



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: Market Equities LLC DBA: Flame Dispensary

Physical Address: 10723 Prospect Ave Santee CA 92071
Street City State Zip

Primary Contact: Sarmad Hayawi Title: Chief Executive Officer

Mailing Address: 2615 Sweetwater Springs Blvd Suite G Spring Valley CA 91978
Street City State Zip

Phone Number: (619) 729-7785 Email: sam@flamecanna.com

HAS ANY INDIVIDUAL IN THIS APPLICATION APPLIED FOR ANY OTHER CANNABIS PERMIT IN THE CITY OF SANTEE? ☐ Yes ☒ No

Indicate whether you intend to operate a Microbusiness with Retail. ☐ Yes ☒ No

Business Formation: Describe how the business is organized.

☐ Sole Partnership ☐ Corporation ☐ S-Corporation ☐ Limited Partnership ☒ Limited Liability Company
☐ Other (please describe): _____

PROPOSED LOCATION

Property Owner Name: Amad Attisha

Proposed Location Address: 10723 Prospect Ave Santee CA 92071
Street City State Zip

Property Owner Phone Number: [REDACTED] Email: [REDACTED]

Zoning Clearance Letter : ☒ Yes ☐ No

Assessor's Parcel Number (APN): 384-261-23-00 & 384-261-06-00

APPLICATION SUBMITTAL CHECKLIST

Applications must be submitted online via the City of Santee's Permitting and Licensing Portal. Applicants failing to submit any of the following will be deemed incomplete and will not move forward in the application process:

- ✓ A complete and signed Commercial Cannabis Business Permit Application form and Evaluation Criteria. The evaluation criteria response is limited to 125 pages.
- ✓ A signed Financial Responsibility, Indemnity and Consent to Inspection Agreement form.
- ✓ A signed Agreement to Limitations of City Liability and Indemnification to City form.
- ✓ Verification of Live Scan background submittal
- ✓ A signed and notarized Property Owner Consent/Landlord Affidavit.
- ✓ Proof of Insurance or Letter of Insurability from the Insurance Company
- ✓ Proof of Capitalization
- ✓ Zoning Verification Letter.
- ✓ 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 non-member 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 the penalty of perjury that the information provided on this disclosure form is true and accurate to the best of my knowledge.

Ownership % 50% Background information is included as required? ☒ Yes ☐ No

Owner Name: Sarmad Hayawi Title: Chief Executive Officer

Address: [REDACTED] [REDACTED] [REDACTED] [REDACTED]

Street City State Zip

Signature: [Signature] Date: 21/10/24

Sarmad Hayawi (Oct 21, 2024 19:19 PDT)

I declare under the penalty of perjury that the information provided on this disclosure form is true and accurate to the best of my knowledge.

Ownership % 50% Background Information is included as required? ☒ Yes ☐ No

Owner Name: Amar Salim Title: Chief Financial Officer

Address: [REDACTED] [REDACTED] [REDACTED] [REDACTED]

Street City State Zip

Signature: [Signature] Date: 22/10/24

Amar Salim (Oct 22, 2024 15:48 PDT)

I declare under the penalty of perjury that the information provided on this disclosure form is true and accurate to the best of my knowledge.

Ownership % _____ Background Information is included as required? ☐ Yes ☐ No

Owner Name: _____ Title: _____

Address: _____

Street City State Zip

Signature: _____ Date: _____

I declare under the penalty of perjury that the information provided on this disclosure form is true and accurate to the best of my knowledge.

Ownership % _____ Background information is included as required? ☐ Yes ☐ No

Owner Name: _____ Title: _____

Address: _____

Street City State Zip

Signature: _____ Date: _____

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

SUPPORTING INFORMATION

List all fictitious business names the applicant is operating under including the address where each business is located:

Flame Dispensary - 1937 Santa Rosa Ave, Santa Rosa, CA 95407

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)?

NO

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.

Sarmad Hayawi

Name

Chief Executive Officer

Title


Sarmad Hayawi (Oct 21, 2024 19:19 PDT)

Signature

21/10/24

Date

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









cannabis-business-permit-application

Final Audit Report

2024-10-22

| | |
|-----------------|--|
| Created: | 2024-10-22 |
| By: | Alysia Gordy (alysia@cannabisbusinessgrowth.com) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAAY2CE2WA8NAu9DhUCNIKwIk66isYUYcJV |

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-  Agreement completed.
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Commercial Cannabis Business Application

Prepared for the City of Santee

Applicant: Market Equities **dba** Flame Dispensary

Address: 10723 Prospect Ave. Santee, CA 92071

APN: 384-261-23-00 & 384-261-06-00

License: Retail Cannabis Business

Proposal Date: October 24th, 2024



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A BUSINESS PLAN

Introduction

Market Equities LLC is thrilled to present our proposal to the Santee community for a retail cannabis business at 10723 Prospect Ave. in Santee, CA.

Our team, composed of dynamic leaders from both the entrepreneurial and cannabis sectors, brings a wealth of experience and a strong passion for establishing a premier commercial cannabis retail facility for the residents of Santee. This proposal is crafted with care, showcasing our core competencies in planning, developing, and operating compliant commercial cannabis retail stores that will benefit both our company and the local community.

Each team member contributes unique strengths, from operational excellence and people management to financial oversight and marketing, all while ensuring legal compliance.

Leading our efforts is CEO Sarmad Hayawi, a seasoned entrepreneur with a proven track record, having successfully owned and operated two cannabis businesses. His extensive experience enhances our ability to manage and grow our operations effectively.

Amar Salim, our Chief Financial Officer, oversees the company's financial operations, ensuring our financial health. He is a serial entrepreneur with a diverse background spanning the cannabis, automotive, convenience store, and food service industries.

While it's impossible to capture the full talent of our owners in just a single page, the strength of the Market Equities team lies in the unique skills each member brings. We are confident that our collective efforts, along with the detailed plan outlined in this application, will demonstrate to the City of Santee our readiness to successfully integrate into the community. Our goal is to enhance the Santee experience while delivering a distinctive customer journey that complies with all local and state requirements.

Mission

Market Equities' mission is to create a customer experience that breaks down the barriers and stigmas associated with cannabis usage by putting education, knowledge, and a friendly staff at the forefront of each store engraining the Flame Dispensary brand into each patron with intent to set the bar for industry excellence.

Why Us? – Flame Dispensary message, brand, and Core Values is genuinely inclusive.

The Core Values that guide the Flame Dispensary brand and the City of Santee can expect:

- 🔥 **Customer-Centric Approach:** Our customers are at the core of everything we do! We're dedicated to uplifting, educating, informing, and supporting them—because without our customers, we wouldn't exist.
- 🔥 **Expertise and Excellence:** We pride ourselves on being the best in the industry! Our team is knowledgeable, friendly, caring, and continuously learning to adapt to an ever-evolving market.
- 🔥 **Innovation and Adaptability:** We are innovative and responsive! We swiftly implement and adjust to new products, technologies, processes, and market changes to stay competitive and relevant.
- 🔥 **Positive Work Environment:** Our workplace radiates happiness! We believe in loving what you do, empowering our employees to create a fun, welcoming, and educational experience for every customer who walks through the doors of Flame Dispensary.

Please join us in our mission of bringing quality cannabis to every person who can benefit!

A.1 FINANCIALS

The Market Equities team has prepared a financial plan detailing the projected budget for construction, operations, maintenance, compensation for employees, equipment, property lease, security equipment and staff, all City and state fees, utility costs, product purchases and other anticipated contingency costs. The team has also provided evidence that clearly demonstrates sufficient capital in place to pay startup costs and at least three months of operating costs, as well as a description of the sources and uses of funds.

A.1.A Project Start-up Costs

The Market Equities team anticipates that the total capital cost to update and outfit its location for cannabis business operations will cost just shy of \$400,000. The operational costs will be approximately \$491,373 for a total estimated cost of \$886,373.

The company has allocated \$1.2M to pay for the project. This leaves a contingency of more than \$300,000 available in the event of an emergency.

This figure is based on previous project experience, as well as quotes from vendors that will be helping with bringing the team's overall vision to fruition. The above estimated costs include facility renovations to ensure the building is up to code and designed in such a way to effectively accommodate the proposed cannabis operations. The building will be equipped with all recommended safety and fire mechanisms required by both the city and the state building officials. Additionally, upgrades to the exterior landscaping and building aesthetics will be made to ensure the overall design and feel of the facility seamlessly integrates into the community.

| Start-up | Estimated Cost | |
|---|----------------|----------------|
| CAPEX | | |
| Facility Renovations | \$ | 250,000 |
| Landscape and Exterior Improvements | \$ | 40,000 |
| Land Planner & Architect | \$ | 20,000 |
| Security Equipment | \$ | 65,000 |
| POS Equipment | \$ | 20,000 |
| CAPEX Total | \$ | 395,000 |
| OPEX | | |
| Initial Inventory Purchase (1 Month) | \$ | 173,509 |
| Lease Rate (3 Months) | \$ | 45,000 |
| Santee Cannabis Permit Application Fee | \$ | 25,711 |
| Santee Zoning Verification Application | \$ | 267 |
| Santee Background Screening | \$ | 300 |
| State Application Fee | \$ | 1,000 |
| Annual State License Fee | \$ | 7,500 |
| General Liability Insurance (3 Months) | \$ | 1,800 |
| Marketing Expenses (3 Months) | \$ | 4,338 |
| Bookkeeping Fees (3 Months) | \$ | 3,300 |
| Legal Fees (3 Months) | \$ | 3,000 |
| Security (3 Months) | \$ | 29,383 |
| POS & Register Costs (3 Months) | \$ | 3,000 |
| Meals & Entertainment (3 Months) | \$ | 600 |
| Internet and Phone (3 Months) | \$ | 1,050 |
| Gas, Electric, Trash (3 Months) | \$ | 2,400 |
| Salary (3 Months) | \$ | 157,680 |
| Payroll Taxes and Benefits- Indirect (3 Months) | \$ | 31,536 |
| OPEX Total | \$ | 491,373 |
| Grand Total | \$ | 886,373 |

A.1.B Construction

Market Equities estimates that the total cost for the project to be approximately \$395,000. This includes investments to update the facility creating the spaces needed to meet ideal conditions for retail operations while being mindful of both operational efficiency and layered security. It also includes all relevant security equipment purchases as defined in the Security Plan. This will include the appropriate video surveillance, a facility access control system, and fire and burglary systems. The estimated cost also includes required point of sale and inventory management equipment to ensure proper inventory tracking. Lastly, this cost also includes site improvements such as landscaping and exterior updates, as ensure adequate and safe parking as required by the City of Santee.

A.1.C Operational Cost

The Market Equities team has estimated the total start up based on business experience and industry standards. Many of the costs associated such as the state application fees and Santee fees were derived directly from state and city websites and are represented as actual, not estimates. Additional accounts for operating costs have been factored in and include expenses associated with basic operational costs. Examples of these expenses include the anticipated costs of obtaining general liability insurance, marketing expenses, bookkeeping fees, and legal fees.

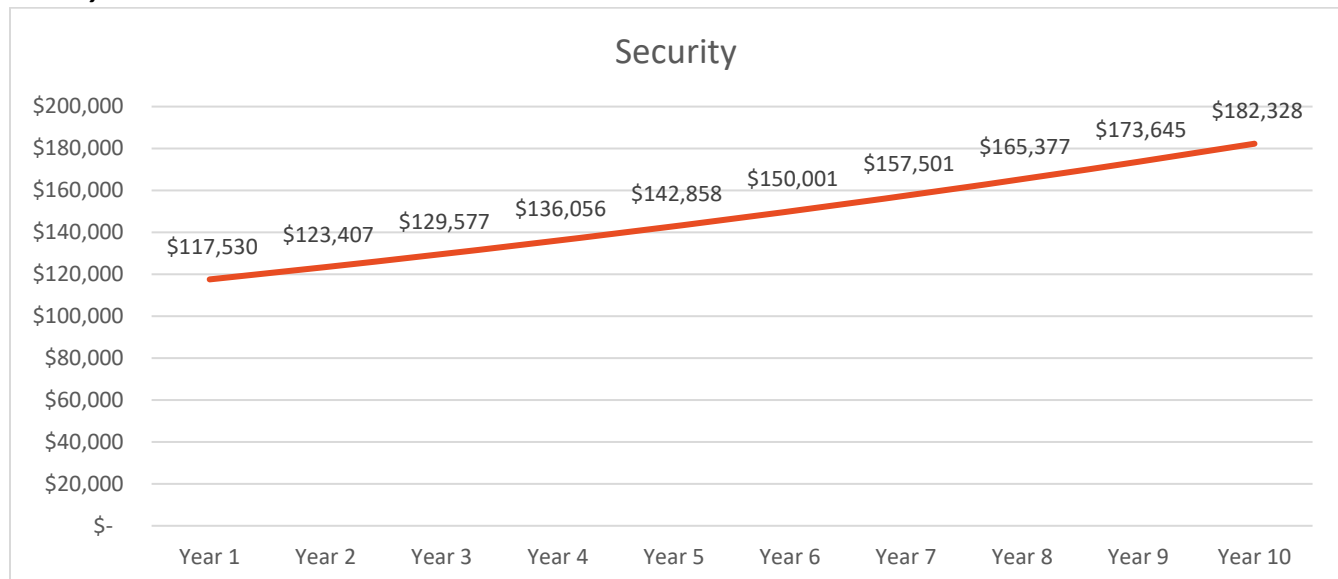
A.1.D Compensation for Employees

The Market Equities team is committed to paying a living wage to its employees exceeding the expectations of the city of Santee, often paying more well over the California minimum wage. As the team understands the importance of its employees to maintain operations, employee compensation is certainly an expense not overlooked in the planning of the Santee project. Included with compensation, the team has additionally accounted for the associated employee benefits and the additional cost of security personnel.

Employee Salary Projections

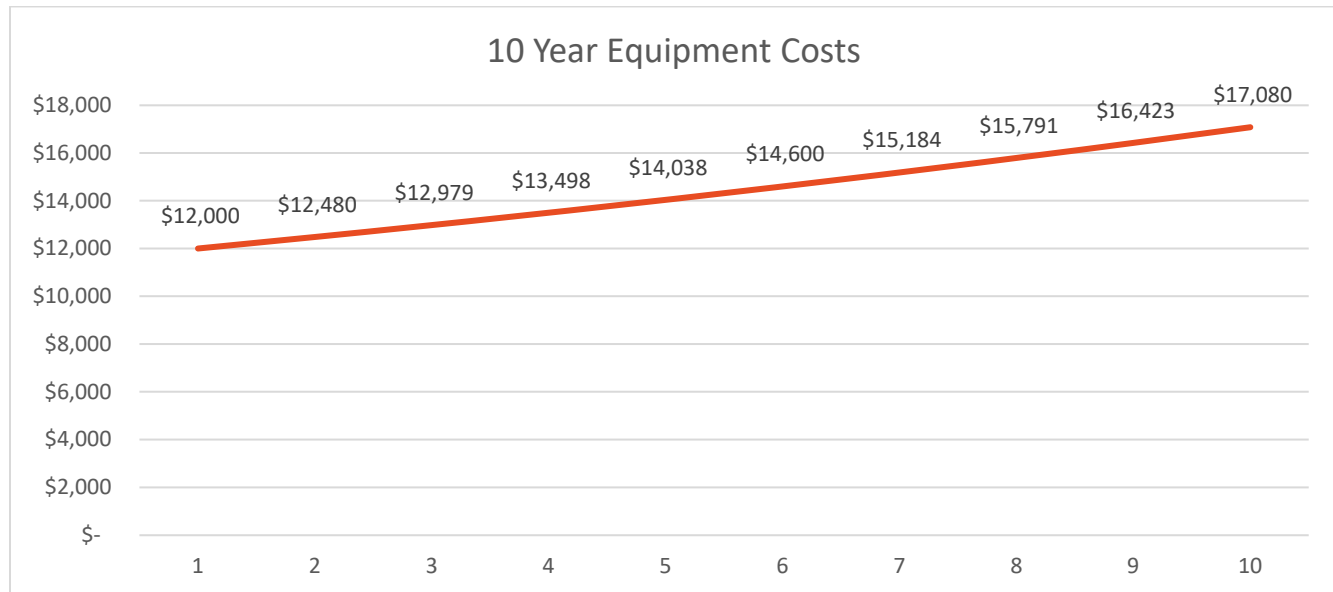


Security Personnel



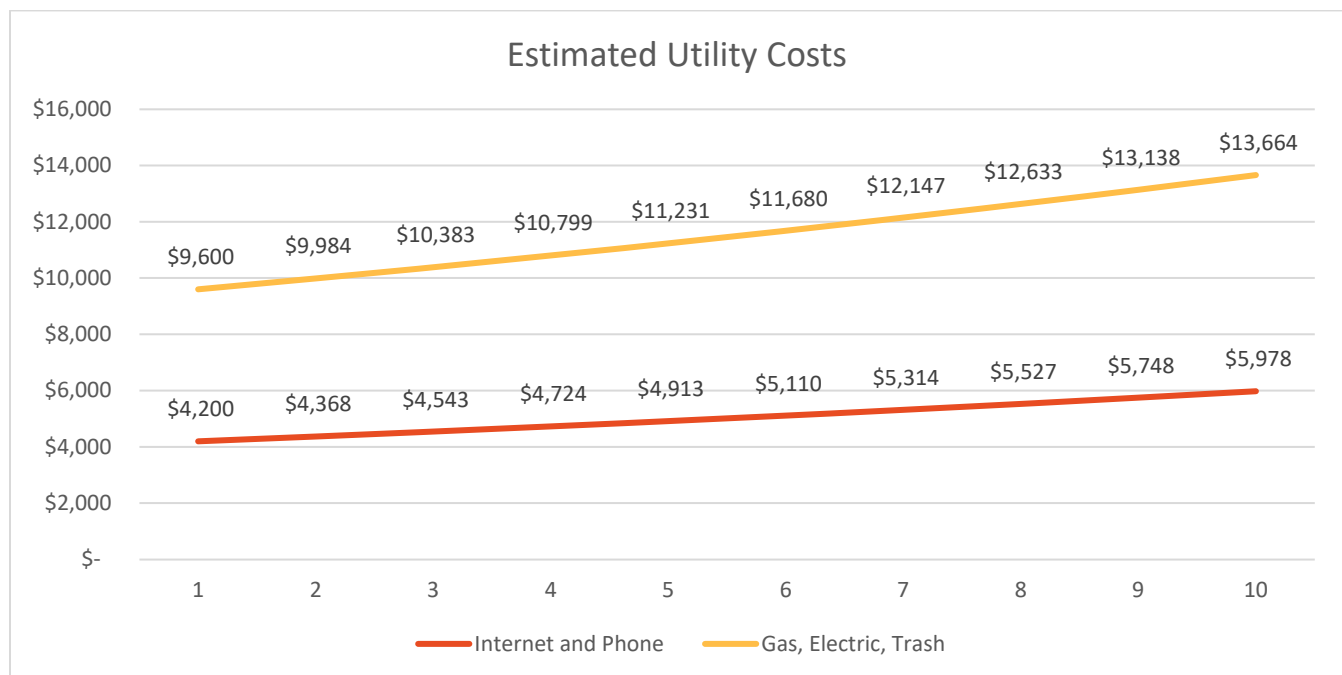
A.1.E Equipment Costs

Included in the Capital expenses are the costs associated with outfitting of the facility of all equipment required to run the facility efficiently and effectively. This includes a state complaint point of sale system and inventory management systems, security alarm and video surveillance system, as well as an effective access control system. Also inclusive of this is maintenance of all equipment beyond initial purchase. Again, based on the previous experience of the Market Equities team as well as estimates provided by partnering vendors, the initial capital that will be required for purchase and installation of the required equipment is projected to be \$85,000.



A.1.F Utility Costs

Of course, the team cannot operate a cannabis facility without basic utilities such as internet, phone service, gas, electric, and waste services. Below are the teams estimated utility costs for the facility for the first 10 years of operation.



A.1.G Other Operational Costs

In strict compliance with SMC § 7.04.330(b), Market Equities will pay all sales tax, use tax, business tax and other applicable taxes, and all license, registration, and other fees required under federal, state, and local law. Market Equities will cooperate with City with respect to any reasonable request to audit the commercial cannabis business' books and records for the purpose of verifying compliance with this section, including but not limited to a verification of the amount of fees, costs or taxes required to be paid during any period.

Excise Tax Collected

Pursuant to the Revenue and Taxation Code § 34011, Market Equities will collect and pay the Excise Tax under the following conditions:

1. Market Equities will charge and collect the excise tax of 15% from each patron.
2. Market Equities will provide each patron a receipt that includes the statement: "The cannabis excise taxes are included in the total amount of this invoice."
3. Market Equities will track the Excise Tax using the Meadow POS System.
4. The Excise Tax collected from the purchaser by Market Equities at the time of purchase will be remitted to the department in accordance with this code.

Estimate of Excise Tax Collected

| Excise Tax Collected (15%) | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|----------------------------|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Prepacked Flower | \$ 361,133 | \$ 557,383 | \$ 695,139 | \$ 868,924 | \$ 912,370 | \$ 921,494 | \$ 930,709 | \$ 940,016 | \$ 949,416 | \$ 958,910 |
| Vaporizing Cartridges | \$ 117,498 | \$ 181,349 | \$ 226,169 | \$ 282,711 | \$ 296,847 | \$ 299,815 | \$ 302,813 | \$ 305,842 | \$ 308,900 | \$ 311,989 |
| Pre-Rolls | \$ 26,950 | \$ 41,595 | \$ 51,876 | \$ 64,844 | \$ 68,087 | \$ 68,768 | \$ 69,455 | \$ 70,150 | \$ 70,851 | \$ 71,560 |
| Edibles | \$ 22,370 | \$ 34,526 | \$ 43,059 | \$ 53,824 | \$ 56,515 | \$ 57,081 | \$ 57,651 | \$ 58,228 | \$ 58,810 | \$ 59,398 |
| Concentrates | \$ 31,268 | \$ 48,260 | \$ 60,187 | \$ 75,234 | \$ 78,995 | \$ 79,785 | \$ 80,583 | \$ 81,389 | \$ 82,203 | \$ 83,025 |
| Tinctures | \$ 325 | \$ 501 | \$ 625 | \$ 782 | \$ 821 | \$ 829 | \$ 837 | \$ 846 | \$ 854 | \$ 863 |
| Topicals | \$ 75 | \$ 115 | \$ 144 | \$ 180 | \$ 189 | \$ 190 | \$ 192 | \$ 194 | \$ 196 | \$ 198 |
| Batteries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capsules | \$ 307 | \$ 474 | \$ 592 | \$ 740 | \$ 776 | \$ 784 | \$ 792 | \$ 800 | \$ 808 | \$ 816 |
| Drink | \$ 11 | \$ 17 | \$ 21 | \$ 26 | \$ 27 | \$ 27 | \$ 28 | \$ 28 | \$ 28 | \$ 29 |
| Total Excise Tax | \$ 559,936 | \$ 864,221 | \$ 1,077,811 | \$ 1,347,264 | \$ 1,414,627 | \$ 1,428,773 | \$ 1,443,061 | \$ 1,457,492 | \$ 1,472,067 | \$ 1,486,787 |

Market Equities has estimated that approximately 15% of GROSS receipts (with the exception of batteries) will be collected and paid to the CDTFA.



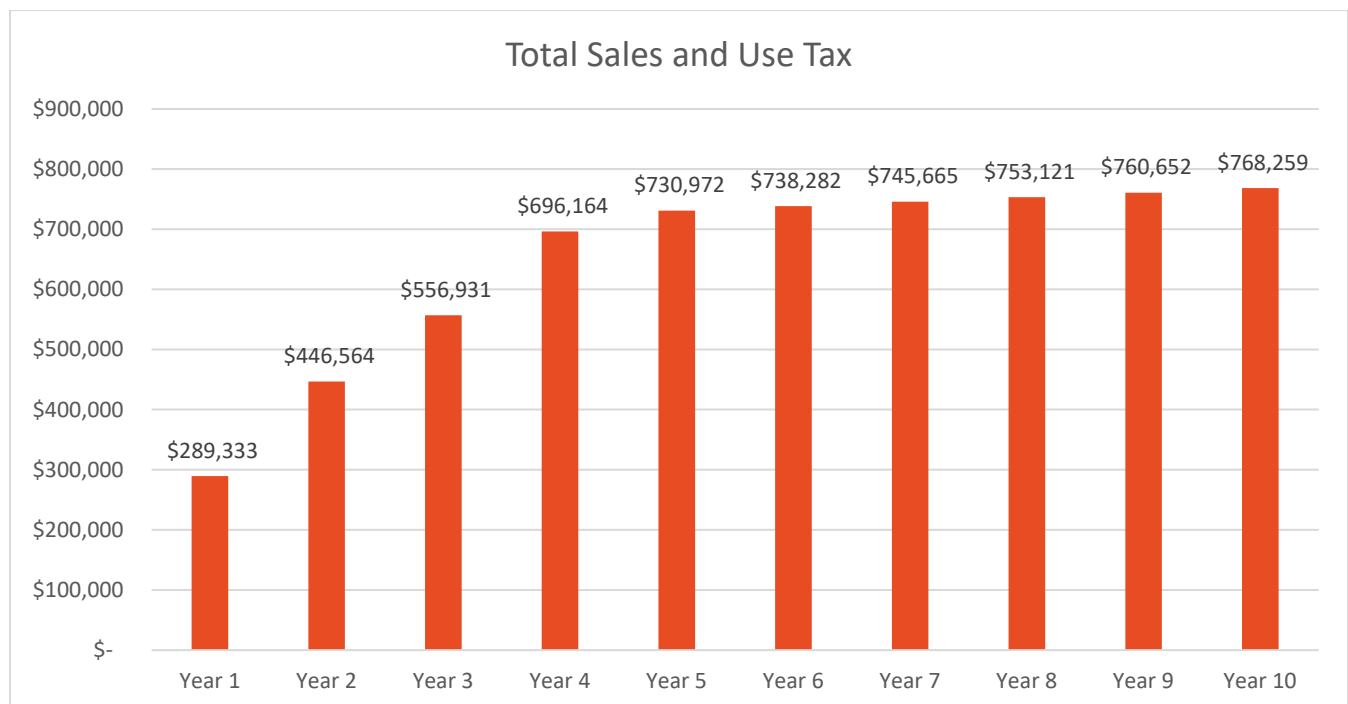
Sales and Use Tax Collected

Pursuant to 16 CCR § 15002(c)(20), Market Equities will have a valid seller's permit issued by the California Department of Tax and Fee Administration. Market Equities will collect and pay the sales tax under the following conditions:

1. Market Equities will obtain a Seller's Permit from the California Department of Tax and Fee Administration (CDTFA).
2. Market Equities will charge and collect the Sales Tax from each patron.
3. Market Equities will electronically file a sale and use tax return and pay the tax directly to the CDTFA.

Estimate of Sales and Use Tax Collected

| Total Sales and Use Tax Collected (7.75%) | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Prepacked Flower | \$ 186,585 | \$ 287,981 | \$ 359,155 | \$ 448,944 | \$ 471,391 | \$ 476,105 | \$ 480,866 | \$ 485,675 | \$ 490,532 | \$ 495,437 |
| Vaporizing Cartridges | \$ 60,707 | \$ 93,697 | \$ 116,854 | \$ 146,067 | \$ 153,371 | \$ 154,905 | \$ 156,454 | \$ 158,018 | \$ 159,598 | \$ 161,194 |
| Pre-Rolls | \$ 13,924 | \$ 21,491 | \$ 26,802 | \$ 33,503 | \$ 35,178 | \$ 35,530 | \$ 35,885 | \$ 36,244 | \$ 36,607 | \$ 36,973 |
| Edibles | \$ 11,558 | \$ 17,839 | \$ 22,247 | \$ 27,809 | \$ 29,200 | \$ 29,492 | \$ 29,787 | \$ 30,084 | \$ 30,385 | \$ 30,689 |
| Concentrates | \$ 16,155 | \$ 24,934 | \$ 31,097 | \$ 38,871 | \$ 40,814 | \$ 41,222 | \$ 41,635 | \$ 42,051 | \$ 42,471 | \$ 42,896 |
| Tinctures | \$ 168 | \$ 259 | \$ 323 | \$ 404 | \$ 424 | \$ 428 | \$ 433 | \$ 437 | \$ 441 | \$ 446 |
| Topicals | \$ 39 | \$ 60 | \$ 74 | \$ 93 | \$ 97 | \$ 98 | \$ 99 | \$ 100 | \$ 101 | \$ 102 |
| Batteries | \$ 32 | \$ 50 | \$ 62 | \$ 77 | \$ 81 | \$ 82 | \$ 83 | \$ 84 | \$ 85 | \$ 86 |
| Capsules | \$ 159 | \$ 245 | \$ 306 | \$ 382 | \$ 401 | \$ 405 | \$ 409 | \$ 413 | \$ 417 | \$ 422 |
| Drink | \$ 6 | \$ 9 | \$ 11 | \$ 13 | \$ 14 | \$ 14 | \$ 14 | \$ 14 | \$ 15 | \$ 15 |
| Total Excise Tax | \$ 289,333 | \$ 446,564 | \$ 556,931 | \$ 696,164 | \$ 730,972 | \$ 738,282 | \$ 745,665 | \$ 753,121 | \$ 760,652 | \$ 768,259 |



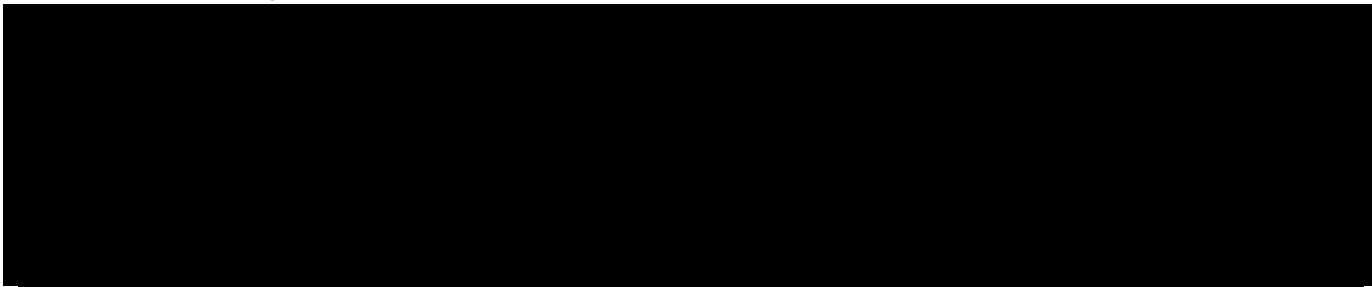
A.1.H Proof of Capitalization

Market Equities, collectively through its owners, hold liquid assets they have on hand in personally owned accounts to dedicate to the project. The total funds available are \$2,493,578. The company has provided proof of capital in the form of a bank statement dated September 2024 through October 2024. The company projects an anticipated start-up cost of \$886,373 which will leave the company approximately \$1.6M in contingency funding.

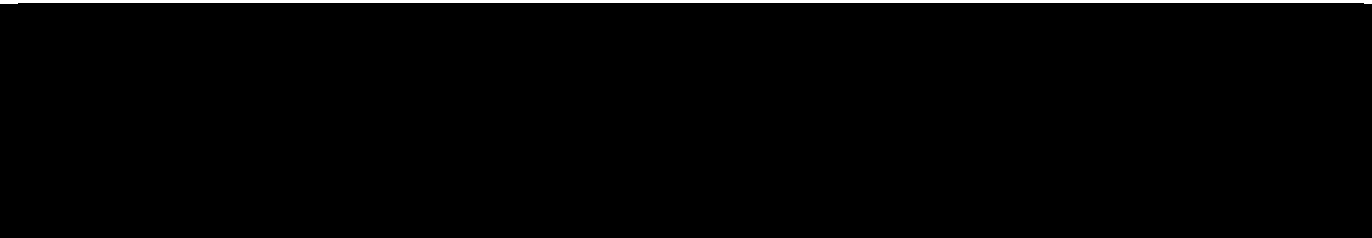
For the purposes of this exhibit, the team has provided screen shots of the corresponding accounts listed below, however, complete bank statements for all accounts can be viewed in the Proof of Capitalization file included with this application.

| Financial Institution | Account Type | Amount Available |
|-----------------------|--------------------|------------------|
| US Bank | Smartly Checking | \$67,103 |
| US Bank | Elite Money Market | \$1,145,548 |
| US Bank | Elite Money Market | \$1,280,926 |

US Bank – Sarmad Hayawi



US Bank – Amar Salim

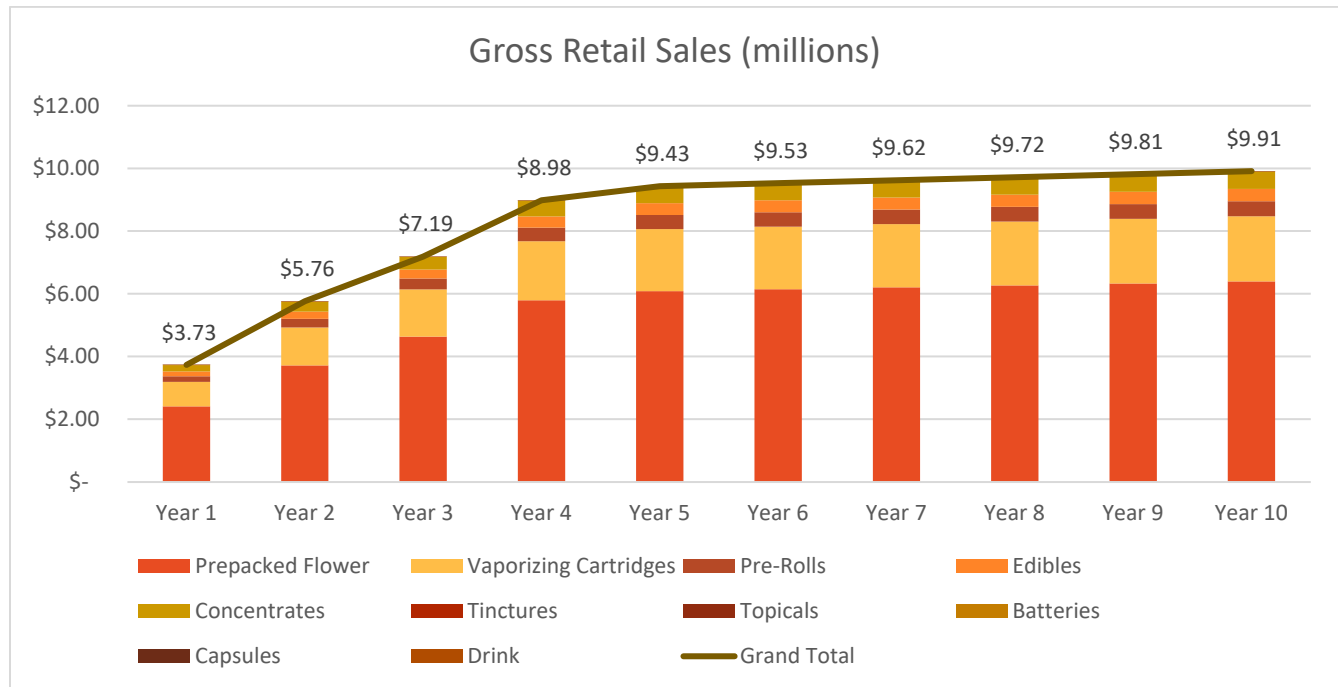


A.1.I 10-Year Financial Pro Forma

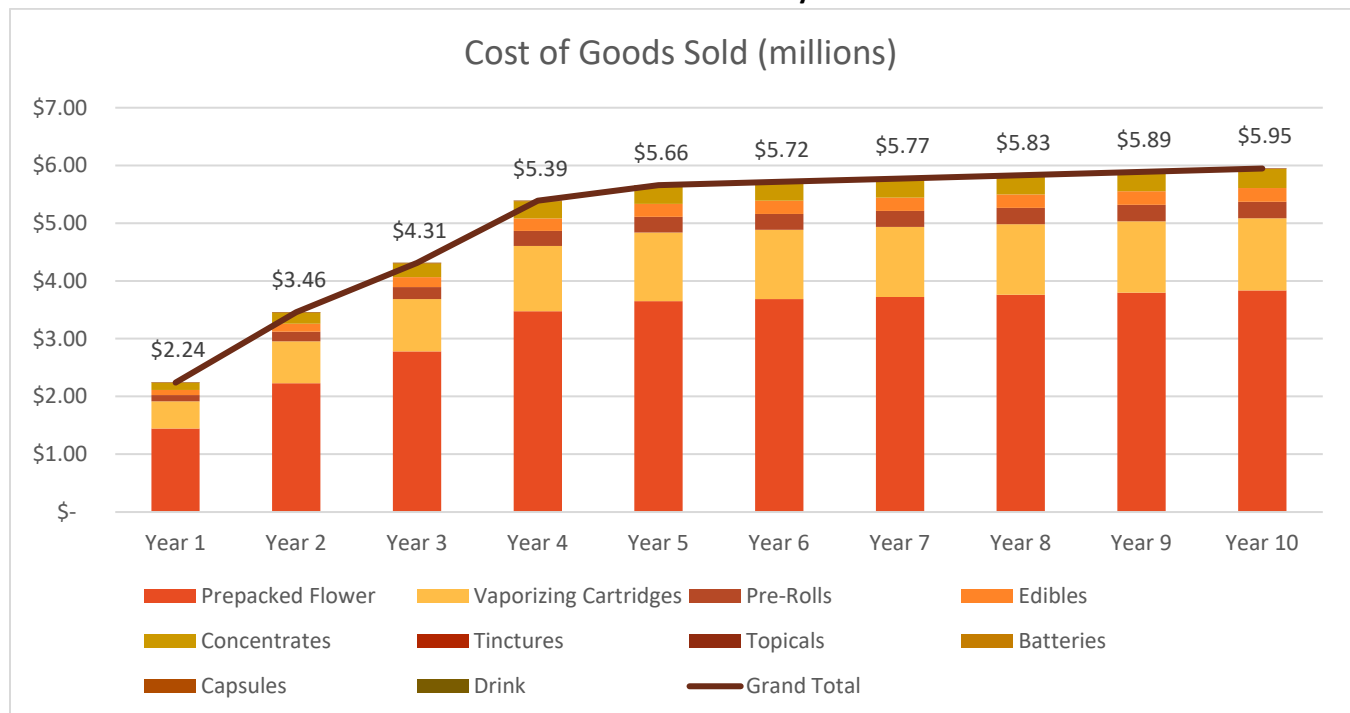
| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Prepacked Flower | \$ 2,407,555 | \$ 3,715,886 | \$ 4,634,260 | \$ 5,792,825 | \$ 6,082,467 | \$ 6,143,291 | \$ 6,204,724 | \$ 6,266,771 | \$ 6,329,439 | \$ 6,392,734 |
| Vaporizing Cartridges | \$ 783,317 | \$ 1,208,993 | \$ 1,507,794 | \$ 1,884,742 | \$ 1,978,979 | \$ 1,998,769 | \$ 2,018,756 | \$ 2,038,944 | \$ 2,059,333 | \$ 2,079,927 |
| Pre-Rolls | \$ 179,667 | \$ 277,302 | \$ 345,837 | \$ 432,297 | \$ 453,911 | \$ 458,451 | \$ 463,035 | \$ 467,665 | \$ 472,342 | \$ 477,065 |
| Edibles | \$ 149,132 | \$ 230,175 | \$ 287,062 | \$ 358,828 | \$ 376,769 | \$ 380,537 | \$ 384,342 | \$ 388,186 | \$ 392,068 | \$ 395,988 |
| Concentrates | \$ 208,452 | \$ 321,730 | \$ 401,245 | \$ 501,557 | \$ 526,635 | \$ 531,901 | \$ 537,220 | \$ 542,592 | \$ 548,018 | \$ 553,498 |
| Tinctures | \$ 2,166 | \$ 3,343 | \$ 4,169 | \$ 5,212 | \$ 5,472 | \$ 5,527 | \$ 5,582 | \$ 5,638 | \$ 5,695 | \$ 5,752 |
| Topicals | \$ 498 | \$ 768 | \$ 958 | \$ 1,197 | \$ 1,257 | \$ 1,270 | \$ 1,283 | \$ 1,295 | \$ 1,308 | \$ 1,322 |
| Batteries | \$ 416 | \$ 641 | \$ 800 | \$ 1,000 | \$ 1,050 | \$ 1,060 | \$ 1,071 | \$ 1,082 | \$ 1,093 | \$ 1,103 |
| Capsules | \$ 2,049 | \$ 3,162 | \$ 3,944 | \$ 4,930 | \$ 5,177 | \$ 5,228 | \$ 5,281 | \$ 5,333 | \$ 5,387 | \$ 5,441 |
| Drink | \$ 72 | \$ 111 | \$ 138 | \$ 172 | \$ 181 | \$ 183 | \$ 185 | \$ 186 | \$ 188 | \$ 190 |
| Total Revenue | \$ 3,733,323 | \$ 5,762,112 | \$ 7,186,208 | \$ 8,982,760 | \$ 9,431,898 | \$ 9,526,217 | \$ 9,621,479 | \$ 9,717,694 | \$ 9,814,871 | \$ 9,913,020 |
| Cost of Goods Sold | | | | | | | | | | |
| Prepacked Flower | \$ 1,444,533 | \$ 2,229,531 | \$ 2,780,556 | \$ 3,475,695 | \$ 3,649,480 | \$ 3,685,975 | \$ 3,722,834 | \$ 3,760,063 | \$ 3,797,663 | \$ 3,835,640 |
| Vaporizing Cartridges | \$ 469,990 | \$ 725,396 | \$ 904,676 | \$ 1,130,845 | \$ 1,187,387 | \$ 1,199,261 | \$ 1,211,254 | \$ 1,223,366 | \$ 1,235,600 | \$ 1,247,956 |
| Pre-Rolls | \$ 107,800 | \$ 166,381 | \$ 207,502 | \$ 259,378 | \$ 272,347 | \$ 275,070 | \$ 277,821 | \$ 280,599 | \$ 283,405 | \$ 286,239 |
| Edibles | \$ 89,479 | \$ 138,105 | \$ 172,237 | \$ 215,297 | \$ 226,062 | \$ 228,322 | \$ 230,605 | \$ 232,911 | \$ 235,241 | \$ 237,593 |
| Concentrates | \$ 125,071 | \$ 193,038 | \$ 240,747 | \$ 300,934 | \$ 315,981 | \$ 319,141 | \$ 322,332 | \$ 325,555 | \$ 328,811 | \$ 332,099 |
| Tinctures | \$ 1,300 | \$ 2,006 | \$ 2,502 | \$ 3,127 | \$ 3,283 | \$ 3,316 | \$ 3,349 | \$ 3,383 | \$ 3,417 | \$ 3,451 |
| Topicals | \$ 299 | \$ 461 | \$ 575 | \$ 718 | \$ 754 | \$ 762 | \$ 770 | \$ 777 | \$ 785 | \$ 793 |
| Batteries | \$ 249 | \$ 385 | \$ 480 | \$ 600 | \$ 630 | \$ 636 | \$ 643 | \$ 649 | \$ 656 | \$ 662 |
| Capsules | \$ 1,229 | \$ 1,897 | \$ 2,366 | \$ 2,958 | \$ 3,106 | \$ 3,137 | \$ 3,168 | \$ 3,200 | \$ 3,232 | \$ 3,264 |
| Drink | \$ 43 | \$ 66 | \$ 83 | \$ 103 | \$ 109 | \$ 110 | \$ 111 | \$ 112 | \$ 113 | \$ 114 |
| TOTAL COGS | \$ 2,239,994 | \$ 3,457,267 | \$ 4,311,725 | \$ 5,389,656 | \$ 5,659,139 | \$ 5,715,730 | \$ 5,772,887 | \$ 5,830,616 | \$ 5,888,923 | \$ 5,947,812 |
| GROSS PROFIT | \$ 1,493,329 | \$ 2,304,845 | \$ 2,874,483 | \$ 3,593,104 | \$ 3,772,759 | \$ 3,810,487 | \$ 3,848,592 | \$ 3,887,078 | \$ 3,925,948 | \$ 3,965,208 |
| OPERATING EXPENSE | | | | | | | | | | |
| Lease Rate | \$ 180,000 | \$ 180,000 | \$ 180,000 | \$ 180,000 | \$ 180,000 | \$ 189,000 | \$ 189,000 | \$ 189,000 | \$ 189,000 | \$ 189,000 |
| State Renewal Fee | \$ 30,500 | \$ 46,500 | \$ 57,000 | \$ 96,000 | \$ 96,000 | \$ 96,000 | \$ 96,000 | \$ 96,000 | \$ 96,000 | \$ 96,000 |
| Santee Business Permit Renewal Fee | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 |
| General Liability Insurance | \$ 7,200 | \$ 7,488 | \$ 7,788 | \$ 8,099 | \$ 8,423 | \$ 8,760 | \$ 9,110 | \$ 9,475 | \$ 9,854 | \$ 10,248 |
| Marketing Expenses | \$ 18,667 | \$ 28,811 | \$ 35,931 | \$ 44,914 | \$ 47,159 | \$ 47,631 | \$ 48,107 | \$ 48,588 | \$ 49,074 | \$ 49,565 |
| Bookkeeping Fees | \$ 13,200 | \$ 13,860 | \$ 14,553 | \$ 15,281 | \$ 16,045 | \$ 16,847 | \$ 17,689 | \$ 18,574 | \$ 19,502 | \$ 20,478 |
| Legal Fees | \$ 12,000 | \$ 12,480 | \$ 12,979 | \$ 13,498 | \$ 14,038 | \$ 14,600 | \$ 15,184 | \$ 15,791 | \$ 16,423 | \$ 17,080 |
| Security | \$ 117,530 | \$ 123,407 | \$ 129,577 | \$ 136,056 | \$ 142,858 | \$ 150,001 | \$ 157,501 | \$ 165,377 | \$ 173,645 | \$ 182,328 |
| POS & Register Costs | \$ 12,000 | \$ 12,480 | \$ 12,979 | \$ 13,498 | \$ 14,038 | \$ 14,600 | \$ 15,184 | \$ 15,791 | \$ 16,423 | \$ 17,080 |
| Meals & Entertainment | \$ 2,400 | \$ 2,496 | \$ 2,596 | \$ 2,700 | \$ 2,808 | \$ 2,920 | \$ 3,037 | \$ 3,158 | \$ 3,285 | \$ 3,416 |
| Internet and Phone | \$ 4,200 | \$ 4,368 | \$ 4,543 | \$ 4,724 | \$ 4,913 | \$ 5,110 | \$ 5,314 | \$ 5,527 | \$ 5,748 | \$ 5,978 |
| Gas, Electric, Trash | \$ 9,600 | \$ 9,984 | \$ 10,383 | \$ 10,799 | \$ 11,231 | \$ 11,680 | \$ 12,147 | \$ 12,633 | \$ 13,138 | \$ 13,664 |
| Salary | \$ 544,320 | \$ 802,560 | \$ 882,816 | \$ 926,957 | \$ 973,305 | \$ 1,021,970 | \$ 1,073,068 | \$ 1,126,722 | \$ 1,183,058 | \$ 1,242,211 |
| Payroll Taxes and Benefits- Indirect | \$ 108,864 | \$ 160,512 | \$ 176,563 | \$ 185,391 | \$ 194,661 | \$ 204,394 | \$ 214,614 | \$ 225,344 | \$ 236,612 | \$ 248,442 |
| Santee Employee Background Screening | \$ 4,800 | \$ 6,000 | \$ 6,000 | \$ 6,000 | \$ 6,000 | \$ 6,000 | \$ 6,000 | \$ 6,000 | \$ 6,000 | \$ 6,000 |
| Community Benefits (10% of Net) | \$ 149,333 | \$ 230,484 | \$ 287,448 | \$ 359,310 | \$ 377,276 | \$ 381,049 | \$ 384,859 | \$ 388,708 | \$ 392,595 | \$ 396,521 |
| Total Operating Expenses | \$ 1,151,288 | \$ 1,704,573 | \$ 1,935,745 | \$ 2,159,084 | \$ 2,375,681 | \$ 2,487,658 | \$ 2,605,190 | \$ 2,728,554 | \$ 2,858,040 | \$ 2,993,951 |
| OPERATING INCOME (LOSS) | \$ 820,620 | \$ 1,472,706 | \$ 2,167,647 | \$ 2,970,156 | \$ 4,035,869 | \$ 4,244,469 | \$ 4,463,543 | \$ 4,693,616 | \$ 4,935,239 | \$ 5,188,991 |
| TAXABLE INCOME (LOSS) | | | | | | | | | | |
| California Business Tax (8.84%) | \$ 72,543 | \$ 130,187 | \$ 191,620 | \$ 262,562 | \$ 356,771 | \$ 375,211 | \$ 394,577 | \$ 414,916 | \$ 436,275 | \$ 458,707 |
| Less: Federal Tax (21%) | \$ 172,330 | \$ 309,268 | \$ 455,206 | \$ 623,733 | \$ 847,532 | \$ 891,339 | \$ 937,344 | \$ 985,659 | \$ 1,036,400 | \$ 1,089,688 |
| NET INCOME (LOSS) | \$ 575,747 | \$ 1,033,250 | \$ 1,520,821 | \$ 2,083,861 | \$ 2,831,566 | \$ 2,977,920 | \$ 3,131,622 | \$ 3,293,041 | \$ 3,462,564 | \$ 3,640,596 |

A.1.J Anticipated Gross Sales

As Market Equities develops its relationship with the local community, it is expected to see continuous revenue growth in all categories of its operation. Market Equities anticipates a steady growth in sales among the residents of Santee and the surrounding regions for its retail operation. As the local market matures, the team expects to rise, however, by year 5, as the market continues to be saturated, the team fully expects the price of products to reduce slightly, predictions which can be seen in the overall sales projections below. In the first full year of operations, Market Equities anticipates earning a total of \$3.73M. By year 5, the team projects enough growth to achieve sales of more than \$9.43M, respectively.



