

COMMERCIAL CANNABIS
LICENSE APPLICATION
CITY OF SUISUN CITY

MEDICAL AND ADULT-USE RETAIL DISPENSARY
(WITH DELIVERY)

300 Railroad Avenue, Suisun City, CA

Element 7 Suisun City LLC
www.e7ca.com



THANKS FOR THE OPPORTUNITY



Dear Honorable Mayor Wilson, Council Members, & City Staff,

We are looking to significantly expand our operations across the State of California in 2020 and Suisun City is at the top of our priority list. If we are successful in securing a cannabis permit, you will have my full commitment to doing all that we can to work with the City to achieve our common goals of properly and purposefully accelerating development and commencing operations.

Our location in Suisun City is the optimal location in the City for a cannabis retail business. With dedicated off-street parking for 18+ vehicles, a secured lobby area for patient and customer check-in, and a **new building purpose-built for our needs**, we believe the site will maximize taxes, jobs, and compliant economic development.

We are tremendously excited about the opportunity and look forward to working with the City, community, and constituents of Suisun City to build a cannabis business, operated in partnership with the local community, you will fully embrace. We will leverage best practices from our dispensary in Santa Ana (Kannabis Works) and new Fort Bragg location which is scheduled to open for operations in September 2020 to ensure that Element 7 Suisun City exceeds local expectations.

We believe that the quality of the Element 7 cannabis education positioning and our existing California market experience and footprint, combined with a **very local voice, footprint, and management team**, is the perfect model for Suisun City and the local community as it brings best-in-class operations with a very local operation.

Our unique business model, built off our **Cannabis with a Conscience** business mission and brand ethos, will allow local staff to own equity in the business making it a true local enterprise. My personal cell phone number is (312) 823 7638. I can be reached at any time if you would like to discuss any aspect of our application further. I live with my family in nearby Pleasanton and have an office in San Francisco. Karan and Andre are locals and operate businesses in Suisun City.

Yours sincerely,

Robert 'Bobby' DiVito

Founder and CEO

Element 7 Suisun City LLC

Karan Grewal

Co-Founder

Andre Chilton

Co-Founder



1. ELEMENT 7 INTRODUCTION



2. OWNER IDENTIFICATION FORM



3. EXISTING CANNABIS LICENSES



4. (A) APPLICATION FORM



5. (B) PROPOSED LOCATION



6. (C) SITE CONTROL LETTER



7. (D) BUSINESS PLAN



8. (E) OPERATIONS & COMPLIANCE



9. (F) FLOOR PLAN & ELEVATIONS



10. (G) ELEMENT 7 QUALIFICATIONS



11. (H) NEIGHBORHOOD PLAN



12. (I1) SAFETY PLAN



13. (I2) SECURITY PLAN



14. (J) COMMUNITY BENEFITS



15. (K) LABOR & EMPLOYMENT



16. (L) AIR QUALITY ODOR CONTROL



17. (M) LIVE SCAN FORM



18. WASTE DISPOSAL PLAN



19. TRANSPORTATION PLAN



20. TAX REVENUE



21. LOCAL RESIDENT PLAN



22. REFERENCE LETTERS



23. FUNDING SUPPORT LETTER



24. CONTACT DETAILS

WE'RE BRINGING COMPLIANT CHANGE

DEAR READER



Hello. We're excited that you're considering us to become part of your community! We hope to meet with you to discuss the incredible opportunities that our holistic health organization offers one day soon.

Before then, we want to give you a personal glimpse into what our motivations are and how we plan to bring about enormous beneficial and compliant change to your city.

But first, let's talk about YOU.

Many people (maybe even you) are suffering from health problems across the country, and many of these problems can be eradicated by a few lifestyle and habit changes.

People are exercising less than they did last year, our diets are getting worse, and 36% of American adults are now obese. The leading cause of cardio-vascular disease and cancer is obesity. You'd be better off living in Chile or the Czech Republic than in California — California now has the worst disparity in health in the country, and the gap will widen over the next decade.

Mental distress now affects 1 in 8 Americans. It's all quite overwhelming and exhausting, right? Sadly, there is a 33% chance that you won't get enough sleep tonight either, and a 35% chance you'll reach for an opioid to help you try to relax and sleep soundly throughout the night.

What's our point you ask?

Health is a state of complete physical, mental, and social well-being and NOT merely the absence of a disease. Element 7's primary goal is to promote complete holistic wellness which will start to solve this health crisis.

Upon entering an Element 7 store, you'll learn as much about the importance of spiritual and emotional balance as you will about cannabis products — we promote Pilates, yoga and balanced diets as much as we talk about cannabis-infused brownies and cookies.

Why do we do all of this, you may ask? Well, because we're concerned about the future of our country and people as much as you are. Beyond that, we feel that by promoting physical, spiritual, and mental health, our customers will become more informed and engaged about ways to vastly improve their lives through health while embracing a brand and company that has their best interests in mind.

Happy reading, and thanks in advance for your energy and time!

WE ARE AN EXPERIENCED LOCAL CANNABIS OPERATOR

Element 7 has existing dispensary operations in Santa Ana with a 2nd dispensary scheduled to open for operations in Fort Bragg in September 2020, and a 3rd in Rio Dell in October 2020.



Our store in Santa Ana, currently branded and operating as Kannabis Works, has increased revenue by 40% since our California Retail Director, Mark Malatesta, took over operations in November 2019. The store has improved profit by 52%, testament to Mark's deep understanding of retail operations, gained from 30 years working with organizations including Kohl's, Walmart, Macy's, Guess Jeans, and Levis.

Kannabis Works now serves as our Southern California training base - the current General Manager and Head of Buying have both taken roles within Element 7 to help us expand operations in California, and a new Head of HR and Head of Finance will be joining the company in the next month to help us further scale operations as we look to expand Element 7 operations in Northern California. We are scheduled to launch Element 7 operations in Fort Bragg, Rio Dell, Marina, and South San Francisco by the end of the year.



ELEMENT 7 IS

CANNABIS EDUCATION

My journey in the cannabis industry started in 2010 when I ventured from Chicago to California. I was twenty-eight years old and ready to make my mark on a nascent industry ripe for disruption. I'd grown my car-parking business from a single employee to over seven hundred in three short years and was ready to take on a new challenge.

