY PUBLIC - CALIFORNIA SAN DIEGO COUNTY

Commission Expires May 2, 2027