A.1.K Product Purchases - 5 Year Cost of Goods Sold – Inventory Purchases



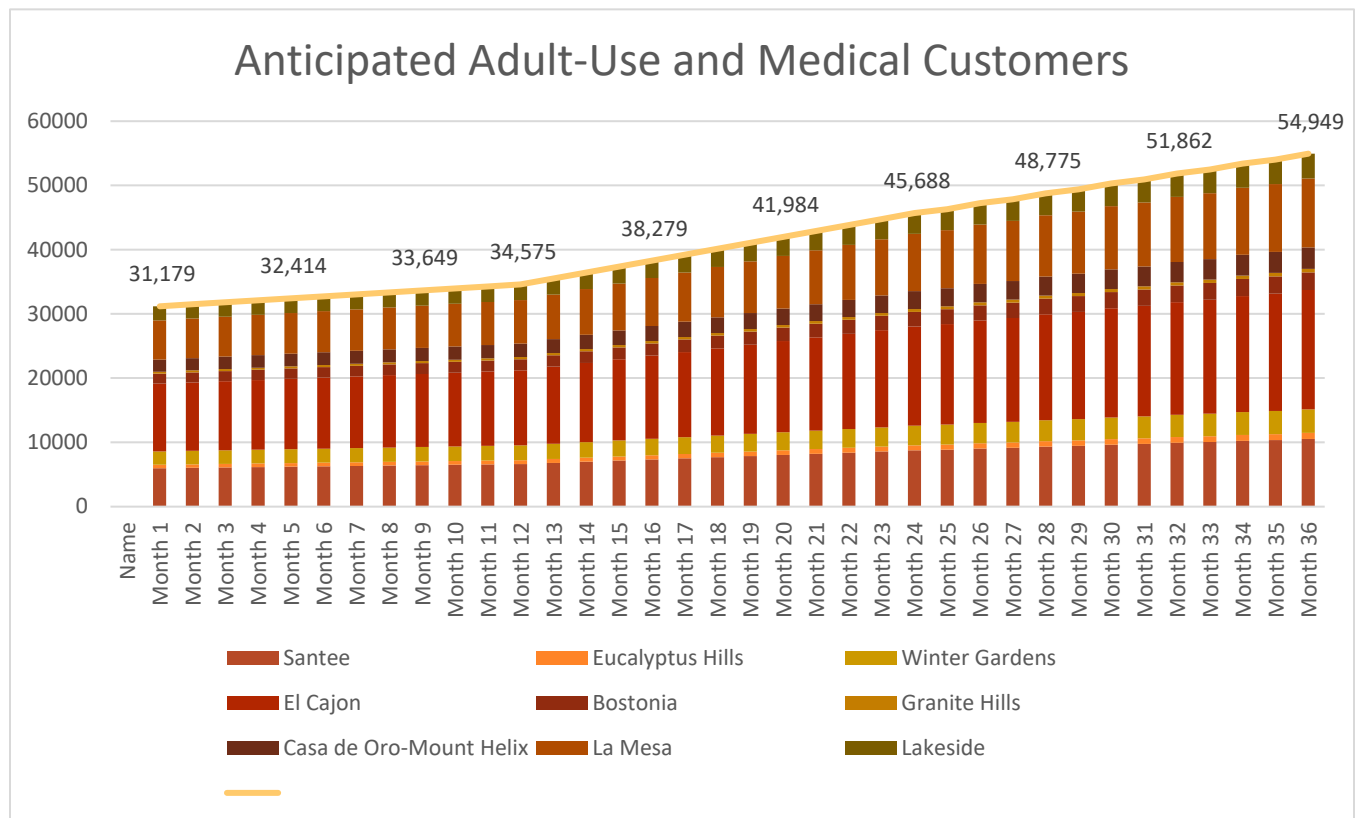
A.1.L Expected Inventory Levels at the Dispensary – 30 Days of Supply

Based on the business experience of the owners, the company believes that they will store approximately 60 days of inventory on-site at any given time to support the retail operation. Below is a breakdown by category as well as the anticipated product mix by category.

| Anticipated Product Mix | | Inventory Assortment Mix and Expected Inventory Levels | | |
|-------------------------|-----------------|--|-------------------|--------------------|
| Category | % of Total Sale | Days of Supply | 60 | |
| Category | % of Total Sale | Categories | Retail Price | Cost of Goods Sold |
| Prepacked Flower | 40.34% | Prepacked Flower | \$ 401,259 | \$ 240,755 |
| Vaporizing Cartridges | 23.01% | Vapes | \$ 130,553 | \$ 78,332 |
| Pre-Rolls | 11.02% | Pre-Rolls | \$ 29,944 | \$ 17,967 |
| Edibles | 10.04% | Edible | \$ 24,855 | \$ 14,913 |
| Concentrates | 11.87% | Concentrate | \$ 34,742 | \$ 20,845 |
| Tinctures | 1.21% | Tincture | \$ 361 | \$ 217 |
| Topicals | 0.58% | Topicals | \$ 83 | \$ 50 |
| Batteries | 0.53% | Batteries | \$ 69 | \$ 42 |
| Capsules | 1.18% | Capsules | \$ 342 | \$ 205 |
| Drink | 0.22% | Drink | \$ 12 | \$ 7 |
| Grand Total | 100.00% | Total | \$ 622,220 | \$ 373,332 |

A.1.M Anticipated Adult-Use and Medical Customer in Santee and the Surrounding Area

Market Equities has calculated anticipated revenue for its retail operations based on the population of Santee and surrounding cities. The company expects that at the onset of operations, approximately 10% of the population will shop at a cannabis business in Santee. The team expect to earn, at a very minimum, 15% of those customers. We expect the average transaction size to be approximately \$60 and that each customer will visit 3 times per month.



A.1.N Beginning Operations Schedule

Market Equities proposes to utilize the property at 10723 Prospect Ave. in Santee for cannabis retail operations. This location will undergo light renovations to create optimal conditions for retail activities while prioritizing operational efficiency and layered security. While no major construction is planned, we will need to install interior walls to create secure spaces, as well as perform some light electrical work to ensure adequate lighting, access control, and security throughout the facility, including ADA-compliant bathrooms as required for commercial spaces.

Exterior improvements will enhance the overall appearance of the building, making it more inviting for customers, with thoughtfully designed landscaping. The parking lot will be striped to facilitate efficient parking and will include the necessary number of ADA parking spaces in accordance with local and state regulations.

With Market Equities' extensive experience in launching businesses in both the cannabis sector and other industries, the City of Santee can be confident that all construction will adhere to local and state regulations. Our team will engage industry experts to ensure that every aspect of the work is executed with the highest level of quality and professionalism.

Below is a high-level timeline outlining the team's expectations for the construction process. Please note that the timeline is broken down by weeks, with a conservative overall duration of six months. Once the team receives a conditional use permit, they will promptly begin submitting plans to the building department to secure the necessary building permits for construction. This extended timeline allows for thorough planning and execution, accommodating any unforeseen delays or adjustments. Regular communication with stakeholders and compliance checks will be vital throughout the project.

Project Overview:

1. Phase 1: Pre-Construction Planning (Weeks 1-8)
 - a. Weeks 1-2:
 - i. Project kickoff meeting with stakeholders.
 - ii. Finalize design plans specific to cannabis retail (layout for product display, customer flow).
 - iii. Secure necessary permits and licenses from local authorities.
 - b. Weeks 3-4:
 - i. Finalize contractor agreements and assign project roles.
 - ii. Develop a detailed project timeline and budget, including security measures.
 - iii. Order specialized retail equipment (counters, display cases) and security systems (CCTV, alarm systems).
 - c. Weeks 5-6:
 - i. Schedule subcontractors (electricians, security system installers).
 - ii. Conduct a pre-construction site visit.
 - iii. Confirm all permits and licenses are approved.
 - d. Weeks 7-8:
 - i. Finalize designs for security systems and retail layout.
 - ii. Order any additional materials or custom fixtures needed.
2. Phase 2: Demolition and Site Preparation (Weeks 9-12)
 - a. Week 9:
 - i. Begin demolition of existing fixtures and non-load-bearing walls.
 - ii. Remove old flooring and any outdated systems.
 - b. Week 10:
 - i. Clear debris from the site.
 - ii. Prepare the space for new construction, including necessary electrical and plumbing work.
 - c. Weeks 11-12:
 - i. Complete demolition and site preparation.

- ii. Install temporary barriers and safety measures for ongoing construction.
- 3. Phase 3: Construction (Weeks 13-24)
 - a. Weeks 13-14:
 - i. Begin framing new walls and layout changes.
 - ii. Install new plumbing and electrical systems to accommodate security features.
 - b. Weeks 15-16:
 - i. Continue with framing and start drywall installation.
 - ii. Begin HVAC system upgrades, ensuring compliance with safety standards.
 - c. Weeks 17-18:
 - i. Finish drywall installation.
 - ii. Start painting and wall treatments.
 - iii. Begin flooring installation (durable, easy-to-clean materials).
 - d. Weeks 19-20:
 - i. Install retail equipment (counters, shelving) and start integrating security systems (CCTV cameras, alarms).
 - ii. Begin exterior improvements (signage, landscaping).
 - e. Weeks 21-22:
 - i. Complete flooring and final installations of retail and security equipment.
 - ii. Conduct initial testing of security systems.
 - f. Weeks 23-24:
 - i. Conduct a rough inspection with local authorities to ensure compliance.
 - ii. Address any issues identified during the inspection.
- 4. Phase 4: Finishing Touches (Weeks 25-28)
 - a. Weeks 25-26:
 - i. Finalize installation of display fixtures and decorative elements.
 - ii. Ensure all security systems are fully operational and integrated.
 - b. Weeks 27-28:
 - i. Conduct a final walkthrough to ensure everything meets design and regulatory specifications.
 - ii. Make any last-minute adjustments or repairs.
- 5. Phase 5: Final Inspection and Opening Preparation (Weeks 29-32)
 - a. Weeks 29-30:
 - i. Schedule final inspections with local authorities for occupancy and compliance.
 - ii. Obtain occupancy permit and necessary cannabis retail licenses.
 - b. Weeks 31-32:
 - i. Plan the grand opening event.
 - ii. Stock inventory and set up product displays.
 - iii. Final cleaning and staging of the space, ensuring security measures are in place.
 - c. Launch Day: Week 33
 - i. Grand opening of the cannabis dispensary, welcoming customers with a secure and inviting environment!

A.1.O Access to Banking – Dama Financial



10/07/2024

BANKING LETTER OF INTENT

To Whom It May Concern:

LeafLink, Inc., providing services under the Dama brand ("Dama"), is excited to offer access to fully transparent banking services to legal cannabis entities by acting as an agent on behalf of partner banks OMB Bank, First Option Bank and Dart Bank, Members FDIC.

Flame Dispensary contacted Dama Financial inquiring about our services in response to the California cannabis licensing process.

We have worked with Flame Dispensary owners currently and we are confident in our ability to offer access to compliant banking services for his proposed location.

Flame Dispensary must submit an application, provide required documents, and successfully pass Dama Financial's enhanced due diligence process before an account will be established with one of our partner banks.

By providing the State of California this Letter of Intent, Flame Dispensary authorizes Dama Financial to answer inquiries initiated by the State of California regarding the banking status (no application, application submitted, account established, account denied) of Flame Dispensary.

Flame Dispensary please submit your questions to a Dama Financial Application Specialist at contact@leaflink.com or by calling 877-401-3262.

State of California or local municipality, please submit your inquiries to the Dama Financial Compliance Department at Compliance@leaflink.com

Respectfully-

The Dama Team

P.O. Box 5730
South San Francisco, CA 94080

877.401.3262
www.damafinancial.com

A.2 DAILY OPERATIONS

A.2.A Hours of Operation

In accordance with SMC § 7.04.340(A), Market Equities will operate only during the hours specified in the conditional use permit issued by the City. In strict compliance with SCMC § 7.04.360(K), the hours of operation will be limited to 9:00 a.m. 9:00 p.m. Pacific Time each day of the week.

A.2.B Opening and Closing Procedures

Market Equities have created a set of checklists that break down and cover all major activities for opening and closing the facility in an effort to establish accountability and ensure maximum safety and security within and around the facility. The importance of opening and closing procedures is to ensure the facility is safe and secure both for employees and customers and

Opening/Closing Procedures Checklists

The Inventory Control Agent and Shift Manager will execute the below Store Opening and Store Closing Checklists to ensure that all activities are complete. A record of this will be kept on file.

| Store Opening Checklist | | Store Closing Checklist | |
|---|---|---|--|
| <p>The Morning Shift Manager is responsible for executing the Store Opening Checklist. Please review this Checklist and Initial each item as it is completed. Sign the document and put in the folder labeled "Store Opening Checklist" for manager review.</p> | | <p>The Night Shift Manager is responsible for executing the Store Closing Checklist. Please review this Checklist and Initial each item as it is completed. Sign the document and put in the folder labeled "Store Closing Checklist" for manager review.</p> | |
| <p>Activities must start 15 minutes prior to closing. begin the closing process. Review and execute the checklist below.</p> | | | |
| Employee Initial | Task | Employee Initial | Task |
| | DISABLE security system. | | 15 minutes prior to closing, ANNOUNCE to the store and range that "The FACILITY is closing in 15 minutes. Guests should finish up and make their way to the exit." |
| | REVIEW all areas inside the retail area, including bathrooms, storage areas, floors, and break rooms to determine if the NIGHTLY CLEANING PROCEDURES were followed. If it is identified that a closing task did not occur, note details here: | | REPEAT the announcement every 5 minutes until closing. |
| | TURN ON all lights, AV equipment, TV's. | | LOCK the front door. |
| | ENABLE the proper slide shows and Videos on TV's and begin their loops. | | PRINT Inventory Reconciliation Reports |
| | INSPECT the Retail Store: | | CONDUCT End of Day Inventory Reconciliation |
| | REVIEW Signs for damage, theft, or vandalism: | | RETURN Day-time Inventory to Night-Time Storage |
| | If identified note details here and NOTIFY the Shift Manager: | | UPDATE the State Tracking System |
| | VERIFY all closing jobs were performed. List any closing jobs not performed: | | WALK the entire facility, ensuring that the facility is empty. |
| | CHECK that all light bulbs, Exit Signs, Fire Extinguishers, AED are functioning: Note details here | | SHIFT MANAGER to empty the cash drawer, and record amounts in the ledger. Have a second employee come verify amounts and initial ledger. |
| | MOVE Inventory to Day time storage | | CLEAN the facility per NIGHTLY CLEANING PROCEDURES. |
| | CHARGE the till | | RESTOCK all marketing collateral that may have been taken during the day. |
| | PERFORM daily maintenance | | TURN OFF all AV systems, TV's. |
| | On the first of every month, ADJUST the exterior illuminated signage timer, to ensure it is on at optimal hours. | | TURN OFF lights as rooms are completed and SECURE doors. |
| | PRINT Inventory Reconciliation Reports | | When complete, WALK through facility one last time and verify all is as it should be. Be sure to check bathrooms are empty. |
| | CONDUCT Beginning of the Day Inventory | | ESCORT all employees out. |
| Employee Signature: _____ Date: _____ | | | ANNOUNCE final callout "Security System is being armed, is anyone left in here?" to ensure no employee has returned to the building for something. |
| | | | ARM the Security System. |
| | | | EXIT building |
| | | Employee Signature: _____ Date: _____ | |

A.2.C Customer Check-In Procedures

Pursuant to SMC § 7.04.340(H)(1-2), Market Equities will not allow any person under 21 years of age access to the dispensary, unless the person is 18 years of age or older and possesses a valid government-issued identification card and a valid physician's recommendation or a medical marijuana card issued pursuant to Health and Safety Code Section 11362.71 of the California Health and Safety Code, or who is a qualified patient in possession of a valid physician's recommendation in their name, or who is a primary caregiver for a person in possession of a valid physician's recommendation. Individuals accessing the premises under the basis of a physician's recommendation will be granted access for the sole purpose of purchasing medicinal cannabis consistent with the physician's recommendation.

In strict accordance with SMC § 7.04.340(H)(3), all entrances into the facility will be clearly and legibly posted with a notice that no person under the age of 21 years of age is permitted to enter upon the premises of the cannabis business.

Before a customer is introduced to cannabis products, they must have their identification verified. Pursuant to SMC § 7.04.360(C), an employee of Market Equities will verify the age and all necessary documentation of each individual to ensure customers are not under the age of twenty-one (21) years or at least 18 years of age and possess a valid physician's recommendation after confirming the customer's age, identity, and physician's recommendation. Customers will be asked to produce one of the following forms of acceptable identification pursuant to 16 CCR § 15404(c):

- 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 a photo of the person.
- A valid identification card issued to a member of the Armed Forces that includes a date of birth and a photo of the person.
- A valid passport issued by the United States or by a foreign government.
- If the potential customer is over 18 but under 21 years old, Market Equities will confirm the customer's possession of a valid doctor's recommendation and/or Health and Safety Code Section 11362.71 identification card (Medical Marijuana Card).

Once a customer has been verified with the acceptable form of identification, they will be granted access to the sales floor and begin the product discovery and sales process.

Market Equities will maintain records of the following information for each member and customer of the dispensary that purchases medical cannabis:

- The name, date of birth, physical address, and telephone number. their status as a qualified patient or primary caregiver.
- A copy of each qualified patient's written physician recommendation and their designation of a primary caregiver.

These records will be maintained by Market Equities for a period of not less than three years and will be produced to the city within 24 hours of receipt of the City's request.

Further, Market Equities will report any loss, damage, or destruction of these records to the Police Chief within 24 hours of loss, damage, or destruction.

A.2.D Receiving Deliveries During Business Hours

The Market Equities product receiving process will follow strict policies and procedures in order to ensure full compliance with all track and trace regulations and to ensure the security of the assets and the safety of all personnel. Market Equities suppliers will transport and transfer products to Market Equities' facility as allowed by the City of

Santee and the State of California. Shipments will be conducted through the use of a licensed, insured and state authorized transport company.

Product receiving will occur on a regular basis to ensure that a sufficient supply of products is on hand for sale and in smaller amounts to reduce risk during transfer. The movement of large amounts of high value products at one time can create an excessive risk of loss during transfer.

Shipments are scheduled at random times and hours in order to avoid predictability that can elevate the risk of theft. Product transport/transfer will be completed during the times of 9:00 am to 6:00 pm, or during daylight hours, to ensure maximum visibility and threat detection. When shipments are scheduled, this information will only be provided to individuals who occupy a “need to know” position in order to avoid risk of theft.

[REDACTED]

In compliance with NCMC § 9.60.230(B), Market Equities will ensure cannabis and cannabis products or graphics depicting cannabis or cannabis products are not visible from the exterior of the premises during loading or unloading activities. [REDACTED]

[REDACTED] The transport vehicle will not be left unlocked or unattended during the transfer in order to avoid theft at these times.

At the time of the shipment:

1. [REDACTED]
2. Security personnel or the manager will verify that the shipment paperwork, amounts, and manifest are in order prior to allowing transporters to leave the site.

Market Equities will ensure all packaging and labeling of cannabis and cannabis products received from licensed cannabis businesses, meet the requirements of MAUCRSA and any implementing regulations. Any products that do not meet the following requirements will be refused and returned to the originating vendor:

1. Tamper-Evident, Child-Resistant Packaging Required. Prior to delivery or sale at a retailer to a purchaser, cannabis and cannabis products shall be labeled and placed in a resealable, tamper-evident, child-resistant package and shall include a unique identifier for the purposes of identifying and tracking cannabis and cannabis products.
2. Cannot Be Attractive to Children. Cannabis packaging and labeling shall not be designed to appeal to children, including, but not limited to, cartoon characters or similar images.
3. State-Mandated Warnings and Information. All cannabis and cannabis product labels and inserts shall include the state-mandated warnings and information contained in Business and Professions Code Section 26120(c).

Conformance with State Testing

Pursuant to 16 CCR § 15304, it is the responsibility of the licensed distributor to ensure that cannabis product has been tested. Market Equities is committed to maintaining adequate storage and sanitary storage procedures for usable cannabis products. To protect the quality of the product, Market Equities will conduct an inspection upon receipt to ensure that testing has been complete, products are properly packaged and are accompanied by certified approval from a licensed testing facility. Any products missing testing results will be refused at time of delivery.

Packaging Guidelines

Market Equities will ensure all cannabis, cannabis products, and cannabis accessories sold by Market Equities will be packaged, labeled, and placed in tamper-evident packaging which at least meets the requirements of the MAUCRSA and all state implementing rules and regulations.

As a retailer, Market Equities will not package or label cannabis goods or accept, possess, or sell cannabis goods that are not packaged as they would be for final sale pursuant to 16 CCR § 15412.

In accordance with 16 CCR § 15406, Market Equities will not make any cannabis goods available for sale to a customer unless:

1. The cannabis goods were received from a licensed distributor or licensed microbusiness authorized to engage in distribution.
2. Market Equities has verified that the cannabis goods have not exceeded their best-by, sell-by, or expiration date if one is provided.
3. In the case of manufactured cannabis products, the product complies with all requirements of Business and Professions Code section 26130 and California Code of Regulations, Title 3, Division 8 and Title 17, Division 1, Chapter 13.
4. The cannabis goods have undergone laboratory testing as required by local and state law.
5. The batch number is labeled on the package of cannabis goods and matches the batch number on the corresponding certificate of analysis for regulatory compliance testing.
6. The packaging and labeling of the cannabis goods complies with Business and Professions Code Section 26120 and all applicable regulations.

Market Equities will confirm that all packages include clearly legible and proper labeling, compliant with state packing and labelling requirements including, but not limited to the following:

1. Labeling includes a warning if nuts or other known allergens are used and include the total weight (in ounces or grams) of cannabis in the package.
2. Warning labels stating that the item is cannabis or a cannabis product and not a food product.
3. Label warning that the Cannabis Product is to be kept away from children.
4. Label specifying the date of Manufacture.
5. Market Equities will also ensure that any edible cannabis product that is made to resemble a typical food product is properly labeled and packaged in an opaque (non-see-through) package.

Market Equities' Inventory Control Agent will regularly review the state guidelines to ensure all cannabis products are packaged and labeled in accordance with the rules set forth by the BCC. If the products are not packaged to standards, the distributor will be contacted to coordinate a return. To ensure compliance with these regulations, Market Equities will print and laminate the packaging and labeling requirements and keep it in the receiving bay for regular reference for the Inventory Control Agent. Market Equities will refer to the Department of Cannabis Control's website for most current packing and labeling requirements, such as the links listed below¹.

1. [Packaging Requirements Checklist](#)
2. [Labeling Requirements Checklist – Flower and Flower Only Products](#)
3. [Labeling Requirements Checklist – Manufactured Products](#)

¹ <https://cannabis.ca.gov/licensees/requirements-cannabis-goods/>

A.2.E Point-of-Sale System – Meadow

In compliance with SMC § 7.04.340(D), Market Equities will utilize an electronic point of sale system and inventory management tracking system to track and report on all aspects of Market Equities' business including, but not limited to, such matters as cannabis tracking, inventory data, gross sales (by weight and by sale) and other information which may be deemed necessary by the city. The electronic point of sale system will be capable of producing an electronic or automatic paper record for all transactions associated with any product sold, rented, or otherwise provided to the customer.



Market Equities' tracking system is compliant with the state's designated track-and-trace system METRC. Market Equities will ensure that such information is compatible with the City's record-keeping systems. Additionally, the system has the capability to produce historical transactional data for review.

Market Equities will maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products for all stages of the growing and production or manufacturing, laboratory testing and distribution processes in accordance with the MAUCRSA.

Market Equities will use the Meadow Cannabis Dispensary POS system to record and report on all aspects of cannabis tracking, inventory data, and gross sales. This will serve as a legally compliant seed to sale Point of Sale system. The nation's fastest growing cannabis retail platform with best-in-class Point-of-Sale, Integrated Payments, Data Insights, and 24/7 Support.

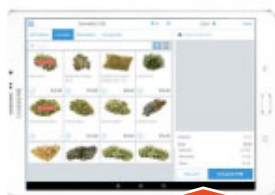
The Meadow system integrates into the state's regulatory reporting and tracking system METRC. Meadow is embraced here in California by other licensed cannabis seed to sale compliant retailers and in other jurisdictions.

Meadow will prevent staff from breaking the rules or making operational missteps that violate local and state regulations. Meadow includes an Age Verification Scanner in order to prevent underage sales and to verify information with ID barcode scanners. Meadow also includes Purchase Limits alerting where it automatically calculated product equivalencies to violate state regulations. If it is violated, it will alert the staff if limits have been exceeded. Finally, the Meadow software makes it impossible to serve patrons after the allowed Hours of Operation. This will ensure that Market Equities remain compliant with the authorized hours of operation.

Meadow also has an inventory tracking system. The system will track and report all aspects of Market Equities' cannabis business including, but not limited to, such matters as inventory data, gross sales (by weight and by sale), and other information which may be deemed necessary by the city. Market Equities' business shall ensure that such information is compatible with the City's record-keeping systems. In addition, the system will have the capability to produce historical transactional data for review.

POS Equipment

Market Equities will be purchasing the equipment below to support retail operations.



Tablets



Barcode Scanners



Cash Drawers



Label Printers



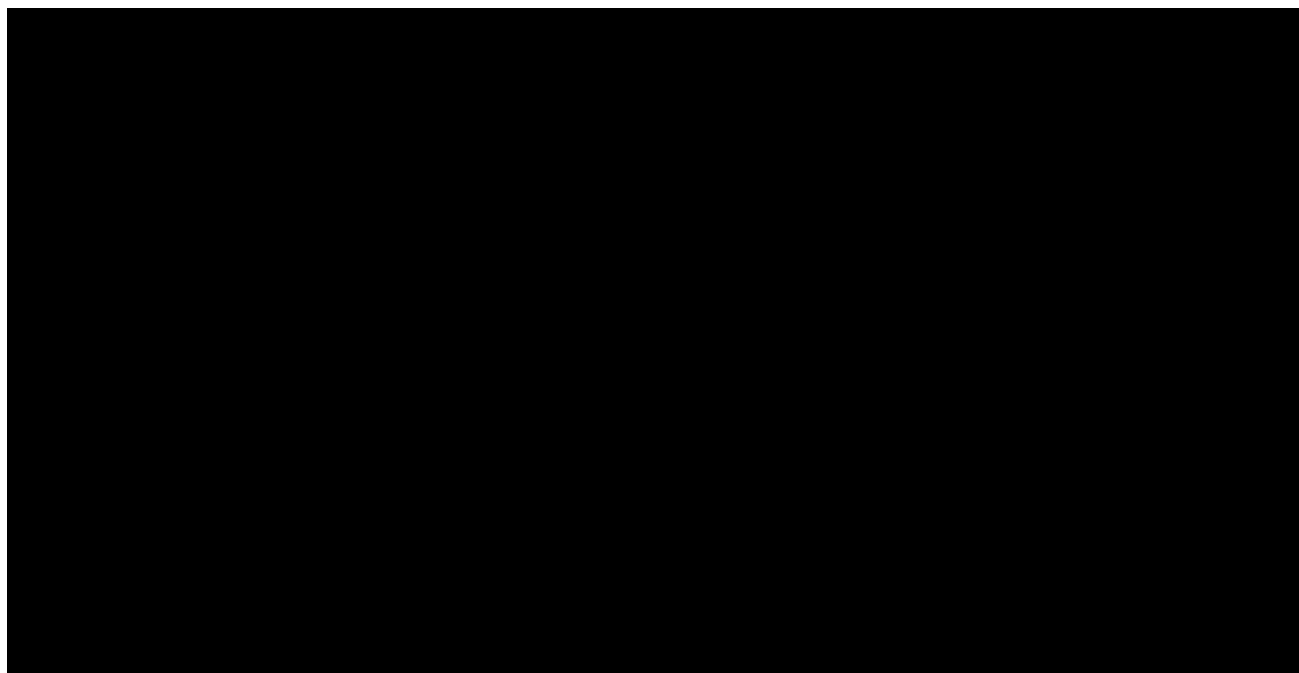
Mounts & Stands



Receipt Printers

Point of Sale Locations

The company has identified 4 Point of Sale locations on the dispensary sales floor. Each POS location will be monitored by 4k surveillance cameras with a clear view of the transaction area. Footage will capture all actions throughout the transaction from behind the sales counter.



A.2.F Number of Customers per Hour/Day

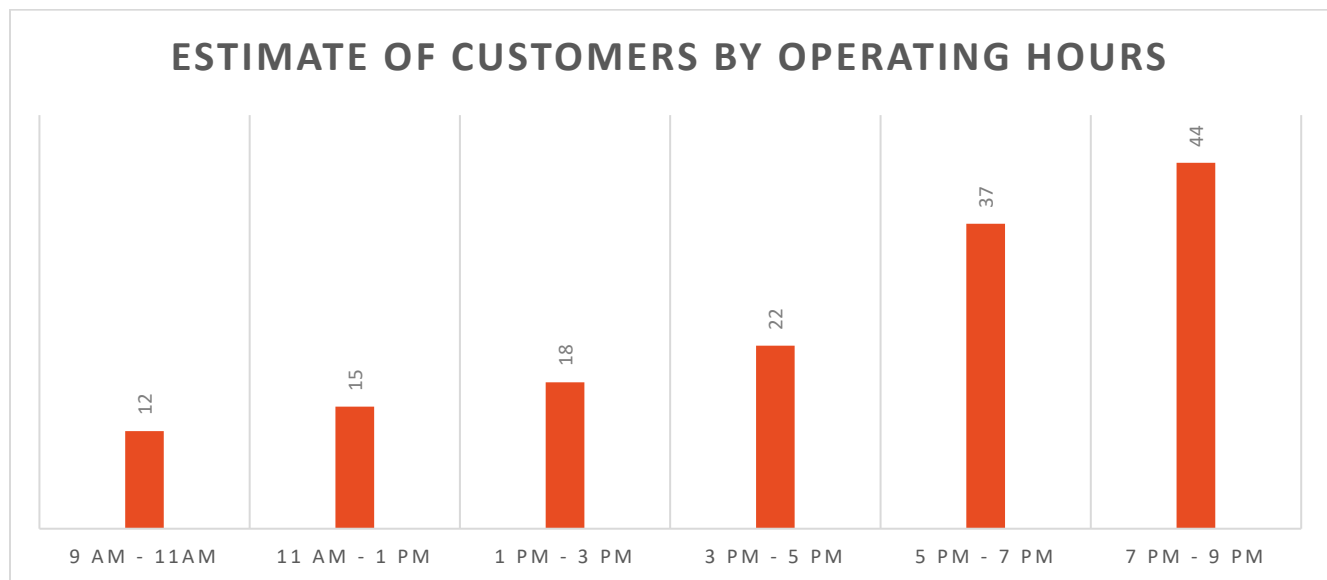
Market Equities, again, has extensive experience in managing cannabis facilities, especially, retail facilities. This experience along with industry analysis provides the team with the ability to confidently estimate the potential volume of customers the facility will see on a day-to-day basis. The Market Equities team expects that approximately 10% of the population will shop at a cannabis business in Santee. The team expect to earn, at a very minimum, 25% of those customers. Based on the team's analysis, the team expects to see an average of 180 customers per day or roughly 13 transactions per hour.

| Visitors per Day | Average Transactions per Hour |
|------------------|-------------------------------|
| 147 | 12.3 |

According to research released recently by Headset, a Seattle-based business intelligence and analytics service for the cannabis industry, unsurprisingly Fridays and Saturdays tend to be the busiest days of the week, however, when broke down hourly, it was found that nearly 50% of the daily traffic is seen after 5 pm.

Given this information, which mirrors other industry reports as well as sales reports seen by the team in other retail facilities, the Market Equities team have made predictions on how many customers they expect to serve each day as well as each hour. This pre-planning helps the team best prepare for daily business, considering all factors such as inventory, staff, and security needs at the various intervals throughout the day.

As shown in the chart below, expected peak times are expected to be later in the afternoon and into the evening, accounting for a majority of customers shopping around traditional work hours.



For security and safety precautions, Market Equities will not allow more than 2 customers per sales associate to enter the retail sales area at one time. This will enable the Retail Sales Associates to feel comfortable with monitoring activities without impeding their ability to provide the customer with the level of service and attention that the company seeks to.

A.2.G Product line to be Offered.

Based on the experience of the company's President and CEO, Sarmad Hayawi, Market Equities will sell popular cannabis products that evolve with changes in the market. This includes variations of the following Adult Use and Medical Cannabis products:

| Product | Estimate % of Sales | Description |
|------------------------------|---------------------|--|
| Prepacked Flower | 40.34% | Raw Cannabis Flower remains the most popular product. Market Equities will sell a mix of different strains depending on client demand and work to procure craft strains from the best cultivators in California. |
| Vaporizing Cartridges | 23.01% | Cannabis vaporization is growing in popularity among people interested in consuming cannabis in an easy, discreet manner that's healthier than traditional smoking methods. Market Equities will carefully select vendors who do not use Vitamin E in their oil. |
| Pre-Rolls | 11.02% | Market Equities will sell pre-rolled cannabis in individuals and packs. The smaller size allows individuals to purchase cannabis in smaller quantities. |
| Edibles | 10.04% | Market Equities will sell a small quantity of edibles within the store and provide information on careful micro-dosing. If the demand appears to increase on edibles, Market Equities will expand product lines. |
| Tinctures | 1.21% | Market Equities will offer a small number of select tinctures in the facility. A cannabis tincture is a cannabis-based extract that is infused with alcohol. This product provides easy dosing for clients with rapid absorption. This line is designed to appeal to individuals who do not want to smoke, vape, or eat cannabis products. |
| Topical | 0.58% | Market Equities will offer cannabis infused spray and lotions for patrons who are arthritic or have aching injuries. |
| Batteries | 0.53% | To support our vaporizing cartridges, Market Equities will sell rechargeable vaporizer batteries. |
| Capsules | 1.18% | While less popular with users, capsules are a simple way to accurately dose and easily consume cannabis oils. Taken like a vitamin, capsules enter the digestive tract, where they are broken down and the cannabinoids contained within are released. |
| Drinks | 0.22% | Market Equities will carry a small assortment of cannabis infused drinks. Depending on the season, this may include tea, soda, or cider. Market Equities will carefully review packing on these beverages to ensure compliance and instructions for micro dosing. |

Market Equities is excited to feature a curated selection of over 150 reputable cannabis brands, showcasing a commitment to quality and variety for our customers. The team at Market Equities has built strong, established relationships with many of California's most reputable brands and distributors, ensuring seamless access to premium products. This trusted network reflects years of collaboration and partnership with industry leaders.

The impressive lineup includes renowned names such as Micro Bar, West Coast Cure, Iced, Mary's Medicinals, Presidential, Eighth Brother, Juicy, Papa's Herb, PLUGplay, KANHA, Paletas, Punch Edibles & Extracts, Hella Dank, Turn, Sluggers Hit, Heavy Hitters, Trippy Hitz's, Gelato, STIIIZY, and many more. Additionally, Market Equities will continue to expand its offerings by including other iconic California brands like Raw Garden, 710 Labs, Connected Cannabis Co., Alien Labs, Maven Genetics, Rove, and Jeeter. These brands are celebrated for their innovation, quality, and dedication to crafting exceptional cannabis products.

By leveraging these established relationships and partnerships, Market Equities is well-positioned to deliver a superior customer experience and cement itself as a leader in the cannabis retail industry.

Prohibited Products

Market Equities will not sell any expired products, cannabis, or cannabis products. Market Equities will not, under any circumstance, alter, edit, or adjust in any manner an expiration date on any item or product once affixed by its manufacturer.

In strict compliance with 16 CCR § 15408, Market Equities will not grow or cultivate cannabis, except for immature nursery stock cannabis plants, on the dispensary site.

Pursuant to SMC § 7.04.340(E), all cannabis and cannabis products sold or distributed by Market Equities will be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with State and local regulations.

In strict compliance with SMC § 7.04.340(B), Cannabis will not be consumed by any person anywhere on the Market Equities premises. Further, Market Equities will not cause, allow, or permit the sale, dispensing, or consumption of alcoholic beverages or tobacco products on or about the Market Equities premises.

Retail Sales Policies

Market Equities will serve customers who are within the Market Equities facility, or at a delivery address that meets the requirements of both local and state law. In accordance with SMC § 7.04.360(G), Market Equities will only serve customers who are within the licensed premises that meet the following requirements:

1. The Sale and Delivery of Cannabis goods will not occur through a pass-through window or a slide-out tray to the exterior of the Premises.
2. Market Equities 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 will be sold and/or delivered by any means or method to any Person within a motor vehicle.
4. All Cannabis Products sold by Market Equities will be contained in child-resistant packaging.
5. Market Equities will record point-of-Sale areas and areas where Cannabis Products are displayed for Sale on the video surveillance system.
 1. At each point-of-Sale location, camera placement will 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.

Further, Market Equities will not utilize a kiosk, iPad, tablet, smartphone, fixed location, or technology platform, whether manned or unmanned, that facilitates, directs, or assists in the retail sale or delivery of cannabis or cannabis products at a location other than one permitted by the city.

No person in association with Market Equities' business will give, sell, distribute, or otherwise transfer any cannabis to any person in any manner that violates local or state law.

In accordance with SMC § 7.04.350(B), Market Equities will restrict the sale of adult-use cannabis to persons who are 21 years of age or older, and who are in possession of a valid government-issued identification card.

Market Equities will not sell, give, exchange, dispense or distribute cannabis or cannabis products for on-site consumption, use or sampling on any business premises.