The business idea was ahead of its time for an industry not yet ready for a technological change, and so, I moved back to Chicago and founded my next business - Imagination Children's Academy - an EQ based educational institute for young children. In only its third year of operations, it was voted Chicago's 'Best Children's Academy'.

With California marching towards adult-use legalization, I decided it was time to re-enter the cannabis industry and I once again found myself back in California, this time armed with a vision and a plan for educating the industry.

I took a General Manager role at one of the State's largest cannabis greenhouse operations (StrayLight Farms). With over 700,000 square feet of cultivation, manufacturing and distribution operations, this role gave me oversight across the entire industry and spurred my belief that the only way we as an industry could eradicate the black market and produce clean cannabis at-scale, was to treat it like any other crop with large-scale agricultural production.

In 2017 I was successful in lobbying the State to adopt the 'Campus Model' in California's MAUCRSA, and landing 'big-ag's' first financial foray into the commercial cannabis industry. Having secured a strong position on the supply side of the industry, I decided in 2018 that it was important to focus on demand. That led to the formation of Element 7 - a company focused on educating cities across California on the positive benefits of a clean, compliant, and controlled cannabis industry and what that can do for economic development in small communities.

Today, Element 7 has educated over 100 cities and communities across California and we continue to be one of the leading advocates for change, micro-development, and agile growth in an industry that will look very different tomorrow than it does today.

Our business model - **Cannabis with a Conscience** - directly puts equity in our business into the hands of the local community and constituents. We are tremendously excited to bring this unique business model to Suisun City and creating real sustainable economic change and growth in partnership with our local partners.



WE ARE THE OPTIMAL CANNABIS PARTNER

The changing cannabis ordinance in Suisun City has created tremendous opportunities for sustainable economic growth in the City. The key to achieving this growth lies in finding economically healthy and robust cannabis operators that will partner with the City to promote long-term industrial growth.

These partners will create jobs and develop entirely new forms of commerce, generating tax revenues for the City, all while serving a safe and compliant product to eager consumers and patients in the community.

Element 7 is the optimal partner that the City of Suisun City is looking for.

Our decades of successful business management and retail operations experience have enabled us to build a business model, team, and set of processes that guide our business operations. Our focus is on running a successful business that can cut through the fog of uncertainty, apprehension, and misinformation that is still associated with cannabis use and cannabis businesses. We do this in four ways:

Building World-Class Operations: We know that we have the best people, products, and partners in the industry, and this allows us to ensure that every interaction with our local government partners and end users exceeds even their highest expectations. Our financial backing allows us to build sustainable operations.

Stimulating Local Economic Development: We have a long track record of job creation in the communities in which we operate and tax revenue generation for those same communities. We are a collaborative organization, and we seek to strengthen not only our own position but also the larger local and regional business environment. Our business model puts equity in the business directly into the hands of the City, community and local constituents who will be employed at our facility.

Prioritizing Continuous Profession Engagement: We listen carefully to customers and the communities of which they are part of. To show our commitment, we create meaningful community advisory boards that hold us accountable for the commitments we make. We have identified three local charities we would partner with in Suisun City that supports health, youth, education, and veterans affairs.

Committing to Business with Purpose: We put purpose before profits, and we show this by educating at-risk youths in the community, providing discounted medicine to needy patients, supporting local community initiatives, and making firm commitments to improve our communities and the lives of those who live in them in tangible ways.



AS FEATURED IN THE FOLLOWING PUBLICATIONS & CHANNELS

Convicted Of A Weed Crime? Expungement Clinic Aims To Help People Clear Their Records In West Loop This Weekend



These two SLO cannabis businesses were just given the go-ahead to start operations

As marijuana legalization nears, those who left crime behind hope to clear their records



Free clinic aims to help Fresno residents clear their records of cannabis-related crimes

by Kellie Helton | Sunday, June 30th 2019

AA



The Fresno Bee

Chicago Tribune

THE TRIBUNE



Alameda Sun

Willits News

WE WANT TO BE A ROBUST DEVELOPMENT PARTNER



Element 7 has identified a property at **300 Railroad Avenue** which is compliantly zoned for cannabis business.

This site presents us with an opportunity to create a unique cannabis business on the site, incorporating a cannabis dispensary and cannabis education learning center that would be unique to Suisun City.

With cannabis consumption growing at unprecedented levels, Suisun City is uniquely positioned to benefit from California's booming cannabis industry, but it needs sustainable forward-thinking operators like Element 7.

An educational center in Suisun City would allow the City to take a leading role in educating cannabis' newest and eager customers - soccer moms, 'conservative experimentalists', and suburban housewives. Suisun City, with its relaxed lifestyle, and a plethora of nearby recreational and leisure options, presents the ideal environment for these consumers to learn about cannabis in a safe and inviting space.

Backed by private-equity funding & a vertically integrated cannabis company that is one of the highest cannabis taxpayers in the State, Element 7 is fully funded, financed and ready to expand its California operations.

As you can see from the images below, the site is unlike any other in the City - it is boarded on all sides by roads and a railway track and sits on its own 'island' which makes security highly efficient and effective, and reduces any issues with neighbors as there are almost none.



WE WANT TO BE A ROBUST DEVELOPMENT PARTNER

Element 7 would look to construct a new building at the site, giving this entire area within the City a large facelift, and potentially creating new forms of other adjacent retail and light industry within the City.



BACKED BY **DATA AND TECHNOLOGY**



As the cannabis customer has evolved, so too have we, recently expanding our partnerships in the data and technology space to stay ahead of our competition, and to meet the changing needs of customers.

As the industry legitimizes itself and new cannabis customers emerge, they'll demand a richer and smarter retail experience.

Customers not only want to be engaged, entertained, and educated, they also want a retail experience that is consistent, trusted, smart, and customized to their changing needs. Our partnership with BRIGADE, the exclusive global licensee of Weedmaps search and customer data allows us to have a view of what consumers are searching for, purchasing, and talking about on a level that none of our competitors come close to. Our access to BRIGADE's data stack means that Element 7 can meet its customers needs on a hyper-local basis as trends are emerging. If Godfather OG or Cannabis Infused Coffee Beans are the next big trend in Suisun City based on BRIGADE's insights and trend analysis, Element 7 will know about it weeks before our competitors, allowing us to proactively manage our customer needs, rather than reactively respond to them.