Further, and in strict compliance with SMC § 7.04.340(B), Market Equities will prohibit that the consumption or use of cannabis or cannabis products, whether by smoking, vaping, inhaling, eating, drinking or any other means in, on or about the premises of the Market Equities facility.

Medical Retail Policies

Pursuant to SMC § 7.04.340 (H)(1-3), Market Equities will restrict the sale of medical cannabis only to:

1. A person 18 years of age or older that possesses a valid government-issued identification card and a valid county-issued identification card under Section 11362. 712 of the California Health and Safety Code.
2. Qualified patients with a currently valid physician's recommendation in compliance with the Compassionate Use Act of 1996 (California Health and Safety Code section 11362.5), the Medical Marijuana Program Act (California Health and Safety Code section 11362.7 et seq.), and valid government-issued identification such as a Department of Motor Vehicles driver's license or State Identification Card.
3. Primary caregivers with a verified primary caregiver designation by their qualified patients, a copy of their qualified patient's valid physician's recommendation in compliance with the Compassionate Use Act of 1996 (California Health and Safety Code section 11362.5), the Medical Marijuana Program Act (California Health and Safety Code section 11362.7 et seq.), and valid official identification such as a Department of Motor Vehicles driver's license or State Identification Card.

Market Equities will not have a physician on the dispensary site to evaluate patients or provide a recommendation for medical cannabis pursuant to SMC§ 7.04.350(C).

Purchase Limits

Pursuant to 16 CCR § 15409(A), an associate will be responsible for ensuring that adult-use customer does not exceed the daily purchase limits which are as follows:

1. 28.5 grams of non-concentrated cannabis.
2. 8 grams of concentrated cannabis as defined in Business and Professions Code section 26001, including concentrated cannabis contained in cannabis products.
3. 6 immature cannabis plants.

Similarly, and in compliance with 16 CCR § 15409(B), an associate will be responsible for ensuring that medical cannabis patients purchases do not exceed the daily purchase limits which are as follows:

1. 8 ounces of medicinal cannabis in the form of dried mature flowers or the plant conversion as provided in Health and Safety Code section 11362.77.
2. 12 immature cannabis plants.

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

At no time with Market Equities' or any of its employees allow for the limits defined above for the different customer types be permitted to combine the limits to allow a customer to purchase cannabis goods in excess of any of the limits provided in this section as set forth by 16 CCR § 15409(D).

Employee Training

Exceeding the requirements set forth by SMC § 7.04.340(N), Market Equities will develop training standards for all employees who interact with customers as well as all management staff to ensure the competency of each employee assigned function prior to the start of operations. Training will include, but not be limited to the variety of products offered for sale, their potency, absorption time if known, and effects of the products. Employees shall educate all customers on these items in an effort to ensure responsible consumption.

As new employees are hired, they will both undergo training cannabis education program through a company like Cannabis Training University and shadow other seasoned employees in their respected roles prior to being assigned duties. Market Equities will maintain records showing the completion of each employee's training for a period of two years and provide such records to the City Manager or his/her designee upon request.

Market Equities will provide visibility and transparency to all training materials for the City Manager to review and understands that the City Manager will have the discretion to require additional training should there be any deficiencies or noncompliance be identified.

Customer Interaction

Upon verification of the customer's age and the customer entering the sales floor area, the customer will have access to view products that are locked in display cases. Customers will be greeted by a Retail Sales Associate who will ask the customer if they have any questions about the various products. All associates will be identified with their company issued uniform, a branded polo shirt.

If the customer replies yes, the Retail Sales Associate will use his/her training to answer questions and educate the customer on the different product types, consumption methods, and strains. Customers will not be able to handle the product in the discovery phase. Sample products will be handled by Retail Sales Associates only and cannabis products within the store will never be opened.

Once a customer has decided on their purchase, the requested products will be "checked-into" staging areas by systemic notations in the Inventory Management System by the Retail Sales Associate. It is the commitment of Market Equities to maintain accurate Inventory Management records, therefore at any given moment in time, Market Equities will be able to provide a "real-time" report of the cannabis quantities in storage which can be provided to the city upon request.

The Retail Sales Associate will retrieve desired products from the staging area (daytime storage area) and scan the products at the point-of-sale station under the surveillance. Employees who handle cannabis product in order to transfer that product to customers will be required to check in and take responsibility for the product they are handling systematically within in the Inventory Management System. Managers will monitor and approve the access that employees have to areas where cannabis is stored.

As the Retail Sales Associate scans each product being purchased, products will be placed in a bag. Upon completion of the transaction, the drawstring bag will be sealed in a childproof exit bag and handed to the customer. The customer will be escorted out of the sales area by the Retail Sales Associate and will pleasantly conclude the customer's shopping experience.

Company Uniform

For ease for the Retail Associates and Security Staff, Market Equities will require each member of the team wear a company issued uniform. Retail Sales Associates will be provided with a company issued shirt. The uniforms will aid staff in visually differentiating between customers and staff members and help them identify quickly if customers are close to a restricted area for any reason. The uniforms will further aid law enforcement or management who may need to review video surveillance in quickly identifying staff members in their observations. Company uniforms will include the company logo, and each team member will be provided with attire prior to the start of work duties.

Customer Product Handling Procedures

Market Equities' product storage plan is designed with the safety and security of the facility and employees in mind. The plan consists of physical barriers to prevent theft and diversion, operational barriers that limits the minimum number of authorized individuals to gain access to any cannabis products, and environmental controls that prevent the deterioration of cannabis products.

Pursuant to 16 CCR § 15000.7, all cannabis and cannabis products will be stored within the licensed premises in a secured and locked vault or vault equivalent. All safes and vaults will be compliant with Underwriter Laboratories burglary-resistant and fire- resistant standards. All cannabis and cannabis products, including live clone plants that are being displayed for sale, will be kept in a manner as to prevent diversion, theft, and loss. In strict compliance with SMC § 7.04.350(E), only the quantity of cannabis and cannabis products necessary to meet the daily demand will be

readily available for sale on-site in the retail sales area. All additional products will remain stored in a secure, locked area to which customers, vendors, and visitors will not have access.

To further ensure customers do not have access to cannabis products, Market Equities will implement the use of physical barriers (walls and doors), electronic measures and employee procedures in order to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products, and to deter and prevent the theft of cannabis or cannabis products at the commercial cannabis business.

All points of access to the business will be controlled with electronic access controls, keypads, key cards, and remote electronic lock (buzz-in) features. Individuals who are not engaging in an activity related to the permitted operations of the commercial cannabis business will not be allowed to remain on the premises.

Customer Education

Customers are key to any business. Without customers, businesses cannot survive. In the cannabis industry ensuring that customers understand products, the various methods of consumption, potency and the potential effects is particularly important not only for sales but for safety. At Market Equities' facility, customer education will begin as soon as a customer encounters their first sales associate. Market Equities has developed a proprietary Employee Product Education Program that will give the employees the tools to speak to customers about cannabis strains, consumption methods, warnings, micro dosing, and health benefits.

Throughout the facility, retail sales associates will be present to answer questions and to educate customers on the individual benefits of the cannabis psychoactive and non-psychoactive products, how to interpret percentages of THC/CBD, and the different methods of consumption. The staff will undergo training from Cannabis Training University in order to communicate with customers the effective way of how to properly dose oneself from any method chosen.

Process to Educate Customers

Market Equities also believes it is important to empower customers to learn more about cannabis strains, products, and effects in ways that are most comfortable for them. Therefore, Market Equities has created multiple channels in which customers can receive information about cannabis, they include:

1. Printed marketing collateral with information that can be read at home.
2. Tools that customers can use at home to monitor usage to avoid overconsumption and track the results of their cannabis experience.
3. Online videos and information will be shared through social media outlets including Facebook, Instagram, and YouTube.
4. A series of educational blogs designed to educate the consumer.

The printed marketing material will include a series of customer information cards printed on 4x6 cards that will provide easy to read information for the customer reviewing cannabis products. Information cards will contain information regarding potency information, strain information, effects of excess usage, methods of consumption, and avoiding over consumption, safe use, and storage of products as well as warnings associated with use of cannabis products by those pregnant or under the age of 25. These cards will be strategically placed throughout the facility for easy reference for customers. Some, including information on risks and side effects, will be provided to each customer upon purchase.

Market Equities has also developed tools for customer to use on their own to help them monitor their usage and track their cannabis experience with various products. The strain selection guide and cannabis usage journal will enable customers to pro-actively determine what strains may be right for them based on their desired effects and track their personal experience with various products they have tried and narrow in on what products, strains, and dosing works best for them. Below is an image of the customer lobby where all printed marketing materials will be made available.

Market Equities will ensure all customers purchasing products are provided with city-approved public education materials on product potency, absorption time if known, and effects of the products. Additional information regarding the negative impacts of cannabis use by youth and the prevention of driving under the influence will be provided with each sales transaction. These materials, upon approval by the city, will be printed, and distributed to each customer receiving cannabis or cannabis products from the Market Equities retail store.

Education on Consumption Methods

Throughout the facility, sales associates will be present to answer questions and to educate customers on the benefits of cannabis psychoactive and non-psychoactive products, the percentages of THC/CBD. This will extend to explaining the different strains available as well as the difference between the two major strains: Sativa and Indica.

Associates will also explain the different products and consumption methods which include:

1. Smoking cannabis flower
2. Vaporizing
3. Ingesting edibles
4. Topicals

Each method of ingestion has a different administration process and a different effect on the body and mind. Most consumers prefer a discrete method of consumption, such as vaporizing or using a topical. The good news is, there are numerous products to choose from and everyone finds what works best.

While the sales associate's explanation and assistance will help the customers determine which consumption method is best suited for their specific needs, informational cards will also be available for customers to read on their own or take home.

Understanding Cannabis Consumption

Method: Tincture


Tinctures are available in a variety of cannabinoid formulations and dosages. Tinctures are absorbed sublingually, so the cannabinoids go directly to the bloodstream.

Onset: The onset of alcohol-based tinctures is faster than edibles but not as rapid as inhalation methods. Full effects are usually felt within 20-30 minutes.




Duration: Frequent users may find that effects last for a couple of hours, whereas infrequent cannabis users may feel the effects for several hours.

Pros: Some formulas have concentrations of less available cannabinoids like THCv and CBN. Very discreet, with no odor.


Cons: Tinctures are commonly formulated with alcohol, which may not be desirable for some users. Light, heat and oxygen will degrade the THC content, so bottles must be opaque and tightly sealed.



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Understanding Cannabis Consumption

Method: Smoking


Smoking the dried flower from the cannabis plant in a pipe, bong, or joint is a common method of ingestion.

Onset: Within seconds of inhalation.




Duration: Effects will generally peak within thirty minutes and diminish anywhere from 1-3 hours.

Pros: Using raw cannabis flower gives users the most control of the strain, source, and cannabinoid content than any other method.


Cons: Flower with the same strain name may still vary in potency, source and cannabinoid content. The smoke generated from burning papers and lighter fluid chemicals contain carcinogenic compounds.



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Understanding Cannabis Consumption

Method: Vaporizing

A smokeless, efficient form of inhalation. Vaporizers heat cannabis plant matter (or its oil) to a temperature that forces trichomes away from the plant into the vapors.

Onset: Within seconds of inhalation.

Duration: Effects will generally peak before thirty minutes and diminish in a couple of hours.

Pros: Portable vaporizers are more discreet than smoking as there is minimal odor, which dissipates quickly.

Cons: Some users find that vaporization has weaker effects than other forms of cannabis. Using cartridges and oils from reputable companies is incredibly important as there is a risk of chemical solvents and low-quality materials during this transitional period as health and safety regulations are implemented.



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Understanding Cannabis Consumption

Method: Topicals


Practitioners of holistic medicine have used cannabis-enriched lotions, balms, salves and other preparations for thousands of years. The cannabinoids are absorbed into the skin for more focused therapeutic effects.

Onset: Five minutes to two hours.




Duration: Lasting upwards of 12 hours.

Pros: Ideal for localized pain and inflammation, including arthritis, bone fractures, skin conditions, cramping, and migraines. No psychoactive effects, so new users and those with a low THC tolerance can use them with confidence.


Cons: Some products may contain parabens or artificial fragrances which can irritate sensitive skin and cause other health issues.



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Education on Potency and Avoiding Overconsumption

Each person is unique and reacts to medications and chemicals in their own way. The same goes for cannabis use as each person has their own personal tolerances. People are often surprised to learn that the therapeutic effects of cannabis can be achieved at a dosing that does not create a feeling of euphoria or “high” that sometimes accompanies consumption. Accurate dosing can help a person achieve the therapeutic benefits without unwanted feelings. Market Equities created a dosing card to help customers understand dosing and the duration of effects to help educate those new to cannabis products and to help warn customers of overconsumption.

Start Low and Go Slow







The effects or onset of action of cannabis can vary based on the consumption method. Start with small doses then wait to feel the effect of the product you have consumed.

The average time to feel the effects of cannabis are as follows:


- Smoking or Vaping
 - 10 minutes
- Edibles
 - Up to 2 hours
- Beverages
 - Up to 2 hours

We recommend waiting at least the above specified length of time before consuming any additional cannabis products.




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How Long Does the Effects of THC Last


| Consumption Method | Length of THC Effects |
|--|-----------------------|
|  Edibles | 4-6 Hours |
|  Raw Flower | 1-2 Hours |
|  Concentrates | 1/2 Hour-2 Hours |

***These are approximations and vary by person. When using concentrates, the length of the effect will last roughly the same as smoking cannabis flower but may be more intense.

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Customer Warnings and Risks

Customers will also receive information on risks that can be associated with cannabis use. Additionally, the customer will be educated on the importance of keeping the cannabis and cannabis products out of the reach of children. Market Equities has created the below informational cards listing all possible side effects and the short and long-term effects of excess cannabis use. Understanding the importance of this information, to ensure this information reaches customers, Market Equities will provide these cards to each customer upon purchase.

Education Card: Effects of Excess Cannabis Use

The short-term effects of excessive cannabis use include altered senses, mood changes, impaired movement, impaired memory, and even delusions with extremely high dosage. These effects dissipate once the cannabis metabolizes. The long-term effects associated with excessive use include impaired thinking, memory, and basic learning functions. These long-term effects are often permanent.

There are also both physical and mental effects of prolonged cannabis use. The physical effects of prolonged, excessive cannabis use include breathing problems, increased heart rate, and sometimes nausea. The mental effects of excessive cannabis use can be a little more intense. Temporary, vivid hallucinations, temporary paranoia, and enhanced symptoms of schizophrenia. Excessive cannabis abuse has also been linked to mental disorders including depression, anxiety, and suicidal thoughts.





Although the state has regulated cannabis with a close eye and chosen a legal age that protects against these certain symptoms, since they are more prevalent in use under 18, there are still risks that come with the ingestion of a chemical compound. Before using, it is the customer's responsibility to understand the risks and the provider's responsibility to make sure the customer is educated on the risks, symptoms and benefits of cannabis use.

Death from overdose of cannabis is highly unlikely. What is more likely is death associated with activities individuals partake in while under the influence of marijuana. Both users and nonusers have a similar life expectancy, according to numerous studies stretching from Switzerland to California.


Need more information?
Check out our other materials:

- Potential Side Effects
- What are the effects of THC vs CBD?
- How do I dose Cannabis Products?
- Chemovar Spotlight Cards
- What consumption methods are available cannabis products?

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Potential Cannabis Side Effects

Potential side effects from the use of cannabis include, but are not limited to, the following: dizziness, anxiety, confusion, sedation, low blood pressure, impairment of short-term memory, euphoria, difficulty in completing complex tasks, suppression of the body's immune system, may affect the production of sex hormones that lead to adverse effects, inability to concentrate, impaired motor skills, paranoia, psychotic symptoms, general apathy, depression and/or restlessness. Cannabis may exacerbate schizophrenia in persons predisposed to that disorder. In addition, the use of medical cannabis may cause a person to talk or eat in excess, alter perceptions of time and space and impair judgment. Many medical authorities claim that use of medical cannabis, especially by persons younger than 25, can result in long-term problems with attention, memory, learning, drug abuse, and schizophrenia.

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Market Equities will notify qualified patients, primary caregivers, and customers in writing of the following:

1. "The sale or diversion of cannabis or cannabis products without a permit is a violation of State law."
2. "Secondary sale, barter, or distribution of cannabis or cannabis products purchased from a permittee is a crime and can lead to arrest."
3. "Warning: the use of cannabis or cannabis products may impair a person's ability to drive a motor vehicle or operate heavy machinery."
4. "CALIFORNIA PROP. 65 WARNING: Smoking of cannabis and cannabis-derived products will expose you and those in your immediate vicinity to cannabis smoke. Cannabis smoke is known by the State of California to cause cancer."

RESPONSIBLE USE PRACTICES

Evolve Cannabis appreciates each and every customer that puts their trust in our company and wants to help ensure everyone's safety. We encourage customers to practice responsible use and be mindful of all of the following:

- ✓ The sale or diversion of cannabis or cannabis products without a permit is a violation of State law.
- ✓ Secondary sale, barter, or distribution of cannabis or cannabis products purchased from a permittee is a crime and can lead to arrest.
- ✓ Warning: the use of cannabis or cannabis products may impair a person's ability to drive a motor vehicle or operate heavy machinery.

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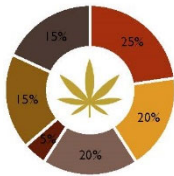
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Education on Cannabis Variety - Customer Education Cards

Market Equities will make available a series of strain spotlight cards that will be available to customers. These card will feature specific strains and provide a quick, easy to read overview of a strain. The information cards will include strain profile information, originating strains and most commonly experienced effects of the strain.

Wedding Cake



Wedding Cake is a popular hybrid being a cross between Girl Scout Cookies and Cherry Pie, also referred to as "Pink Cookies".

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Chemovar Spotlight

Terpenes

- Myrcene - Peppery, terpene, basalm
- Terpinolene Fresh, pine, citrus
- ~ Odorless - Sweet, herbal, earthy
- ☆ b-caryophyllene - Woody, spice, clove
- △ Limonene - Orange, fresh, sweet
- * other terpenes

Terpenes and terpenoids are a widespread class of organic compounds that play a prominent role in the aroma, taste, and effects of cannabis.

Wedding Cake

The strain is rich with tangy, sweet, earthy, and peppery flavors with a high THC content. Users advise that only avid smokers with a high tolerance should opt for this strain, as it can be somewhat intense for those less experienced. Most users of Wedding Cake are looking to lessen the effects of stress and depression.

Let's Get Social!
f @ o v

FLAME
DISPENSARY



A.2.H Conformance to Local and State Laws

Market Equities is committed to comply with all applicable local and State laws, ordinances and regulations related to, but not limited to, the following: the California Environmental Quality Act, California Building Code, California Fire Code, Medical and Adult Use Cannabis Regulation and Safety Act (MAUCRSA), City of Santee Ordinances, weights and measures regulations, track and trace requirements, pesticide use, water quality, storm water discharge and the grading of land.

Market Equities will implement a Regulatory Compliance Program powered by the team’s extensive knowledge and experience within the California cannabis industry. With their combined compliance expertise and business experience, the team has designed an Employee Handbook which will be used for New Hire Training and ongoing compliance management, which will include reviews annually to maintain compliance. A sample Retail Sales Procedure and Annual Inspection Checklist are being provided as part of this application. The full handbook is available upon request.

| | |
|--|----|
| <p style="text-align: center;">New Hire Training & Standard Operating Procedures</p> | |
| <p style="text-align: center;">FLAME DISPENSARY</p> | |
| <p style="text-align: center;">CONFIDENTIAL Last Update: 10/01/2024 Version</p> | |
| <p>Honesty Excellence Respect Innovation Stewardship Hospitality</p> | |
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Compliance with Santee Municipal Code

In compliance with SMC § 7.04.340(J) and 16 CCR § 15039, Market Equities will display the original copy of the commercial cannabis business permit issued by the City, the City issued business license, and any State issued license inside the cannabis business in a location readily visible to all persons entering the premises as well as state and local agencies.

Market Equities understands that it is the responsibility of the owners and operators of Market Equities' business to ensure that it is always operating in a manner compliant with all applicable state and local laws, policies, rules, and regulations including, but not limited to, the California Health and Safety Code, the California Water Code, the City adopted Building Code, Plumbing Code, Electrical Code, Mechanical Code, Fire Code, Energy Code, Green Building Standards Code, Existing Building Code, Historical Building Code, the Santee Municipal Code, the Santee Zoning Code, all requirements and conditions related to the land use entitlement process, and any regulations promulgated thereunder.

Additionally, the owners of Market Equities take full responsibility to ensure that Market Equities' cannabis business is, at all times, operating in a manner compliant with all applicable state and local laws, including for as long as applicable, the Compassionate Use Act (" Prop. 215") and the Medical Cannabis Program Act (" MMPA") (collectively " the Medical Cannabis Collective Laws"), the Medical and Adult Use Cannabis Regulation and Safety Act (MAUCRSA), any subsequently enacted state law or regulatory, licensing, or certification requirements, and any specific, additional operating procedures or requirements which may be imposed as conditions of approval of the cannabis business permit.

In accordance with SMC § 7.04.310(B) Market Equities' will provide a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in the cannabis business, and separately of all the officers, managers, employees, agents, and volunteers currently employed or otherwise engaged by the cannabis business. Market Equities will re-register with the City Manager within fifteen (15) calendar days of any changes regarding contact information listed on the business permit, information that was supplied through the application process such as changes to the organizational structure, or a change in status regarding compliance with local or state law. Market Equities understands that the re-registering for such changes will be subject to the same process and fees set forth in Santee Municipal Code.

In compliance with NCMC § 9.60.090(B), Market Equities will pay all sales, use, business and other applicable taxes, and all license, registration, and other fees required under state and local law. Market Equities will cooperate with the City or designee(s) with respect to any reasonable request to audit the cannabis business' books and records for the purpose of verifying compliance with this section, including but not limited to a verification of the amount of taxes required to be paid during any period.

As specified by SMC § 7.04.320(D), Market Equities fully understands that The City Manager or designee(s), Chief of Police or designee(s), and Fire Chief or designee(s) charged with enforcing the provisions of the Santee Municipal Code, or any provision thereof, may enter Market Equities' facility during normal business hours, without notice, and inspect the location of any cannabis business as well as any recordings and records required to be maintained pursuant to both local and state laws.

Further, Market Equities understands and asserts that no person having responsibility over the operation of Market Equities' business, will in any way impede, obstruct, interfere with, or otherwise not to allow, the city to conduct an inspection, review or copy records, recordings or other documents required to be maintained by a cannabis business under state or local law. No person in association with Market Equities' business will, or attempt to conceal, destroy, deface, damage, or falsify any records, recordings or other documents required to be maintained by a cannabis business under this Chapter or under state or local law. Market Equities will immediately report to the City Police Department any and all criminal activity occurring on Market Equities' premises.

A.2.1 Product Tracking and Monitoring to Prevent Diversion

Standard operating procedures include detailed California Cannabis Track-and- Trace (CCTT) procedures as outlined by the State.

Track and Trace Account Manager

Pursuant to 16 CCR § 15048, Market Equities will designate one individual to own the management of the track and trace system. This individual may authorize other owners or employees as track and trace system users and shall ensure that all users are trained on the track and trace system prior to use. The Track and Trace Account Manager will adhere to the following rules:

1. The account manager shall attend and successfully complete all required track and trace system training, including any orientation and continuing education.
2. If the account manager does not complete the required track and trace system training prior to receiving their annual license, the account manager shall sign up for and complete state mandated training, as prescribed by the Bureau, within 10 business days of license issuance.
3. The account manager and each user shall be assigned a unique log-on, consisting of a username and password. The account manager or each user accessing the track and trace system shall only do so under his or her assigned log-on and shall not use or access a log-on of any other individual. No account manager or user shall share or transfer his or her log-on, username, or password, to be used by any other individual for any reason.
4. The account manager shall maintain a complete, accurate, and up-to-date list of all track and trace system users, consisting of their full names and usernames.
5. A licensee shall monitor all compliance notifications from the track and trace system, and timely resolve the issues detailed in the compliance notification.

The track and trace account manager will be responsible for:

1. Designate track and trace system users, as needed, and train system users in the proper and lawful use of the track and trace system before the users are permitted to access the track and trace system.
2. Maintain an accurate and complete list of all of the licensee's track and trace system users, including full names and usernames, and update the list immediately when changes occur.
3. Remove a user from the licensee's track and trace system account when that individual is no longer authorized to represent the licensee.
4. Correct any data entry errors within three (3) calendar days of discovery of the error.
5. Tag and enter all inventory in the track and trace system as required by law.
6. Monitor all system notifications and resolve all issues identified. The notification shall not be dismissed by an account manager before resolution of the issue(s) identified in the notification.
7. Notify the Department of any loss of access to the track and trace system that exceeds 72 hours; and
8. Reconcile the inventory of cannabis and cannabis products on the licensed premises with the track and trace system database at least once every thirty (30) calendar days.

Mandated Bi-Weekly Inventories

Exceeding the requirements set forth by 16 CCR § 15051, at intervals not exceeding 14 days, the Inventory Control Agent will conduct and document an audit of the inventory that is accounted for according to generally accepted accounting principles. Any unexplained shrinkage will be documented and trigger a review of electronic security and surveillance data. When Market Equities determines where the shrinkage occurred, appropriate corrective measures will be implemented. Law enforcement authorities will be notified immediately if the Inventory Control Agent ascertains that there has indeed been loss, theft, improper diversion, or any other criminal activity.

Opening and Closing Inventories

Employees will regularly conduct an inventory of all products.

1. A comprehensive inventory of all cannabis will be done twice daily:
 1. Before the retailer opens.
 2. After close of daily operations.
2. All cannabis and items containing cannabis are counted, weighed, or both.
3. Inventory results will be submitted to the Inventory Control Agent for reconciliation with the inventory data generated the previous evening or in the operations of the day after being closed out.
4. Discrepancies will trigger an inventory audit by the Inventory Control Agent and, if confirmed, a review of electronic security and surveillance data.
5. Law enforcement authorities will be notified immediately if the Inventory Control Agent ascertains that there has indeed been loss, theft, improper diversion, or any other criminal activity.

Notification of Theft, Loss, and Criminal Activity

Pursuant to SMC § 7.04.320E and 16 CCR § 15051(b), Market Equities will notify the Bureau, City Manager, and Chief of Police or their designee(s) within 24 hours of discovery of any of the following situations:

1. The licensee discovers a significant inventory discrepancy.
 1. A significant discrepancy in inventory means a difference in actual inventory compared to records pertaining to inventory of at least \$5,000 or 2 percent of the average monthly sales of the licensee, whichever is less.
2. The licensee discovers theft, loss, or any other criminal activity pertaining to the operations of the licensee.
3. The licensee discovers theft, loss, or any other criminal activity by an agent or employee of the licensee pertaining to the operations of the licensee.
4. The licensee discovers loss or unauthorized alteration of records related to cannabis goods, clients, or the licensee's employees or agents.
5. The licensee discovers any other breach of security.

In the case that one of the activities above is discovered by the licensee, the licensee will follow the procedure below.

1. Notify local law enforcement.
2. Record the date and time of the loss.
3. Record a description of the incident and where applicable the items that were taken or lost.

Records and Recordkeeping

Market Equities will keep and maintain all records specified in Santee Municipal Code as well as the § 16 of the MAUCRSA and will make the same available for inspection and examination of the local licensing authority or its duly authorized representatives during standard business hours of the licensed facility or at any other reasonable time. In accordance with Pursuant to SMC § 7.04.310(A), Market Equities will maintain accurate books and records in an electronic format, detailing all of the revenues and expenses of the business, and all of its assets and liabilities. On no less than an annual basis, or at any time upon reasonable request of the City, Market Equities will file a sworn statement detailing the number of sales by the commercial cannabis business during the previous twelve- month period (or shorter period based upon the timing of the request), provided on a per-month basis. The statement will also include gross sales for each month, and all applicable taxes and fees paid or due to be paid.

As specified by 16 CCR § 15037(a), Market Equities will exercise due diligence in preserving and maintaining all following records related to its commercial cannabis activity for at least seven years:

1. Financial records including, but not limited to, bank statements, sales invoices, receipts, tax records, and all records required by the California Department of Tax and Fee Administration (formerly Board of Equalization) under title 18, California Code of Regulations, sections 1698 and 4901.
2. Personnel records, including each employee's full name, social security or individual taxpayer identification number, date employment begins, and date of termination of employment if applicable. (Training records

including, but not limited to, the content of the training provided and the names of the employees that received the training.

3. Contracts with other licensees regarding commercial cannabis activity.
4. Permits, licenses, and other local authorizations to conduct the licensee's commercial cannabis activity.
5. Security records, except for surveillance recordings required pursuant to section 5044 of this division.
6. Records relating to the composting or destruction of cannabis goods.
7. Documentation for data or information entered into the track and trace system.
8. All other documents prepared or executed by an owner or his employees or assignees in connection with the licensed commercial cannabis business.

On an annual basis, Market Equities will submit to the City a financial audit of the business's operations conducted by an independently certified public accountant.

The statement will also include gross sales for each month, and all applicable taxes paid or due to be paid. On an annual basis, Market Equities will submit to the City a financial audit of the business's operations conducted by an independently certified public accountant. Market Equities understands that all records will be subject to a regulatory compliance review and financial audit as determined by the City Manager or designee(s).

Subject to any restrictions under the Health Insurance Portability and Accountability Act (HIPAA) and other applicable regulations, Market Equities will allow the City of Santee officials to have access to the business's books, records, accounts, together with any other data or documents relevant to its permitted commercial cannabis activities, for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data or documents will be produced no later than twenty-four (24) hours after receipt of the City's request, unless otherwise stipulated in writing by the City. The city may require the materials to be submitted in an electronic format that is compatible with the city's software and hardware.

In compliance with SMC § 7.04.310(B), Market Equities will also maintain a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in Market Equities, and separately of all the officers, managers, employees, agents, and volunteers currently employed or otherwise engaged by Market Equities. All such documents will be provided to the City Manager upon request.

Market Equities ensure all records required by local and state law are maintained for a minimum of seven (7) years and be made available to the agents or employees of the City of Santee upon request, with the exception of private medical records, which shall be made available only pursuant to a properly executed search warrant, subpoena, or court order.

Books, records, accounts, and any and all relevant data or documents will be produced no later than twenty-four (24) hours after receipt of the city's request, unless otherwise stipulated by the city. Market Equities will provide the requested materials in an electronic format that is compatible with the city's software and hardware.

A.2.J Waste Management Plan

While it is the intent of Market Equities to achieve a Zero Waste operation, the team wants to ensure that Market Equities is in compliance with all local, County, State, and Federal requirements for solid waste and hazardous waste disposal. The team has crafted a Waste Management Plan that accounts for these rules as well as drive the behaviors that will help the company work toward a Zero Waste goal. Market Equities will welcome the County of Santee Environmental Health Division or City Manager to inspect the facility at any time during business hours to ensure compliance.



For the purposes of our Waste Management Plan, waste is divided into the following categories:

1. Solid Waste
2. Recycling
3. Organic Waste

4. Electronic Waste
5. Compostable Cannabis Waste
6. Non-Compostable Cannabis Waste

It is the company's goal to not only understand the importance of the various types of waste, but to properly implement sorting procedures to ensure that each type of waste is properly disposed of. Each type of waste will have a designated bin that is properly labeled to ensure employee compliance. Market Equities will utilize a sorting system with customer education signs to ensure all waste is responsibly managed.

Single Use Carryout Bag

Market Equities will not provide plastic carryout bags to customers at the point of sale. The company will use paper carryout bags that contain a minimum of forty (40%) percent post-consumer recycled paper fiber that are completely recyclable. Customers will be not only encouraged but incentivized to reuse their bags with discounts for bringing in their own bags for each purchase.

Solid Waste Management

For waste that is not cannabis waste, Market Equities will engage the City's exclusive franchised hauler, Waste Management.



Recycling

In alignment with recycling efforts, Market Equities will implement a recycling program. Recycling bins will be located throughout the facility to ensure that employees and patrons have easy access to recycle items such as newspaper, cardboard, aluminum cans, and bottles. Market Equities has reviewed each recyclable item to identify the proper strategy to recycle these items. Market Equities will engage EDCO Disposal for the collection of the company's recyclables.

Organic Waste

California requires mandatory organics recycling and businesses who generate more than 2 cubic yards per week to recycle organic waste. While Market Equities does not expect to generate more than 2 cubic yards of solid waste per week, the team understands their obligation to participate in this program. Market Equities will engage EDCO Disposal to pick up the company's Organic Waste.

Market Equities does not anticipate that the company will generate much organic waste. The company's organic waste would be limited to food items during an employee's break. Additionally, there is a chance that expired edibles would generate organic waste that is compostable. In the process below, Market Equities has developed a process to render this waste unusable. It is our hope that EDCO Disposal will accept our compostable cannabis waste.

Electronic Waste

All Electronic Waste will be sorted and delivered by a company employee to EDCO Disposal. This includes monitors, televisions, CRTs, computers, thumb-drives, cameras, or any other electronic device.

Employee Education

In order to encourage employee compliance, Market Equities will post this educational poster in the company breakroom. The Store Manager will be responsible for enforcing compliance with the company's waste management plan.

Chemical, Dangerous, and Hazardous Waste

Market Equities understands that disposal of chemical, dangerous, or hazardous waste will be conducted in a manner consistent with federal, state, and local laws, regulations, rules, or other requirements. Market Equities does not intend to generate hazardous or dangerous waste and chemicals used or stored on site will be limited to those required for proper sanitation.

Market Equities will ensure that all liquid waste generated by its facility and operations are disposed of in compliance with the Public Resources Code and any other applicable state and local laws, including laws regulating “organic waste” as defined in Public Resources Code section 42649.8(c). Market Equities will dispose of nonhazardous liquids with ph. levels between 6 and 10 by mixing the liquid with copious amounts of water and poured down the sewer drain. Market Equities will treat anything without the following criteria as hazardous waste and will dispose of as such.

- | | |
|---|----------------------------|
| 1. They dissolve in water or are water-based. | 4. They are not flammable. |
| 2. They are not toxic waste. | 5. They are not corrosive. |
| 3. They are not hazardous (chemical) waste. | 6. They are not reactive. |

Market Equities will regularly consult with the California Department of Toxic Substance Control for a list of liquids that is considered safe to regularly dispose of and liquid chemicals considered to be a hazard to the environment.

Market Equities will look for every opportunity to reduce and manage any risk associated with hazardous waste, including solvents, chemicals, fuel, lighting, ballasts, batteries, and e-waste. Market Equities will store hazards in a sealed location at the facility until they are transferred to an appropriate hazardous waste treatment, storage, and disposal facility. Market Equities commits to looking for alternatives for hazardous material types needed for the operation of its cannabis facility, for example, Market Equities has committed to using LED lighting throughout the facility, which does not become hazardous at the end of its life.

When Market Equities finds that it is not able to feasibly avoid the use of hazardous or potentially hazardous materials, Market Equities asserts that it will dispose of hazardous chemical waste in a manner consistent with federal, state, and local laws.

Cannabis Waste

In the event that EDCO Disposal. will not accept our cannabis compostable waste, Market Equities has identified Ecowaste to haul away any and all cannabis waste. This company has been operating since 2016 and offers a legally compliant solution to hauling cannabis waste and is committed to operating within the rules set forth by local and state regulations.



Destruction of Product

If any of Market Equities’ cannabis product becomes contaminated, recalled, expired, or otherwise rendered unusable, Market Equities will dispose of the cannabis or cannabis product. Market Equities’ Track and Trace Manager will always be present and oversee any destruction of product and ensure that it is properly recorded. Additionally, Market Equities asserts that cannabis waste will never be sold for any reason.

Green Cyclor Composter

Market Equities will use a composter to render cannabis unusable. This product is a small appliance that chops up compostable items into an odor-free container. It is capable of shredding plant-based items, including cannabis. The Green Cyclor has a specialized ventilation system that optimizes air flow to neutralize odor causing bacteria.

Process to Render Waste Unusable – Compostable

Market Equities has prepared the following process to render waste unusable.

1. Identify products in the quarantine area ready for disposal.
2. Sort Compostable and Non-Compostable Waste.
3. Remove Compostable Waste from packaging.
4. The Inventory Control Manager will weigh the product and generate an inventory record in the inventory management system and METRC.

5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. A permitted waste company will be contacted to pick up the waste for transport to a compost or anaerobic digester facility.

Process to Render Waste Unusable –Non-Compostable

1. Identify products in the quarantine area ready for disposal.
2. Sort Compostable and Non-compostable Waste.
3. Remove Non-compostable Waste from packaging.
4. The Inventory Control Manager will weigh the product and generate an inventory record in the inventory management system and METRC.
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. [REDACTED]
9. [REDACTED]
10. [REDACTED]
11. A permitted waste company will be contacted to pick up the waste for transport to a landfill or incinerator.

Waste Storage Receptacles

[REDACTED]

[REDACTED] Waste equipment will be managed in a way that will prevent the unintentional conveyance of waste outside the storage area. The Waste Storage Receptacle will have the following features:

1. Constructed to be easily handled for collection.
2. Constructed of rust resistant and corrosion resistant materials.
3. Equipped with a tight fit lid or cover.
4. Watertight, leak proof, insect proof and rodent proof.
5. [REDACTED]

Cannabis Waste Storage Area

Pursuant to 16 CCR § 17223(C), Market Equities will establish a secure waste storage area where physical access is restricted to select Applicant employees. Additionally, this area is designed to store all waste both inside and outside the facility in a manner designed to prevent cross-contamination, and which minimizes safety hazards, odors, dust,

unsightliness, and other nuisances. [REDACTED]

Market Equities will store waste in a way that does not create a risk of fire, explosion, or the accumulation of poisonous or otherwise harmful vapors or gases. Market Equities will not generate hazardous waste or mix cannabis waste with hazardous material.

The Cannabis Waste Storage Area will be subject to daily routine inspection. The Market Equities team will routinely clean the area and inspect for insects, rodents, birds, contaminants, and adulterants. The discovery of any insects, rodents, or other pests will warrant immediate action and extermination using a California exterminator.

Unless there is a spill or other event requiring more frequent sanitation, Market Equities will clean and sanitize all areas where cannabis is stored, both inside and outside, on a weekly basis.

Track and Trace Destruction Procedure

When cannabis must be disposed or destroyed, Market Equities will generate a record in the inventory management system and METRC of the destruction or disposal. Market Equities will ensure that all waste and unusable products are weighed, recorded, and entered in the inventory system prior to mixing and disposal. Verification of this event will be performed by a supervisor and conducted in an area with video surveillance.

The Inventory Control Agent will be responsible for the destruction of cannabis waste. Upon identifying a need to destroy cannabis, the agent will create an inventory record in Meadow to designate the destruction activity. Pursuant to 16 CCR § 15049(C)(6), each destruction record will track the following:

1. The name and employee identification number of the individual who performed the destruction or disposal.
2. The reason for destruction or disposal.
3. The name of the entity being used to collect and process the cannabis waste.
4. A description of any adjustments made in the statewide track and trace system, including, but not limited to:
5. Spoilage or fouling of the cannabis goods.
6. Any event resulting in exposure or compromise of the cannabis goods.
7. Any other information required by the Bureau.

Hauling Cannabis Waste

Upon arranging for the pickup of cannabis waste by an approved waste hauler or when depositing cannabis waste at a Bureau- approved waste handling facility, Market Equities will obtain and keep a record from the solid waste facility or other approved waste handling operation evidencing the acceptance of the cannabis waste material at the facility. Pursuant to 16 CCR § 17223, Market Equities will ensure that the record contains the following information:

1. The name of the facility where the cannabis waste was deposited.
2. The address of the facility.
3. The date and time the waste was accepted by the facility.
4. The volume or weight of the cannabis waste accepted.

B LABOR AND EMPLOYMENT PLAN

Market Equities is committed to contributing, to every extent possible, to the City's Economic Development Strategy. This includes the creation of meaningful employment opportunities for the Santee community. Market Equities is intending to bring jobs to members of the community that offer competitive living wages, and a range of benefits, as well as equal rights and opportunities.

Market Equities defines meaningful employment as more than just competitive wages and a health insurance package. Market Equities will offer employees competitive, above living wages, comprehensive and affordable health care plans as well as tools and opportunities to build a career and create a stable future for themselves and their families. This includes an all-encompassing training program, and opportunities for personal growth and advancement through continued learning.

Market Equities, as stated in the company's core values, aim to create a happy work environment that conveys happiness both internally and externally. They believe that employees should love what they do, and they empower employees to deliver a fun, welcoming, and educational experience to every customer.

B.1 EXPECTED NUMBER OF EMPLOYEES

Upon the start of operations, Market Equities intends to hire ~~35~~15-20 people consisting of:

| Position/Title | Minimum Wage to be Earned | Employee Count |
|------------------------------|---------------------------|------------------|
| Retail Store Manager | \$ 40.00 | 1 |
| Shift Leader | \$ 22.00 | 3 |
| Retail Sales Associate | \$ 20.00 | 10 |
| Inventory Control Specialist | \$ 24.00 | 3 |
| GRAND TOTAL | | <u>17</u> |

Based on the experience of the Market Equities team, staffing is absolutely critical to the success of any business, but is especially important in a retail, customer-focused business sector. Due to the utter importance of ensuring adequate staffing and the extent of training required to prepare employees for each function within the Market Equities facility, the team plans to staff at full capacity upon the start of operations. By doing this, the team mitigates staffing shortages and knowledge gaps in the facility.

Market Equities rely on staff to create a positive and lasting impression for its customers and to do so, they need people who are aligned with the overall vision and mission of the company. To ensure that employees are successful within their roles and share the values of the company, there are several factors that the team considers when hiring. Staffing at the appropriate level so that employees do not become overwhelmed with shared workloads is a critical component to the overall hiring strategy, however, Market Equities also interviews candidates with growth and advancement in mind. Aligning employees with a specific job function is important but Market Equities also consider what future roles may look like for each employee and look at opportunities to hire staff that are candidates for advancement.

B.1.A Diversity and Inclusion Programs

Market Equities knows that true diversity isn't about checking the box. It's about recruiting a workforce that includes individuals with different worldviews, ethnicities, religions, backgrounds, abilities, and ages. However, diversity is only half of the equation. Hiring diverse individuals means little when they don't feel included.

The Market Equities team recognizes and appreciates the importance of creating an environment in which all employees feel valued, included, and empowered to do their best work and bring great ideas to the table. The team embraces the fact that each employee's unique experiences, perspectives, and viewpoints add value to the company's ability to create and deliver the best possible service for our customers and an inclusive "family like" workforce.

As our individual social, economic, and cultural identities shape and influence our experiences and perspectives, it stands to reason that the Market Equities team will do its best work by ensuring diversity in the workforce across the various dimensions of social and cultural identity and by practicing inclusivity in how the team works and interacts with one another.

For the Market Equities team, the passion for the cannabis industry runs beyond the surface of profit to a deep-rooted purpose. This motivating purpose is to improve the quality of life of as many lives as possible in any way possible. The Market Equities team understands that this mission cannot be delivered through a scripted action alone and must accompany a culture of inclusion.

It is this very unique perspective starting with the company's founders that creates this family like atmosphere that organically drives the company's diverse and inclusive culture. Many who have observed even the newest of team members working together have commented on the friendly and family-like atmosphere, comparing the team culture to that of Google, known for its World-class company culture!

For the Market Equities team, it is all about giving back to the employees, taking care of them as much as possible, and giving them a reason to love the company.

Market Equities has developed a Diversity and Inclusion (D&I) Council to maintain this environment that attracts the best talent, values diversity of life experiences and perspectives, and encourages innovation in pursuit of the overall diversity and inclusion mission.

Using available research and data on effective diversity and inclusion practices, the D&I Council's efforts will focus on the following objectives.

1. Building capacity and competency to lead and manage a diverse workforce.
2. Creating a work environment that ensures equal access to opportunities for professional growth and advancement.
3. Developing cultural competence and responsiveness, as an organization, to maximize effectiveness in project engagements with clients and partners, considering and respecting their unique perspectives, experiences, and needs.

The D&I Council will also ensure that each new member of the team is thoroughly briefed and trained on the topics of diversity and inclusion. The following various training programs offered through the UFCW, will serve as a tool to maintain a diverse, talented, and educated workforce.



The UFCW program includes:

1. **Berger-Marks Mentoring Program:** In partnership with UFCW, Market Equities will encourage employees to engage in mentoring opportunities and leverage materials developed for the UFCW by the Berger-Marks Foundation, an organization dedicated to organizing.
2. **Women's Committee:** This workshop introduces participants to A Guide to Organizing Women's Committees: Everything You Need to Know to Make a Difference! It was published by the Worker Institute at the Cornell University ILR School.
3. **Bias and Belonging Workshop:** Prejudice and discrimination are damaging to the success of an organization. Research suggests that implicit biases account for a significant amount of the racial and other harms experienced in the workplace and communities. This course enhances awareness and equips employees with the tools needed to create an inclusive workplace that identifies and eliminates unconscious biases.
4. **Equity and Inclusion:** This workshop focuses on issues of equity and inclusion and helps employees examine their own identities and how they relate to the identities of people in power in society.
5. **Solidarity with LGBT Workers:** This workshop explores ways employees can be supportive allies with lesbian, gay, bisexual, and transgender people in the workplace.
6. **Workers in Transition:** The training is designed to help workers better support and protect the rights of their transgender colleagues.
7. **Multilingual Trainings/ Language Access Resources:** Market Equities will leverage strategies and trainings developed by UFCW to provide language access for multilingual employees. For the past few years, UFCW International has worked in a variety of ways to expand its capacity to communicate across language barriers. As the UFCW membership continues to grow increasingly diverse, the union has recognized that the use and understanding of language directly impacts the ability of members, staff, community partners and others to communicate and connect. UFCW has a thoughtful, in-depth approach to bridging language differences so that they may better build a stronger and more united union.
8. **Know Your Rights Workshops:** Given the current political climate and scapegoating of immigrants, this workshop is designed to help employees better protect the rights of their colleagues. The workshop prepares workers with hands-on, in-depth training in the event of a raid at their workplace or home. Workers learn by role playing police and Immigration and Customs Enforcement (ICE) scenarios. Other Know Your Rights Workshops cover responsibilities as a shop steward, workplace safety, and wage theft.
9. **Union Citizenship Action Network – UCAN:** The UFCW launched the UCAN program to be a resource for legal immigrant workers who are looking to apply for citizenship. This workshop helps people with compiling the proper documents, legal counsel, and other assistance necessary to begin the legalization process.

Market Equities will constantly assess the diversity and inclusion objectives, and progress toward achieving them, to ensure alignment with strategic business objectives.

B.2 ROLES AND RESPONSIBILITIES

Market Equities understands that the organizational structure is important in creating standard practices and operating procedures throughout its facilities. The organizational structure allows Market Equities to clearly define the role and responsibilities for each of its team members and staff to drive accountability and empowerment for each and every staff member. Below is an overview of the intended organizational structure, highlights of each role and its assigned responsibilities. In accordance with SMC § 7.04.340(H)(1) and 16 CCR § 15000.6, Market Equities will not allow an individual less than twenty-one years of age to work within the licensed premises or handle cannabis and/or cannabis products.

B.2.A Retail Store Manager

The Cannabis Retail Store Manager will oversee the daily operations of the cannabis retail store. The ideal candidate will have a strong background in retail management, excellent customer service skills, and a deep understanding of

cannabis products and compliance regulations. The Store Manager will be responsible for leading a team, ensuring compliance with state laws, and creating a welcoming and informative shopping experience for our customers.

Key Responsibilities will include all of the following:

- 🔥 **Leadership and Management:**
 - Supervise, train, and develop retail staff to ensure high performance and customer satisfaction.
 - Foster a positive and inclusive work environment that encourages teamwork and professional growth.
- 🔥 **Sales and Customer Service:**
 - Drive sales performance by implementing effective sales strategies and promotions.
 - Provide exceptional customer service, ensuring that all customer inquiries and concerns are addressed promptly and professionally.
- 🔥 **Inventory Management:**
 - Oversee inventory levels, including ordering, receiving, and tracking stock to minimize waste and ensure product availability.
 - Conduct regular inventory audits to ensure accuracy and compliance with regulations.
- 🔥 **Compliance and Security:**
 - Ensure the store operates in compliance with all local, state, and federal cannabis regulations.
 - Implement security protocols to safeguard both products and personnel.
- 🔥 **Visual Merchandising:**
 - Maintain an appealing store layout and displays that enhance the customer experience and highlight product offerings.
 - Stay updated on industry trends to keep the product selection relevant and appealing.
- 🔥 **Financial Management:**
 - Assist in budgeting and financial forecasting, monitoring store performance against targets.
 - Manage daily cash handling and reconciliation procedures.
- 🔥 **Community Engagement:**
 - Build and maintain relationships with the local community and cannabis advocacy groups.
 - Represent the store at local events and promotions to increase brand awareness.

B.2.B Shift Leader

The Shift Leader will work directly under the Retail Store Manager. The Shift Leader will oversee daily operations during assigned shifts in the cannabis retail store. The Shift Leader will support the Store Manager in ensuring exceptional customer service, compliance with regulations, and efficient staff management. This role is ideal for individuals with strong leadership skills and a passion for the cannabis industry.

Key Responsibilities will include all of the following:

- 🔥 **Team Supervision:**
 - Lead and motivate staff during shifts, ensuring that all team members are engaged and performing to their best abilities.
 - Assist in training new employees in product knowledge, customer service, and compliance procedures.
- 🔥 **Customer Service:**
 - Provide outstanding service by addressing customer inquiries and resolving any issues that arise during the shift.
 - Foster a welcoming and educational environment for customers.
- 🔥 **Sales Support:**
 - Assist in achieving sales goals by implementing promotional strategies and maintaining product displays.

- Monitor sales performance and provide feedback to the Store Manager.
- 🔥 **Inventory Management:**
 - Help manage inventory levels, including restocking and organizing products on the sales floor.
 - Conduct regular checks to ensure accuracy in inventory counts and product quality.
- 🔥 **Compliance and Security:**
 - Ensure compliance with all local, state, and federal cannabis regulations during shifts.
 - Implement security measures to protect staff, customers, and inventory.
- 🔥 **Operational Efficiency:**
 - Assist in overseeing daily operations, including cash handling, transaction processing, and store cleanliness.
 - Support the Store Manager in maintaining a well-organized and efficient work environment.

B.2.C Retail Sales Associate

Each Retail Sales Associate will facilitate sales within the Market Equities store. During each sale, each Retail Sales Associate will engage and develop a relationship with the customer. Each Retail Sales Associate will get to know each customer to make adequate cannabis and cannabis product recommendations. During each sale, each Retail Sales Associate will educate each customer about the product the customer intends to purchase or the product the customer does in fact purchase. Subsequently, the Retail Sales Associate will create an inventory record for each sale conducted in Market Equities' store. Retail Sales Associates will be expected to provide exceptional customer service, assist customers with product selections, and ensure a positive shopping experience in the cannabis retail store. The ideal candidate will have a passion for the cannabis industry and a commitment to compliance and education.

Key Responsibilities will include all of the following:

- 🔥 **Customer Service:**
 - Greet and assist customers, providing knowledgeable guidance on cannabis products and consumption methods.
 - Address customer inquiries and concerns promptly and professionally.
- 🔥 **Product Knowledge:**
 - Stay informed about the latest cannabis products, strains, and industry trends to educate customers effectively.
 - Assist customers in finding products that meet their needs and preferences.
- 🔥 **Sales Support:**
 - Promote special offers and products to drive sales while ensuring a positive customer experience.
 - Process transactions accurately and efficiently using the point-of-sale (POS) system.
- 🔥 **Inventory Management:**
 - Help maintain inventory levels by restocking shelves and organizing products in the sales area.
 - Conduct regular inventory checks and assist in managing product displays.
- 🔥 **Compliance and Security:**
 - Adhere to all local, state, and federal regulations regarding cannabis sales and operations.
 - Support security protocols to ensure a safe environment for customers and staff.
- 🔥 **Store Maintenance:**
 - Assist in maintaining a clean and organized store environment.
 - Help with visual merchandising to enhance the shopping experience.

B.2.D Inventory Control Specialist

The Inventory Control Specialist will review and monitor inventory levels. Each day, the Inventory Control Specialist will conduct beginning and end of day inventory data entries. The Inventory Control Specialist will use the data collected each day to monitor inventory levels for each cannabis and cannabis product in the facility. The Inventory Control Specialist will purchase inventories of cannabis and cannabis products, with the approval of the Retail Store

Manager, when inventory becomes too low. In addition to monitoring inventory day-to-day, the Inventory Control Specialist will research cannabis and cannabis product trends and will make purchasing adjustments, again, with the approval of the Retail Store Manager, to ensure Market Equities carries the highest demanded products. The ideal candidate will have a strong background in inventory management, exceptional organizational skills, and a passion for the cannabis industry.

Key Responsibilities will include all of the following:

- 🔥 **Inventory Management:**
 - Monitor inventory levels and perform regular audits to ensure accuracy and compliance with state regulations.
 - Maintain organized storage areas and oversee the receiving, stocking, and rotation of products.
 - Monitor the state track and trace system for important notifications regarding administrative holds or recalled products. Take immediate actions when necessary.
- 🔥 **Data Entry and Reporting:**
 - Accurately input inventory data into the inventory management system and generate reports as needed.
 - Analyze inventory trends to identify potential issues or opportunities for improvement.
- 🔥 **Compliance Support:**
 - Ensure all inventory practices comply with local, state, and federal regulations governing cannabis operations.
 - Assist in preparing for audits and inspections related to inventory management.
- 🔥 **Collaboration:**
 - Work closely with retail staff to support their inventory needs and provide training on inventory processes.
 - Communicate with suppliers and vendors regarding product orders and inventory discrepancies.
- 🔥 **Process Improvement:**
 - Identify and implement improvements to inventory control processes and procedures for greater efficiency.
 - Stay updated on industry best practices and compliance requirements.

B.2.E Employment Requirements

In strict compliance with 16 CCR § 15000.6, all employees or persons retained to work within or on Market Equities' premises or in any way handle cannabis or cannabis products, will be at least twenty-one (21) years of age.

B.2.F Employee Badge

Once an employee has cleared background screening for employment, Market Equities will provide each employee with an Employee Identification Badge pursuant to 16 CCR § 15043. All agents, officers, or other persons acting for Market Equities will display a laminated or plastic-coated identification badge issued by the company at all times while engaging in commercial cannabis activity. The identification badge will, at a minimum, include the Market Equities name and license number, the employee's first name, an employee number exclusively assigned to that employee for identification purposes, and a color photograph of the employee that clearly shows the full front of the employee's face and that is at least 1 inch in width and 1.5 inches in height.

B.3 BENEFITS PROVIDED TO EMPLOYEES

B.3.A Commitment to Living Wages

Market Equities strongly believes that to retain talented and dedicated staff, a company must adequately compensate its staff, therefore Market Equities will make every effort to offer as close to or more than a living wages. To compensate its employees competitively, Market Equities looked towards the Living Wage Calculator offered by the

Section: B Labor and Employment Plan**Subsection: B.3 Benefits Provided to Employees**

Massachusetts Institute of Technology (MIT) as well as the average/median household incomes within Santee, CA. The Living Wage Calculator uses geographically specific expenditure data related to a family's likely costs for food, childcare, health insurance, housing, transportation, clothing, personal care items cost, and other necessities.

MIT Living Wage Table

The living wage uses the above elements and uses estimates of income and payroll taxes to determine the minimum

| | 1 ADULT | | | | 2 ADULTS (1 WORKING) | | | | 2 ADULTS (BOTH WORKING) | | | |
|--------------|------------|---------|------------|------------|----------------------|---------|------------|------------|-------------------------|---------|------------|------------|
| | 0 Children | 1 Child | 2 Children | 3 Children | 0 Children | 1 Child | 2 Children | 3 Children | 0 Children | 1 Child | 2 Children | 3 Children |
| Living Wage | \$29.52 | \$50.96 | \$64.91 | \$87.44 | \$38.31 | \$46.82 | \$51.82 | \$58.77 | \$19.15 | \$27.62 | \$34.79 | \$42.78 |
| Poverty Wage | \$7.24 | \$9.83 | \$12.41 | \$15.00 | \$9.83 | \$12.41 | \$15.00 | \$17.59 | \$4.91 | \$6.21 | \$7.50 | \$8.79 |
| Minimum Wage | \$16.00 | \$16.00 | \$16.00 | \$16.00 | \$16.00 | \$16.00 | \$16.00 | \$16.00 | \$16.00 | \$16.00 | \$16.00 | \$16.00 |

employment earnings required to meet a family's basic needs while also maintaining self-sufficiency. MIT assumes that the individual works 2080 hours per year (or 40 hours per week). Furthermore, MIT created different living wages for individuals with children, and individuals who also have another adult living with them. Below are the findings from MIT for those living in in San Diego County.²

Anticipated Employee Pay Rates

Market Equities' objective is to retain loyal employees who will provide a lot of value to Market Equities customers. To ensure Market Equities retains the most talented employees, Market Equities will pay each of its team members competitively. Looking at the living wage for San Diego County, Market Equities many agents will be paid much higher than is required for living. Market Equities agents who have households with 1 adult and 0 children will make a premium of 75-136% of the recommended San Diego County living wage, and a premium of 138-250% over California's minimum wage as illustrated below.

| Position/Title | Minimum Wage to be Earned | % Of Living Wage | % Of Minimum Wage |
|------------------------------|---------------------------|------------------|-------------------|
| Retail Store Manager | \$ 40.00 | 136% | 250% |
| Shift Leader | \$ 25.00 | 85% | 156% |
| Retail Sales Associate | \$ 22.00 | 75% | 138% |
| Inventory Control Specialist | \$ 25.00 | 85% | 156% |

Market Equities will consistently monitor the overall growth of the business as well as recommended living wages to ensure wages and salaries remain competitive and meaningful for employees. Merit increases and opportunities for advancement will be offered at every opportunity.

² <https://livingwage.mit.edu/counties/06073>

B.3.B Health Care

All full-time employees and some part-time employees will be offered health care coverage. Health care coverage will be provided through Kaiser Permanente. KP has been providing affordable health-care options to employees and employers since 1945. Market Equities is pleased to offer our employees competitive wages and comprehensive health care benefits.



2024 SMALL BUSINESS | CALIFORNIA

Plan Highlights Metal Plans

For effective dates January 1 to December 1, 2024



Kaiser Permanente Gold HMO plans

For effective dates 1/1/24-12/1/24

| FEATURES | Gold 80 HMO 1000/40* + Child Dental Alt ¹ | Gold 80 HDHP HMO 1750/15* + Child Dental Alt ¹ | Gold 80 HRA HMO 2250/35 + Child Dental |
|---|---|--|--|
| | Deductible HMO Plan Member Pays | HSA-qualified High Deductible Health Plan (HSA can be administered through Kaiser Permanente) | Deductible HMO with HRA Plan ¹⁴ (HRA can be administered through Kaiser Permanente) |
| PLAN DEDUCTIBLE (Embedded) | Individual – \$1,000 ^{1,2} / Family – \$2,000 ² | Self-only – \$1,750 ^{1,15} / Individual – \$3,200 ^{1,15} / Family – \$3,500 ^{1,15} | Individual – \$2,250 ² / Family – \$4,500 ² |
| OUT-OF-POCKET MAXIMUM (Embedded) | Individual – \$7,800 ^{1,2} / Family – \$15,600 ^{1,2} | Individual – \$3,700 ^{1,2} / Family – \$7,400 ^{1,2} | Individual – \$8,500 ^{1,2} / Family – \$17,000 ^{1,2} |
| IN THE MEDICAL OFFICE | | | |
| Primary care visits | \$40 | 15% (after plan deductible) | \$35 |
| Urgent care visits | \$40 | 15% (after plan deductible) | \$35 |
| Specialty office visits | \$60 | 15% (after plan deductible) | \$50 |
| Preventive services (for example: screening exams, prenatal and postpartum visits, and immunizations) | \$0 ^{4,5} | \$0 ^{4,5} | \$0 ^{4,5} |
| Well-child preventive care visits | \$0 through age 23 months | \$0 through age 23 months | \$0 through age 23 months |
| Fertility services | Not covered ⁶ | Not covered ⁶ | Not covered ⁶ |
| Physical, occupational, and speech therapy | \$40 | 15% (after plan deductible) | \$35 (after plan deductible) |
| Most laboratory tests | \$30 ⁷ | 15% (after plan deductible) ⁷ | 25% (after plan deductible) ⁷ |
| Most X-rays and diagnostic testing | \$60 ⁷ | 15% (after plan deductible) ⁷ | 25% (after plan deductible) ⁷ |
| Most MRI / CT / PET scans | \$350 (after plan deductible) ⁷ | 15% (after plan deductible) ⁷ | 25% (after plan deductible) ⁷ |
| Outpatient surgery (per procedure) | \$350 | 15% (after plan deductible) | 25% (after plan deductible) |
| EMERGENCY SERVICES | | | |
| Emergency department visits (waived if admitted directly to hospital) | \$350 | 15% (after plan deductible) | 25% (after plan deductible) |
| Ambulance | \$350 | 15% (after plan deductible) | 25% (after plan deductible) |
| PRESCRIPTIONS (up to 30 day supply) | | | |
| Generic (Tier 1) | \$20 ^{8,9} | \$15 (after plan deductible) ^{8,9} | \$15 ^{8,9} |
| Brand-name (Tier 2) | \$50 (after \$250/\$500 drug deductible) ^{8,9,10} | \$45 (after plan deductible) ^{8,9} | \$30 (after \$100/\$200 drug deductible) ^{8,9,10} |
| Specialty drugs (Tier 4) | 20% per prescription up to \$250 maximum (after \$250/\$500 drug deductible) ^{8,9,10} | 15% up to \$250 maximum (after plan deductible) ^{8,9} | 20% per prescription up to \$250 maximum (after \$100/\$200 drug deductible) ^{8,9,10} |
| HOSPITAL/INPATIENT CARE | | | |
| Physicians' services, room and board, tests, medications, supplies, therapies, birth services | \$600 per day up to 5 days per admission (after plan deductible) ¹¹ | 15% (after plan deductible) | 25% (after plan deductible) |
| MENTAL HEALTH SERVICES | | | |
| Outpatient (in the medical office) | \$40 | 15% (after plan deductible) | \$35 |
| Inpatient (in the hospital) | \$600 per day up to 5 days per admission (after plan deductible) ¹¹ | 15% (after plan deductible) | 25% (after plan deductible) |
| SUBSTANCE USE DISORDER SERVICES | | | |
| Outpatient (in the medical office) | \$40 | 15% (after plan deductible) | \$35 |
| Inpatient (in the hospital) - detoxification only | \$600 per day up to 5 days per admission (after plan deductible) ¹¹ | 15% (after plan deductible) | 25% (after plan deductible) |
| OTHER | | | |
| Virtual care | \$0 | \$0 (after plan deductible) ¹² | \$0 |
| Chiropractic and acupuncture | \$15 per visit (self-referral; 20 combined visits per year) | 15% per visit after deductible for physician- referred acupuncture only | 25% per visit after deductible for physician- referred acupuncture only |
| Certain durable medical equipment (DME) (supplemental and base) | 20% ¹⁶ | 15% ¹⁶ | 50% ¹⁶ |
| Pediatric optical (eyewear) | 1 pair of eyeglasses or contact lenses per year ¹³ | 1 pair of eyeglasses or contact lenses per year ¹³ | 1 pair of eyeglasses or contact lenses per year ¹³ |
| Pediatric vision exam | \$0 | \$0 | \$0 |
| Adult optical (eyewear) | Not covered ¹³ | Not covered ¹⁴ | Not covered ¹⁴ |
| Adult vision exam (for eye refraction) | \$0 | \$0 | \$0 |

Refer to page 26 for the plan footnotes.

Refer to page 16 for the child dental benefits.

KAISER PERMANENTE
Kaiser Permanente Insurance Company

8

Retirement Plan



Market Equities will offer Employees 401K benefits to encourage employees to invest in their future. It is the belief of Market Equities that by offering 401K benefits, it will allow Market Equities to recruit top talent and retain employees. It is the experience of Market Equities, through offering a retirement plan, employees feel the employment is long term and creates a foundation for employees to grow and expand with the company.

Employee 401K benefits will be provided by Vanguard. Market Equities will offer employees a 3% matching contribution for individuals who choose to participate in the employee sponsored 401K program.

Vacation

Eligible employees (Full Time) in this organization are provided with company benefits. Several of the programs such as Social Security, workers' compensation, state disability, and unemployment insurance, cover all employees in the manner prescribed by law. Market Equities will also offer paid time off as detailed below.

Paid Time Off (PTO)

Full-time employees who regularly work 40 or more hours per week on a continuing basis earn paid vacation time after each annual service anniversary with the Company. Part-time and On-Call employees are not eligible for paid vacation time. Employees will be eligible for PTO only after 180 days of employment.

1. It is the Company's position that employees need time off to rest, so pay in lieu of vacation time is not permitted.
2. Vacation time must be taken each year, or the vacation time will be forfeited. Vacation time cannot be accumulated from year to year.
3. Vacation requests should be in writing and approved in advance by the manager based upon business conditions. A request for time off, paid, or unpaid is not authorized until signed and approved by management.
4. Upon separation from the Company, associates will be paid any earned and unused vacation time.
5. PTO can be used for Personal/Sick days after an absence if the employee has followed the proper call-off procedure (call and speak to supervisor at least two hours in advance). It is the responsibility of the employee to complete the appropriate paperwork and to obtain approval after their absence to ensure payment of this benefit.
6. Other than unplanned sick days, PTO requests should be in writing and approved in advance by the manager based upon business conditions. A request for time off, paid, or unpaid is not authorized until signed and approved by management.

| Length of Service | Vacation Available |
|------------------------|--------------------|
| 1 – 4-year anniversary | 5 days |
| 5 – 9-year anniversary | 10 days |
| 10+ year anniversary | 15 days |

Holidays Time Off

Eligible employees are entitled to the following holidays, as observed by the Company. While Market Equities does plan to be open for business on some of the following holidays, employees who work on these observed holidays will be paid at a premium holiday rate:

1. New Year's Day
2. Memorial Day
3. Independence Day
4. Labor Day
5. Thanksgiving Day
6. Christmas Day

Time Off to Vote

Market Equities encourages employees to fulfill their civic responsibilities by voting. If an employee is unable to vote in a statewide election during his or her non-working hours, the employer will grant up to two hours to vote. Employees should request time off to vote from their supervisor at least two working days prior to election day so that the necessary time off can be scheduled at the beginning or end of the work shift, whichever provides the least disruption to the normal work schedule.

Jury Duty

Market Equities encourages employees to fulfill their civic responsibilities by serving jury duty when required.

1. Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor may decide to accommodate the employee's absence. Of course, the employee is expected to report for work if not required to be present in court.
2. Either the employer or the employee may request an excuse from jury duty if, in the employer's judgment, the employee's absence would create serious operational difficulties.
3. Accrual for benefits calculation of vacation will not be affected during unpaid jury duty leave.

Paid Medical Leave

In accordance with Lab. Code § 246, Market Equities employees will be entitled to receive paid sick days up to 40 hours or five days in each calendar year of employment. This entitlement will begin on the employees' 90th day of work and will be renewed at the start of each calendar year for the duration of employment with Market Equities. Compensation for sick days will be calculated in the same manner as standard wages.

Unpaid Medical Leave

In accordance with the federal Family and Medical Leave Act (FMLA) and the California Family Rights Act, Market Equities will have policies in place that will protect employees in the event of they require time off work to effectively recover from an illness or care for a loved one who is ill or disabled. Market Equities will receive up to 60 working days or 12 workweeks per 12-month period of unpaid leave for a qualified reason.

Requirements and Eligibility

Employees are eligible for FMLA if they:

1. Have been with the company for at least a year.
2. Have worked at least 1,250 hours during the previous year.
 1. Are bonding with a new child – whether or not they gave birth or are adopting.
 2. Are recuperating from serious health condition.
 3. Are caring for a loved one with a serious health condition.
 4. Are dealing with crisis situations stemming from a family member's military service.
 5. Are caring for a loved one who suffered serious injuries during active military service.
 6. Require prenatal care or are suffering from pregnancy-related illnesses or complications.

Requesting Medical Leave

For employees to receive benefits, they need to first make Market Equities aware of their situation and their need for leave. Employees are required to give at least a 30-day notice ahead of their leave if possible. If the necessity for leave is not foreseeable, then the notice should be provided "as soon as practicable." Employees will be required to:

1. Submit a doctor's note that clearly establishes a medical condition or reason for the employee's inability to continue work.
2. Provide all available information directly to the Human Resources Department.

B.3.C Continuing Education and Employee Training

Market Equities is passionate about creating opportunities for employees to advance within the company and look for opportunities to pave the way of success for each employee. Education is certainly a catalyst to future advancement and personal growth. However, Market Equities understands that the cost of education beyond completing high school can often deter people from continuing the educational journey. As Market Equities shares in the goals of the city to support higher education and vocational training for the residents of Santee, Market Equities hopes to mitigate the financial barriers associated with pursuing education by offering educational reimbursement benefits to encourage self-development. The reimbursement benefit would be extended for certain education-related expenses. This benefit is intended to encourage professionalism and assist employees in increasing effectiveness in their current position, preparing employees for possible advancement, and/or increasing an employee's adaptability to new ideas and change.

Plan Details

The Educational Reimbursement Program will include assistance with the cost of tuition and other expenses related to the pursuit for education related to certifications within the Cannabis industry and any other educational programs as required by the management for the proper functioning of the Dispensary. Benefits may not be substituted for additional wages, as such, employees who choose not to utilize the program forfeit their entitlement to benefits.

Employee Eligibility

Both Regular Full-time and Regular Part-time employees will be eligible to participate in the program. For eligibility purposes:

1. Regular Full-time means a normal work schedule of at least 40 hours per week, or at least 80 hours on a bi-weekly basis.
2. Regular Part-time means a normal work schedule consisting of at least 20 hours per week, or at least 40 hours on a bi-weekly basis.

Market Equities will expect an employee to be employed with them for at least 180 days to ensure the pursuit of further education will not adversely affect job performance.

Reimbursement of Fees and Expenses

To qualify for reimbursement, an employee will be required to complete the certification or course. No benefit will be payable unless these requirements are met. Once a course has been satisfactorily completed, an employee may request reimbursement for eligible fees and expenses related to the course. Eligible fees and expenses will be reimbursed at 100% up to the annual maximum.

Reimbursement Maximum

Market Equities will reimburse the employee no more than \$5,250 a year for qualified educational programs. Should lawmakers enact an increase or decrease to the \$5,250 ceiling, this Plan will automatically adopt the new ceiling on its effective date. Under Section 127 of the Internal Revenue Code, the employee receives reimbursements under this Plan as tax-free fringe benefits.

Reimbursement Deadline

Reimbursement requests will need to be submitted no later than six months following completion of the course. A reimbursement request that is submitted more than six months following course completion will not be eligible for reimbursement.

B.3.D Locally Owned Enterprise

Although Market Equities is not comprised of owners who reside in Santee, the Market Equities ownership team wants to ensure that the facility is locally managed. Market Equities will recruit 100% of its workforce for the facility

directly from the Santee community. Below are the details of the company's plan to hire and recruit within the Santee community.

B.3.E Local Recruitment Plan

Hiring efforts will be customized to target local residents as it is the Market Equities team's goal to have a workforce comprised 100% of Santee area residents. The Market Equities team believes that by hiring employees who are local to the facility not only positively boosts the local economy, but also provides the type of environment that the company strives for. Typically, local employees have established relationships with others within the community and it is these types of relationships and friendliness that creates the overall family feel within a work environment.

Benefits of Local Hiring Practices

The benefits of bolstering local enterprise include, but are not limited to:

- Ensure that tax dollars are invested back into the local economy.
- Reduces the environmental impact of commuting.
- Fosters community involvement.
- Preserves local employment opportunities.

Special consideration will be given to those who are minorities, from disproportionately impacted areas, a low family income or currently receiving public assistance, a veteran, or currently struggling to find work due to cannabis related crime that could have been prosecuted as a misdemeanor or citation under current State law.

Of course, Market Equities will not allow an individual less than twenty-one years of age to work within the licensed premises or handle cannabis and/or cannabis products.

The Market Equities team is seasoned in recruitment. In many other businesses they have been able to successfully build teams of local talent and retain team members long term. While there are many strategies for recruitment, some examples may include the following:

- 🔥 Utilize local job boards and community websites for posting job openings (e.g., local Chamber of Commerce, community bulletin boards).
- 🔥 Social Media Campaigns: Leverage platforms like Facebook and Instagram to reach local audiences with targeted ads.
- 🔥 Local Job Fairs: Participate in or sponsor local job fairs and career expos to connect with potential candidates face-to-face.
- 🔥 Networking with Local Businesses: Collaborate with other local companies to share job openings and resources.
- 🔥 Referral Programs: Create incentives for current employees to refer local candidates.

C SECURITY PLAN

C.1 SECURITY OVERVIEW

Market Equities LLC takes its responsibility for security and safety seriously and as an experienced operator will ensure its security plan is superior to industry best practices. The team's security plan is robust and aims to consider all risks to effectively provide the ultimate level of security for its employees, customers, and the Market Equities. Market Equities LLC has proactively partnered with security experts to ensure their security plan includes both professional expertise and the latest technology the security industry has to offer.

Market Equities LLC has partnered with Smart Guardian Security Solutions to design a security plan that surpasses the industry's best practices, ensuring the safety of employees, customers, and operations. Smart Guardian Security, a licensed and bonded firm (PPO# 121512) with over 21 years of experience, specializes in safeguarding diverse industries such as financial institutions, healthcare, and retail. Their expertise, coupled with advanced technology, reinforces Market Equities' commitment to comprehensive risk management and operational safety.

The plan features cutting-edge AI-enabled CCTV cameras, GPS-enabled patrol systems, biometric access controls, and modern alarm systems to address unauthorized entry, theft, and employee safety concerns. Highly trained security personnel, led by experienced Security Operations Manager Alex Aqa, will patrol the premises, monitor activity, and swiftly address any suspicious behavior. Together, Market Equities LLC and Smart Guardian Security Solutions have created a robust, adaptable plan to protect their stakeholders and uphold community safety. For additional information or support, please contact Alex Aqa at 747-206-3501.

Market Equities, with the industry experience and expertise will implement strict security protocols that address all risks associated with unauthorized entry, theft, employee safety, and community safety. These measures, detailed below, will describe the installation, and use of an effective, industry leading video surveillance system, alarm system, and access control system.

In accordance with SMC § 7.04.320(A), Market Equities will implement sufficient security measures to deter and prevent the unauthorized entrance into areas containing cannabis or cannabis products, and to deter and prevent the theft of cannabis or cannabis products at the Market Equities facility. In addition to any other security measures the City Manager, Chief of Police, or Designee deem necessary, the security measures will, at minimum, include the following:

1. Perimeter fencing and exterior lighting systems (including motion sensors) for after-hours security as approved by the Director in collaboration with the Sheriff's Department, as applicable.
2. Policies and protocols preventing individuals from remaining on the Premises if they are not engaging in an activity directly related to the permitted operations of Market Equities. In cases in which the individual will not voluntarily leave the premises in violation of applicable law the cannabis employee will contact the Sheriff's Department.
3. Establishment of Limited-Access Areas accessible only to authorized Market Equities Personnel.
4. Except for limited amounts of cannabis or cannabis products being used for display purposes in retail areas, storing all Cannabis and Cannabis Products in a secured and locked vault or vault equivalent, or stored in a manner as to prevent diversion, theft, or loss.
 1. [REDACTED] All Cannabis and Cannabis Products, including live clone plants that are being sold, will be kept in a manner as to prevent diversion, theft, and loss.
5. Market Equities will have a professionally installed video surveillance system, access control and intrusion alarm systems designed to protect the inventory, facility, and employees. Market Equities will have network security protocols that are certified by Underwriters Laboratories, LLC.

6. Installing 24-hour security surveillance cameras of at least 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.
 1. All cameras will record in color and all exterior cameras will be in weather-proof enclosures, be located to minimize the possibility of vandalism and will have the capability to automatically switch to black and white in low light conditions.
 2. Market Equities will ensure that the security surveillance camera's footage is remotely accessible by the City Manager, or his/her designee(s), and that it is compatible with the City's software and hardware. In addition, remote and real-time, live access to the video footage from the cameras will be provided to the Chief of Police, or his/her designee(s).
 3. Video recordings will be maintained for a minimum of 120 days and shall be made available to the Chief of Police, or his/her designee(s), upon request. Video will be of sufficient quality for effective prosecution of any crime found to have occurred on the site and be capable of enlargement via projection or other means.
 4. Internet Protocol address information will be provided to the Santee Police Department to facilitate remote monitoring of security cameras by the Department or its designee. Market Equities will have network security protocols that are certified by Underwriters Laboratories.
7. Installing sensors to detect entry and exit from all secure areas. Such sensors will be monitored in real time by a security company licensed by the State of California Bureau of Security and Investigative Services.
8. Having a professionally installed, maintained, and monitored real-time alarm system (perimeter, fire, and panic buttons) by a security company licensed by the State of California Bureau of Security and Investigative Services.
9. Panic buttons installed in throughout the facility with direct notification to the city police department dispatch and are configured to immediately alert dispatch for the city police department.
10. Any bars installed on the windows, or the doors of Market Equities will be installed only on the interior of the building.
11. Security Personnel, on-site 24 hours a day, or alternative security as authorized by the City Manager, or his/her designee(s), with a verified response security patrol when closed. Security Personnel will be licensed by the State of California Bureau of Security and Investigative Services Personnel and will be subject to the prior review and approval of the City Manager, or his/her designee(s), with such approval not to be unreasonably withheld.
12. Having the capability to remain secure during a power outage and ensuring that all access doors are not solely controlled by an electronic access panel to ensure that locks are not released during a power outage.
13. Locking entrance areas at all times and under the control of a designated responsible party that is: (a) an employee of Market Equities. (b) a licensed security professional.
14. Market Equities 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.
15. Market Equities will demonstrate to the Chief of Police, City Manager or their designees, compliance with the state's track and trace system for Cannabis and Cannabis Products as soon as it is Operational.
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.
17. Emergency access and emergency evacuation plans that are in compliance with state and local fire safety standards.
18. Installation of "mosquitoes" (high-pitch frequency devices) as a deterrent to vandalism/loitering.

Pursuant to SMC § 7.04.320(E), Market Equities will notify the City Manager and Chief of Police or his/ her designee(s) within twenty-four (24) hours after discovering any of the following:

1. Significant discrepancies identified during inventory of cannabis products.

Section: C Security Plan

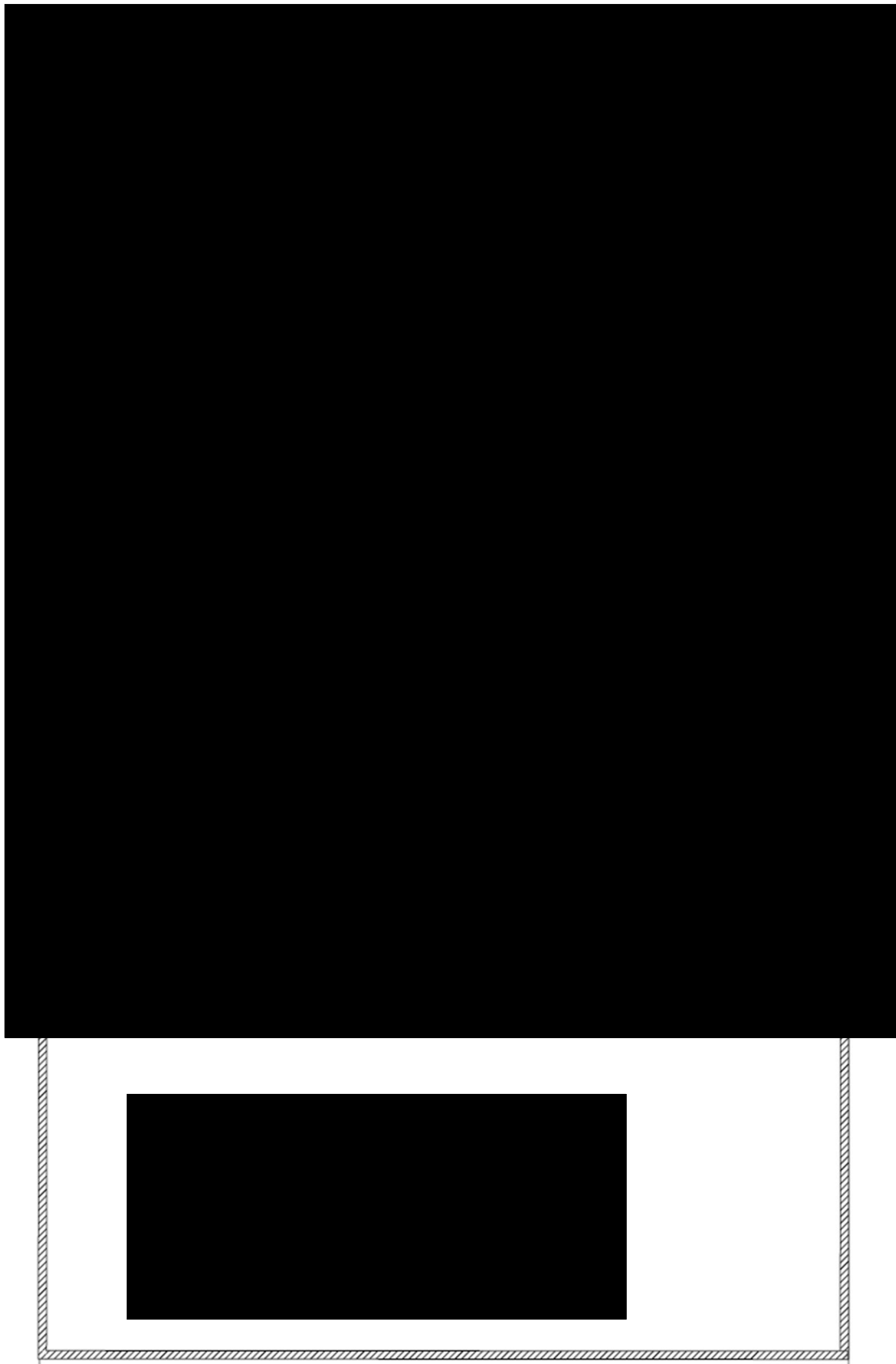
Subsection: C.1 Security Overview



2. Diversion, theft, loss, or any criminal activity involving Market Equities or any owner, agent, or employee of Market Equities.
3. The loss or unauthorized alteration of records related to cannabis, customers, employees, or agents of Market Equities.
4. Any other breach of security.

Market Equities LLC will regularly monitor its safety and security plans to ensure effectiveness and revise as needed. In full compliance with SMC § 7.04.320(D), Market Equities will cooperate with the city of Santee whenever the city manager or their designee makes a request, with or without prior notice, to inspect or audit the effectiveness of any security plan. All revisions will be coordinated in parallel with reviews with local law enforcement officials, and an independent third-party review with a licensed private security company. It is also understood by the Market Equities team that compliance with all requirements will need to be verified by the City Manager or their designee prior to commencing business operations.

C.2 PREMISES DIAGRAM



C.3 OPERATIONAL SECURITY

C.3.A Visitor Access Control

Market Equities will restrict access to any area within its facility containing cannabis for any individual who is not a registered employee of Market Equities' facility or employees of the state or local government who may enter the premises for the purposes of official government business. This will include outside vendors, contractors, or other individuals conducting business that requires access to the facility. The facility will be equipped with access control equipment at several points throughout the building to ensure only authorized people may enter sensitive areas of the facility. Further, and in pursuant to SMC § 7.04.360(F), all Market Equities restroom facilities will remain locked at all times and under the control of management.

All individuals granted access to the limited access area will be at least 21 years of age, and if not employed by Market Equities, will be escorted at all times by a Market Equities employee. Market Equities will maintain a log of all individuals who are not employees who are granted access to the limited access area. These logs will be made available to the Chief of Police or their designee upon request.

In accordance with section 15042 of the Bureau's regulations, all visitors will be checked in and checked out through the proposed inventory control system to create records accompanying any visit to the facility. This record will include the name of the individual, the company the individual works for, the reason the individual entered the facility, the date, and the times the individual entered and exited the limited-access area. Using the proposed inventory control system, appointment scheduler and employee scheduler, visits will be pre-scheduled and assigned to one or more employees who will supervise the visitor when within the facility. Visitor logs will be made available to the city manager or their designee upon request.

Visitors Identification and Record Requirements.

Market Equities will check the individual's valid government-issued identification prior to permitting a visitor into any limited access area. Visitors will be asked to produce one of the following forms of acceptable identification pursuant to 16 CCR § 15404(c):

- 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 a photo of the person.

- A valid identification card issued to a member of the Armed Forces that includes a date of birth and a photo of the person.

- A valid passport issued by the United States or by a foreign government.

The government issued ID will not be accepted if it has expired, damaged, or in any way not legible.

Visitors Must Be At least Twenty-One Years of Age.

Market Equities will not permit an individual less than twenty-one (21) years of age to enter, or be within, its licensed premises. Under no circumstances will anyone under the age of twenty-one be permitted to enter any limited access areas within Market Equities' facility.

Visitors Prohibited Conduct.

Market Equities will not permit a visitor to engage in any aspect of the retail cannabis business. All visitors within Market Equities' facility will be limited to observation only and Market Equities will ensure all facility safety and sanitation policies are adhered to.

Further, and in compliance with SMC § 7.04.340(B), smoking, vaporizing, ingesting, or otherwise consuming cannabis and cannabis products at Market Equities' premises will be strictly prohibited. This policy will be enforced anywhere on the premises including the actual building, as well as any accessory structures, common areas and parking areas. A

sign will be posted at each entrance of the premises that clearly and legibly states, "**Smoking, vaporizing, ingesting, or otherwise consuming cannabis or cannabis products on these premises or in their vicinity is prohibited.**" The sign shall be no larger than two feet by two feet in accordance with SMC § 7.04.340(G)(3). This policy will apply to all owners, employees, and visitors on the premises.

C.4 CASH HANDLING PROCEDURES

In addition to installing twenty-four (24) hour security surveillance cameras of at least HD-quality to monitor all interior spaces where cannabis, cash or currency is being stored for any period of time on a regular basis, Market Equities has crafted a cash handling plan that utilizes technology that will work to safeguard cash at the facility and hopefully detour attempted theft. Employees will be trained in all the Market Equities cash handling processes. Policies that will be implemented and enforced will limit the amount of cash kept on hand at the facility and minimize the buildup of cash in each cash drawer throughout the day.

Cash is handled by Retail Sales Associates only at the time of a transaction and is responsible for accuracy of drawer counts. Market Equities' General Manager will be responsible for all cash drops, reconciliations, deposits, and accurate accounting of all cash in storage.

Cash from the cash drawer will be counted between shift changes and at the end of the day. Two employees are required to be present during cash counting. [REDACTED]

[REDACTED] The manager will log the daily totals in the Monthly Cash Log.

[REDACTED] This activity will be logged in the Deposit Log.

Proposed Cash Handling & Process

At the start of each day, each cash drawer will be stocked with \$200.00 broken down in various tenders to allow each Retail Sales Associate to provide the proper change. As Retail Sales Associates process sales transactions, the value and transaction type will be captured within the Meadow Point of Sale System. Traditionally, it would be impossible for employees to keep track of how much cash is in the cash drawer without keeping the cash drawer open and counting money, which is risky. However, the Meadow system features smart drawer technology that tracks cash as it moves through the store. The Retail Store Manager can log into the system and see how much cash is in the register at any time from their office.