Our partnership with BURPY, one of Texas' largest and best food delivery platforms is powering our cannabis delivery offer. Rather than look inside the cannabis industry, we've adapted a proven technology and platform from the food industry which we believe gives us a significant competitive advantage.

Baker Technologies helps dispensaries generate more revenue in one easy-to-use platform with online ordering, SMS marketing, customer loyalty, analytics and more. We also have a unique relationship with FlowHub that enables us to share information across their business and ours, helping us to stay at the forefront of compliance.

We are in advanced discussions with two executives from GRUBHUB to lead our delivery platform. These two executives bring decades of technology, delivery and logistics, and food service expertise to Element 7.



WE ARE LOCAL OWNED & OPERATED
TWO LOCAL OWNERS



Andre Chilton (Co-Founder and Owner) is the founder of NoTime2Chill Basketball Academy. He is an Air Force veteran with an impressive history of playing basketball at competitive levels. He has played at the collegiate level, German and Italian Semi-Pro levels, and All-United States Air Force levels. He also has over fifteen years of experience coaching and instructing basketball skills development training for athletes of all ages. Andre T. Chilton played point guard and shooting guard in college at Macon College in Macon, Georgia. He was selected to play on All Air Force, United States Army in Europe (USAREUR) All Star, USAREUR Army/AF, All Star tournament teams. He is hugely respected by teens living in Suisun City and his daughter and grandson still call Suisun City home.

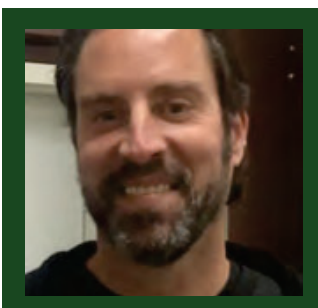


Karan Grewal (Co-Founder and Owner) is a local entrepreneur and business owner - he is the founder and General Manager of Mega Smoke Shop on Sunset Avenue. Karan grew up in India, immigrated to the US in 2006, got his Masters in Business Administration (Major in Marketing) from Long Island University, and then spent 8 years working for Blackbird Worldwide (global transport and logistics company) before moving to California in 2014. He purchased Mega Smoke Shop in 2015 and has operated the business since. In 2018 he purchased a second business in Vacaville. Karan plays cricket on the weekend and enjoys coaching young kids aspiring to take up the game.

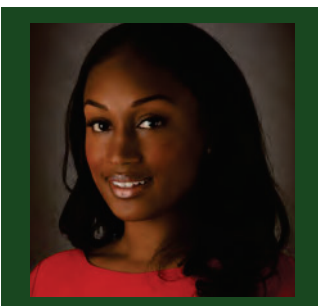
WE KNOW THAT OUR PEOPLE ARE OUR GREATEST ASSET



Robert DiVito (Founder, CEO and Owner) founded the Element 7 brand and business and is a cannabis expert with experience across all aspects of the industry including cultivation, distribution, brand development, and retail operations. He is the former General Manager of StrayLight Farms. Robert is the Founder, CEO and owner of Element 7.



Mark Malatesta (Chief Retail Officer) brings over 30 years of traditional 'big box' retail understanding and experience to the Element 7 team, and 15 years of cannabis retail knowledge and operations as an owner and operator of Kannabis Works (Santa Ana). At Kohl's, Mark was responsible for the management and operations of 1,400 stores in North America. He's worked for Target, Walmart, Sam's Club, Macy's, Guess Jeans, and Levi's during his extensive retail career.



Amber Norwood (Chief Compliance Officer) is an Attorney and previously worked for the US Attorney General within the Miami Field Office. She is a minority rights advocate, and member of NORML, California Minority Alliance and WomenGrow. Amber heads Element 7's regulatory and compliance measures, overseeing all efforts to ensure no other cannabis business is controlled compliant, taxed, tested or trusted as Element 7.



Neil Demers (Retail Operations) was voted the industry's #1 Executive at the 2017 Cannabis Business Awards. He holds a Masters in Finance (University of Denver) and is the Founder and CEO of Diego Pellicer, the #1 cannabis dispensary in North America in 2017 and 2018 (National Cannabis Business Awards). Neil brings over a decade of cannabis retail understanding, experience, design, and customer management to Element 7.



Nicholas Jack (Retail Experience) is the Chief Retail Officer of Diego Pellicer. Voted the industry's #1 Retail Manager in 2017 at the National Cannabis Business Awards, Nicholas has unmatched experience building, operating and scaling cannabis dispensaries. He is transforming the cannabis retail industry through his exceptional attention to detail, understanding of the cannabis consumer, and eye for products that create disruption and change.

WE KNOW THAT OUR PEOPLE ARE OUR GREATEST ASSET



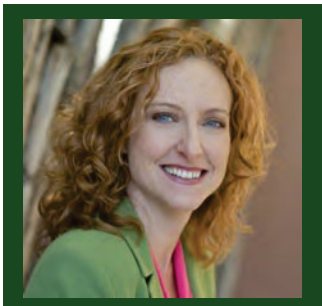
Josh Black (Chief Marketing Officer) is a former Marketing Director with PepsiCo, managing Tropicana, Aquafina and Gatorade brands. He is the former CEO for WPP's (world's largest media and marketing services holding company) content and entertainment business. He is a published author, named in the media industries '40 Under 40' in 2016 and has judged industry awards in Cannes.



Corey English (Chief Security Officer) is Element 7's strategic security lead and oversees all security measures and efforts for the Element 7 brand. His security guidance covers all risk management, threat suppression, and systems to guide the Element 7 business and team. He is the President of LEAPS (Law Enforcement and Private Security) and has over 2 decades of experience working for some of the world's largest companies.



Eric Greenberg (Chief Financial Officer) is an accounting, financial control, and taxation specialist. He is a Certified CPA, member of AICPA, and is an Adjunct Lecturer at De Paul University (Chicago) in the Commerce Faculty. He holds a Masters in Business and Taxation and has over 30 years experience in accounting, taxation and financial risk management. His experience spans consumer goods, services, professional athletes, and capital markets.



Lynne Lyman (Policy Advisor) is the former California State Director for the Drug Policy Alliance, the nation's leading organization promoting alternatives to the war on drugs. Lyman oversaw the DPA's Los Angeles and San Francisco offices and provided oversight, strategy, and direction for DPA's California-based efforts on criminal justice reform, harm reduction and marijuana law reform. Her writing contributed to Prop 64.



Sheila Merchant (Chief Legal Officer) is a Columbia University Law School graduate and has practiced law for over a decade in California. Sheila brings an incredible depth of contractual law experience working with municipalities at a local and regional level. Her work in the cannabis industry covers all license types and jurisdictions from City to State.

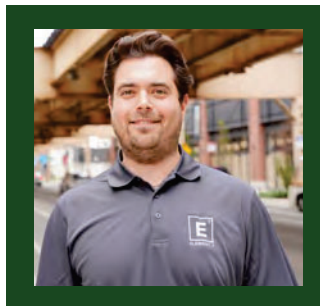
WE KNOW THAT OUR PEOPLE ARE OUR GREATEST ASSET



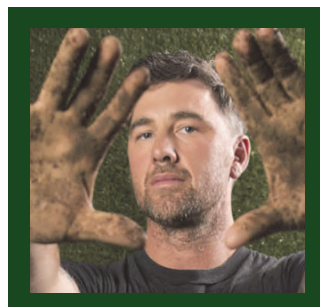
Elicia Terry (Licensing Director) is one of Element 7's key Licensing Directors and oversees the team's State Licensing needs, ensuring that Element 7 is exceeding State requirements where possible, and at the forefront of industry best-practices across product management, security, inventory, consumer safety, education, product handling, and environmental issues.



Christopher Bloom has a background in marketing, information management, retail compliance, and education. He has worked for several Fortune 500 companies including Comcast, Verizon, Anheuser-Busch, and Brown-Foreman in various sales, technology, compliance, and marketing roles. His experience in regulated industries, especially alcohol licensing and service, is robust. At Element 7 Chris oversees project development.



Gabriel Wiesen (CEO Illinois and Retail Operations) brings over a decade of general F&B retail experience to the team. He has built and operated two of Illinois' largest food truck operations, is the former Head of the Illinois Food Truck Association and has grown Beaver's Donuts and Dapper Donuts to national franchises with over 100 stores in operation across a dozen US States. Gabriel is the CEO of our Illinois operation and provides retail operations experience across the full Element 7 business.



Justin Calvino (Head of Product Quality) is a founding board member of the Mendocino Cannabis Industry Association and the California Growers Association. He founded the industries leading craft cannabis initiative - the Emerald Exchange - as well as the Mendocino Appellations Project, Mendocino Coast Farmers Market, and Mendocino Cannabis Policy Council. Most recently he helped launch the California Cannabis Tourism Association.

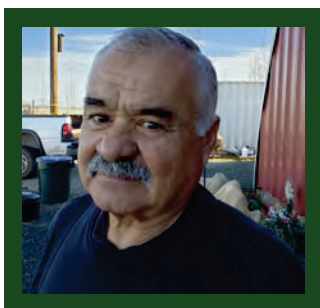


Taylor Munoz (Human Resources Director) manages all of Element 7's hiring, training, and employee retention programs. Prior to joining Element 7, Taylor worked at the Hyatt Hotels Group, managing similar human resource functions with over 1,000 employees in her care. At Element 7, Taylor works closely with all departments of the business to meet our employee hiring needs and ensure that Element 7 staff are trained better than any other group in the industry.

OUR TECHNICAL EXPERTS ARE INDUSTRY LEADERS



Bob Hoban (Legal Advisor) is the pre-eminent attorney in the North American and global cannabis industry. With offices in 13 States and 10 countries, 'Hoban Law Group' has more than 72 practicing cannabis attorneys. Bob's groundbreaking 'Cannamart' case in 2010 paved the way for Colorado's cannabis regulatory system.



Larry Frogoso (Fire Safety Advisor) was born and raised in Tracy, CA. In 1974 he began his fire fighting career, working for the City for 23 years with the Tracy Rural Fire District. In 1999 he returned to the City of Tracy Fire Department as a Battalion Chief and retired as a Division Chief in May of 2005. He presently operates a small R.V. park in Oroville and joins the Element 7 team as a strategic advisor on all aspects of fire safety, processes, and site design with 29 years experience.



Dr. YuFu Cheng (Sustainability Advisor) is a medical cannabis advocate and China's Director for Global Warming at the R20 United Nations program. Chaired globally by Arnold Schwarzenegger, R20 accelerates the implementation of 'green infrastructure' projects in waste optimization, renewable energy, and efficiency. YuFu Cheng holds a Ph.D., Ecology (Climate Change) from UC Davis.



Bradley Bernard (Odor Management Advisor) is a HVAC and Odor Management Specialist from Martinez, CA, with over 25 years of experience designing, constructing, installing, and managing air-conditioning, cooling, heating, and odor control management systems. Bradley is a Licensed C20 heating and HVAC Contractor and consults with Element 7 across its odor management processes, systems, hardware, and installations across California.



Kevin Sullivan (Data Security Advisor) is a proven and experienced business leader with over 30 years experience in data security, military systems, and government contracts. Kevin rose to the rank of Lieutenant Colonel in the US Army (Director of Aviation, US Army Pacific, Fort Shafter, Hawaii), spending 20 years serving his country. He is the Founder of Leading Points Corporation which provides data security, biosecurity, and enterprise solutions globally.

WE ARE SUPPORTED BY A LOCAL COMMUNITY BOARD



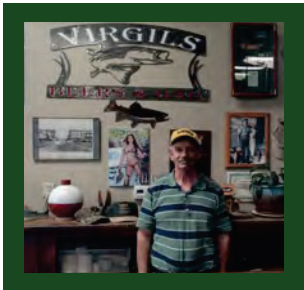
Element 7 has formed a Local Community Advisory Board that has the purpose of guiding Element 7 on local initiatives and ensuring that the business meets its commitments to the local community. The Board has an initial five (5) members:



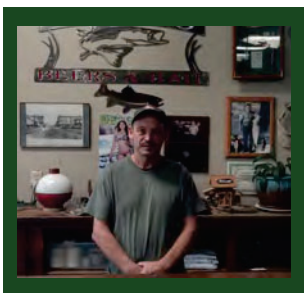
Andre Chilton is a part-owner of Element 7 Suisun City and will chair the Local Community Advisory Board. Andrew operates **NoTime2Chill Basketball Academy** and works with troubled youth looking for direction. With his background in professional sport and his connections with local youths.