The Market Equities' Retail Store Manager will check drawer values hourly. [REDACTED]

It will include a printed receipt of how much cash was removed. [REDACTED]

All transactions will be recorded via the Meadow system, and the cash drawers will be reconciled at the end of every evening. Upon closing, all cash drawers will be reset to the beginning value of \$367.50, and all additional cash will be placed in the cash drop box. Restocked cash drawers will be locked in the vault for morning openers and never left on the sales floor.

Shift Cashier Cash Procedure

Each cashier must follow the procedures below at the start and end of their shift.

1. At the start of each shift, each cashier must count the cash drawer. The cash drawer should contain the following quantities.

Section: C Security Plan**Subsection: C.4Cash Handling Procedures**

| Pennies | Nickels | Dimes | Quarters | Ones | Fives | Tens | Twenties |
|---------|---------|--------|----------|---------|---------|----------|----------|
| \$.50 | \$2.00 | \$5.00 | \$10.00 | \$20.00 | \$50.00 | \$100.00 | \$100.00 |

2. The Starting Cash Drawer should have \$367.50. Please alert the manager if the cash drawers are over or under this amount of cash.
3. Once cash counting is complete, open the drawer in Meadow by logging in.
4. Process each sale in the Meadow system. Be sure to check the tender to count down the appropriate change for each customer. For instance, if the total is \$77.46, and the customer gives \$80.00, the correct change would be \$2.54.
5. [REDACTED]
6. At the close of shift, run the total shift sales report.
7. Count out the starting cash of \$367.50, leaving that amount in the drawer.
8. Count the total cash to reconcile how much was sold and how much cash is in the drawer.
9. Enter the value on the Daily Cash Log.
10. [REDACTED]
11. [REDACTED]

Daily Cash Log

Employees are required to complete the Daily Cash Log each day at the end of shift. If this log is complete, then a new log should be printed.

| Date | Employee Name | Shift Start | Shift End | Gross Receipts | State Excise Tax Collected (15%) | State Sales and Use Tax Collected (6%) | County Tax Collected (.25%) | City Tax Collected (1%) | Total Cash Drop | Cash Drop Validated? (Manager Initials) |
|--|---------------|-------------|-----------|----------------|----------------------------------|--|-----------------------------|-------------------------|-----------------|---|
| 1/15/2025 | John Doe | 8AM | 1PM | \$ 1,222.50 | \$ 183.38 | \$ 73.35 | \$ 3.06 | \$ 12.23 | \$ 1,222.50 | JD |
| Grand Total (To Be Completed by Closing Shift Manager) | | | | | | | | | | |

Monthly Cash Log

The Manager must complete this log for total Daily Gross Receipts for each Month.

| Day | Date | Employee Name | Gross Receipts | State Excise Tax Collected (15%) | State Sales and Use Tax Collected (6%) | County Tax Collected (.25%) | City Tax Collected (1%) | Total Daily Cash Received |
|-----|-----------|---------------|----------------|----------------------------------|--|-----------------------------|-------------------------|---------------------------|
| 1 | 1/15/2025 | John Doe | \$ 1,222.50 | \$ 183.38 | \$ 73.35 | \$ 3.06 | \$ 12.23 | \$ 1,222.50 |
| 2 | | | | | | | | |
| 3 | | | | | | | | |
| 4 | | | | | | | | |
| 5 | | | | | | | | |
| 6 | | | | | | | | |
| 7 | | | | | | | | |
| 8 | | | | | | | | |
| 9 | | | | | | | | |
| 10 | | | | | | | | |

Deposit Log

Managers are required to deposit cash every 2 days. All cash should be transported with a Security Guard.

| Deposit Date | Manager Name | Security Guard Name | Total Deposit | Days Included in the Deposit |
|--------------|--------------|---------------------|---------------|------------------------------|
| 1/15/2025 | John Doe | John Smith | \$ 3,826.51 | 1/11/2021 - 1/14/2021 |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

C.5 PERIMETER SECURITY

C.5.A Video Surveillance

Market Equities asserts that it will ensure that the facility is well equipped with a video surveillance system that meets the following requirements:

1. Security cameras and digital storage of recordings will be maintained in good condition and used in an on-going manner, twenty-four hours per day, seven days per week.
2. The security system will maintain at least 120 days of digitally recorded video for each security camera in the licensed premises. Security footage will be stored in an MPEG4, MJPEG, H.264, or another format approved by the local licensing authority in writing.
3. Security cameras will provide adequate and sufficient coverage for the facility, which will include, but need to be limited to, all limited access areas, all areas of ingress and egress, point of sale, the public areas, storage areas, and any other areas, as required MAUCRSA.
4. The video surveillance system will be equipped with a failure notification system that provides prompt notification to the manager of record of Market Equities' premises of any surveillance interruption or complete failure of the surveillance system that lasts longer than fifteen minutes.
5. The video surveillance system will have sufficient battery backup to support a minimum of fifteen minutes of recording in the event of a power outage.
6. All cameras will record in color. All exterior cameras will be in weather-proof enclosures, will be located to minimize the possibility of vandalism, and will have the capability to automatically switch to black and white in low light conditions.

Market Equities will ensure that the security surveillance camera's footage is remotely accessible in real-time by the Chief of Police or their designee(s), and that it is compatible with the City's software and hardware.

Video recordings will be maintained for a minimum of 120 days and be made available to the Chief of Police or their designee(s) upon request. Video will be of sufficient quality for effective prosecution of any crime found to have occurred on the site of the Market Equities premises and be capable of enlargement via projection or other means. Internet Protocol address information will be provided to the Santee Police Department by Market Equities, to facilitate remote monitoring of security cameras by the Department. Market Equities will have network security protocols that are certified by Underwriters Laboratories.

Digital security recordings will be backed up and securely stored in the Security Room for 365 calendar days. Please see security overlay for location.

Access to this room will only be granted to Market Equities' Security Manager, Retail Store Manager, and Security Agents. Pursuant to 16 CCR § 15044, if a request is made for Market Equities to provide a copy of specific surveillance recordings, Market Equities will provide a copy of the recordings to the Santee Police Department, Santee Council Officials who govern the cannabis program, The California Bureau of Cannabis Control, and any additional relevant

government authorities in any form of law enforcement requests, whether it be digital or physical media, within the timeframe the authority requests.

Should there be any connection interruption, power failure, or other circumstance that forces Market Equities' security camera system to cease recording for any amount of time, Market Equities' security manager and security agents will automatically be notified via an online notification.

Number and Location of Video Surveillance Cameras

Surveillance cameras will cover the entire perimeter of the Market Equities facility, a minimum of 20 feet from all entrances and exits, point of sale areas, internal and external areas where diversion of cannabis could potentially occur, and all limited-access areas. In total, the facility will feature 13 cameras to capture all activities within or around the facility.

Equipment Specifications

Market Equities will be installing HIKVISION branded cameras with a range of up to 100 feet and 4mm lenses for an optimized view from several angles. The cameras will be surrounded by heavy duty indoor/outdoor housing to ensure the cameras are safe from weather and resistant to any attempt of vandalism.

Cameras will be integrated into an Eagle Eye Cloud Managed Video Surveillance Recorder. The Eagle Eye Cloud Managed Video Recorders (CMVRs) store video locally while offering cloud management of the system. With the Eagle Eye CMVR management and security officers have the ability to view and monitor video anytime, from anywhere. The fully functional iOS and Android applications provide complete access to live and recorded video and can also be used to install, configure, and manage the system. The storage capacity is large enough to retain up to 365 days of footage based on the use of 35 cameras.



HIKVISION

DS-2CD2143G0-I
4 MP Outdoor IR Fixed Dome Camera

The Hikvision DS-2CD2143G0-I Outdoor IR Fixed Dome Camera provides high definition network output. It supports H.265+ video compression technology, which assures savings in bandwidth and storage.

The camera has an EXIR 2.0 range of up to 100 feet (30 meters).

The 2.8 mm and 4 mm lens options are optimized for viewing angles that fit any situation.

- 1/3" (4 MP) Progressive Scan CMOS
- Up to 2688 x 1520 Resolution
- 2.8 mm and 4 mm Fixed Lens Options
- EXIR 2.0 Range Up to 100 ft (30 m)
- H.265+ / H.265 / H.264+ / H.264
- 120 dB WDR
- IP67, IK10 Protection
- Durable Metal Housing
- 12 VDC ±25% (PoE 802.3af), maximum 7.5 W

Available models:
DS-2CD2143G0-I: 2.8 mm lens
4 mm lens

Eagle Eye CMVR

Cloud Video Surveillance

WHAT IS THE EAGLE EYE CLOUD VMS?

The Eagle Eye Security Camera VMS is a fully managed cloud video surveillance solution, delivering an end-to-end video management system that's simple to deploy and easy to use. It supports all modern browsers and works on Windows, Mac, even Linux with no plugins to install.

FULLY MOBILE

View video anytime, anywhere. The fully functional iOS and Android applications provide complete access to live and recorded video and can also be used to install, configure and manage the system.



GOT CLOUD?

Eagle Eye Networks provides a cloud based, video management system. The Eagle Eye Bridge is installed on-site, connects to your cameras, records video locally, and then securely synchronizes both video and meta data to the Eagle Eye Cloud Data center. It's a robust, secure appliance specifically designed to overcome the demands of transmitting high-resolution video through the Internet.

COMPREHENSIVE CAMERA SUPPORT

At Eagle Eye Networks we believe camera compatibility is important. There's no need to be locked into a single camera vendor. Businesses need the flexibility to work with the cameras that they choose. Eagle Eye Bridges and CMVRs support ONVIF Profile S IP cameras. Eagle Eye Combo Bridges and CMVRs support IP as well as NTSC and PAL analog cameras. For an up to date list of all compatible cameras visit www.een.com/cameras.

WORRY FREE MANAGEMENT

The software in the Eagle Eye Cloud and the firmware on the Eagle Eye Bridge is managed and updated by Eagle Eye Networks, so you don't have to worry about it.

SECURITY SIMPLIFIED

With Eagle Eye Complete Privacy Encryption™, video is fully encrypted during transmission and at rest. The Eagle Eye Bridge has no open ports to the Internet, eliminating security vulnerabilities commonly found in other systems and requiring no router or firewall adjustments.

320
420
520
620
820



Eagle Eye Cloud Managed Video Recorders (CMVRs) store video locally while offering cloud management of the system. The Eagle Eye CMVR also offers the option to store video in the Cloud. These models can be rack mounted.

RECORDING FEATURES

- Video encrypted in transit and at rest
- Fully cloud managed
- Intelligent Bandwidth Management with local buffering
- Full frame rate on 720p & 1080p cameras
- Optional audio recording

WEB INTERFACE & MOBILE FEATURES

- Native iOS and Android apps
- View live and recorded video
- Compatible with all modern browsers
- Motion detection with alerts
- Map and floorplan display

SYSTEM ADMINISTRATION

- 100% browser-based; no software
- Granular user permissions
- Multi-site support
- Point and click video sharing
- Centralized management



C.5.B Intrusion Alarm and Monitoring System

With the exception of the lobby, the entire Market Equities facility will be a limited access area. Visitors and employees will enter the main Check-in/Lobby area.

Market Equities' approach towards securing points of entry and exit has begun with an independent site assessment that lays out a plan of physical access securing entry and exit points.

Market Equities will have an audible interior and exterior security alarm system installed on all perimeter entry points and perimeter windows, operated, and monitored by a security company licensed by the Department of Consumer Affairs, Bureau of Security, and Investigative Services.

Market Equities will have intrusion detection sensors installed on entrance, exit, and window within the Market Equities dispensary to detect unauthorized entry. In addition, off-site state compliant 24-hour digital video recorded surveillance, armed security agents, a metal detector, metal detector wands, panic alarms, access control points, and ballistic proof walls will secure every entrance and exit of the Market Equities dispensary.

The Market Equities facility will be armed with window-glass break sensors and door contact sensors, motion detectors, and strategically placed panic button to ensure the safest conditions and minimize the chance of unauthorized entry into the facility or limited access areas.

Alarm systems will be installed and maintained in good working condition. The alarm system will be paired with a private security company that is required to respond to every alarm.

The Market Equities alarm system will feature:

1. Sensors to detect entry and exit from all secure areas and be monitored in real time by a security company licensed by the State Bureau of Security and Investigative Services.
2. Panic buttons installed throughout the Market Equities facility and configured to immediately notify and alert dispatch to the Santee Police Department.

Alarm Monitoring

The Alarm Company Operator is ADT Security Systems. ADT Security Systems will be responsible for maintaining the system as well as monitoring 24/7. ADT Security Systems of Santee is part of the nationwide network of ADT, which employs more than 20,000 people to monitor homes and businesses across the United States. ADT has protected more than 6 million homes by providing high-quality alarm monitoring, making them leaders in the security industry. ADT Security Systems will be monitoring and responding to any alerts generated by Market Equities' alarm and panic button systems. Abiding by the definition of an alarm system pursuant to Bus. & Prof. Code § 7590.1(c), the alarm system will signal the presence of a hazard requiring urgent attention to which the police may respond. To ensure there will be comprehensive alarm coverage in the event of an emergency, the locations alarms will be placed are highlighted in the Security Diagram.

1. The Alarm Company Operator (ACO) number of ADT Security Systems is: 5959.



ADT COMMERCIAL LLC

LICENSE NUMBER: 5959 **LICENSE TYPE:** ALARM COMPANY BRANCH

LICENSE STATUS: CURRENT **EXPIRATION DATE:** MARCH 31, 2025

SECONDARY STATUS: N/A

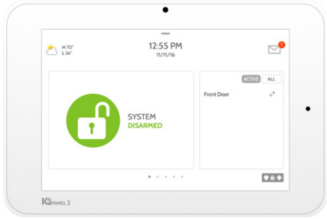



CITY: REDLANDS **STATE:** CALIFORNIA **COUNTY:** SAN BERNARDINO **ZIP:** 92374

Equipment Specifications

The Market Equities facility will feature a robust alarm system inclusive of motion detectors, door and window sensors, and panic buttons strategically placed throughout the facility for quick emergency response. The facility will utilize PowerSeries Neo technology wireless devices to achieve discretion without compromising on effectiveness.

PowerSeries Neo by DSC redefines intrusion security by combining the flexibility of a modular, hardwired system with the simplicity of a wide range of wireless devices and peripherals, resulting in the most comprehensive hybrid system available in the market today.

This brand new and exceptionally flexible platform leverages the superior capabilities of PowerG – the industry’s leading-edge wireless intrusion technology. Innovative alarm verification solutions, together with an exceptionally comprehensive remote service software suite, make PowerSeries Neo the ideal first-class solution for residential and scalable commercial installations.

| Equipment List | |
|---------------------|---|
| Keypad |  |
| Motion Detector |  |
| Door/Window Sensors |  |
| Panic Button |  |

Section: C Security Plan
Subsection: C.5 Perimeter Security



SPECIFICATIONS

IQ PANEL 2

The IQ Panel 2 uses a clean, modern user interface (UI) that takes advantage of the 7" HD, edge-to-edge, capacitive glass screen. Featuring 1280 x 800 resolution and multi-gesture capability, the panel navigates in swipes and gestures that are expected by today's consumer. Content is dynamic, so the display only shows pages for devices that have been added to the system, reducing clutter and making it intuitive and easy to use.

Leveraging the latest technology, the IQ Panel 2 features the Qualcomm Snapdragon chipset, mobile OS and up to 6 wireless radios - LTE Cellular, DualBand WiFi 802.11 AC, Encrypted Security RF, Z-Wave Plus, Image Sensor and Bluetooth LE 4.0 - supporting wireless connectivity, security and home control. It boasts an all "tool-less" design with flexible mounting options, either on a wall or with the included table stand, a 5mp onboard camera, dual-path connectivity, a photo frame screensaver, and remote services powered by Alarm.com, making it most advanced and easiest system you'll ever install. Other innovative features include Bluetooth disarming, a built-in Panel Glass break detector, built-in motion detection from the 5mp panel camera and a built-in router.

Updated 11/28/16

DSC
From Tyco Security Products

Wireless PowerG Door/Window Contact with Auxiliary Input PG9945

Features That Make a Difference:

- PowerG® robust industry leading commercial grade wireless technology
- Visible link quality LED indicator shown on device
- Option Configurable Auxiliary Input
- Fully supervised
- Compatible with PowerSeries Neo systems

The power of PowerG®:
The power behind PowerSeries Neo lies in various innovative technologies, including the revolutionary PowerG®, which, bundled together, provide a robust and feature-rich platform designed to reduce operational costs for dealers and provide ultimate reliability for end users.

- Multichannel, Frequency Hopping Spread Spectrum technology - to overcome frequency blocking and interference
- Adaptive Transmission Power - for battery life preservation
- High transmission ranges - for reliable communication within up to 2km/2187 yards line-of-sight
- TDMA synchronized communication technology - to prevent message collisions
- 128 bit AES encryption - high level protection against analysis tools and digital attacks

PG9945 Wireless PowerG Door/Window Contact with Auxiliary Input

The PG9945 Wireless PowerG Door/Window Contact with Auxiliary Input is installed on common intrusions points such as windows and doors to provide perimeter protection of the premise. The PG9945 is designed to communicate with the security system to report openings and closings of doors & windows. Known for its versatility and reliability, the PG9945 is an easy to install device ideal for a wide range of environments.

Easy to Install | Link Quality Indication

The PG9945 PowerG Door/Window Contact is equipped with a visible link quality LED indicator on the contact that lets the installer choose the optimal location for installation, eliminating the effort of going back and forth to the keypad. Additionally, device configuration is quick and easy with no hardware switches or need to re-open devices. All device configuration settings are handled on the system keypad.

sensors and accessories

Contact your DSC distributor
www.dsc.com | 1-888-688-7838

Security | Access | Video | Intrusion | Converged Solutions | Services
tyco | PowerG
Data Sheet

PowerG Wireless Dual Technology (PIR & MW) Motion Detector

Key Features

- Dual PIR and K-band microwave technologies dramatically reduce false alarms and decrease associated operational costs
- Extended operation: up to 15% (night) and 90% coverage range
- Ward-resistant design through patented V-300 technology
- Approximately up to 300 ft/100 m
- Built-in heating-edge PowerG wireless technology
- Real-time status via Link Quality LED indicator and out-of-battery enrollment
- The anti-tampering feature prevents intruders from concealing the detector by covering its field of view.

Advanced technology. Reduced false alarms.
Highly robust motion detector specifically suited for commercial business sites.

Fully secure businesses of all sizes with the PowerG Dual Technology Motion Detector that combines advanced PIR detection algorithms with K-band microwave detection to dramatically reduce false alarm rates even in harsh, non-ideal environments. The detector sends an alarm signal after both the PIR and the microwave sensors have detected an intruder, significantly reducing false alarms. Uniquely designed to automatically adjust its sensitivity according to the location temperature, the dual technology motion detector is able to detect an intruder even when the ambient temperature is close to that of the human body.

Based on built-in PowerG leading-edge wireless technology
Cut out the wires and plug in point of mind with PowerG, the leading wireless security technology for today's homes and businesses. PowerG offers all the benefits of traditional wired security, without the hassles of wires. It makes contractors' lives more secure and convenient, and is ideal for a wide range of applications.

DSC
From Tyco Security Products

Wireless PowerG Panic Key PG9938

Features That Make a Difference:

- PowerG® robust industry leading commercial grade wireless technology
- Visual acknowledgement of requested action
- Full two-second delay on panic button
- Long life lithium battery included
- Compatible with PowerSeries Neo systems

The power of PowerG®:
The power behind PowerSeries Neo lies in various innovative technologies, including the revolutionary PowerG®, which, bundled together, provide a robust and feature-rich platform designed to reduce operational costs for dealers and provide ultimate reliability for end users.

- Multichannel, Frequency Hopping Spread Spectrum technology - to overcome frequency blocking and interference
- Adaptive Transmission Power - for battery life preservation
- High transmission ranges - for reliable communication within up to 2km/2187 yards line-of-sight
- TDMA synchronized communication technology - to prevent message collisions
- 128 bit AES encryption - high level protection against analysis tools and digital attacks

Wireless PowerG PG9938 Panic Key

The PG9938 Wireless PowerG Panic Key is a portable personal protection device which allows users to send an emergency notification to the security system, via one large, easy-to-use button, thus alerting authorities. This attractive, compact and water-resistant panic key can be worn around the neck or permanently mounted/dropped to a belt with the multifunction clip.

Visual Indication

When the button of the PG9938 is pressed, the visual LED indicator confirms the command has been successfully carried out by the security system. The confirmation that the message has been executed by the security system offers "peace of mind" to users.

False Alarm Reduction

The PG9938 is equipped with a full two-second activation delay to help reduce false alarms, thus minimizing costly false dispatches caused by accidental activations.

Easy To Use

With only a single, large and clearly defined panic button, the PG9938 allows for trouble-free activation in stressful emergency situations. Portable and simple to use, it allows users to call for support from anywhere within the premises.

Contact your DSC distributor
www.dsc.com | 1-888-688-7838

C.5.C Exterior Lighting Plan

The exterior lighting plan for Market Equities Cannabis Business focuses on compliance, safety, and energy efficiency while enhancing the customer experience and supporting the brand image. Lighting will comply with local zoning and industry regulations, with strategically placed high-intensity LED fixtures and motion sensors at entrances, parking lots, and delivery zones to ensure security and deter crime. Pathway and bollard lighting will illuminate walkways and customer entrances, while pole-mounted LED lights provide uniform coverage in parking areas for safety.

To align with the brand, energy-efficient lighting will highlight signage and architectural features, creating a welcoming ambiance with warm tones for customer-facing areas. Solar-powered lights and LED fixtures with smart controls will minimize energy costs and environmental impact. Regular maintenance and backup systems will ensure reliable performance, prioritizing both operational efficiency and customer trust.

C.5.CC.5.D On-Site Security

Pursuant to SMC § 7.04.320(A)(10) and 16 CCR § 15045, as a licensed security guard by the Bureau of Security and Investigative Services, Smart Guardian Security will be contracted to provide armed security at the Market Equities dispensary, complying with Chapters 11.4 and 11.5 of Division 3 of the Business and Professions Code. Market Equities have already secured the services of armed Security Officers to be onsite 24 hours a day 7 days per week. Below are the company credentials for Smart Guardian Security.



BUREAU OF SECURITY AND INVESTIGATIVE SERVICES

LICENSING DETAILS FOR: 121512

NAME: SMART GUARDIAN SECURITY, INC

LICENSE TYPE: PRIVATE PATROL OPERATOR

PRIMARY STATUS: CURRENT

PREVIOUS NAMES: HUSSAIN AQA AQA

ADDRESS OF RECORD

6931 TOPANGA CANYON BLVD STE 5
CANOGA PARK CA 91303-2364
LOS ANGELES COUNTY
[MAP](#)

| | | | | | |
|--------------------------|------------------|----------------------------|------------------|--------------------------------|-----------------------------------|
| ISSUANCE DATE | JUNE 24, 2022 | EXPIRATION DATE | JUNE 30, 2026 | CURRENT DATE / TIME | OCTOBER 21, 2024 4:52:29 PM |
|--------------------------|------------------|----------------------------|------------------|--------------------------------|-----------------------------------|

Number of Guards

Market Equities will contract the services of Smart Guardian Security in the form of two armed guards to be on the premises 24 hours per day, 7 days per week.

Hours the Guards will be On-Site

Market Equities has arranged for 24-hour guard services for the dispensary.

Schedules will be as follows:

1. First Shift: 7am-7pm
2. Second Shift: 7pm-7am

Guard Location and Positioning

Market Equities will position security personnel in a strategic manner to ensure all areas of the facility can be easily monitored. A Security Guard will always be present at the main entrance of the facility. Another Security Guard will float from location to location throughout the premises, constantly monitoring the activities occurring on the premises.

Guards' Roles and Responsibilities

Security Guards will be responsible for maintaining a secure and pleasant environment for all employees and customers within the facility. Security Guards will ensure that only authorized people enter the facility and validate credentials such as legal age, identification, and documentation, verifying they are compliant with state and local regulations. Further, they will provide a strong physical presence to deter criminal activity. In the event a situation occurs on the premises involving hostility or inappropriate behavior, Security Guards will assist staff in addressing the situation and eliminating any threat to the facility, products, employees, or customers. In full compliance with SMC § 7.04.320(A)(10), Market Equities will ensure that prior to permitting Security personnel to be onboard on site and permitted to carry firearms, authorization will be obtained by the Chief of Police.

Beyond maintaining the overall safety and security of the facility, Security Guards will be responsible for maintaining any and all log reports related to the safety and security of the facility. They will assist staff in site and equipment inspections to maintain every aspect of the facility in good working order. Security Guards will be accountable for notifying Management of any required repairs or adjustments to security equipment or landscaping that may pose a risk to the effectiveness of the facility's overall security.

Market Equities has provided the proposal received from Smart Guardian Security below for further review.



INTRODUCTION



Smart Guardian Security would like to thank you for taking the time to review our proposal. We take pride in providing you with the highest standards of service in the security and protection industry. Smart Guardian Security is currently operating in Los Angeles and is licensed, bonded, and fully insured. We have over 12 years experience in security, investigations, protection, guard patrols, loss prevention and CCTV monitoring. We are professional and are always seeking the latest innovations in the security industry. We strive for absolute perfection in everything we do and want to show you the solutions for your security needs.





OUR SERVICES INCLUDE:

**Crowd Control
Traffic Control
Securing off Access Areas
Monitoring Guests and
What they Bring in
Enforcing Venue Rules
Guiding Guests to Locations
Locking up Equipment
Enforcing Safety Regulations
Preventive Guard Posting
Emergency Services
Building Monitoring
Locking Entrances and Exits
Parked Vehicle Monitoring
Traffic Direction
Suspicious Behavior Reporting
Receiving Deliveries
Answering Company Phones**





SMART GUARDIAN SECURITY **SUPERVISION**



Supervisors and managers receive job-related training to generate a positive influence on the personnel they direct. Smart Guardian Security supervisors attend in-house training classes on techniques of supervision and management, company regulations, policies, equipment maintenance, and other job specific duties. In addition, they are scheduled to attend supervisory training sessions in training and security procedures. This course covers such subjects as communication, delegation, supervision and staff concept training. Ongoing training is provided on a regular basis



SMART GUARDIAN SECURITY MANAGEMENT

The fundamental key to our business success is our effective and creative management. Through policies and procedures, staff managers must have the ability to lead and formulate a company environment where each employee's internal motivation can flourish. Management understands that in order to provide total quality service to you we must provide total quality support to our employees.

Smart Guardian Security enjoys an excellent reputation throughout the metropolitan Los Angeles area. We are very proud of all our clients and will be delighted and proud to add you to that list.



6931 Topanga Cyn. Blvd., #5
Canoga Park, CA 91304
info@smartguardiansecurity.com
877-590-4455

SMART GUARDIAN SECURITY **COMPLIANCE**

Smart Guardian Security is committed to employing only United States citizens and aliens who are authorized to work in the United States and does not unlawfully discriminate on the basis of citizenship or national origin.

Certified, licensed, insured, and bonded security guards are posted on each site and each security guard is thoroughly screened to compliant with the standards of the United States government secret service clearance program.

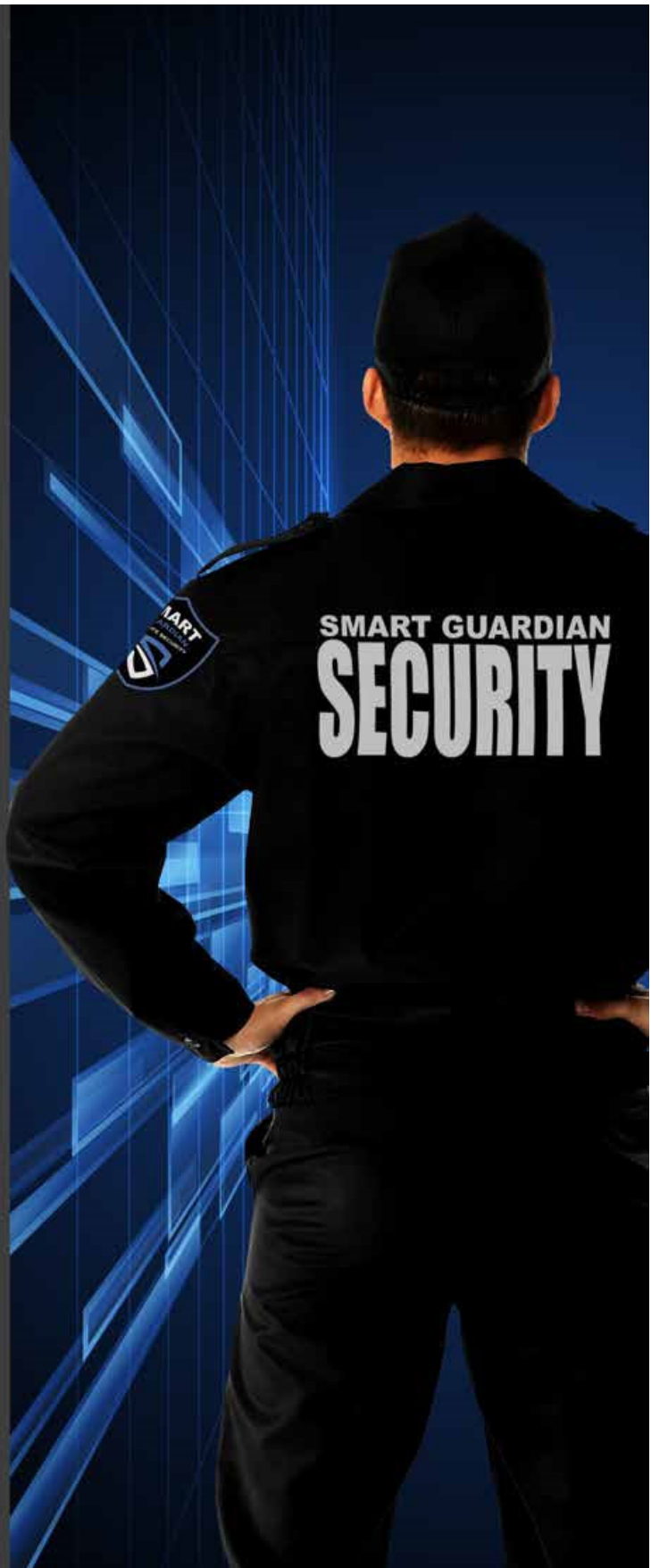
Supervisors regularly make sure all office procedures and guards are compliant with all rules and regulations.



SMART GUARDIAN SECURITY QUALIFICATIONS

All guard applicants must have adequate education, be able to deal well with the general public and maintain poise under stressful situations. They must also pass the state security officer's license requirements, be able to walk for long periods of time, have good eyesight, hearing and a well proportioned height to weight ratio.

All applicants must pass the Los Angeles Police department screening which includes fingerprinting, id photo and licensing applications. All employees are licensed in the jurisdiction in which they are assigned.





PATROL INSPECTIONS

Marked patrol car and foot patrol services are available for total security coverage. Cellular phone and radio service is provided to our officers for instant access to supervision and clients.

We will work with you on-site to develop customized inspection procedures and determine the best patrol time frame and frequency for your property.

- Foot Patrol
- Marked Vehicle Patrol
- Carport and Parking Lot Patrol



SMART GUARDIAN SECURITY TRAINING

Smart Guardian's security force is second to none. One of the highlights is our 26- module mandatory security training program complete with documented testing, certification, and recognition. We also offer advanced training programs and a variety of seminars that are available to our security professionals and clients.

All security officers and supervisors at Smart Guardian Security have passed all requirements of the State of California. Our personnel also meet the standards set by the Bureau of Security and Investigative Services.

6931 Topanga Cyn. Blvd., #5
Canoga Park, CA 91304
info@smartguardiansecurity.com
877-590-4455



SMART GUARDIAN SECURITY **SIGNAGE**



Smart Guardian Security uses signs to insure that the message is passed on to any intruder. Unwanted trespassers will be identified and prosecuted to the full extent of the law. The signs serve as a deterrent and Smart Guardian Security provides these signs throughout your facility. They may provide direction, specific information and warnings. The signs are designed to meet specific requirements for reflectivity, design, and height of post.

EMPLOYEE BENEFITS

EMPLOYEE BENEFITS

Above Industry Standards

We realize that our employees are our most important assets. Management policies provide the motivations necessary for their guards.

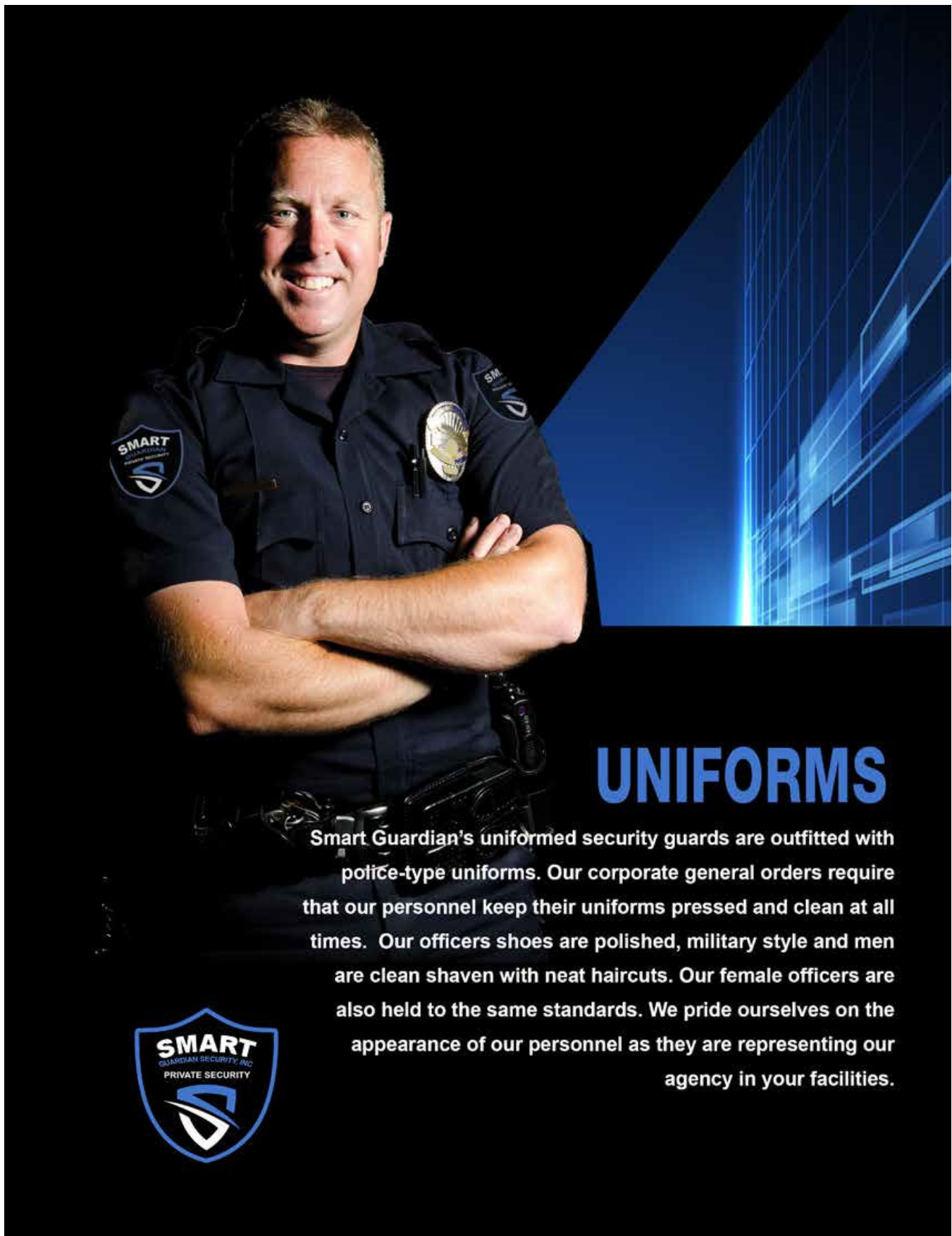
Employee Satisfaction

While employee selection, training and supervision are vital to providing professional service, it is also important for the employee himself to be satisfied with the company and work conditions which makes our officers happy to be on the job.

Employee Benefits


Officers earn hourly pay rates dependent upon experience and the job requirements. After one year of service they are also given merit increases to encourage them to perform the job for you to the best of their ability.





UNIFORMS

Smart Guardian's uniformed security guards are outfitted with police-type uniforms. Our corporate general orders require that our personnel keep their uniforms pressed and clean at all times. Our officers shoes are polished, military style and men are clean shaven with neat haircuts. Our female officers are also held to the same standards. We pride ourselves on the appearance of our personnel as they are representing our agency in your facilities.



CHOOSE US

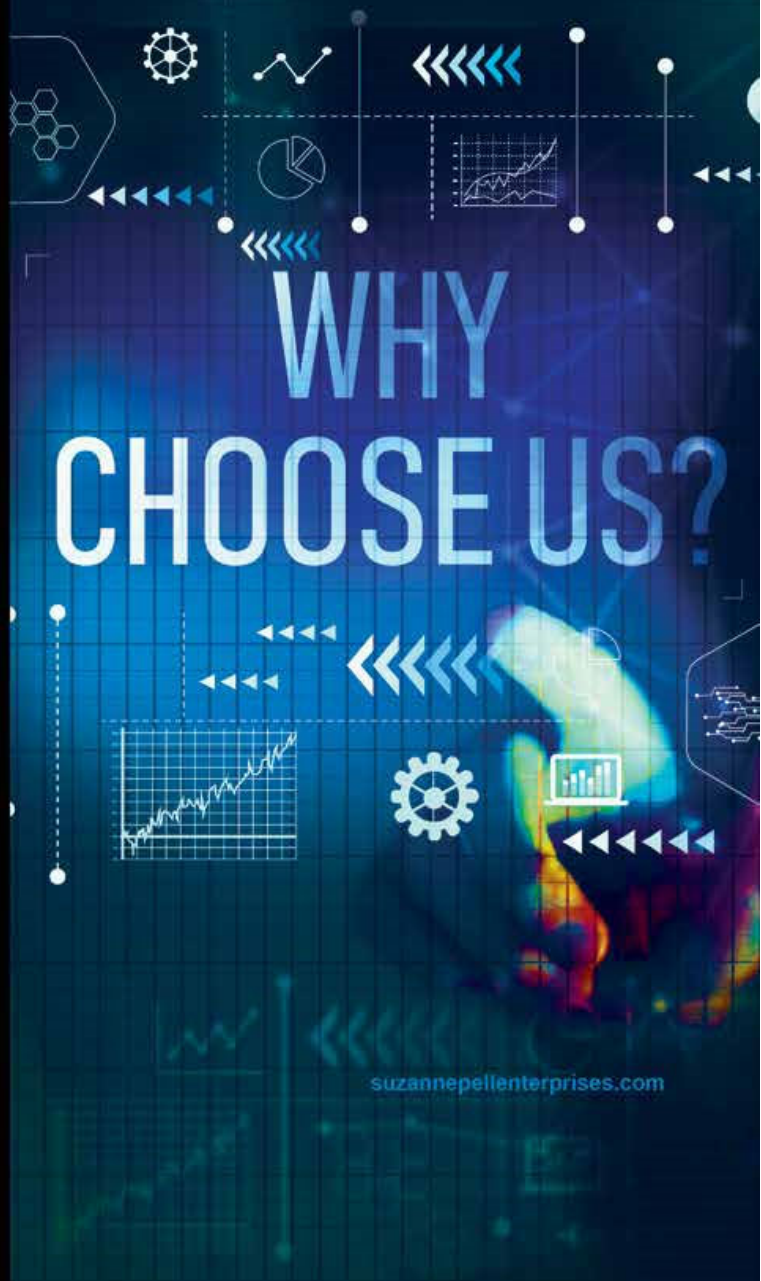
Smart Guardian Security offers the most competitive rates in California. Smart Guardian Security is one of the top professional security companies who is anxious to prove to you what a real security company should be.

Call Today (877) 580-4455 and give us a chance to prove ourselves to you with a no-risk free trial offer. We will make you happy you did!

Office: 877-590-4455
info@smartguardiansecurity.com
Cell: 747-206-3501



6931 Topanga Cyn. Blvd., #5
Canoga Park, CA 91304
info@smartguardiansecurity.com
877-590-4455



C.5.DC.5.E Storage and Transportation Plan

In compliance with SMC 7.04.320(C), Market Equities has prepared a Storage and Transportation plan which details planned procedures for safely and securely storing and transporting all cannabis, cannabis products, currency, or hazardous materials located on the premises.

Market Equities' product receiving process will follow strict policies and procedures to ensure full compliance with all track and trace regulations and to ensure the security of the assets and the safety of all personnel. Market Equities' suppliers will transport and transfer products to Market Equities' facility as allowed by the City of Santee and the State of California. Shipments will be conducted using a licensed, insured and state authorized transport company.

Product receiving will occur on a regular basis to ensure that a sufficient supply of product is on hand for sale and in smaller amounts to reduce risk during transfer. The movement of large amounts of high value product at one time can create an excessive risk of loss during transfer.

Shipments are scheduled at random times and hours to avoid predictability that can elevate the risk of theft. Product transport/transfer will be completed during the times of 9:00 am to 6:00 pm, or during daylight hours, to ensure maximum visibility and threat detection. When shipments are scheduled, this information will only be provided to individuals who occupy a "need to know" position to avoid risk of theft.

[REDACTED]

In compliance with SMC § 7.04.340(C), Market Equities will ensure cannabis and cannabis products or graphics depicting cannabis or cannabis products are not visible from the exterior of the premises during loading or unloading activities. [REDACTED]

[REDACTED]

At the time of the shipment:

3. [REDACTED]
4. Security personnel or manager will verify that the shipment paperwork, amounts, and manifest are in order prior to allowing transporters to leave the site.

C.6 EMPLOYEE SECURITY TRAINING AND POLICIES

A security policy is the foundation of maintaining secure operational management within any aspect of the legal cannabis industry. Therefore, Market Equities will utilize a security and contingency training program for all employee, manager, and stakeholder training processes. A security policy is only as effective as the managers and vendors who are teaching and implementing said policy. Market Equities will bring best security practices from both the cannabis and other high-risk industries, as well as the skills and personnel to adapt and effectively respond to future security threats. Security will be maintained by ensuring the policies that are implemented within Market Equities are taught in a practical, logical manner. This will be accomplished by creating separate security clearances for the Security Manager, Retail Manager, and Security Agent. These sectors of employees will have differing exposure to limited access areas.

All employee training will be conducted in-house and in-person, directed by the Security Manager and Safety Coordinator, immediately upon an applicant accepting a job offer from Market Equities. Regardless of position and stature, all employees will adhere to the policies set forth in this security policy. A complete understanding of existing and potential risks is essential for all Market Equities employees to become better stewards towards the community of Santee. The Security Manager, CEO, and CFO will have an appropriate clearance level to access and operate Market Equities' CCTV cameras, access all limited-access areas, and document inventory, they will be trained on these procedures and relevant equipment.

Pursuant to 16 CCR § 15037, Market Equities will keep the following records related to security policy training for a minimum of seven years:

1. The names of employees who have received policy training, when they received said training, the instructor of said training, and the content of the training provided.

In addition to systematic security, Market Equities will create operational roles that ensure safety is integrated into day-to-day activities. Members of all four employee groups (CEO, Security Manager, Operations Managers, Retail Sales Associates, Inventory Control Agents), and additionally a minimum of two Security Agents, will be present for all operating hours.