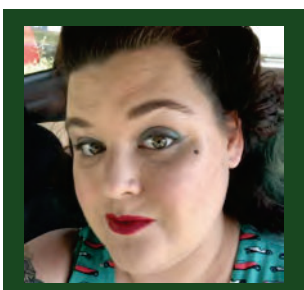
Melissa Sampson is the founder of the **Imagine Me Foundation** - established in 2007 after God gave her a message. The foundation's goal is to uplift, encourage, and empower people from all walks of life, to actively participate in their fight against all types of cancer and strengthen their resolve to overcome the disease.



Erich Butcher and his brother Rick are an institution in Suisun City. Their business, Virgil's Bait and Ice has been operating in the City for decades and remains the oldest current standing business in the City. Erich is passionate about helping first responders and the brothers are active raising funds.



Rick Butcher is the other half of Virgil's Bait and Ice. The brothers are involved with Solano Community Animal Response Team, Suisun City Fire Department, Solano Community Volunteer Group, Spread Love Solano County, an ongoing Virgil's Bait and Ice Fire Relief Program, and the Annual Firefighter's Toy Drive.



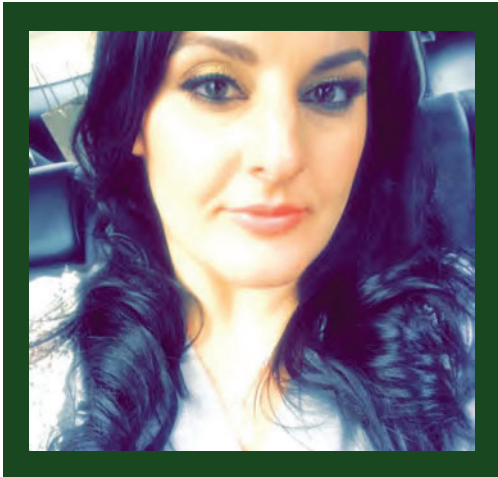
Rachel Gardner is the founder of **Super Fur-iends**, an animal rescue organisation based in Suisun City and Solano County. Super Fur-iends gives pets a second chance and focuses on educating the public about 'rescues' and the importance of ensuring pets have a home.



WE ARE SUPPORTED BY DEDICATED MEDICAL PROFESSIONALS



In addition, Element 7 has a medical advisor that recently joined the team, who lead policy, education, strategy, and partnerships within the medical community for Element 7.



Dr. Efthimia Vasiliadis (PHARM D.) holds a Doctorate Degree in Pharmacology (2002-2004), a Bachelors of Science in Pharmaceutical Studies (2000-2002), and a Bachelors of Science in Molecular Cell Biology, all from the prestigious University of Connecticut. She brings almost unmatched experience as a retail pharmacist and has worked for CVS Pharmacy Inc., for 17 years (2002 - 2019), and the Stop and Shop Pharmacy Group for a year (2019). Her unique skillsets filing and processing prescriptions, operating under highly regulated State and Federal Laws, counseling patients, collaborating with physicians and insurance companies, managing inventory, and addressing workflow issues, are invaluable to Element 7 as we focus on being the most compliant, controlled, and regulated cannabis retail operator in California.



Examples of Cannabis Educational Materials by Element 7

JUSTICE REFORM AND EDUCATION POWERED BY WHOOPI

Element 7 recently completed an Agreement with American actress, comedian, author, and television personality, Whoopi Goldberg, to lead our efforts in social justice reform, and education.



With a career spanning four decades in film and television, Goldberg was at one time the world's highest paid actress and has been nominated for 13 Emmy Awards. She is one of the world's few entertainers to have won an Emmy Award, Grammy Award, Academy Award (Oscar), and Tony Award (EGOT). She was only the 2nd black woman in history to win an Academy Award (Oscar) for acting.

Element 7's agreement with Whoopi sees her join the Element 7 team to build and launch an EQ HUB in Illinois - an 'equity and equality' driven hub for training, learning, operations, and social justice grown cannabis goods and products.

The EQ HUB would incubate and accelerate ideas and business plans for social equity workers and entrepreneurs in the State of Illinois. Element 7 hopes that the success of the EQ HUB will open the door for expansion in 2021 and beyond of the program.



ELEMENT 7 HELPS EXPUNGE RECORDS

JUSTICE REFORM

Element 7 created history in 2019 when it hosted **Fresno's first ever Expungement Clinic with the Fresno Public Defender.**

Other events have been held in Chicago and LA in 2019.



The Expungement Clinic, held in partnership with the Fresno County Public Defender's Office, NDICA (National Diversity and Inclusion Cannabis Alliance), and Element 7, paves the way for Fresno residents with minor drug related criminal records to enter the legal and licensed cannabis industry to gain meaningful employment, or as owners and investors.

Expungement clinics are part of the much needed reparative justice for the harms of cannabis prohibition, which targeted people of color and from marginalized communities. Volunteers from the Fresno County Public Defender's Office were available at the Clinic to provide free legal assistance to Fresno residents with drug related criminal records, including Prop 64 and Prop 47. **In the previous 2 years, the Public Defender had only expunged the records of 89 persons. In a single day we expunged 120 records!** In addition, we handed out over 100 food bags, helped 40 people sign up to vote, and assisted 30 families to received food Stamps.

Carmen Romero, attorney with the Fresno Public Defenders Office Clean Slate Program said, "We encourage the community to come take advantage of the opportunity to clear their criminal convictions and begin the overcome the obstacles to better jobs, housing and other benefits." This was the Fresno Public Defenders first expungement clinic in partnership with NDICA and Element 7 at the national and local level.

E⁷ **NDICA**
National Diversity and Inclusion Cannabis Alliance

NATIONAL EXPUNGEMENT WEEK CHICAGO

CLEAN YOUR RECORD. CHANGE YOUR LIFE.