C.6.A Roles and Responsibilities

The General Manager of Market Equities will hold the following responsibilities pertaining to security:

1. Facilitating Market Equities Security Policy training.
2. Responding to emergencies, including, but not limited to, violence, emergencies as defined by the Emergency Action and Fire Prevention Plan, weapons in the facility, and breach of limited-access areas.
3. Responding to incidents pertaining to the Market Equities Physical Altercation, Weapon Incident, Employee Firearm, Contraband, and Counterfeit Money policies.
4. Possessing the knowledge of how to operate CCTV camera footage and recover specific CCTV recordings.
5. Preventing the hiring of persons under the age of 21 in accordance with 16 CCR § 15000.6.

The Security Manager of Market Equities will ensure smooth operation of all security equipment and security agents, as well as be the designated security representative between Market Equities and law enforcement.

The four Operations Managers will hold the following responsibilities pertaining to security:

1. Responding to emergencies, including, but not limited to, violence, emergencies as defined by the Emergency Action and Fire Prevention Plan, weapons in the facility, and breach of limited-access areas.
2. Responding to incidents pertaining to the Market Equities Physical Altercation, Weapon Incident, Employee Firearm, Contraband, and Counterfeit Money policies.
3. Possessing the knowledge of how to operate CCTV camera footage and recover specific CCTV recordings.

Dispatch will hold the following responsibilities pertaining to security:

Section: C Security Plan

Subsection: C.6 Employee Security Training and Policies



1. Responding to emergencies, including, but not limited to, violence, emergencies as defined by the Emergency Action and Fire Prevention Plan, weapons in the facility, and breach of limited-access areas.
2. Responding to incidents pertaining to the Market Equities Physical Altercation, Weapon Incident, Employee Firearm, Contraband, and Counterfeit Money policies.
3. Preventing, identifying, and reporting illegal public consumption and distribution of cannabis products.
4. Preventing persons under the age of 21 from entering and purchasing cannabis goods.

Inventory Control Agents will hold the following responsibilities pertaining to security:

1. Responding to emergencies, including, but not limited to, violence, emergencies as defined by the Emergency Action and Fire Prevention Plan, weapons in the facility, and breach of limited-access areas.
2. Responding to incidents pertaining to the Market Equities Physical Altercation, Weapon Incident, Employee Firearm, Contraband, and Counterfeit Money policies.
3. Identifying and reporting inventory discrepancies.

Security Agents will hold the following responsibilities pertaining to security:

1. Responding to emergencies, including, but not limited to, violence, emergencies as defined by the Emergency Action and Fire Prevention Plan, weapons in the facility, and breach of limited-access areas.
2. Responding to incidents pertaining to the Market Equities Security Exclusion, Physical Restraint, Physical Altercation, Weapon Incident, Employee Firearm, Contraband, and Counterfeit Money policies.
3. Possessing the knowledge of how to operate CCTV camera footage and recover specific CCTV recordings.
4. Maintaining security around the exterior of the Market Equities dispensary and the perimeter of the premises.
5. Monitoring the consistent operation of Market Equities security equipment, including, but not limited to, metal detectors, hand wands, motion detectors, CCTV cameras, panic alarms, sensors, and safes.
6. Escorting individuals off the property of Market Equities if they are on the property for a prolonged period of time, and not directly engaged in the commercial operations of Market Equities.

C.6.B Security Representative

In strict compliance with SMC § 7.04.320(B), Market Equities will identify a designated security representative/liaison to the City of Santee, who will be reasonably available to meet with the City Manager or his/her designee(s) regarding any security-related measures or Operational issues.

The designated security representative/liaison will, on behalf of Market Equities, annually maintain a copy of the current security plan on the Premises, to present to the City Manager or his/her designee upon request that meets the following requirements:

1. Confirms that a designated Manager will be on duty during business hours and will be responsible for monitoring the behavior of employees.
2. Identifies all Managers of the Commercial Cannabis Business and their contact phone numbers.
3. Confirms that first aid supplies and Operational fire extinguishers are located in the service areas and the Manager's office.
4. Confirms that burglar, fire, and panic alarms are Operational and monitored by a licensed security company 24 hours a day, seven days a week, and provides 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 the Commercial Cannabis Business, the parking lot, any adjacent property under the business' control, and ensure that the parking lot is cleared of employees and their vehicles one-half hour after closing.

C.6.C Market Equities Security Representative Designee

1. **Name:** Sarmad Hayawi

2. **Phone Number:** (619) 729-7785

3. **Email:** sam@flamecanna.com

C.6.D Employee Safety and Policy

Physical or Verbal Harassment

Market Equities has a zero-tolerance policy towards all workplace harassment, violence, threats, and disorderly behavior, whether it is verbal or physical. This includes verbal or physical altercations on the property of Market Equities, in addition to any location where Market Equities is conducting business including but not limited to partner business locations, trade shows, and company event venues.

Employees and security agents are obligated to expeditiously report all threats, harassment, violence, and disorderly behavior to the Market Equities Security Manager, who will contact relevant law enforcement agencies if it is required. For an employee or member of security agents to report a physical altercation, the altercation must be witnessed in person or through security monitoring equipment including but not limited to Market Equities security cameras.

Weapon/Firearms

Weapons of any type are prohibited on company property without authorization from the Security Manager. The Security Manager of Market Equities is the sole individual authorized to determine which employees and security agents are authorized to possess a firearm while on Market Equities property. This will only be authorized if it is determined that allowing the individual possessing a firearm on company premises is necessary to secure the safety and security of the: Market Equities property, employees, customers, and the Santee Community.

If an employee or contracted security agents has not been authorized by the Security Manager to carry a firearm, the individual may not at any time possess any firearm while on company property, in addition to any location where Market Equities is conducting business including but not limited to partner business locations, trade shows, and company event venues. Violation of this rule will result in immediate termination.

For any individual who is not a contracted security agent or who has not obtained authorization from the Market Equities Security Manager, weapons strictly prohibited from the Market Equities facility, including, but not limited to:

1. Any device designed or commonly used to inflict injury or that could be interpreted as a weapon.
2. Any firearm of any nature
3. A gun that discharges pellets, BBs
4. A device that discharges high amounts of electricity, commonly known as a stun gun
5. Any explosive, including firearm ammunition.
6. Any knife
7. Any smoke or gas bomb
8. Any longbow, crossbow, recurve bow, or compound bow and arrows

An individual who is found possessing any of the aforementioned object(s) will immediately be restrained, identified, and reported to the Santee Police Department, or additional applicable law enforcement by security agents.

Police Notification

The reasons Market Equities will contact the Santee Police Department include but are not limited to:

1. Any incident as defined by the Weapon Incident Policy
2. Any crimes, as defined by the California Penal Code, committed on the property.
3. Inventory discrepancies found, as pursuant to 16 CCR § 15034 and 16 CCR § 15036.

If and when any of these issues arise, Market Equities' Security Manager will call the Santee Police Department's number at (619) 956-4000.

Emergency Contact Information

4. Emergency - 911
5. Santee Police Department - 24-hour non-emergency Dispatch: (619) 956-4000
6. California Highway Patrol - (800) 835-5247

Robbery Emergency Protocol

In the event of an armed intruder attempting to rob the Market Equities dispensary, Market Equities employees (not including contracted security agents) are instructed to do the following during the incident:

1. Assume any firearms the offender possesses are loaded.
2. Comply with instructions given by the offender, and answer all questions asked.
3. Do not attempt to disarm the offender.
4. Make mental notes on the appearance, clothing, and any items the offender touches when in the Market Equities facility.
5. If you determine it is safe and viable to do so, initiate the panic alarm.

Immediately after the incident, Market Equities employees are instructed to do the following:

1. Halt all business operations and ensure limited-access areas are secure.
2. Notify the Santee Police Department.
3. Notify the Market Equities Safety Coordinator, Security Manager, and all senior staff.
4. Attend to the needs of any: staff, employees, customers, and visitors that were affected by the incident.

Policy: Physical Altercation

Market Equities has a zero-tolerance policy towards all workplace harassment, violence, threats, and disorderly behavior, whether it is verbal or physical. This includes verbal or physical altercations on the property of 10723 Prospect Ave, Santee, CA 92071 in addition to any location where Market Equities is conducting business including but not limited to: partner business locations, trade shows, and company event venues.

Employees and security agents are obligated to expeditiously report all threats, harassment, violence, and disorderly behavior to the Market Equities Security Manager or his designee, who will contact relevant law enforcement agencies if it is required. For an employee or member of security agents to report a physical altercation, the altercation must be witnessed in person or through security monitoring equipment including but not limited to Market Equities security cameras.

Policy: Security Exclusion

Pursuant to 16 CCR § 15000.6, Market Equities will not allow any individual who is under 21 years of age to: become an employee of Market Equities or enter the dispensary. This will be enforced by obligating customers to digitally verify their identity as they enter the Market Equities dispensary.

Policy: Weapon Incident

For any individual who is not a contracted security agent or who has not obtained authorization from the Market Equities Security Manager, weapons strictly prohibited from the Market Equities include but are not limited to:

1. Any device designed or commonly used to inflict injury or that could be interpreted as a weapon.
2. Any firearm of any nature
3. A gun that discharges pellets, BBs
4. A device that discharges high amounts of electricity, commonly known as a stun gun
5. Any explosive, including firearm ammunition.
6. Any knife
7. Any smoke or gas bomb
8. Any longbow, crossbow, recurve bow, or compound bow and arrows

An individual who is found possessing any of the aforementioned object(s) will immediately be restrained, identified, and reported to the Santee Police Department, or additional applicable law enforcement by security agents.

Policy: Employee Firearm Policy

Weapons of any type are prohibited on company property without authorization from the Security Manager. The Security Manager of Market Equities is the sole individual authorized to determine which employees and security agents are authorized to possess a firearm while on Market Equities property. This will only be authorized if it is determined that allowing the individual possessing a firearm on company premises is necessary to secure the safety and security of the: Market Equities property, employees, customers, and the Santee Community.

If an employee or contracted security agents has not been authorized by the Security Manager to carry a firearm, the individual may not at any time possess any firearm while on company property, in addition to any location where Market Equities is conducting business including but not limited to partner business locations, trade shows, and company event venues. Violation of this rule will result in immediate termination.

Policy: Physical Restraint

Market Equities defines physical restraint as physically controlling one or more persons to safely inhibit their ability to commit harm to themselves or others while on the Market Equities property.

Physical restraining any individual in the Market Equities, whether it is a Market Equities employee, customer, security agents, or business partner, will only be utilized as a last recourse. First, if there is an individual spotted within the perimeter of 10723 Prospect Ave, Santee, CA 92071, who is attempting to harm themselves or others, contracted security agents will first attempt to verbally diffuse the situation. If the individual(s) fail to stop endangering themselves and surrounding individuals on the property, they will be restrained by security agents. If the individual is not violating of California or federal law, they will be escorted off of the Market Equities property. If they are in violation of California or federal law, they will remain restrained until law enforcement is notified and arrives at the Market Equities property.

Policy: Contraband

Market Equities defines contraband as any of the following:

1. Alcoholic beverages, defined as pursuant to Bus. & Prof. Code § 23004
2. Any Dangerous Drug defined as pursuant to Bus. & Prof. Code § 4022
3. Unlicensed cannabis products
4. Paraphernalia related to illegal drugs or dangerous drugs.

If any contracted security agents or Market Equities employee suspects that an individual(s) within the perimeter of 10723 Prospect Ave, Santee, CA 92071 possesses contraband, security agents will confront the individual, and if it is found they are in possession of Market Equities defined contraband, they will be escorted off of the property.

D QUALIFICATIONS OF OWNERS

D.1 OWNER EXPERIENCE

D.1.A Sarmad Hayawi – Chief Executive Officer

Sarmad Hayawi has assumed the pivotal role of Chief Executive Officer at Market Equities, where he leverages his extensive expertise and visionary perspective to shape the future of the cannabis industry. Known for his strategic foresight and resourcefulness, Sarmad has developed a comprehensive skill set that encompasses commercial cannabis development, project management in cannabis retail, brand development, and account management.



Retail Cannabis Experience

- 🔥 The Healing Center – Needles, CA | Managing Partner | 2022 - Present
 - Sarmad has transformed the dispensary into a community cornerstone. He has implemented rigorous staff training programs focused on customer engagement, product knowledge, and compliance with regulatory standards. Under his leadership, The Healing Center has not only increased its customer base but has also enhanced its reputation as a trusted source for quality cannabis products. Sarmad actively collaborates with local growers to ensure a diverse and sustainable product lineup.
- 🔥 Flame Dispensary – Santa Rosa, CA | Managing Partner | 2023 - Present
 - Sarmad has orchestrated a comprehensive marketing strategy that integrates digital outreach, community events, and loyalty programs to drive customer retention and brand loyalty. He has cultivated a team that prioritizes exceptional customer service, fostering an inviting atmosphere that encourages repeat visits. His initiatives have resulted in a measurable increase in sales and positive customer feedback.
- 🔥 Flame Dispensary – Lake Elsinore, CA | Managing Partner | 2024 - Present
 - Sarmad is spearheading the establishment of the Flame brand, focusing on community engagement and educational outreach. He has initiated workshops and informational sessions aimed at demystifying cannabis use and promoting responsible consumption, positioning the dispensary as an educational hub within the community.
- 🔥 Flame Dispensary – Antioch, CA | Managing Partner | 2024 - Present
 - As he expands into Antioch, Sarmad is dedicated to building strong relationships with local organizations and community leaders. His approach includes integrating sustainable practices into the business model and actively participating in community events, reinforcing the brand's commitment to social responsibility and local development.

Professional Background

- 🔥 Insurance Sector | District Manager | 2007 - Present
 - Sarmad accumulated valuable experience in the insurance sector, where he served as a District Manager for over a decade. In this role, he was responsible for overseeing multiple branches, driving operational efficiency, and developing strategic initiatives that resulted in increased profitability. His expertise in risk management and customer relations has provided a solid foundation for his transition into the cannabis space, where regulatory compliance and customer trust are paramount.

Financial Snapshot

- 🔥 Monthly Income: \$60,000
- 🔥 Cash on Hand: \$1.2 million
- 🔥 Real Estate Assets: \$5 million
- 🔥 Other Assets: \$200,000

Visionary Leadership

As the CEO of Market Equities, Sarmad is at the helm of strategic decision-making for the Flame brand. His responsibilities include:

Strategic Expansion: Identifying new market opportunities and evaluating potential locations for growth, ensuring that the company's presence aligns with its brand values.

Brand Development: Crafting comprehensive brand guidelines that resonate with consumers and uphold the company's commitment to quality and sustainability. He emphasizes storytelling in branding, aiming to connect with customers on a personal level.

Talent Acquisition and Management: Overseeing recruitment efforts to build a dynamic team that embodies the company's vision. He believes in fostering a culture of inclusivity and continuous learning.

Operational Excellence: Implementing core systems that enhance operational scalability, from inventory management to customer relationship management, ensuring the business model can grow without compromising quality.

Sarmad Hayawi is not only a seasoned entrepreneur with profound experience in the cannabis sector but also a dynamic leader committed to fostering innovation and growth. His dual role as Managing Partner at The Healing Center and Flame Dispensary demonstrates his dedication to operational excellence and community involvement.

Known for his strategic insights and exceptional leadership skills, Sarmad has a proven track record of driving business growth while maintaining a focus on ethical practices and community welfare. His financial acumen is underscored by a diverse asset portfolio, which includes significant real estate holdings and other investments.

With a deep understanding of market dynamics and a commitment to sustainable practices, Sarmad is a forward-thinking leader ready to navigate the evolving landscape of the cannabis industry. His dedication to excellence, combined with his innovative approach to business development, positions him as a key figure poised to shape the future success of his ventures and the communities they serve.

D.1.B Amar Salim – Chief Financial Officer

Amar Salim has been appointed as the Chief Financial Officer of Market Equities, a crucial position in which he will be responsible for overseeing the company's financial operations and ensuring its long-term financial health. Amar's extensive experience as a serial entrepreneur, combined with his diverse background across multiple industries—including cannabis, automotive, convenience stores, and food service—positions him uniquely to contribute to Market Equities' strategic growth and operational efficiency.



Retail Cannabis Experience

Amar's expertise in the cannabis industry is a cornerstone of his professional portfolio. As a Managing Partner in several prominent retail cannabis establishments, he has demonstrated exceptional leadership and a keen understanding of market dynamics.

- 🔥 The Healing Center – Needles, CA | Managing Partner | 2022 - Present
 - Amar has implemented robust operational strategies that enhance efficiency and optimize inventory management. His focus on customer service has transformed the dispensary into a beloved community resource, promoting wellness and education around cannabis use.
- 🔥 Flame Dispensary – Santa Rosa, CA | Managing Partner | 2023 - Present
 - Under Amar's leadership, Flame Dispensary in Santa Rosa has seen remarkable growth. He has leveraged innovative marketing techniques and customer engagement strategies to broaden its customer base, ensuring that the dispensary not only meets but exceeds regulatory compliance standards.

- 🔥 Flame Dispensary – Lake Elsinore, CA | Managing Partner | 2024 - Present
 - In this role, Amar has focused on expanding product lines and improving customer experience. His commitment to sustainability and ethical sourcing has helped establish the dispensary as a leader in responsible cannabis retailing.
- 🔥 Flame Dispensary – Antioch, CA | Managing Partner | 2024 - Present
 - Amar has also prioritized community outreach initiatives, fostering partnerships with local organizations. His leadership here is characterized by transparency and a commitment to community education on cannabis benefits and responsible use.

Work Experience and Business Ownership

Beyond his cannabis ventures, Amar has cultivated a wealth of experience across various sectors, which enriches his business acumen:

- 🔥 Car Dealership – San Diego, CA
 - Amar managed this dealership by enhancing sales processes and refining customer engagement strategies. He successfully increased customer retention rates by implementing loyalty programs and personalized service initiatives, ultimately boosting sales and profitability.
- 🔥 Convenience Store – San Diego, CA
 - In his role at this convenience store, Amar developed effective inventory management systems and supplier relationships that minimized costs and maximized product availability. His focus on community engagement helped foster a loyal customer base, resulting in significant year-over-year revenue growth.
- 🔥 Pizza Restaurant – San Marcos, CA
 - Amar's experience in the food service industry reflects his ability to create a vibrant dining experience. He developed menu innovations based on customer feedback and trends, improving customer satisfaction and driving repeat business.

Financial Snapshot

Amar's financial portfolio underscores his strategic thinking and investment expertise:

- 🔥 Monthly Income: \$40,000
- 🔥 Cash on Hand: \$1.2 million
- 🔥 Real Estate Assets: \$6 million
- 🔥 Other Assets: \$400,000

This impressive financial snapshot not only reflects his personal success but also his ability to manage and grow businesses effectively. His investments in real estate demonstrate a commitment to building sustainable value over time.

As a versatile entrepreneur and dynamic leader, Amar Salim embodies the qualities necessary to navigate the complexities of modern business. His hands-on approach and unwavering dedication to excellence have enabled him to build and maintain successful enterprises across diverse sectors. Amar is particularly adept at identifying market trends and adapting strategies to meet evolving consumer needs.

With a visionary mindset, Amar is committed to fostering innovation within Market Equities. He aims to enhance the company's operational efficiency and drive growth through data-driven decision-making and strategic financial planning. His extensive experience in multiple industries equips him with a holistic view of business operations, allowing him to implement effective strategies that promote long-term sustainability and profitability.

As he steps into the role of CFO, Amar's robust financial foundation, strategic vision, and entrepreneurial spirit will be instrumental in guiding Market Equities toward a prosperous future. His leadership promises to position the company at the forefront of the cannabis industry, ensuring it thrives in an increasingly competitive landscape.

D.2 CANNABIS BUSINESS EXPERIENCE

The Market Equities team possess a robust understanding of the cannabis industry, drawing from a wealth of experience that spans various domains, including retail business ownership, business management, and regulatory affairs. This diverse background enables them to approach the complexities of the cannabis market with a multifaceted perspective. Each team member brings unique insights and experiences that enhance operational efficiency, regulatory adherence, and strategic planning, enabling the business to thrive in an ever-evolving landscape.

D.2.A Industry Expertise

In terms of industry expertise, the Market Equity team has accumulated significant experience through previous ventures in legal cannabis operations. This hands-on experience has equipped them with a deep understanding of market dynamics, consumer preferences, and operational challenges specific to the cannabis sector. In retail, they have learned to navigate consumer preferences and trends, tailoring product offerings to meet specific market demands. Additionally, their extensive networking within the industry—including connections with trade associations, advocacy groups, and other professionals—provides valuable insights into best practices, emerging trends, and potential pitfalls, all of which can inform strategic decision-making.

D.2.B Best Practices

Best practices are a cornerstone of the Market Equities' team operational philosophy. They have established comprehensive Standard Operating Procedures (SOPs) that cover every aspect of the business, from sales strategy techniques to emergency response protocols. These SOPs ensure consistency and quality throughout operations, significantly reducing variability and increasing customer satisfaction. This more structured approach also leads to a higher level of safety, security, and compliance within the facility. Furthermore, the Market Equities team is committed to sustainability, incorporating eco-friendly practices such as waste reduction strategies, and energy-efficient systems. These initiatives not only align with industry best practices but also appeal to an increasingly environmentally conscious consumer base.

Quality control is another critical area where the Market Equities team excels. They have implemented rigorous operational procedures to ensure the safety and efficacy of the products offered within the facility. By adhering to quality checks in receiving products and routine product audits, Market Equities will maintain consumer trust and regulatory compliance. Employee training is also prioritized; the team provides continuous education on product knowledge, compliance, and exceptional customer service. This commitment to staff development fosters a knowledgeable workforce capable of delivering superior customer experience.

D.2.C Compliance with State Regulations

Regarding compliance with state regulations, the Market Equities team has demonstrated a thorough understanding of the complex legal landscape governing cannabis operations. The Market Equities team is proud of the fact that they have never been sanctioned for any infraction by the regulatory agencies in which oversee any of their other cannabis operations. They have successfully navigated the intricacies of obtaining and maintaining all necessary licenses and permits, ensuring that their business operates within the legal framework. Additionally, they remain vigilant about changes in state laws and regulations, adapting their business practices proactively to meet evolving compliance requirements. Their robust reporting and record-keeping systems promote transparency and accountability in all operations, particularly concerning inventory management and sales tracking.

D.2.D Implementation in Prior Businesses

In their previous legal businesses outside the City of Santee, the team has demonstrated exceptional capability in market research, identifying consumer preferences and unmet market needs. This research-driven approach has enabled them to tailor product offerings, ensuring alignment with customer desires and trends. For instance, their analysis of local demographics and purchasing behaviors allowed them to curate a diverse product range that resonates with various consumer segments. Additionally, the team has established strong supply chains by forging

reliable relationships with trusted growers, suppliers, and distributors. This network ensures consistent product quality and availability, which is crucial for maintaining customer satisfaction and loyalty.

The implementation of technology also plays a significant role in the team's operational strategy. They have adopted advanced inventory management systems that utilize real-time tracking to optimize stock levels, reduce waste, and streamline logistics. Moreover, customer relationship management (CRM) systems enhance engagement, allowing the team to analyze purchasing patterns and tailor marketing strategies effectively.

D.2.E Conclusion

In conclusion, the owner and team's extensive knowledge of the cannabis industry, combined with their unwavering commitment to best practices and rigorous compliance with state regulations, positions them exceptionally well for success in any new venture, including one in Santee. Their proven track record in prior businesses serves as a solid foundation for future growth and community engagement. By leveraging their expertise, operational strategies, and commitment to excellence, they are well-prepared to navigate the challenges of the cannabis industry with confidence and adeptness.

D.3 OWNERSHIP TEAM INVOLVEMENT

All Market Equities is deeply committed to ensuring that the Santee location embodies the company's core values and vision. To achieve this, the **leadership team will be present on-site for no less than seventy-five percent (75%) of operational hours during the first year of operations**. This approach mirrors their successful strategies employed at other locations, allowing for close oversight and hands-on management. This level of commitment ensures that the operations run smoothly while providing robust training for staff in alignment with the company's standards of excellence and compliance.

After the initial year, this on-site presence may decrease somewhat; however, the team will remain highly visible and accessible to both employees and customers alike. This visibility reinforces the company's commitment to fostering a strong community and maintaining high standards in service.

The Market Equities team firmly believes in the power of collaboration, encapsulated in their motto: **"Together, We Build the Vision"**. While the owners bring a wealth of talent and a track record of success, they attribute their achievements to countless hours of hard work, unwavering dedication, and the invaluable support from a team of individuals who have been instrumental in their journey.

In addition to the owners, the local staff hired specifically for the Santee store will receive comprehensive training and mentorship not only from the owners but also from an experienced team dedicated to the Flame brand. This team consists of highly skilled professionals who provide ongoing support to all Flame-branded retail locations, ensuring that each project thrives.

The ownership team is committed to being a constant presence in each store, ready to address challenges in cannabis storefront operations. They prioritize maintaining compliance and safety while ensuring that the quality of customer experience promised is delivered consistently. Furthermore, they strive to create a fun, inclusive, and empowering work environment where employees are well-trained and motivated to excel in their roles.

Through this comprehensive approach, All Market Equities is poised to create a successful and thriving community at the Santee location, setting a high standard for cannabis retail operations.

E NEIGHBORHOOD COMPATIBILITY PLAN

E.1 NUISANCE AVOIDANCE

To ensure that the cannabis business does not become a nuisance or negatively impact neighbors and the surrounding community, Market Equities will adopt a proactive and comprehensive approach focused on community engagement, responsible operations, and effective communication. Central to this effort will be the establishment of an open line of communication with local residents and community organizations. Market Equities plan to hold regular community meetings that provide a platform for feedback, allowing the team to address concerns and build positive relationships. This dialogue will assist the team in understanding the needs and expectations of the community, fostering a sense of partnership.

Market Equities is dedicated to being an asset for the city of Santee and good neighbors to those that surround the business. In efforts to minimize complaints or being viewed as a nuisance to surrounding businesses or residents, Market Equities will manage its premises in a manner that is considerate of its neighbors and local community. This includes, but is not limited to, the following:

1. Preventing and eliminating conditions on the site that constitute as a nuisance.
2. Maintaining the exterior of the site, including any parking lots under the control of Market Equities facility, free of litter, debris, and trash.
3. Implementing measures that discourage loitering near Market Equities' facility and collaborating with the City Police Department to enforce related laws in accordance with SMC § 7.04.340(L).
4. Safely storing and disposing of all waste generated on the site, including chemical and organic waste, in accordance with all applicable laws and regulations.
5. Removing all graffiti from the site and parking lots under the control of Market Equities within 72 hours of its application.
6. In strict compliance with SMC § 7.04.340(B), cannabis will not be consumed by any person anywhere on the Market Equities premises.
7. Further, Market Equities will not cause, allow, or permit the sale, dispensing, or consumption of alcoholic beverages or tobacco products on or about the Market Equities premises.

Market Equities will limit its hours of operations to 9:00 a.m. 9:00 p.m. Pacific Time each day of the week in accordance with SCMC § 7.04.360(K). Market Equities believes this will organically minimize noise disturbances, particularly during late-night periods when noise is more likely to be an issue.

To address noise concerns, Market Equities will implement soundproofing measures within the facility, especially in areas where equipment may generate sound. Staff will be trained to maintain a respectful volume, ensuring that operations do not disrupt the surrounding area.

To promote cleanliness, Market Equities will organize regular litter clean-up efforts in and around the business, providing clearly marked disposal bins for waste, including a dedicated area for cigarette butts or other litter.

Traffic management will be another focus, as the Market Equity teams plans to coordinate with local traffic authorities to establish clear signage and pathways that effectively manage both vehicle and pedestrian traffic, ensuring safety and accessibility for everyone.

Market Equities has planned its operation in a way to minimize impact to the surrounding community, however, should operations drive disruption, Market Equities has developed processes to collect feedback so that, as a company, they can work to quickly address issues viewed as a nuisance.

E.1.A Complaints

In the event of complaints related to noise, light, odor, public consumption, loitering, littering, or traffic, Market Equities will implement a clear protocol for addressing these issues. This will include a dedicated phone line and email address for community members to reach out directly. Complaints will be logged and addressed promptly, ensuring that residents feel heard and valued. Market Equities will establish an on-site response team responsible for immediate action, assessing the situation, identifying necessary adjustments, and implementing changes as needed to alleviate concerns.

Furthermore, Market Equities will actively monitor social media platforms for community feedback and complaints. This includes creating a dedicated social media presence where residents can voice concerns and receive timely updates about operations and community initiatives. Following any significant complaint or concern, the Market Equities team will hold follow-up community meetings to discuss the issue, and the steps have taken to resolve it. This transparency will help rebuild trust and demonstrate the team's commitment to being a responsible neighbor.

To maintain accountability, Market Equities will provide regular reports on how complaints are addressed, which will be shared through the company's website and social media channels. This ongoing communication will keep the community informed and engaged in the team's efforts.

Lastly, policies and procedures for addressing complaints will be reviewed periodically to assess their effectiveness, with feedback from the community informing the team of any necessary adjustments. By proactively engaging with the community and establishing responsive measures to address concerns, we aim to ensure that our cannabis business operates harmoniously within the neighborhood, contributing positively to the surrounding community while minimizing potential nuisances.

Market Equities will distribute company contact information throughout the community as an outlet for people to provide feedback on any concerns related to noise, light, odor, or traffic.

Pursuant to SMC § 7.04.460(A), Market Equities will provide the City Manager or designee(s) and all businesses and residences located within 100 feet of the business with the name, telephone number (both landline and mobile, if available), and email address of at least one 24- hour on- call designated employee to serve as a liaison to resolve complaints, to respond to operating problems or concerns associated with Market Equities' business. During the first year of operations, Market Equities' Community Relations Designee will attend monthly meetings with the interested parties to discuss costs, benefits and other community issues arising as a result of implementation of the certificate of approval authorized by this chapter. After the first year of operation, Market Equities' Community Relations Designee will meet with the city manager or their designee when and as requested by the city manager or their designee, with reasonable notice in accordance with SMC § 7.04.460(B).

E.1.B Market Equities Community Relations Designee

| | | |
|----------------------------|--|-------------------------------------|
| Name: Sarmad Hayawi | Email: sam@flamecanna.com | Phone Number: (619) 729-7785 |
|----------------------------|--|-------------------------------------|

E.1.C Complaint Form

Market Equities will post a complaint form on their website. This will be utilized for collecting complaints both from the community and customers. This form will generate an email directly to both the CEO, Sarmad Hayawi and the Retail Store Manager, who will review them daily. The Retail Store Manager will hold weekly meetings with the Market Equities team to review and discuss the complaints. Once the complaint is addressed, protocols and process documents will be revised and/or store adjustments will be made. All complaints will be recorded and kept on file and will be provided to the City of Santee officials upon request.

E.1.D Complaint Form

| | | |
|--|---------------------------------|---------------------|
| A. Complainant: | | |
| Last Name: | First Name: | Middle Initial: |
| Date of Incident: | Time of Incident: | Can We Contact You: |
| Home Address: | Home/Cell Phone No.: | Work Phone No.: |
| | Email Address: | |
| B. Did you Speak with a Market Equities Representative, if so, Please Complete Below: | | |
| Last Name: | First Name: | |
| Did You Speak by Phone or at the Cake Facility? | Was the Representative Helpful? | |
| Additional Witnesses (if any): | | |
| Last Name: | First Name: | |
| Address: | Phone No.: | |
| | Email Address: | |
| Description of Incident: | | |
| | | |
| F. Remedy - Please describe your requested remedy | | |
| | | |
| G. Complainant's Signature: | | Date: |
| For Market Equities Use Only Complaint No.: _ Date Received: __ | | |

E.1.E Odor Mitigation Practices

Market Equities believes the positive benefits of actively managing air and water quality translates to the health and wellbeing of its customers and employees. Market Equities wants to create a space that is comfortable for customers and free of allergens while preventing any odors from reaching outside of the facility. It is the team's ambition to reduce the impact on the surrounding community as a whole by eliminating undesirable odors, gases, or other potential hazards with relation to air quality.

E.1.F Potential Sources of Odor

Market Equities intends to operate a cannabis retail dispensary which will offer cannabis and cannabis infused products. It is the intent of Market Equities to maintain all product in sealed, smell proof packaging. Market Equities does not intend to cultivate or process cannabis products, and pursuant to 16 CCR § 15412, all packages that arrive to the facility will arrive in sealed retail packaging, which should minimize cannabis odor within or around the facility. However, Market Equities understands that cannabis products naturally have a unique aroma that some may find offensive. Market Equities team has crafted an odor mitigation strategy that will create an environment that will be pleasant for customers and prevent the facility from becoming a nuisance to the surrounding community.

E.1.G Odor Control Devices and Techniques

In compliance with SMC § 7.04.340(l), Market Equities will incorporate odor control devices and techniques within the facility and operational procedures to ensure that odors from cannabis are not detectable off-site.

Mechanical Engineer

Market Equities will hire a qualified Mechanical Engineer to design the facilities odor control systems. The Odor Control system will be fully designed as part of the facility renovation with detailed specifications provided to the city as part of the CUP process.

Odor Absorbing Ventilation and Exhaust System

Market Equities will provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the commercial cannabis business that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as Market Equities' business. As such, Market Equities will install and take all measures, including installing equipment, to control odor.

In order to control nuisances such as odors, humidity and mold, Market Equities will have the following professionally installed:

1. An exhaust air filtration system with odor control that prevents internal odors from being emitted externally.
2. An air system that creates negative air pressure between the facility's' interior and exterior so that the odors generated inside are not detectable outside.

Market Equities will install a high-quality ventilation and air purification system, to ensure there is no cannabis odor outside the building. We will use industry favored and proven effective ventilation and air purification systems that will aid in maintaining a comfortable environment both for customers as well as surrounding neighbors. Cannabis products will be in sealed, smell-proof jars and packaging, which will further contribute to air quality and odor control measures.

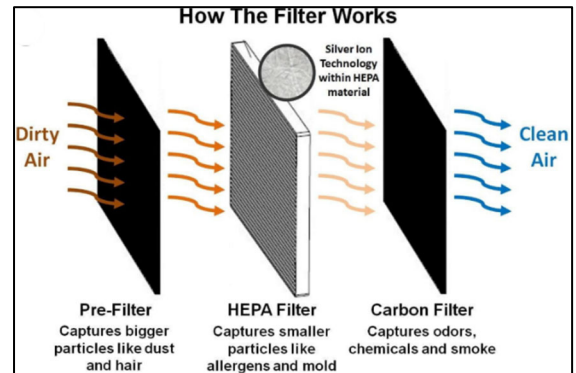
In order to provide an area that is safe and comfortable for employees as well as visitors, Market Equities will utilize a separate or zoned HVAC system capable of filtering the air. Such measures will include a comprehensive HVAC system that incorporates medical industry standard filtration, such as High Efficiency Particulate Air (HEPA) and High Efficiency Gas Absorption (HEGA) where appropriate. Similarly, any water entering the facility will also be filtered and, where appropriate, subjected to Ultraviolet (UV) purification. The goal is to reduce contaminants in the facility to prevent adulteration and ensure the highest quality products and experience for customers.

Market Equities will ensure that the HVAC system is an air system which creates negative air pressure to help contain odors generated inside from escaping the building and being detectable outside or by neighboring establishments.

Given the unique nature of commercial cannabis retail, it is Market Equities' intention to reduce odors inside where possible and eliminate any and all distinct odors from being detectable outside of the facility. These concerns have been largely mitigated in the retail environment by the pre-packaging of all products that will be available for sale. Based on solutions implemented in other industries, increasing offerings of industry specific solutions and technology will allow Market Equities to stay in compliance with the City of Santee expectations.

This will be generally accomplished by utilizing multiple filtrations, odor absorption and carbon "scrubbers" to rid the system exhaust of any odors. Activated carbon is an extremely effective absorptive odor control substance. An ozone generator will be placed upstream of the carbon filters. Ozone (O₃) is also an effective odor control mechanism. In this case, it is used to help control out- going airstream odors and recharge the activated carbon filter media, extending the life of the media.

By utilizing an efficient HVAC system that utilizes pre-filters, HEPA filters and Carbon Filters, Market Equities is confident that no odors will be detectable outside of the operation's facility, anywhere on adjacent lots or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public.



E.1.H System Maintenance

Market Equities understands that even a great system can become ineffective without regular maintenance and proper upkeep. In order to preserve the effectiveness of the system, Market Equities has developed a routine maintenance schedule that will be overseen by the Facility Manager. The Facility Manager will manage all facility maintenance and repair needs. Specific to the HVAC and odor control system, Market Equities has planned the following maintenance schedule.

1. HVAC system scheduled maintenance, and inspection will occur every 6 months.
2. HEPA, prefilters, and carbon filters will be replaced every 60 days.

While traditionally an HVAC system only requires annual service and inspection, Market Equities wants to ensure that all systems remain fully operational and effective at both maintaining a comfortable environment as well as minimizing odors within the facility.

HEPA, prefilters, and carbon filters are typically changed every six months for common use, however, to ensure that odors are never detectable, Market Equities feels it is important to change them in advance. These maintenance activities will be evaluated regularly and adjusted if odors become detectable within or around the facility. All repairs will be immediately scheduled with the HVAC professional upon the discovery of faulty equipment.

Odor Control Administrative Controls

To ensure the efficacy of the odor control plan, Market Equities will maintain records of all maintenance and repair activities related to odor control equipment. Each service and filter replacement will be logged in the facility maintenance log noting the date, activity performed, and initials of the agent overseeing the activity.

The Maintenance Log will also note the next required date of service. The Facility Manager will be responsible for tracking service dates, managing professional service visits and repairs, and updating the maintenance log. Appointments and required equipment, such as replacement filters, will be scheduled or ordered upon the determination of the next requested service date to ensure that service dates are not extended to availability issues.

E.2 DIVERSION PREVENTION POLICIES

Market Equities is committed to ensuring that its products are limited to those legally permitted to have them and ensuring that cannabis is not diverted into the hands of minors. To prevent underage access to cannabis products, Market Equities has developed a comprehensive set of policies that will be implemented. First, a strict age verification policy will require customers to provide a government issued form of identification at all points of sale.

Pursuant to 16 CCR § 15404(C), Market Equities will only accept the following forms of identification:

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

Market Equities' point of sale system, Meadow, will scan to each form of identification to verify the age of each individual, thus removing the element of human error. Should the identification provided be expired or be for an individual under the required age, the system will alert the employee at check in, and the individual will be refused service and not be permitted into the facility. Employees will receive training on age verification procedures, and regular audits will be conducted to ensure compliance.

Additionally, all Market Equities' marketing strategies will be carefully regulated to avoid targeting individuals under 21, including the use of imagery and language that appeals to minors. A compliance team will review all advertising content before release and monitor practices to address any violations promptly.

Market Equities will inspect all incoming products to ensure responsible packaging and labeling requirements are being adhered to. This will include ensuring products arrive with the required child-resistant packaging and clear labeling indicating that products are intended for adults only. Suppliers will be held accountable to ensure all products meet these requirements, with regular inspections conducted to verify compliance.

In-store access to products will be limited by designing layouts that restrict visibility and placing products behind counters or in secured areas. Regular inspections will ensure adherence to these layout policies. For online sales, strict age verification processes will be implemented, requiring customers to create accounts that confirm their age, with software in place to prevent purchases without proper verification.

Market Equities will additionally facilitate a robust reporting and compliance mechanism, a clear process will be established for employees and customers to report any suspected sales to minors or violations of policies. All reports will be thoroughly investigated, and appropriate disciplinary action will be taken against any employees found in violation. Regular collaboration with local law enforcement will further strengthen these efforts, with joint training sessions and data sharing to stay informed about emerging trends in underage access. Community engagement will also play a crucial role, as partnerships with local organizations will promote awareness about the risks of underage cannabis use and educate the community on responsible consumption.

Comprehensive training programs for employees will emphasize the importance of preventing underage access, covering topics such as recognizing fake IDs, product packaging and label requirements, responsible marketing, and understanding legal responsibilities. These sessions will be mandatory for new hires, with regular refresher courses to maintain awareness.

Finally, the effectiveness of these policies will be monitored through quarterly audits and feedback mechanisms, including surveys for employees and customers. By regularly reviewing and adjusting these policies in response to feedback and changing community needs, we aim to create a responsible framework that minimizes the risk of cannabis products reaching underage youth while fostering a safe and compliant environment.

F COMMUNITY BENEFITS & INVESTMENT PLAN

F.1 BENEFITS TO THE COMMUNITY



Throughout this application, the Market Equities team has made an effort to emphasize that the Market Equities team is committed to being a valuable asset to the city of Santee and a good neighbor to the surrounding community. For Market Equities, opening a cannabis business in Santee represents more than just a source of revenue; it is an opportunity to drive meaningful improvements within the community.

While the immediate focus will be on educating residents about the benefits and risks of cannabis, as well as promoting responsible use, Market Equities is also dedicated to identifying further opportunities to enrich the lives of all Santee residents, whether they are customers or not.

In the following plan, the City will see Market Equities' commitment to being an active and beneficial member of the community. The team has developed a comprehensive Community Benefits and Investment Plan that demonstrates their willingness to serve as a resource tailored to the City's needs. This plan is designed to adapt and evolve alongside the community as those needs change.

While the initiatives outlined below are not exhaustive, they highlight the Market Equities' readiness to support Santee in various ways. The team encourages the City to view this plan as a starting point for further discussion and collaboration and understand that the team welcomes any additional input or guidance on how to better engage with and support the community. The team would like this plan to represent their promise to contributing positively to the community of Santee!

F.1.A Financial Support for Local Initiatives

Market Equities can provide direct financial contributions to local non-profits and community organizations. This support can take several forms.

Grants and Donations: Regular grants to organizations like food banks, shelters, or educational programs can ensure they operate efficiently and serve more community members. For example, if Market Equities supports a local food bank, they could fund the purchase of fresh produce, expanding the nutritional options available to families in need.

Project Funding: Targeted funding for specific projects, such as after-school programs for at-risk youth, can significantly impact the lives of participants. By ensuring these programs are well-funded, Market Equities helps enhance educational opportunities and support networks for young people.

F.1.B Partnerships with Civic Organizations

Establishing partnerships with civic organizations can facilitate various community-building efforts:

Community Events: Market Equities could sponsor annual events such as local festivals, farmers' markets, or cultural heritage celebrations. These events can create a sense of community, increase local tourism, and support local vendors and artisans.

Volunteer Opportunities: By organizing volunteer days, Market Equities can mobilize its employees to participate in community service, from beautifying parks to assisting at shelters. This not only builds team spirit within the company but also fosters a culture of community involvement.

F.1.C Workforce Development and Training Programs

Investing in the local workforce is crucial for economic growth:

Skills Training Programs: Market Equities could partner with local vocational schools or community colleges to develop job training programs tailored to the needs of the Santee economy. For instance, if there is a demand for skilled trades in the area, funding a program in carpentry or plumbing could prepare residents for stable careers.

F.1.D Support for Affordable Housing

Addressing housing needs is critical for community stability:

Affordable Housing Development: Market Equities can work with local non-profits to create affordable housing projects. By funding the construction of multi-family units or rehabilitation of existing buildings, they can help reduce the cost of living for many families and individuals in Santee.

Homeownership Assistance Programs: Supporting programs that assist low-income families in purchasing homes, such as down payment assistance or financial literacy workshops, can help build equity and stability in the community. Market Equities could contribute funding or resources for these initiatives.

F.1.E Community Health Initiatives

Improving community health can lead to a more productive and vibrant populace:

Health Clinics and Services: Funding local health clinics to expand their services, such as offering free health screenings or mental health support, can significantly impact public health. Market Equities could sponsor annual health fairs that provide essential screenings and resources to community members.

Wellness Programs: Supporting initiatives like exercise classes, nutrition workshops, and mental health awareness campaigns can foster a culture of health. For example, by partnering with local gyms or wellness centers, they could subsidize membership fees for low-income families, promoting healthy lifestyles.