What we offer:

- Record Sealing & Expungement Processing Assistance
- Cannabis Industry Interviewing & Hiring
- Free Legal Advice
- Voter Registration
- Public Housing Info

**MUST BRING YOUR RECORDS
COOK COUNTY RESIDENTS ONLY**

DATE
SEPTEMBER 22ND, 2019
12PM - 5PM

LOCATION
THIRD WAVE COFFEE
1035 W. LAKE ST.
CHICAGO, IL 60605

RSVP
THENDICA.ORG
206.731.9139
THENDICA@GMAIL.COM
BIT.LV/FREECHICAGOEXPUNGEMENT

SPECIAL GUESTS

ZAIRILLA BACON **FREEWAY RICK ROSS**
CELEBRITY CANNABIS CHEF GUEST SPEAKER

PRESENTED BY

Que4 Radio **ROCKVOTE** **TREE FEMME COLLECTIVE** **DJG BUSKES**



ELEMENT 7 CREATES EMPLOYMENT CAREERS NOT JOBS



Element 7 partnered with the State of California Economic Development Department (EDD) to host a Careers Fair in Van Nuys, Los Angeles in 2019.

The Economic Development Department is committed to assisting workers and job seekers to gain meaningful employment in California, and assists with training, labor law, and a range of other employment services to businesses and employment seekers.

At the event, Element 7 met with over 40 potential candidates and hopes to employ a number of these workers in the next 6 months.

Element 7 is committed to recruiting and retaining the very best talent in the market and our work with the EDD is key to this ambition.



Element 7 recently entered into a **Labor Peace Agreement with the United Food and Commercial Workers Union (UFCW)**.



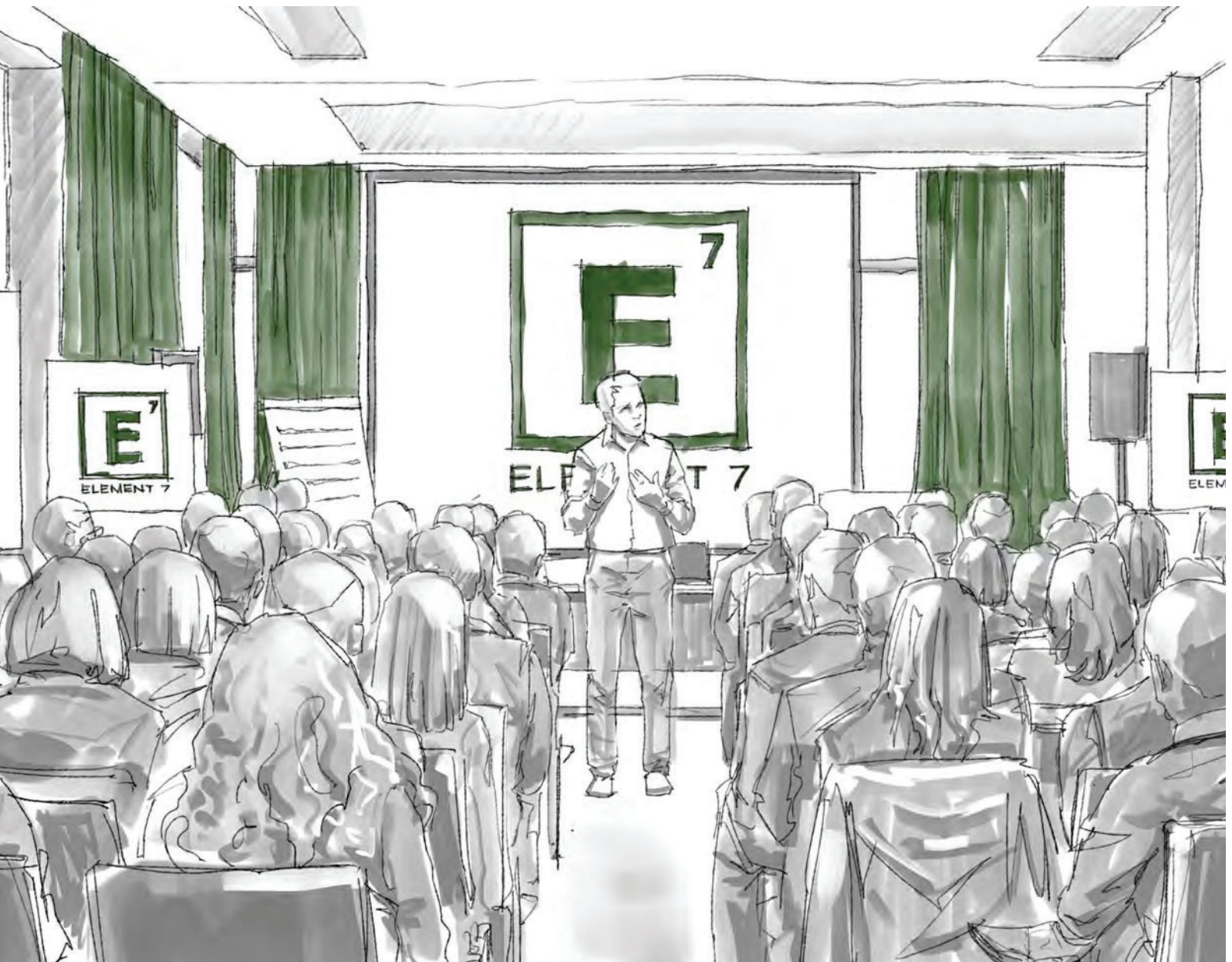
WE EDUCATE CITIES AND COMMUNITIES TO BUILD TRUST



In our business, everything starts with education—from the proper use of the plant through to educating groups and individuals about the positive benefits of cannabis when used correctly and its dangers when abused.

Education allows people to build informed opinions—so essential in the cannabis industry, which continues to contend with a cloud of prejudice and misinformation surrounding the substance and those who use it.

Over the last four years, we have educated over 100 Cities and Counties in California regarding cannabis, many of which have since passed an ordinance that allows them to tightly control how the industry develops in their County, City or Town.



WE ARE COMMITTED TO IMPACTING CLIMATE CHANGE

As a company, Element 7 brings together a team from many corners of the globe – USA, Australia, Philippines, China, Barbados, India, and Greece. Our diversity not only unites us but also creates a shared sense of responsibility for how we as a business can play an impactful role in climate change.



In the last nine months alone, extreme fires in Australia, typhoons in the Philippines, heatwaves in India, global biological diseases, and the threat of rising sea levels in Barbados and Greece, forced us a company to really reconsider our position and stance on climate change, as all of these events affected close family members of ours.