F.1.F Environmental Stewardship

Sustainability initiatives can greatly enhance the quality of life:

Community Clean-Up Projects: Market Equities can organize clean-up days for local parks, rivers, or streets, helping to beautify the community while encouraging resident participation. Providing tools and supplies for these projects can also create a sense of ownership among residents.

Sustainable Practices: Investing in green infrastructure projects, such as community gardens or rainwater harvesting systems, can educate residents about sustainability while enhancing community resilience. Market Equities could sponsor workshops on sustainable living practices, fostering an environmentally conscious community.

F.1.G Cultural and Recreational Opportunities

Enhancing the cultural landscape can enrich community life:

Arts and Culture Sponsorships: By sponsoring local theater productions, art galleries, or music festivals, Market Equities can help promote local talent and bring the community together. These events can also support local businesses by attracting visitors.

Recreation Programs: Investing in local sports leagues and recreational facilities can provide healthy activities for residents of all ages. Market Equities could fund the development of community sports fields or recreational centers that offer programs for youth, adults, and seniors, encouraging an active lifestyle.

F.1.H Involvement in Local Governance

Engagement with local governance can lead to meaningful change:

Advocacy for Policy Changes: By participating in local chambers of commerce or civic associations, Market Equities can advocate for policies that benefit the community, such as improved public transportation, better infrastructure, or enhanced public safety measures.

Community Forums: Hosting community forums where residents can voice their concerns and ideas can help build trust and transparency between Market Equities and the community. This can also provide valuable insights for the company on how to better serve local needs.

F.1.I Paid Volunteer Hours



Market Equities will contribute volunteer hours that will be dedicated to outreach programs that are aimed at supporting children within the community. Additional support can be offered by the team in city beautification efforts, landscaping project, facilitating events that work to help minimize homelessness, providing food and other basic essentials to low/no-income families, and promote recreational family activities.

While Market Equities cannot force employees to volunteer, Market Equities can commit to the city, its promise to establish policies and procedures that will provide each employee willing, 24 annual Paid Time Off (PTO) hours to volunteer within the community. With an estimated staff of 20, this is a potential for 480 hours of commitment from the Market Equities' team.

Employees will be required to provide evidence of their service to earn this PTO. The company will keep this information on record and provide the information to the city.

Finally, in order to inspire our employees, a minimum of 16 hours per employee will be used with company sponsored volunteer events. These will be used as team-building events, and we hope that this will encourage our employees to use the balance of their time on community events that they care about. While we could provide a specific list of organizations, we do believe it is important that individuals explore their own passions.

Market Equities believes that each individual should pursue their individual service passions. This is why the volunteer hours will be divided between company volunteerism – programs done together – and personal volunteerism. This will allow our company the largest possible reach which could not be attained otherwise. Our collective power serves the interest in service to others by the diversity of our history and experiences.

As an incentive to Market Equities employees, the company will recognize an employee each month for volunteer efforts made within the community. This employee will be celebrated and rewarded among leadership and their peers. The Market Equities team believes that all people want to do good things and by incentivizing these types of

behaviors, the good trickles through the company and further strengthens the core values and culture of the Market Equities team!

Through these comprehensive initiatives, Market Equities can significantly impact the Santee community, enhancing the quality of life for residents and fostering a strong, resilient local economy. By investing in local non-profits, engaging with civic organizations, and prioritizing affordable housing, health, and education, Market Equities can not only fulfill its corporate social responsibility but also become an integral part of the community's fabric. This partnership can create lasting benefits that empower residents, stimulate economic growth, and cultivate a vibrant, inclusive environment for all.

F.1.J History of Service

Historically, the members of this team have diligently looked for various ways to give back to their community throughout their careers. Be it through financial contribution or volunteerism, the leadership team exhibits the desire to be active in the community and promote overall health and prosperity. Below are a few examples of how they have connected with non-profit organizations in the past.

Weed for Warriors

Market Equities has been a dedicated advocate for the Weed for Warriors program, an initiative designed to improve the quality of life for veterans by providing access to cannabis as a therapeutic option. Founded by veterans, the program recognizes the unique and often debilitating challenges that many service members face, including post-traumatic stress disorder (PTSD), chronic pain, anxiety, depression, and other service-related conditions. With an understanding that traditional treatments may not be effective for everyone, Weed for Warriors offers an alternative approach that prioritizes holistic healing.



The program not only focuses on providing veterans with access to medical cannabis but also emphasizes education and community support. Participants are guided through the process of understanding how cannabis can serve as a therapeutic tool, including information about different strains, methods of consumption, and dosage recommendations. By hosting educational workshops and seminars, the program ensures that veterans have the knowledge they need to make informed decisions about their health.

In previous events, Market Equities has actively contributed financial resources and sponsorship to Weed for Warriors, ensuring that these gatherings effectively promote awareness about the therapeutic benefits of cannabis for veterans. This support has played a crucial role in facilitating a range of educational workshops led by experts in the field, who share insights on the responsible use of cannabis and its potential health benefits. These sessions are tailored to empower veterans, helping them navigate their treatment options with confidence.

Moreover, the team has been instrumental in organizing various activities that foster a sense of community among veterans and their families. By creating spaces for connection and support, we aim to provide essential resources for those in need. These initiatives not only strengthen bonds among veterans but also help to alleviate feelings of isolation, enabling participants to share their experiences and find solace in one another's company. Activities may include group discussions, recreational outings, and family-oriented events that encourage veterans and their loved ones to engage with one another in a supportive environment.

The Weed for Warriors program also advocates for policy reform to improve access to medical cannabis for veterans. By collaborating with lawmakers and healthcare professionals, the initiative seeks to eliminate barriers that prevent veterans from receiving the care they need. This advocacy is crucial in raising awareness about the potential benefits of cannabis therapy within the broader healthcare system.

Through active involvement, Market Equities underscores its unwavering commitment to supporting veterans and highlights the critical importance of community engagement and education surrounding cannabis use. The team

believes that by empowering veterans to explore cannabis as a viable option for their wellness, we can contribute to their overall quality of life.

Looking ahead, the team is excited to continue our partnership with the Weed for Warriors program and are committed to expanding efforts to make a meaningful and lasting impact on the lives of those who have bravely served our country. Joint efforts create a supportive environment where veterans feel valued and equipped to pursue their health and well-being.

Toys for Tots

Market Equities has proudly supported the Toys for Tots program, a nationwide initiative run by the Marine Corps Reserve that aims to collect and distribute toys to underprivileged children during the holiday season. The program not only seeks to provide gifts but also promotes a sense of hope and community spirit.

About Toys for Tots: Established in 1947, Toys for Tots has evolved into a prominent charitable program, collecting millions of toys annually across the United States. The initiative focuses on ensuring that every child has a gift to open during the holidays, thereby fostering joy and a sense of belonging. In addition to collecting toys, the program emphasizes the importance of community involvement and encourages donations from individuals, businesses, and organizations.



Market Equities' Contributions:

1. **Financial Support:** Market Equities has provided significant financial contributions that help cover essential expenses related to toy collection and distribution. This funding supports local events, promotional materials, and logistics to ensure that toys reach those who need them most.
2. **Organizing Toy Drives:** The company has successfully organized multiple toy drives, inviting employees, clients, and area residents to participate. These drives have included collection bins at the facility and community locations, making it easy for individuals to contribute new, unwrapped toys. The variety of donations includes educational toys, books, clothing, and sports equipment, catering to children of all ages.
3. **Volunteer Engagement:** Employees at Market Equities have dedicated their time to volunteer at Toys for Tots events, helping to sort and package toys, set up donation sites, and distribute gifts to families. This hands-on involvement not only supports the program's logistics but also fosters team spirit and a sense of purpose among staff.
4. **Community Awareness Campaigns:** Market Equities actively promotes the Toys for Tots program through our social media platforms and internal communications, raising awareness about the importance of giving back during the holidays. By sharing stories and encouraging participation, they aim to engage the broader community and inspire more individuals to contribute.

Through ongoing support of the Toys for Tots program, Market Equities is committed to making a positive difference in the lives of children and families during the holiday season. The team is proud to contribute to a program that embodies the spirit of giving and community togetherness and looks forward to continuing efforts in the future.

Donations to local VFWs



Market Equities has consistently demonstrated a strong commitment to supporting local Veterans of Foreign Wars (VFW) organizations, recognizing their vital role in advocating for and assisting veterans.

About the VFW: Founded in 1899, the VFW is a nonprofit organization dedicated to supporting veterans who have served in overseas conflicts. With a mission to promote camaraderie among veterans, the VFW provides

essential services such as advocacy for veterans' rights, assistance with benefits claims, and community outreach programs. The organization also engages in charitable activities, ensuring that veterans and their families receive the support they need.

Market Equities' Contributions:

1. **Financial Contributions:** Market Equities has made significant financial donations to local VFW posts, helping to fund essential operations and programs. These contributions support various initiatives, including veterans' assistance programs, community service projects, and advocacy efforts aimed at improving the lives of veterans and their families.
2. **Event Sponsorships:** Market Equities have proudly sponsored numerous VFW events, such as fundraising dinners, community picnics, and memorial services. These events not only raise critical funds for VFW activities but also serve as opportunities for veterans to come together, share experiences, and foster community bonds.
3. **In-Kind Donations:** Beyond financial support, Market Equities has provided in-kind donations that have proven invaluable to VFW operations. This includes supplying food and beverages for gatherings, materials for events, and promotional items that raise awareness about veteran-related initiatives.
4. **Volunteer Participation:** Market Equities team members have actively volunteered their time to assist with VFW events and programs, helping with logistics, organizing activities, and providing support during community outreach efforts. This hands-on engagement not only strengthens our relationship with local veterans but also reinforces our commitment to giving back to those who have served.
5. **Community Awareness Initiatives:** Market Equities has worked to raise awareness about the challenges faced by veterans and the essential role that VFW organizations play in addressing these issues. Through social media campaigns, newsletters, and community outreach, the team strives to foster greater understanding and encourage community involvement in veteran support efforts.
6. **Collaboration with Other Businesses:** Market Equities have also partnered with businesses to create collaborative fundraising efforts that benefit VFW posts. These partnerships help amplify the impact, ensuring that more resources are directed toward supporting veterans and their families.

Through these comprehensive efforts, Market Equities has established a strong and enduring partnership with local VFW organizations. Their commitment to honoring and supporting the brave men and women who have served our country remains unwavering and look forward to continuing this vital work in the community.

F.2 COMMITMENT TO LIVING WAGES

Market Equities strongly believes that to retain talented and dedicated staff, a company must adequately compensate its staff, therefore Market Equities will make every effort to offer as close to or more than a living wage. To compensate its employees competitively, Market Equities looked towards the Living Wage Calculator offered by the Massachusetts Institute of Technology (MIT) as well as the average/median household incomes within Santee, CA. The Living Wage Calculator uses geographically specific expenditure data related to a family's likely costs for food,

| | 1 ADULT | | | | 2 ADULTS (1 WORKING) | | | | 2 ADULTS (BOTH WORKING) | | | |
|--------------|------------|---------|------------|------------|----------------------|---------|------------|------------|-------------------------|---------|------------|------------|
| | 0 Children | 1 Child | 2 Children | 3 Children | 0 Children | 1 Child | 2 Children | 3 Children | 0 Children | 1 Child | 2 Children | 3 Children |
| Living Wage | \$29.52 | \$50.96 | \$64.91 | \$87.44 | \$38.31 | \$46.82 | \$51.82 | \$58.77 | \$19.15 | \$27.62 | \$34.79 | \$42.78 |
| Poverty Wage | \$7.24 | \$9.83 | \$12.41 | \$15.00 | \$9.83 | \$12.41 | \$15.00 | \$17.59 | \$4.91 | \$6.21 | \$7.50 | \$8.79 |
| Minimum Wage | \$16.00 | \$16.00 | \$16.00 | \$16.00 | \$16.00 | \$16.00 | \$16.00 | \$16.00 | \$16.00 | \$16.00 | \$16.00 | \$16.00 |

childcare, health insurance, housing, transportation, clothing, personal care items cost, and other necessities.

MIT Living Wage Table

The living wage uses the above elements and uses estimates of income and payroll taxes to determine the minimum employment earnings required to meet a family's basic needs while also maintaining self-sufficiency. MIT assumes that the individual works 2080 hours per year (or 40 hours per week). Furthermore, MIT created different living wages for individuals with children, and individuals who also have another adult living with them. Below are the findings from MIT for those living in in San Diego County.³

Anticipated Employee Pay Rates

Market Equities' objective is to retain loyal employees who will provide a lot of value to Market Equities customers. To ensure Market Equities retains the most talented employees, Market Equities will pay each of its team members competitively. Looking at the living wage for San Diego County, Market Equities many agents will be paid much higher than is required for living. Market Equities agents who have households with 1 adult and 0 children will make a premium of 75-136% of the recommended San Diego County living wage, and a premium of 138-250% over California's minimum wage as illustrated below.

| Position/Title | Minimum Wage to be Earned | % Of Living Wage | % Of Minimum Wage |
|------------------------------|---------------------------|------------------|-------------------|
| Retail Store Manager | \$ 40.00 | 136% | 250% |
| Shift Leader | \$ 25.00 | 85% | 156% |
| Retail Sales Associate | \$ 22.00 | 75% | 138% |
| Inventory Control Specialist | \$ 25.00 | 85% | 156% |

Market Equities will consistently monitor the overall growth of the business as well as recommended living wages to ensure wages and salaries remain competitive and meaningful for employees. Merit increases and opportunities for advancement will be offered at every opportunity.

³ <https://livingwage.mit.edu/counties/06073>

F.3 LOCAL RECRUITMENT PLAN

Hiring efforts will be customized to target local residents as it is the Market Equities team's goal to have a workforce comprised 100% of Santee area residents. The Market Equities team believes that by hiring employees who are local to the facility not only positively boosts the local economy, but also provides the type of environment that the company strives for. Typically, local employees have established relationships with others within the community and it is these types of relationships and friendliness that creates the overall family feel within a work environment.

Benefits of Local Hiring Practices

The benefits of bolstering local enterprise include, but are not limited to:

- Ensure that tax dollars are invested back into the local economy.
- Reduces the environmental impact of commuting.
- Fosters community involvement.
- Preserves local employment opportunities.

Special consideration will be given to those who are minorities, from disproportionately impacted areas, a low family income or currently receiving public assistance, a veteran, or currently struggling to find work due to cannabis related crime that could have been prosecuted as a misdemeanor or citation under current State law.

Of course, Market Equities will not allow an individual less than twenty-one years of age to work within the licensed premises or handle cannabis and/or cannabis products.

The Market Equities team is seasoned in recruitment. In many other businesses they have been able to successfully build teams of local talent and retain team members long term. While there are many strategies for recruitment, some examples may include the following:

- 🔥 Utilize local job boards and community websites for posting job openings (e.g., local Chamber of Commerce, community bulletin boards).
- 🔥 Social Media Campaigns: Leverage platforms like Facebook and Instagram to reach local audiences with targeted ads.
- 🔥 Local Job Fairs: Participate in or sponsor local job fairs and career expos to connect with potential candidates face-to-face.
- 🔥 Networking with Local Businesses: Collaborate with other local companies to share job openings and resources.

Referral Programs: Create incentives for current employees to refer local candidates.

F.4 DIRECT FINANCIAL CONTRIBUTIONS TO THE CITY

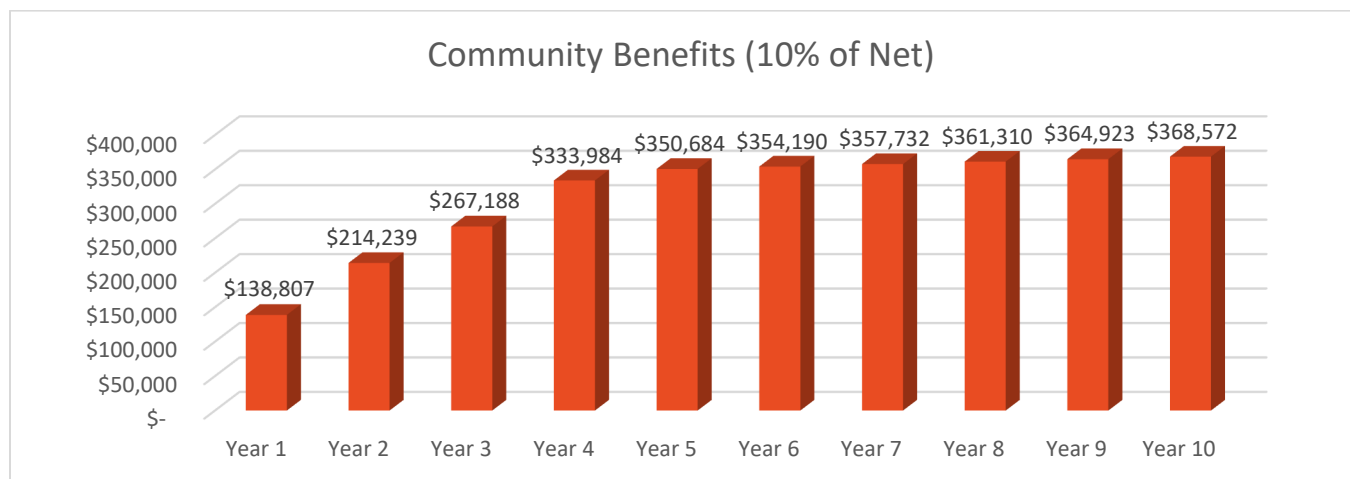
The Market Equities team has built into its financial model, financial contributions that will be re-invested within the City of Santee. The Market Equities team, as exemplified below, enjoys community engagement and supporting community efforts that in any way enrich the lives of area residents. It is for this reason that Market Equities will reserve 10% of net profits (gross sales – cost of goods sold, before expenses) to be contributed to community benefits. Based on the projected financials, the contribution would be an estimated \$138,807 in the first year of operation and grows to over \$267,000 by year 3.

These funds will be provided through a method and frequency preferred by the City and will continue through the life of the business or such time that that the City establishes a commercial cannabis tax. In accordance with SMC § 7.04.110, Prior to operating in the City and as a condition of issuance of a regulatory Permit, Market Equities will enter into a community benefit agreement with the City setting forth the terms and conditions under which Market Equities will operate that are in addition to the requirements of this Chapter, including, but not limited to, public outreach and education, community service, payment of fees and other charges as mutually agreed, and such other terms and conditions that will protect and promote the public health, safety and welfare.

F.4.A 10 Year Benefit Estimate

Based on the expected number of customers shopping with Market Equities, and our expected growth rates. We anticipated that during the first year of operation, Market Equities will donate approximately \$665,706 to Santee and the local community. In year 4, we expect this to exceed \$267,188.

Over the span of 10 years, Market Equities intends to donate approximately **\$3,111,629.00!!!!**



| Year | Community Benefits (10% of Net) |
|-------------------------------|---------------------------------|
| Year 1 | \$138,807 |
| Year 2 | \$214,239 |
| Year 3 | \$267,188 |
| Year 4 | \$333,984 |
| Year 5 | \$350,684 |
| Year 6 | \$354,190 |
| Year 7 | \$357,732 |
| Year 8 | \$361,310 |
| Year 9 | \$364,923 |
| Year 10 | \$368,572 |
| Lifetime Contributions | \$3,111,629 |

G PROPOSED LOCATION AND SITE PLAN

G.1 EXISTING SITE

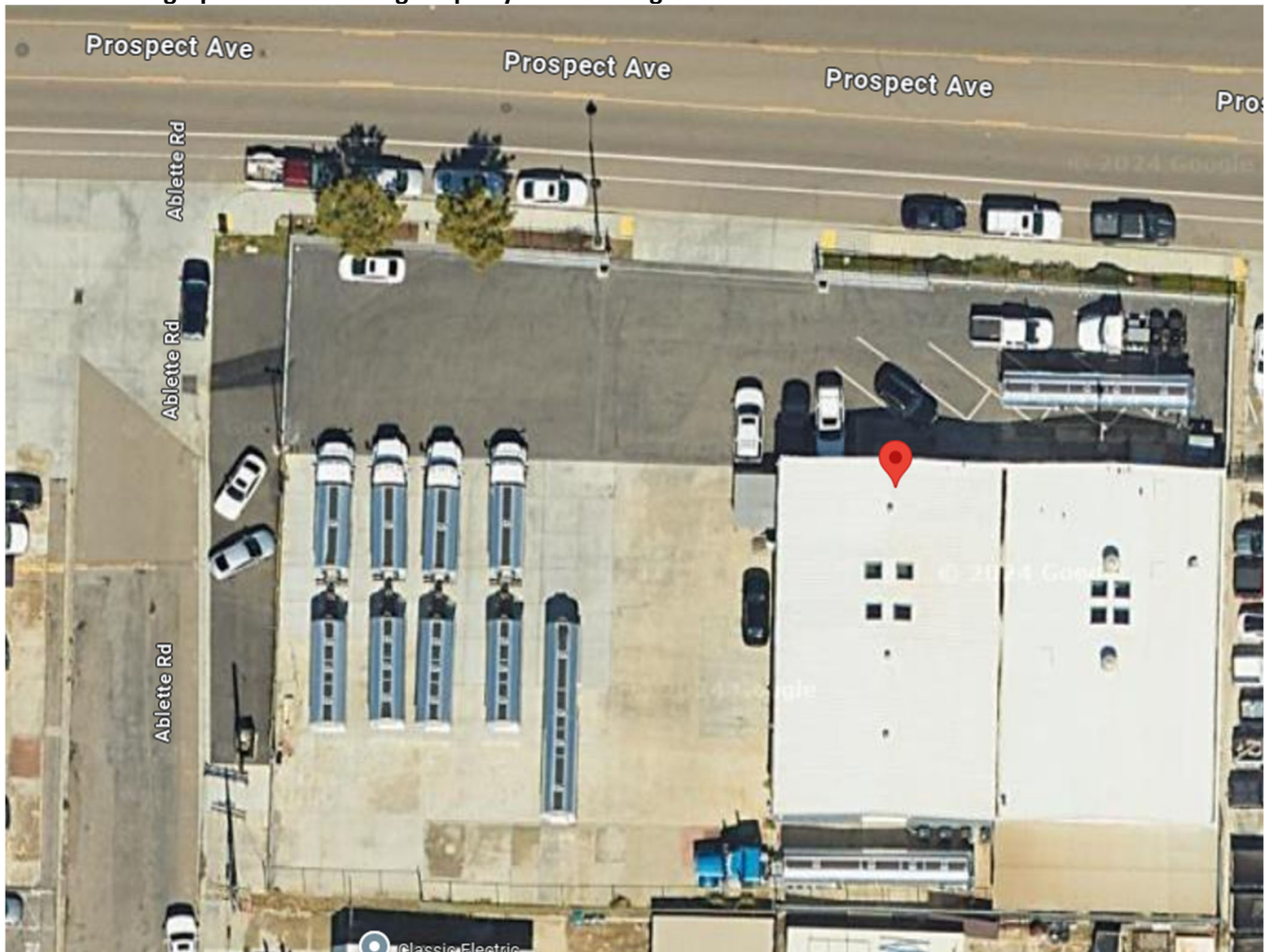
The site at 10723 Prospect Ave is an industrial property located in a light manufacturing area of Santee, California, characterized by a blend of commercial properties. The main building is a single-story structure with a modern architectural design, featuring a combination of textured stucco and decorative brick elements.

Surrounding the building is a well-kept landscaped area, complete with a variety of shrubs, flowering plants, and small trees that create a pleasant environment. The property is bordered by a security perimeter fence, enhancing site control while maintaining visibility from the street.

The parking area is conveniently located at the front of the property, with approximately 6 designated parking spaces, including an ADA accessible spot. The parking lot is paved with asphalt and lined clearly for organized vehicle placement. Access to the parking lot is provided via a wide concrete driveway that leads directly to Prospect Ave, facilitating easy entry and exit.

Pedestrian accessibility is prioritized with well-maintained sidewalks extending along the front of the property, connecting to crosswalks for safe access to neighboring businesses. The sidewalks are flanked by decorative lighting and benches, promoting a welcoming environment for visitors.

G.1.A Photographs of the Existing Property and Building



G.1.B Description of How the Site is Currently Being Used

This site consists of an industrial facility on a large lot of approximately 37,716 square feet. The property includes multiple structures such as industrial buildings and warehouses. It features a range of access points for transportation, including two mid-dock doors and two grade-level doors. The lot provides ample parking space and easy maneuverability for trucks, given its proximity to major highways, particularly Interstate 52. The site is zoned for general industrial use, with pedestrian sidewalks and access to the main road for both foot traffic and vehicles.

The site is currently used for industrial purposes, mainly housing businesses related to fuel services and metal fabrication. Lamb Fuels, a company specializing in fuel distribution and depollution services, operates from this location. The company provides various fuel products to both commercial and residential clients. Another business located on the site is Bowen & Warrego Inc., which offers metal fabrication services, including laser cutting.

At present, Lamb Fuels and Bowen & Warengo Inc. are the main businesses operating at this address. Adjacent parcels include other industrial and commercial properties, typical of the zoning in this area, contributing to the industrial character of the region

G.1.C Businesses on Adjacent Parcels:

The neighboring parcels on Prospect Avenue are likely zoned for similar industrial or commercial use. Some of the closest businesses are as follows:

JMS Interiors - JMS Interiors Inc. is a full-service interior design firm which specializes in both residential and commercial projects, offering services such as space planning, furniture selection, and color consultations.

Classic Electric - Classic Electric, is a well-established electrical contracting company serving the San Diego area for over 39 years. The company offers a wide range of electrical services, including residential and commercial wiring, rewiring and repairs, installation of outdoor lighting, security systems, and electric vehicle charging stations.

Unlimited Smog Check - Unlimited Smog Check is a reputable emissions testing facility. The shop specializes in smog checks for all vehicle types, ensuring compliance with California's stringent emissions standards.

Tint Tech Window Tinting - Tint Tech is a premier service provider specializing in automotive, residential, and commercial window tinting, as well as paint protection film (PPF) installations. Located at 10659 Prospect Ave, the business is known for its high-quality installations and a wide range of film options, including ceramic, solar, and safety films, which help block harmful UV rays and reduce heat and glare

Fytron Software - Fytron Software, specializes in cloud-based software solutions tailored for automotive machine shops. Designed by machinists for machinists, Fytron streamlines operations by providing features such as invoicing, customer management, inventory tracking, and labor guides. This comprehensive software includes over 150 labor operations, the ability to attach images and documents to invoices, and integration with QuickBooks for seamless bookkeeping

Linde Welding Store - Linde Welding Gas & Equipment Center, offers a comprehensive range of industrial and specialty gases, as well as welding and cutting supplies. Formerly known as Praxair, this facility provides equipment and consumables from reputable brands like Miller Welding, Lincoln Electric, and Hypertherm.

G.2 PROPOSED SITE

Market Equities is seeking to operate both an adult use and medical use cannabis multipurpose facility that will engage in cultivation, manufacturing, distribution, and retail activities.

Market Equities' proposed location:

1. Conforms to the City 's general plan, any applicable specific plans, master plans, and design requirements.
2. Complies with all applicable zoning and related development standards.
3. Will be constructed in a manner that minimizes odors to surrounding uses, and promotes quality design and construction, and consistency with the surrounding properties.
4. Is served by highways adequate in width and improved as necessary to carry the kind and quantity of traffic such use will generate.
5. Is provided with adequate electricity, sewerage, disposal, water, fire protection and storm drainage facilities for the intended purpose.

The facility is located at 10723 Prospect Ave. Santee, CA 92071. The proposed facility offers and existing 9,000 Sq ft building. The location provides ample parking, offering 12 dedicated spaces, 2 of which are ADA compliant, and it is on a street that will easily accommodate traffic in and out of the facility.

The proposed facility is located in an industrial area and previously served as a warehouse and transportation company. It is situated next to several other industrial based businesses such as automotive repair shops, equipment rental branch, and smog inspection center.

The facility will be fully renovated to meet the aesthetics sought by the team. However, it is not anticipated that the facility will need any major or structural changes. Further the team plans to resurface the parking areas and add drought resistant landscaping around the facility for additional curb appeal.

Below, the team has included supporting documents such as county zoning and parcel maps, site and premises diagrams, and street and ariel views of the proposed location.

In accordance with the Santee Municipal Code, Market Equities will obtain a City of Santee business license prior to commencing operations.

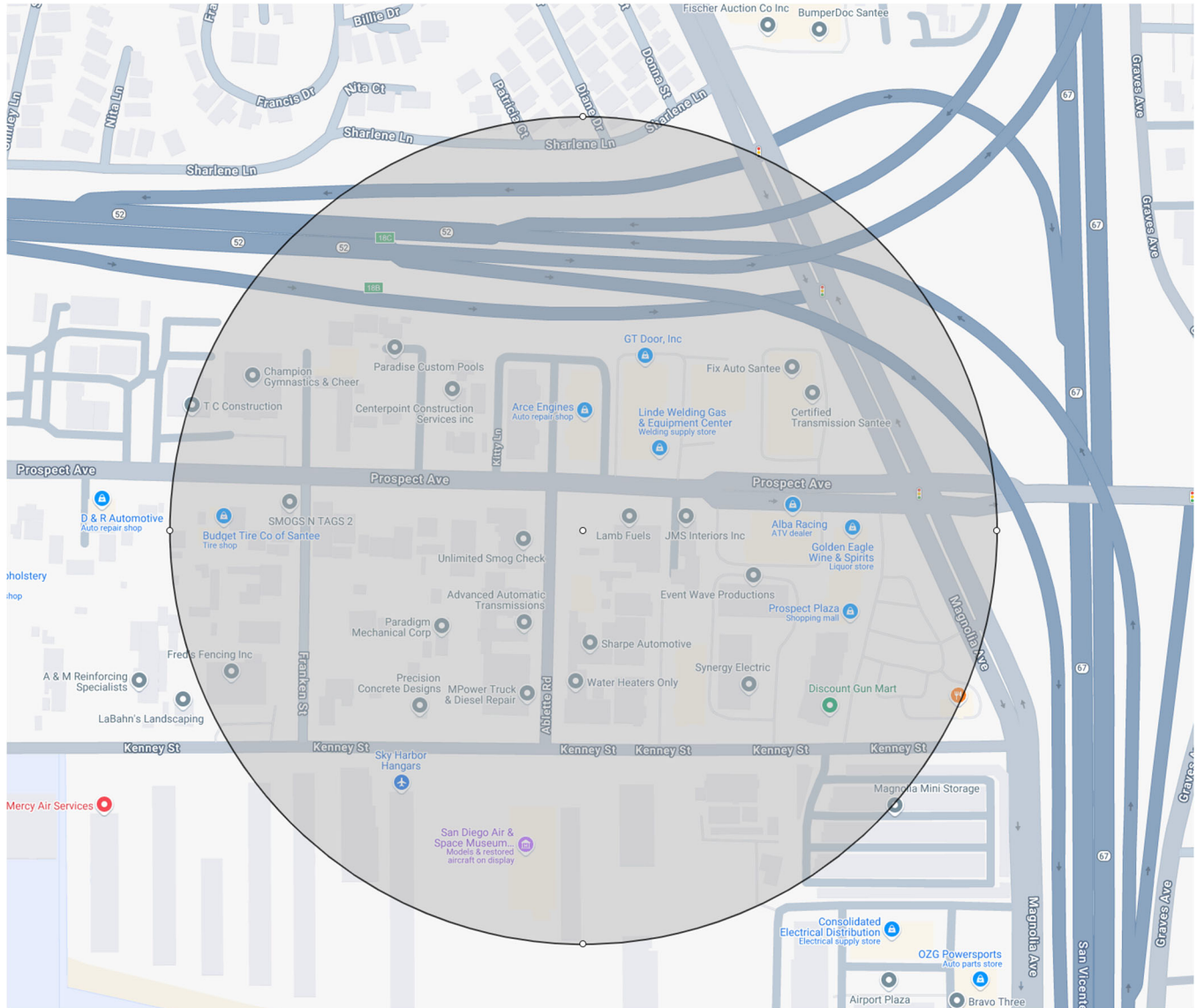
In strict compliance with SMC § 7.04.340(C), Market Equities will ensure that no cannabis, cannabis products, graphics depicting cannabis, or cannabis products is visible from the exterior of any area of Market Equities' property or from any of the vehicles owned or used as part of Market Equities' business. Further, no outdoor storage of cannabis or cannabis products will be permitted at any time.

Additionally, Market equities will limit business identification signage to that needed for identification only and will not contain any logos or information that identifies, advertises, or lists the services or the products offered. At no time will Market Equities advertise by having a person holding a sign and advertising the business to passersby, whether such person is on the premises of the cannabis business or elsewhere, including, but not limited to, the public right-of-way in accordance with SMC § 7.04.340(G)(4)

Market Equities have diligently worked to secure a facility in a location that meets the city and states requirements regarding zoning and proximity to sensitive use organizations. Additionally, the team has worked with skilled professional architects to aid in the design and layout of the facility to ensure the layout of the facility effectively and safely accommodate traffic in and out of the facility. Additional effort has been made to not only ensure the facility is outfitted with adequate security, but that the facility's overall appearance seamlessly integrates into the community.

G.2.A Sensitive Use Radius Map

In strict compliance with SMC § 7.04.290(C), Market Equities' proposed facility is not located closer than nine hundred feet from any zoned parcel in the city of Santee designated by state law as a sensitive use. The proposed facility is located at least 900 feet from any school providing instruction in any grades kindergarten (K) through twelve (12), any day care or youth center with primary youth center activities, playgrounds, or parks.



G.2.B Zoning

Market Equities wishes to operate its multipurpose cannabis facility within the city of Santee located at 10723 Prospect Ave, which is located within a General Industrial zone, which permits cannabis retail use in accordance with SMC § 7.04.290(B).

The team has submitted its application for a zoning verification letter from the City of Santee – Planning Division. The team is confident that the City will determine that the property satisfies all zoning and sensitive use requirements. As evidence to include with this exhibit, the team has supplied the property report showing the zoning classification.

**PARCEL REPORT**

PARCEL #: 3842610600

PROPERTY INFORMATION:**Property Address:**

10723 PROSPECT AVE SANTEE, CA, 92071-4536

Legal Description:

BLK 22*LOT 1*POR*

Planning Areas:

Census Tract: 162.02

Subregional Area: EL CAJON

Major Statistical Area: EAST SUBURBAN

Community Planning Area: -

Land Use:

Existing (LU): 2101 Industrial Park

Planned (PLU) 2101 Industrial Park

**PARCEL REPORT**

PARCEL #: 3842612300

PROPERTY INFORMATION:**Property Address:**

10723 PROSPECT AVE SANTEE, CA, 92071-4536

Legal Description:

BLK 22*LOT 1*DOC63-44517&DOC79-72391 IN\

Planning Areas:

Census Tract: 162.02

Subregional Area: EL CAJON

Major Statistical Area: EAST SUBURBAN

Community Planning Area: -

Land Use:

Existing (LU): 2101 Industrial Park

Planned (PLU) 2101 Industrial Park

G.3 IMPACT TO SURROUNDING AREA

Market Equities' proposed modifications for cannabis retail activity could have a multifaceted impact on public health, safety, welfare, environmental quality, and quality of life in the surrounding area.

G.3.A Public Health

In terms of public health, the establishment of a regulated cannabis retail outlet stands to significantly enhance access to quality-controlled products, ultimately benefiting both consumers and the community at large. These products will undergo stringent testing protocols for contaminants such as pesticides, heavy metals, and microbial impurities, substantially reducing health risks compared to items sourced from the illicit market, which often lack any oversight. This commitment to quality not only safeguards consumers but also fosters trust in the legal cannabis system.

Moreover, Market Equities will prioritize the provision of educational resources focused on responsible cannabis use. By offering detailed information on dosage guidelines, potential interactions, and safe consumption practices, the retail operation can empower consumers to make informed choices. This proactive approach can help minimize the risks associated with overconsumption, particularly important for new users or those with specific health concerns.

In addition to catering to recreational consumers, the retail outlet will play a crucial role in supporting medical cannabis access. By providing products tailored to the needs of patients with various health conditions—such as chronic pain, anxiety, and PTSD—the retail operation can significantly enhance community health outcomes. Special attention will be given to vulnerable populations, including military veterans and seniors, who may benefit from cannabis for its medicinal properties. By facilitating their access to safe, reliable products and fostering an environment of education and support, the retail outlet will contribute positively to the overall well-being of the community, promoting healthier choices and improving quality of life.

G.3.B Safety & Security

Market Equities is committed to fostering a safe and secure environment through the implementation of enhanced security measures. This includes the installation of advanced surveillance systems and the hiring of well-trained security personnel. These initiatives are designed not only to deter criminal activity but also to elevate the overall sense of safety in the surrounding community.

Feedback from local business owners and residents has been overwhelmingly positive. Many have expressed gratitude for the presence of the cannabis retail location, noting that the rigorous security protocols have effectively mitigated various community issues. By maintaining a vigilant and responsive security presence, Market Equities has created an atmosphere where residents feel more secure, ultimately benefiting the neighborhood as a whole.

Furthermore, Market Equities is dedicated to fostering strong partnerships with local law enforcement agencies. This collaboration will further enhance security measures, enabling a proactive approach to address any potential crime concerns that may arise from cannabis sales. Regular communication and joint training exercises with law enforcement can also facilitate rapid response to incidents, ensuring a safer environment for all.

In addition to security, Market Equities recognizes the importance of traffic management in promoting safety around the retail site. By implementing designated drop-off zones and enhancing signage, the company aims to alleviate congestion and improve the flow of both vehicle and pedestrian traffic. These strategies not only reduce the risk of accidents but also create a more inviting atmosphere for customers and residents alike.

Through these comprehensive safety and traffic management initiatives, Market Equities is dedicated to creating a secure, accessible, and welcoming environment that contributes positively to the community.

G.3.C Welfare

From a welfare perspective, the establishment of Market Equities retail locations has the potential to significantly stimulate local economic growth. By creating direct job opportunities within the store, such as sales associates, managers, and customer service representatives, Market Equities contributes to reducing unemployment rates in the area. Moreover, this increase in employment extends beyond the store itself; it positively impacts related sectors, including logistics, transportation, and security services. For example, the demand for secure transport of products can lead to the creation of jobs in delivery and distribution, while the need for in-store security personnel can generate further employment opportunities.

Additionally, the tax revenue generated from cannabis sales can play a crucial role in enhancing public welfare. These funds can be reinvested into essential public services such as education, healthcare, and public safety. Improved infrastructure, such as better roads and public transportation, can be funded through these revenues, thereby benefiting the entire community. Furthermore, investment in community programs—ranging from recreational activities for youth to support services for families—can enhance the quality of life for residents.

Market Equities is also committed to actively engaging with the local community. By sponsoring local events—such as fairs, festivals, and sports leagues, the company fosters a sense of community spirit and connection among residents. Collaborating with nearby businesses for joint promotions or community outreach initiatives can create a more supportive local economy, encouraging consumers to shop locally and further stimulating economic activity. These efforts not only enhance the visibility of Market Equities as a community-oriented business but also promote social cohesion and collective growth.

Overall, the presence of Market Equities retail locations can serve as a catalyst for local economic development, enriching the community through job creation, increased tax revenue, and active participation in community initiatives, all of which contribute to a more vibrant and resilient local economy.

G.3.D Environmental Quality

Market Equities is committed to adopting sustainable construction practices that significantly reduce the environmental impact of its retail outlets. By utilizing eco-friendly materials, such as recycled or sustainably sourced products, the company can minimize the carbon footprint associated with construction. Furthermore, integrating energy-efficient systems—such as LED lighting, solar panels, and high-performance HVAC units—will not only lower energy consumption but also decrease long-term operational costs.

In addition to sustainable construction, implementing robust waste management practices is crucial. By introducing comprehensive recycling and composting programs, Market Equities can divert a significant amount of waste from landfills, thereby promoting a circular economy. These initiatives will not only reduce waste but also encourage community participation in environmental stewardship, fostering a culture of sustainability.

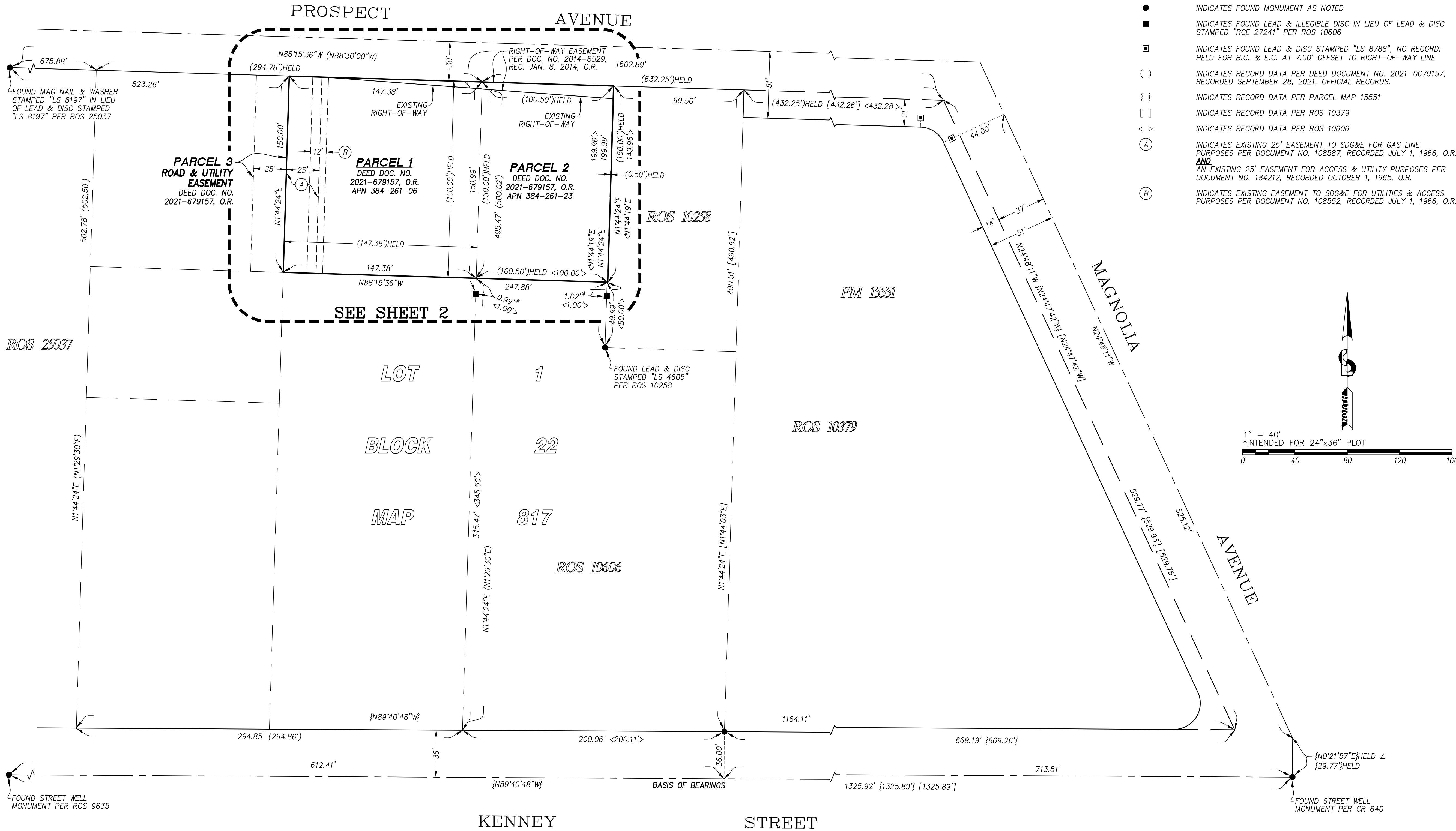
Moreover, Market Equities recognizes the importance of collaboration with suppliers. By encouraging suppliers to adopt environmentally responsible growing practices, such as organic farming and sustainable sourcing, the company can enhance the overall ecological footprint of its supply chain. This commitment not only benefits the environment but also supports local communities by promoting sustainable agriculture and reducing reliance on harmful chemicals.