Element 7 no longer believes that zero-carbon emission platforms, or best-practice recycling, reduction, and waste management programs are enough. More drastic changes are needed. We are two decades away from permanent climate damage that cannot be reversed. By 2040, carbon emissions will be at levels so drastic that catastrophe is inevitable and the 'climate tipping point' has been passed.

Our company is focused not only on what we can do to change carbon levels at our facilities, and properties, but more importantly, in all of the communities we operate.

In Willits, we have committed to building a **1-Acre Urban Farm** that will become a showcase for the region – creating jobs, educating children, and removing harmful carbon from the environment. Urban farms like this reduce food waste, reduce emissions, improve liveability, and reduce greenhouse gas emissions.

In Rio Dell, Eureka, Fort Bragg, Ukiah, and Arcata, we have committed to **Save the Redwoods League** – a project aimed at expanding and protecting what's left of California's Redwood Forests which actively remove atmospheric CO₂ from the environment. These trees sequester 250X more carbon than regular trees.



HELPING MEDICAL PATIENTS THROUGH MACHINE LEARNING & AI



Element 7 recently entered into a strategic alliance with CURA AI, a data science company born out of MIT that leverages machine learning and artificial intelligence to provide patients with cannabis medicine optimized for their medical conditions.

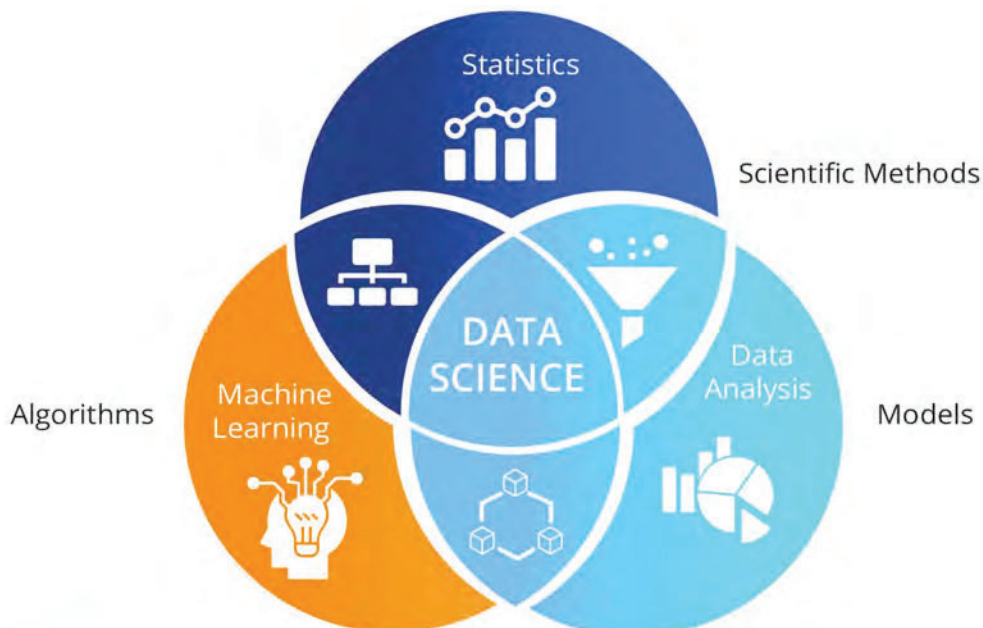
Built by industry experts from MIT and former Federal Government security and technology leaders, Cura AI is a Data Science company at the intersection of patient care and the 3rd wave of Artificial Intelligence focused on precision medicine.

Cura AI's mission is to help 1 BILLION chronic pain and mental health patients through precision based treatments, beginning with their first vertical market - medicinal cannabis.

Their focus is on building precision treatment solutions; leveraging data analytics, genomics, clinical testing and patient focus to quickly innovate, disrupt, and penetrate the precision medicine market.

Cura AI prescribes medical cannabis to patients built on data and science, with continuous patient feedback then improving the recommendations based on those patients responses to prescribed medicine. The platform tracks response, use, dosage, effectiveness, use of opioids, and a range of other factors to continuously learn and develop more precise recommendations for medical patients.

Element 7 has secured the rights to become Cura AI's sole and exclusive partner in California for the beta test of the Cura AI platform.



WE PARTNER WITH CITIES TO ERADICATE **NON-COMPLIANT CANNABIS**

Cannabis that is untested, untaxed, and unregulated is not only bad for business, it's also dangerous for consumers. Everyone should have the right to experience the health benefits and pleasures of this incredible plant; however, to protect patients from health risks and the community from crime, cannabis must be sold by compliant, clean, controlled, taxed, and trusted operating partners.

We know that the number one reason customers continue to purchase cannabis from non-compliant operators is the price. To help drive these non-compliant sellers out of business (and hopefully out of your City), Element 7 will be offering an entry-point for consumers that is unique: the \$20 Shelf. Consumers for whom price is the main consideration will have access to the full Element 7 brand experience at an affordable price point. We are confident that this unrivaled customer experience, when coupled with an attractive price, will draw consumers out of the non-compliant market and into the compliant one.

We will go head-to-head with these unlicensed operators on price and service, and we will push well beyond them in terms of product quality, selection, and education. This is the only way to eliminate the criminal element from the cannabis industry. We know we can do this.

Education will play an important role in reducing the non-compliant market. Element 7's '**What's In Your Cannabis**' advertising campaign is designed to educate and inform consumers, shocking them into understanding that the non-compliant market isn't just bad for communities, jobs and licensed operators, but also bad for their health.

Advertisements would be placed in local publications.



**DID YOU KNOW THAT 9 OUT OF EVERY 10 ILLEGAL
CANNABIS GROW SITES IN CALIFORNIA USE LETHAL
PESTICIDES LIKE CARBOFURAN, POTENT ENOUGH TO
KILL A 300-POUND BEAR?**

WHAT'S IN YOUR CANNABIS?

**ONLY BUY CANNABIS YOU CAN TRUST FROM A LEGAL, LICENSED,
CONTROLLED AND COMPLIANT OPERATOR.**



ELEMENT 7

INDUSTRY-FIRST RETAIL CANNABIS STUDY UCLA



Our relationship with UCLA recently expanded to include the Anderson School of Management, UCLA's graduate business school faculty. In a world-and cannabis industry-first, Element 7 was selected ahead of some of the world's fastest-growing tech, health, and media companies to take part in a Retail Cannabis Industry Thesis in 2019.