By prioritizing these sustainable practices, Market Equities aims to create a positive impact on both the environment and the community. This holistic approach not only aligns with the growing consumer demand for sustainability but also positions the company as a leader in responsible retail development.

In summary, while Market Equities' cannabis retail proposal has the potential to offer significant benefits in terms of public health, safety, welfare, environmental quality, and quality of life, it's essential to approach the implementation thoughtfully. Engaging with the community and addressing concerns proactively will be key to fostering a positive relationship between the retail operation and the surrounding area.

BOUNDARY & LINES OF OCCUPATION SURVEY
10723 PROSPECT AVENUE, SANTEE, CA 92071
APN: 384-261-06 AND 384-261-23

SHEET 1 OF 2



LEGEND

- INDICATES SURVEYED DEED BOUNDARY LINE
- INDICATES RIGHT OF WAY LINE
- INDICATES LOT LINE
- INDICATES FOUND MONUMENT AS NOTED
- INDICATES FOUND LEAD & DISC IN LIEU OF LEAD & DISC STAMPED "RCE 27241" PER ROS 10606
- INDICATES FOUND LEAD & DISC STAMPED "LS 8788", NO RECORD; HELD FOR B.C. & E.C. AT 7.00' OFFSET TO RIGHT-OF-WAY LINE
- INDICATES RECORD DATA PER DEED DOCUMENT NO. 2021-0679157, RECORDED SEPTEMBER 28, 2021, OFFICIAL RECORDS.
- INDICATES RECORD DATA PER PARCEL MAP 15551
- INDICATES RECORD DATA PER ROS 10379
- INDICATES RECORD DATA PER ROS 10606
- INDICATES EXISTING 25' EASEMENT TO SDG&E FOR GAS LINE PURPOSES PER DOCUMENT NO. 108587, RECORDED JULY 1, 1966, O.R.
- AND AN EXISTING 25' EASEMENT FOR ACCESS & UTILITY PURPOSES PER DOCUMENT NO. 184212, RECORDED OCTOBER 1, 1965, O.R.
- INDICATES EXISTING EASEMENT TO SDG&E FOR UTILITIES & ACCESS PURPOSES PER DOCUMENT NO. 108552, RECORDED JULY 1, 1966, O.R.

LEGAL DESCRIPTION

PARCEL 1:
THE EASTERLY 147.38 FEET OF THE NORTH 150.00 FEET OF ALL THAT PORTION OF LOT 1 IN BLOCK 22 OF THE SUBDIVISION OF LOTS "H" AND "O" OF RANCHO EL CAJON, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 817, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, AUGUST 2, 1896, DESCRIBED AS FOLLOWS:

NOTE: FOR FULL DESCRIPTION OF PARCEL 1, SEE GRANT DEED DOCUMENT NO. 2021-0679157, RECORDED SEPTEMBER 28, 2021, O.R.

APN: 384-261-06-00

PARCEL 2:
ALL THAT PORTION OF LOT 1 IN BLOCK 22 OF THE SUBDIVISION OF LOTS "H" AND "O" OF THE RANCHO EL CAJON, IN THE CITY OF SANTEE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 817, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, APRIL 2, 1896, DESCRIBED AS FOLLOWS:

NOTE: FOR FULL DESCRIPTION OF PARCEL 2, SEE GRANT DEED DOCUMENT NO. 2021-0679157, RECORDED SEPTEMBER 28, 2021, O.R.

APN: 384-261-23-00

PARCEL 3:
AN EASEMENT AND RIGHT OF WAY FOR ROAD, SEWER, WATER, GAS, POWER AND TELEPHONE LINES AND APPURTENANCES THERETO OVER, UNDER, ALONG AND ACROSS THE WESTERLY 25.00 FEET OF THE EASTERLY 147.38 FEET OF THE NORTHERLY 150.00 FEET OF ALL THAT PORTION OF LOT 1 IN BLOCK 22 OF THE SUBDIVISION LOTS "H" AND "O" OF RANCHO EL CAJON, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 817, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, AUGUST 2, 1896, DESCRIBED AS FOLLOWS:

NOTE: FOR FULL DESCRIPTION OF PARCEL 3, SEE GRANT DEED DOCUMENT NO. 2021-0679157, RECORDED SEPTEMBER 28, 2021, O.R.

CURRENT VESTED OWNER

THE CURRENT VESTED OWNER AT THE DATE OF THIS SURVEY IS:

DLAREME INC., A CALIFORNIA CORPORATION; PER GRANT DEED DOCUMENT NO. 2021-0679157, RECORDED SEPTEMBER 28, 2021, OFFICIAL RECORDS.

UTILITY NOTE

THE LOCATIONS OF UNDERGROUND UTILITIES AS SHOWN HEREON ARE BASED ON VISIBLE ABOVE GROUND STRUCTURES AND RECORD DRAWINGS PROVIDED TO THE SURVEYOR. THE DEPICTED LOCATIONS, SIZES AND TYPES OF UNDERGROUND UTILITIES/STRUCTURES MAY VARY FROM THE RECORD DRAWINGS AND/OR ACTUAL AS-BUILT LOCATIONS. ADDITIONAL BURIED UTILITIES/STRUCTURES MAY BE ENCOUNTERED. NO EXCAVATIONS WERE MADE DURING THE PROGRESS OF THIS SURVEY TO LOCATE BURIED UTILITIES/STRUCTURES.

COFFMAN LAND CONSULTING AND THE UNDERSIGNED LAND SURVEYOR MAKE NO CLAIM AS TO THE ACCURACY OF UNDERGROUND UTILITIES SHOWN HEREON. THE USER OF THIS SURVEY IS RECOMMENDED TO CONDUCT INDEPENDENT PHYSICAL INSPECTION OF EACH UNDERGROUND UTILITY PRIOR TO EXCAVATION OR CONSTRUCTION.

SURVEYOR'S NOTES

FOR FULL BOUNDARY PROCEDURE OF SURVEY, SEE RECORD OF SURVEY THAT IS CURRENTLY PENDING WITH THE COUNTY OF SAN DIEGO.

DATE OF SURVEY

TOPOGRAPHIC DATA AND PLANIMETRICS SHOWN HEREIN WAS OBTAINED BY TRADITIONAL GROUND SURVEY FIELD DATA COLLECTION METHODS.

DATE OF FIELD SURVEY: JANUARY 21, 2025

BASIS OF BEARINGS

THE BASIS OF BEARINGS FOR THIS SURVEY IS THE CENTER LINE OF KENNEY STREET AS SHOWN ON PARCEL MAP NO. 15551.

I.E. N89°40'48"W

SURVEYOR'S CERTIFICATION

THIS PLAT WAS PREPARED BY ME OR UNDER MY DIRECTION IN CONFORMANCE WITH THE PROFESSIONAL LAND SURVEYORS ACT.



RICHARD J. COFFMAN
PROFESSIONAL LAND SURVEYOR NO. 9312, DATE
JANUARY 22, 2025
EXP. 9/30/2026

APN: 384-261-06 AND 384-261-23

— INDICATES DEED LINE

INDICATES FOUND LEAD & ILLEGIBLE DISC IN LIEU
OF LEAD & DISC STAMPED "RCE 27241" PER ROS
10606

INDICATES WATER METER

INDICATES ELECTRIC VAULT

INDICATES POWER POLE

INDICATES GUY WIRE

INDICATES GAS METER

INDICATES CONCRETE BOLLARD

INDICATES SEWER CLEANOUT

INDICATES UNKNOWN

UTILITY VAULT

INDICATES WATER
BLOW OFF VALVE

INDICATES STREET LIGHT

INDICATES FIRE HYDRANT

— INDICATES 9' TALL

CHAINLINK FENCE
/ INDICATES BUILDING FOOTPRINT
- AT GROUND LEVEL

AVENUE

RIGHT-OF-WAY EASEMENT
PER DOC. NO. 2014-8529,
REC. JAN. 8, 2014, O.R.

DRIVEWAY ENTRANCE

RIGHT-OF-WAY EASEMENT
PER DOC. NO. 2014-8529,
REC. JAN. 8, 2014, O.R.

**PARCEL 3 -
ROAD & UTILITY
EASEMENT**
DEED DOC. NO.
2021-679157, O.R.

PARCEL 1
DEED DOC. NO.
2021-679157, O.R.
APN 384-261-06

PARCEL 2
DEED DOC. NO.
2021-679157, O.R.
APN 384-261-23

"BOWEN & WARENGO, INC."
1-STORY COMMERCIAL
WAREHOUSE/BUILDING
10723 PROSPECT AVENUE

1" = 10'
*INTENDED FOR 24"x36" PLOT

COFFMAN LAND 

JN:25007 COFFMAN LAND CONSULTING, INC. (760) 520-4340
9666 BUSINESSPARK AVE. SUITE 106, SAN DIEGO, CA 92131

NOTE:
FOR DETAIL SITE INFORMATION AND
MEASUREMENTS/ SIDE WWORK,
BOUNDARIES SEE SHEET 1&2 OF
THE SURVEY



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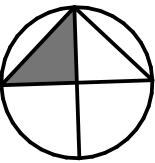
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Studio Munaim
4690 BIONA DR.
SAN DIEGO, CA 92116
PH. 619 220 8311

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10723 PROSPECT AVE.
SANTEE, CA. 92071
APN: 384 - 261- 23-00 & 384-261-06-00



AS BUILT SITE PLAN



SCALE: 1" = 10'

SITE IMAGES

1



2



3



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DATE: OCT 23, 2024

PROJECT #

DRAWING :

SHEET TITLE

AS-BUILT SITE PLAN

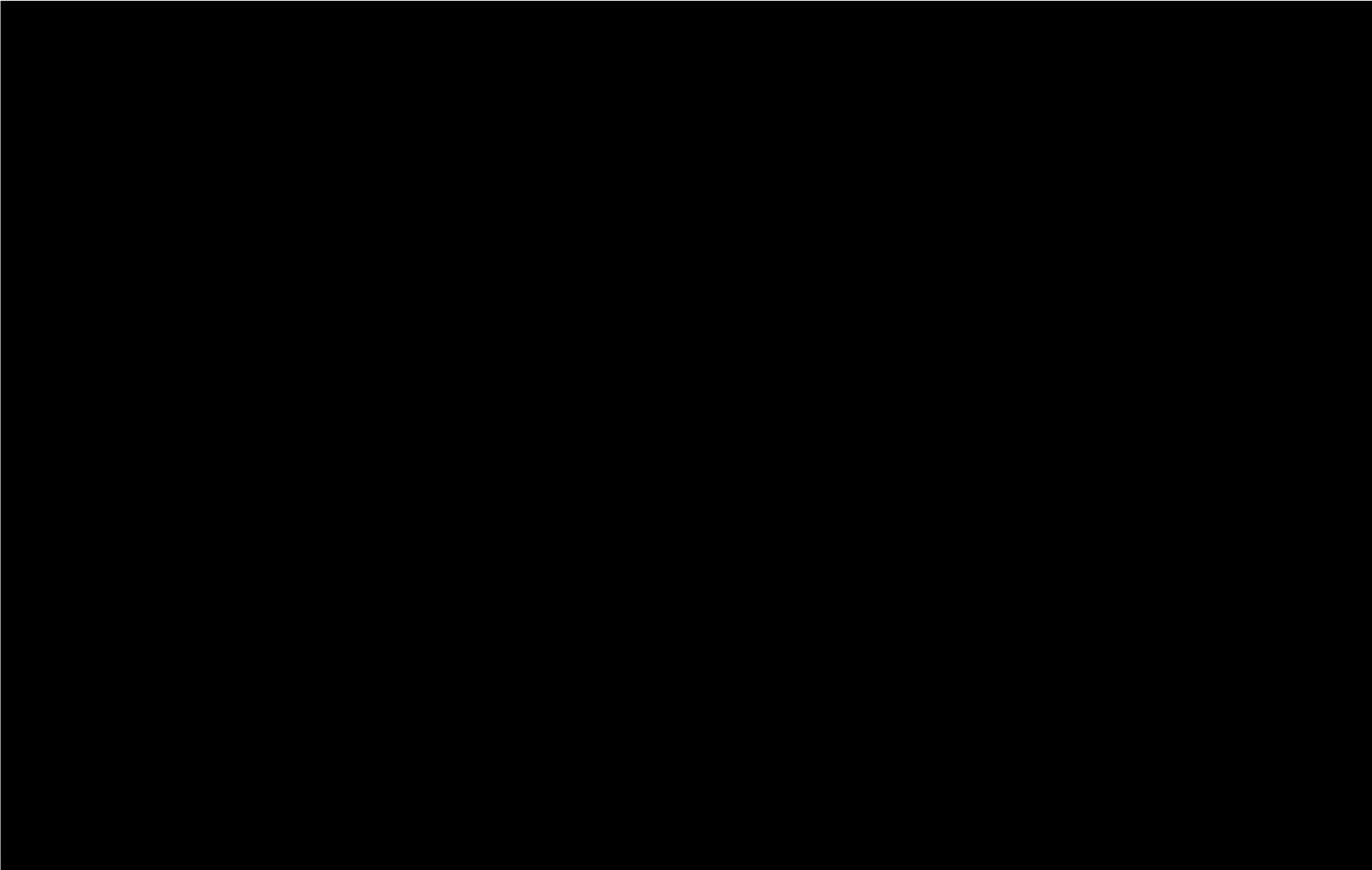
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A-01

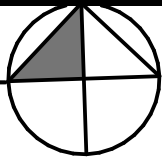
SHEET 4

OF 13

NOTE:
FOR DETAIL SITE INFORMATION AND
MEASUREMENTS/ SIDE WWORK,
BOUNDARIES SEE SHEET 1&2 OF
THE SURVEY



PROPOSED SITE PLAN



SCALE: 1" = 10'

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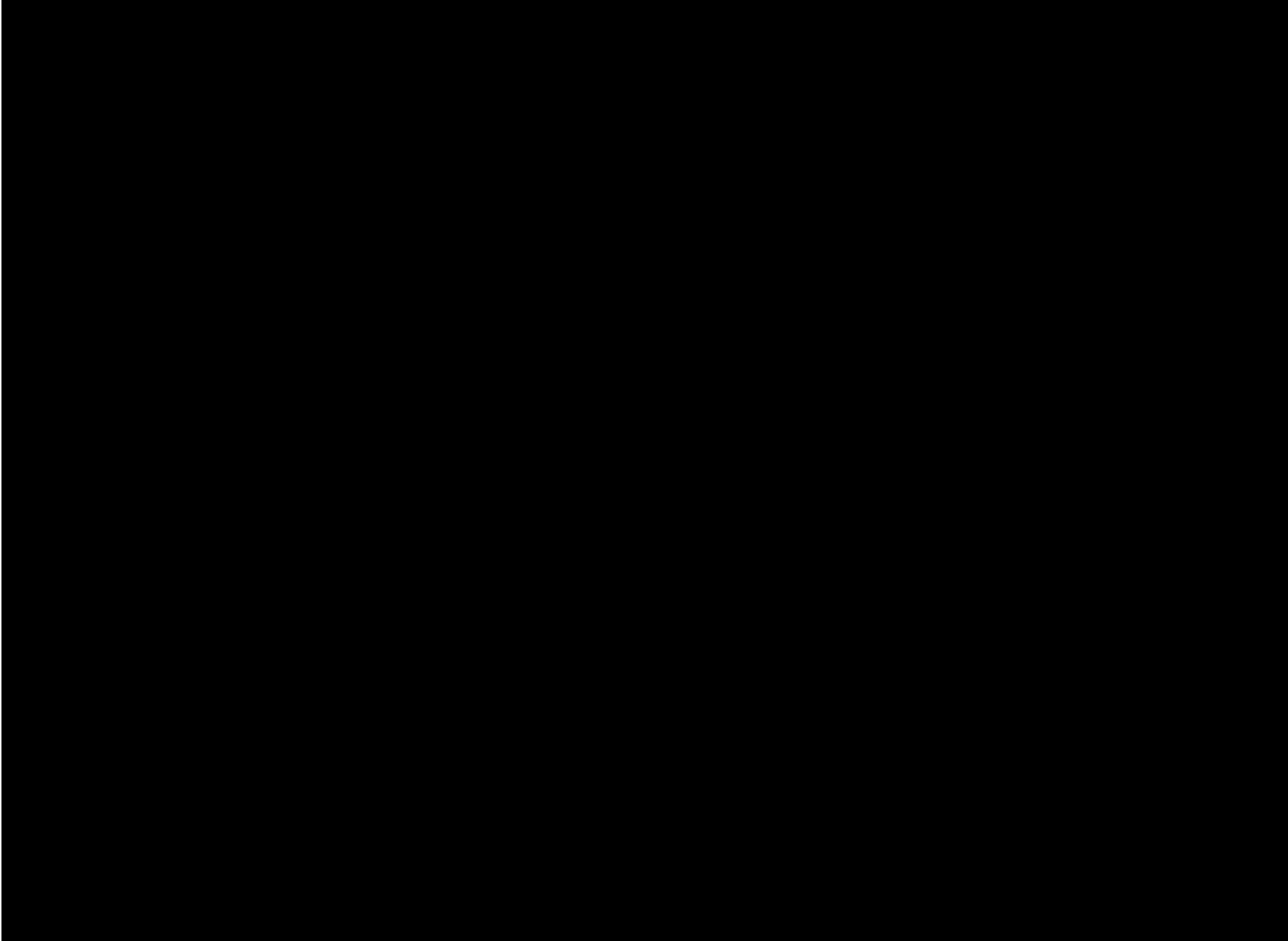
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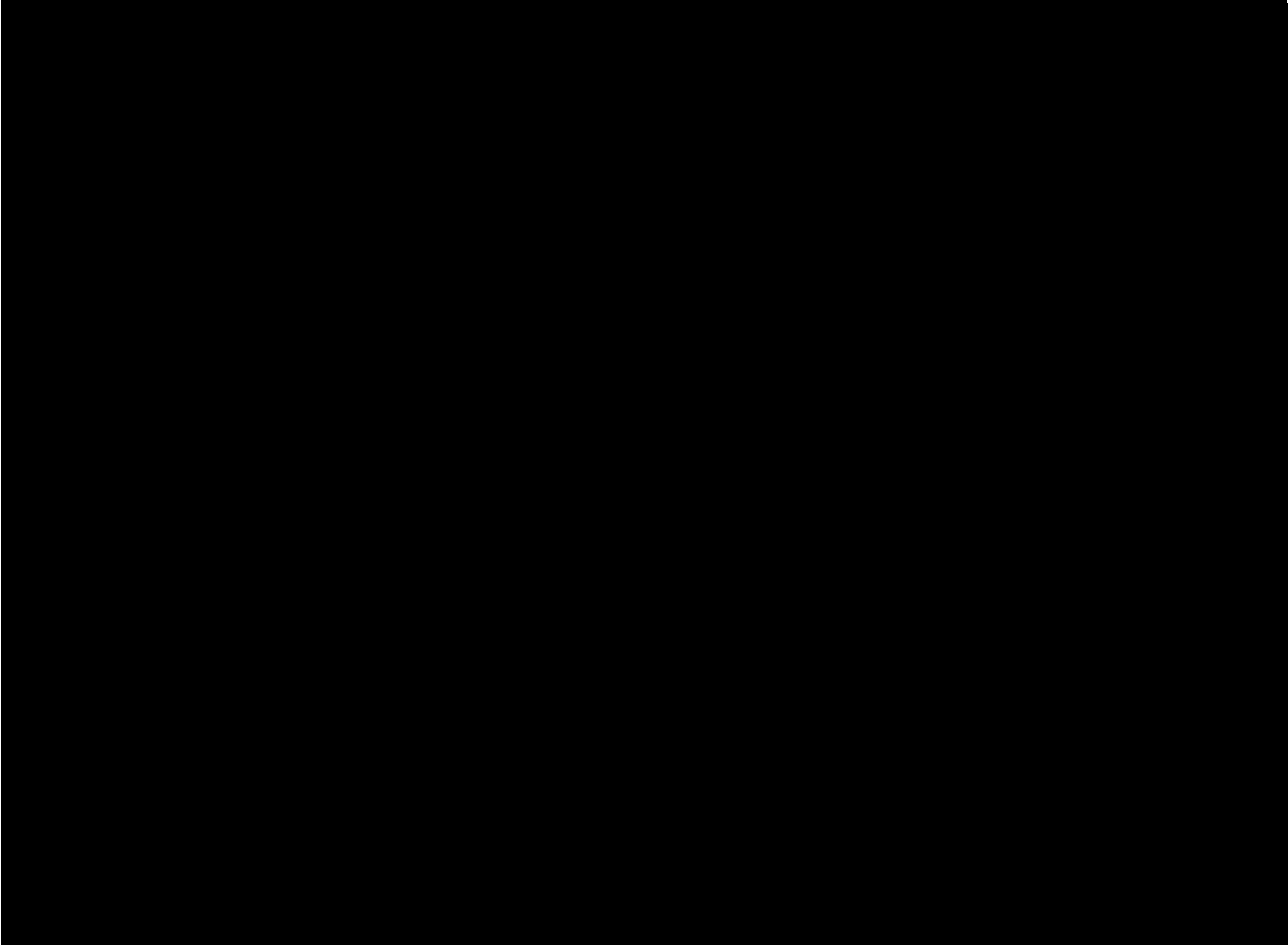
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| DATE: OCT 23, 2024 |
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| SHEET TITLE |
| PROPOSED SITE PLAN |
| SHEET NO. |
| A-01.2 |
| SHEET 5 OF 13 |



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| DRAWN BY: HFM | | |
| DATE: OCT 23, 2024 | | |
| PROJECT # DRAWING : | | |
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| EXISTING FLOOR / ROOF PLAN | | |
| SHEET NO. | | |
| A-02 | | |
| SHEET 6 | OF 13 | |



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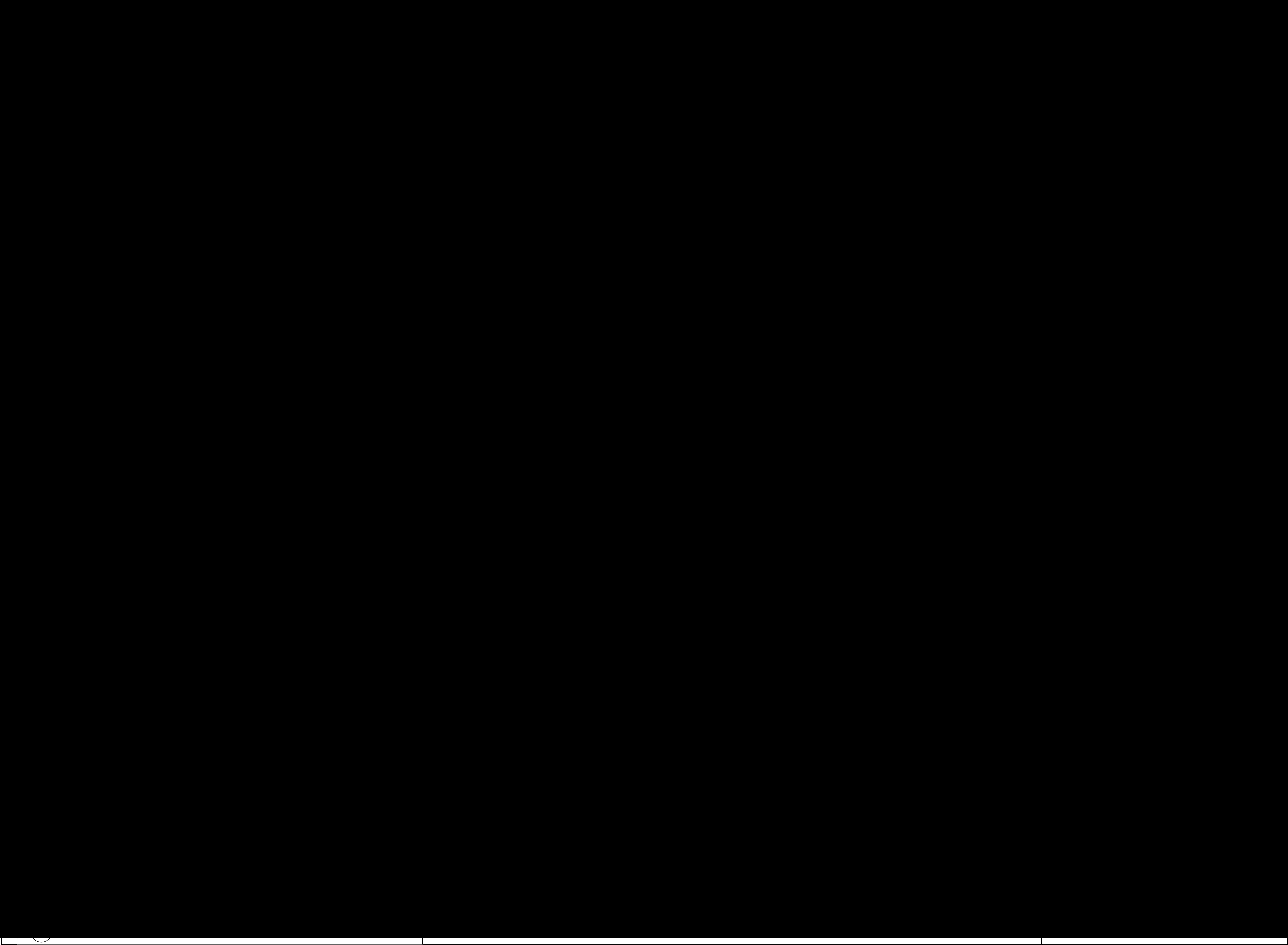
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| DATE: OCT 23, 2024 | |
| PROJECT # DRAWING : | |
| SHEET TITLE DEMO / PROPOSED FLOOR PLAN/ IMAGES | |
| SHEET NO. A-03 | |
| SHEET 7 | OF 13 |



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| DATE: OCT 23, 2024 | |
| PROJECT # DRAWING : | |
| SHEET TITLE | |
| ACCESSABILITY FLOOR PLAN/ DETAILS | |
| SHEET NO. | |
| A-04 | |
| SHEET 8 | OF 13 |

1-24-2022



1000 La Jolla Village Drive, Suite 100,
San Diego, CA 92104

1000 La Jolla Village Drive, Suite 100,
San Diego, CA 92104

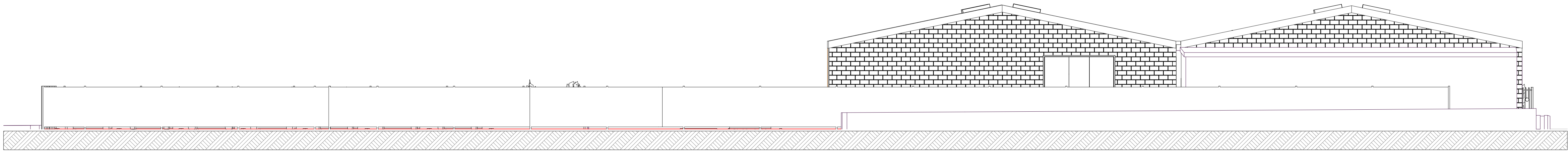
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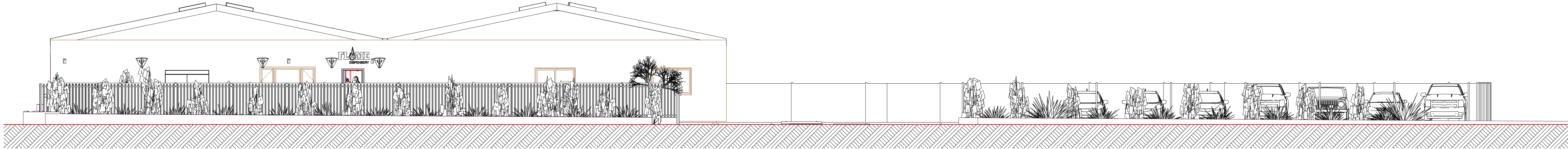
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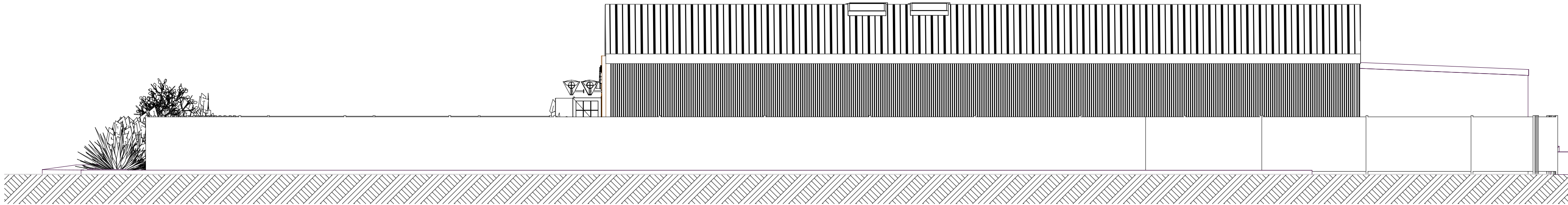
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San Diego, CA 92104



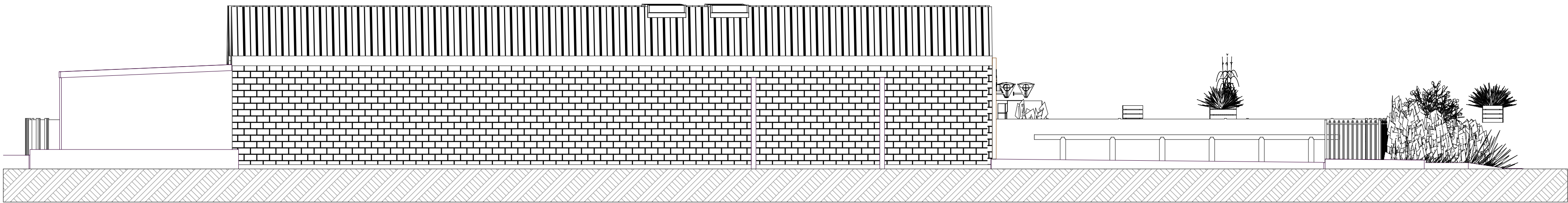
SOUTH ELEVATION
SCALE: 1/8" = 1'-0"



NORTH ELEVATION
SCALE: 1/8" = 1'-0"



WEST ELEVATION
SCALE: 1/8" = 1'-0"



EAST ELEVATION
SCALE: 1/8" = 1'-0"

PROPOSED FLAME PARKING



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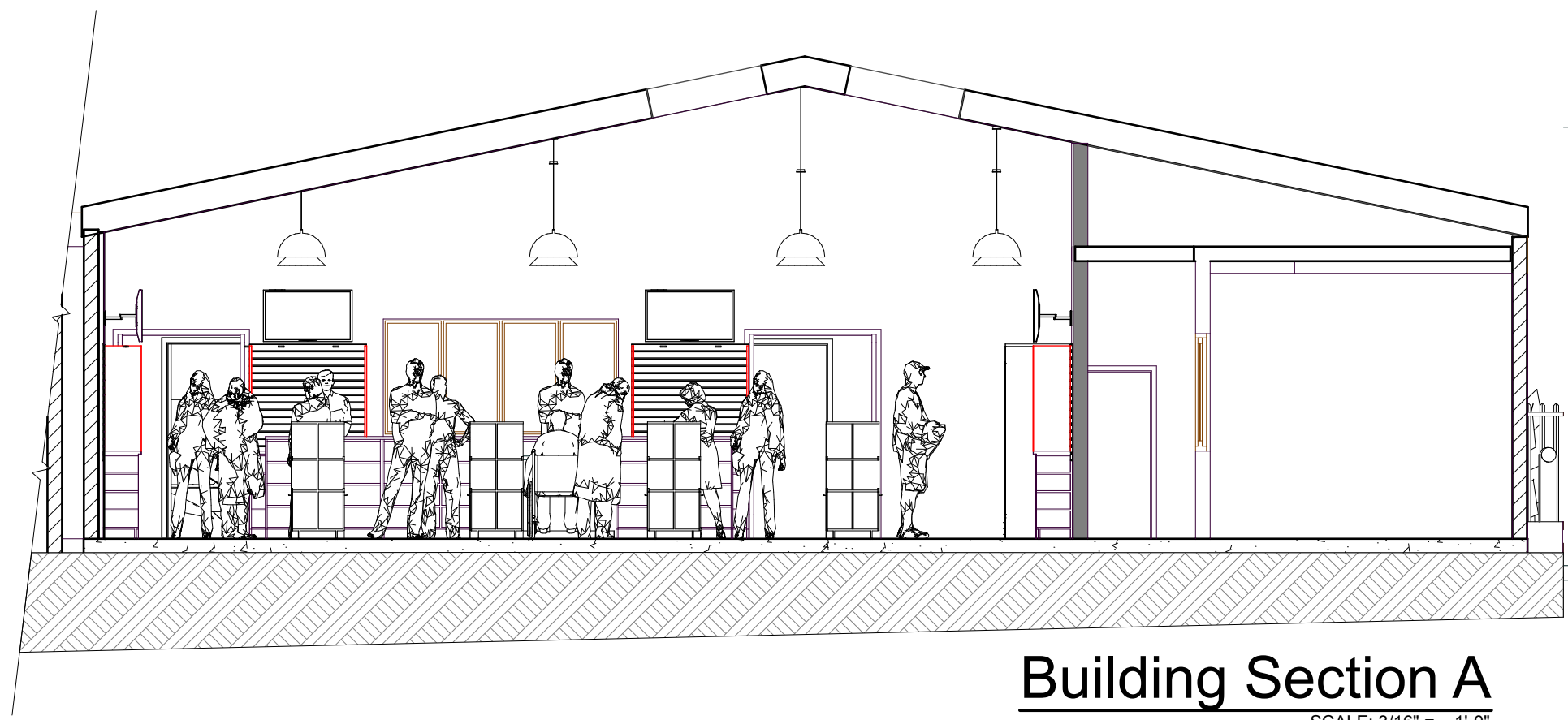
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SHEET TITLE
EXTERIOR ELEVATION

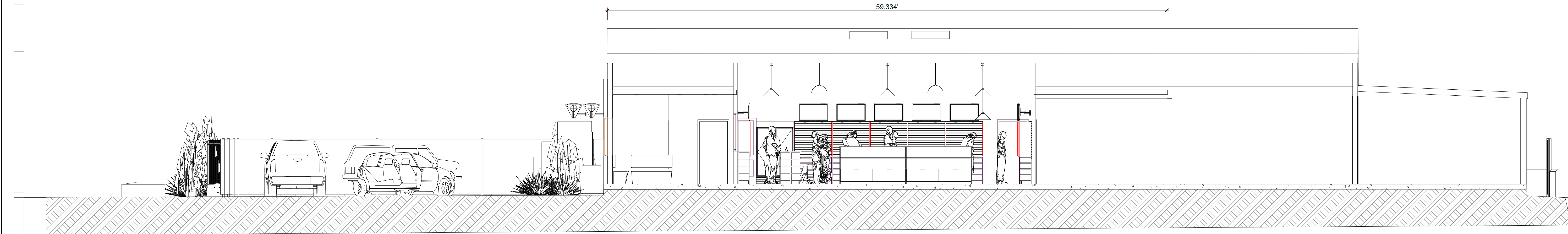
SHEET NO.
A-05



FLAME RENDERING



Building Section A
SCALE: 3/16\"/>



Building Section B
SCALE: 3/16\"/>

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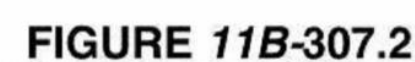
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| PROJECT # |
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| SHEET TITLE |
| BUILDING SECTIONS/ RENDERING |
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| A-06 |
| SHEET 11 OF 13 |



OBSTRUCTED HIGH FORWARD REACH



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APN: 384 - 261- 23-00 &
384-261-06-00

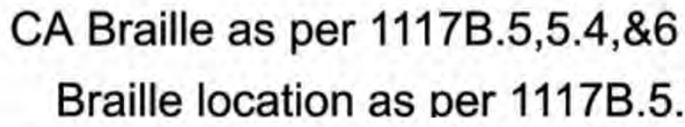


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| DRAWN BY: HFM |
| DATE: OCT 23, 2024 |
| PROJECT # |
| DRAWING : |
| SHEET TITLE |
| TYPICAL ADA DETAILS/ RENDERING |
| SHEET NO. |
| A-07.1 |

SHEET 12 OF 13



**FIGURE 11B-703.3.1
BRAILLE MEASUREMENT**



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APN: 384 - 261- 23-00 &
384-261-06-00



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DATE: OCT 23, 2024

PROJECT #
DRAWING

SHEET TITLE

TYPICAL ADA DETAILS

SHEET NO.

A-07.2

SHEET 13 OF 13

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: October 17th, 2024

I hereby agree to the following terms:

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

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

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".

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

Applicant(s)/Owner(s):

Sarmad Hayawi

Printed Name

Amar Salim

Printed Name

Printed Name

Printed Name

Printed Name

Signature

Signature

Signature

Signature

Signature

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

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

local laws by the cannabis business or any of its officers, employees or agents, except where such liability is caused by the sole negligence or willful misconduct of the City.

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.

C. OBLIGATIONS INDEPENDENT OF AWARD OF PERMIT, LICENSE, OR ENTITLEMENTS

The obligations under this Agreement shall apply regardless of whether a cannabis business permit or any related permits or entitlements are issued.

D. OBLIGATIONS SURVIVE EXPIRATION OF PERMIT, LICENSE, OR ENTITLEMENTS

The obligations under this Agreement shall survive the expiration of any cannabis business permit or related permit or entitlement issued by the City. No modification of the permit, other approval, change in applicable laws and regulations, or change in processing methods shall alter the applicant's indemnity obligation.

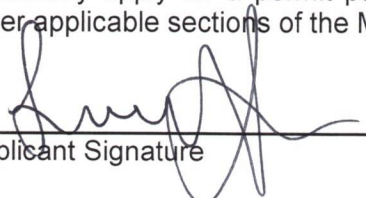
E. PROSECUTION UNDER FEDERAL LAW

I understand that I, other applicants, owners, operators, employees, and members of the cannabis business may be subject to prosecution under Federal Laws.

F. AUTHORIZED TO SIGN

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.

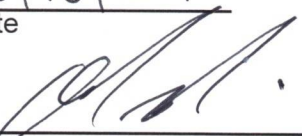

Applicant Signature

Sarmad Hayawi - Chief Executive Officer
Printed Name and Title

Market Equities LLC
Name of Business Entity

10723 Prospect Ave. Santee, CA 92071
Address of Permitted Location

10/18/24
Date


Applicant Signature

Amar Salim - Chief Financial Officer
Printed Name and Title

Market Equities LLC
Name of Business Entity

10723 Prospect Ave. Santee, CA 92071
Address of Permitted Location

10-18-24
Date

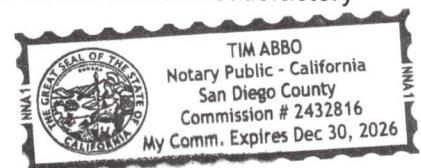
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Diego

Subscribed and sworn to (or affirmed) before me on this 18th day of October, 2024, by Sarmad Hayawi, Amar Salim, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature 

(Seal)



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



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:

| | | | |
|-------------------------------|--------|-------|-------|
| 10723 Prospect Ave | Santee | CA | 92071 |
| Street | City | State | Zip |
| 384-261-23-00 & 384-261-06-00 | | | |
| 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:

- ☒ 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.
- ☒ I acknowledge that the proposed commercial cannabis business Market Equities LLC
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)

☒ I agree to comply with all applicable City Ordinances and State Laws.

SIGNATURE OF PROPERTY OWNER(S):

Amad Attisha

PRINTED NAME OF PROPERTY OWNER(S)

SIGNATURE 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 ____ day of _____, 20____, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me see attached.

**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.*

CALIFORNIA JURAT

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 Diego }

Subscribed and sworn to (or affirmed) before me on this 23 day of October, 2024
Date Month Year

by Amad Attisha

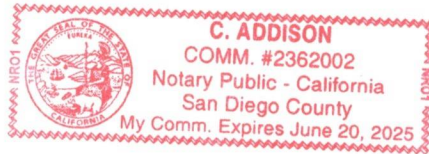
Name of Signers

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature: _____

Signature of Notary Public

C. Addison - Notary Public exp: 6/20/2025



Seal

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent attachment of this form to an unintended document.

City of San Jose

Description of Attached Document

Title or Type of Document: Property Owner Consent / Landlord Affidavit

Document Date: 10-23-2024

Number of Pages: 01

Signer(s) Other Than Named Above: NONE

10/18/2024



To whom it may concern,

This letter is confirmation that below entity and address is insurable for property and liability coverage. Please reach out if there are any additional questions

Entity Name: Market Equities

Address: 10723 Prospect Ave, Santee, CA, 92071

Thank you,

A handwritten signature in black ink, appearing to be "JJ" or a stylized "Jesse".

Jesse Jurado, Owner
Sugarleaf Insurance Services

24810 Washington Ave Murrieta, CA 92562
951 834 3964
jesse@sugaleafservices.com

A PROOF OF CAPITALIZATION

Market Equities, collectively through its owners, hold liquid assets they have on hand in personally owned accounts to dedicate to the project. The total funds available are [REDACTED]. The company has provided proof of capital in the form of a bank statement dated September 2024 through October 2024. The company projects an anticipated start-up cost of [REDACTED] which will leave the company approximately [REDACTED] in contingency funding.

For the purposes of this exhibit, the team has provided their most recent complete bank statements for all accounts listed.

| Financial Institution | Account Type | Amount Available |
|-----------------------|--------------------|------------------|
| US Bank | Smartly Checking | [REDACTED] |
| US Bank | Elite Money Market | [REDACTED] |
| US Bank | Elite Money Market | [REDACTED] |



ZONING VERIFICATION LETTER REQUEST FORM (CANNABIS BUSINESS PERMIT)

Date: _____

Business Name: _____

Name of Applicant: _____

Proposed Location:

Address: _____

Accessor Parcel Number (APN): _____

Evidence of Legal Parcel : _____
(Attach As Separate Document)

Proposed Land Use: ☐ Retail

☐ Microbusiness with Retail

Zoning Verification Request: _____

Note: The issuance of a ZVL does not constitute written evidence of permission given by the City or any of its officials to operate a cannabis business, nor does it establish a "permit" within the meaning of the Permit Streamlining Act, nor does it create an entitlement under the Zoning or Building Code. Commercial Cannabis Retail Businesses (CCBs) are required to comply with all applicable development standards outlined in Santee Municipal Code. A regulatory permit for a CCB does not constitute a permit that runs with the land once a cannabis business is established.



ONLINE SERVICES
PERMITS | PROJECT SUBMITTALS | LICENSES

Sarmad Hayawi ▾ ()



✔ Your application was successfully submitted!

[Continue to plan](#)

Fees

\$267.00

[View Details](#)

[Add to Cart](#)

Suggested Applications

Commercial Cannabis Business Permit (Retail Application)

[Apply](#)

[← Back](#)

Invoice Number: INV-00006891



Invoice Total: \$267.00

Status: Paid In Full

Invoice Date: 10/16/2024

Due Date: 11/15/2024

Description: NONE

Primary Fees

Misc Fees

Payments

Attachments

Contacts

Primary Fees

Sort Fee Name ▾

| Fee Name | Fee Total | Amount Due | Case Number | Case Type | Notes |
|-------------------------------------|-----------|------------|-------------------------------|-----------|-------|
| Cannabis Zoning Verification Letter | \$267.00 | \$0.00 | ZVL-2024-0023 | Plan | |

Results per page 10 ▾ 1 - 1 of 1 << < 1 > >>