Five incredibly talented UCLA MBA Students are currently working with Element 7 to research and write their primary thesis on how Element 7 are disrupting California's \$20 Billion Cannabis Retail Industry.

With diverse professional backgrounds at companies including Google, Amazon, Hulu, Medtronic, JP Morgan Chase, PWC, Bank of America Merrill Lynch, and BuzzFeed, the team is writing UCLA's first thesis focused on a specific cannabis industry operator.

The findings of these students and their fresh perspectives will play a huge part in our strategic roadmap over the next 3-5 years, during which time we will be consolidating the retail industry in California with the goal of becoming one of California's top cannabis retailers.



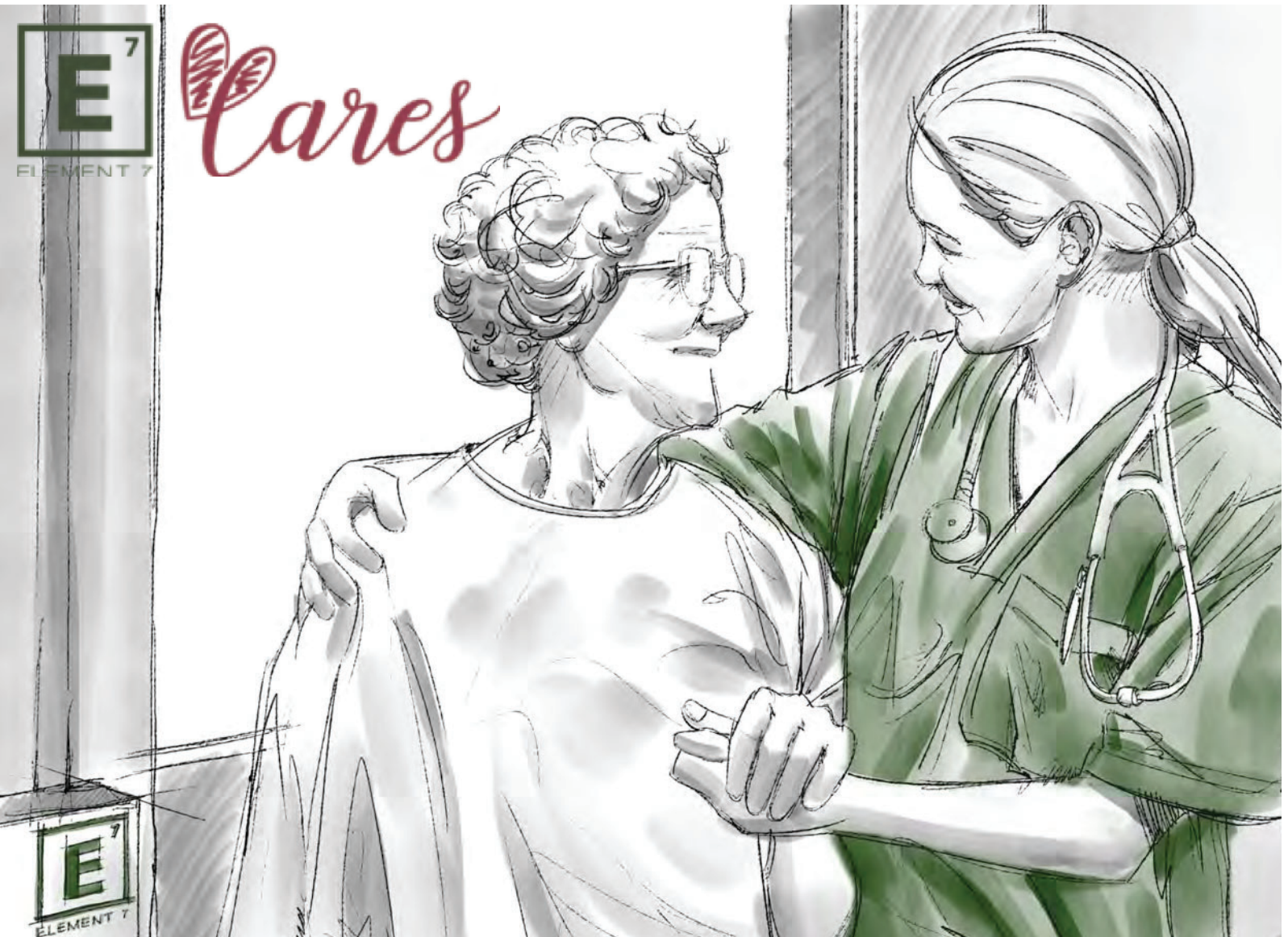
UCLAAnderson
SCHOOL of MANAGEMENT



OUR OPERATIONS ARE BACKED BY **PASSION AND PURPOSE**

Our approach in Suisun City is laser-focused on being locally relevant, which means paying particularly close attention to the needs and concerns of the community, including both residents and businesses. We understand and appreciate that the needs and concerns of the community are entirely unique, and each of these issues is carefully addressed in our Business Plan.

Element 7 wants to ensure that it pays-it-forward and pays-it-back. For this reason, we have developed a goodwill outreach program, Element 7 Cares, that promotes education, health, drug rehabilitation, and veterans affairs in the City. We are committed to an annual budget (\$50,000) to support this program and have identified four (4) local non-profits that we will partner with.



LOCAL EDUCATION & OUTREACH PROGRAMS

EDUCATING SUISUN'S YOUTH



Element 7 has committed to funding **NoTime2Chill**, a local program built by **Andre T. Chilton**. NoTime2Chill Skills Academy is a organizations which are dedicated to improving basketball skills of athletes of all ages from beginner through elite player.

NoTime2Chill Basketball Academy is the actualization of Andre T. Chilton's life-long love of basketball. He is an Air Force veteran with an impressive history of playing basketball at competitive levels. He has played at the collegiate level, German and Italian Semi-Pro levels, and All-United States Air Force levels. He also has over fifteen years of experience coaching and instructing basketball skills development training for athletes of all ages. Andre T. Chilton played point guard and shooting guard in college at Macon College in Macon, Georgia. He was selected to play on All Air Force, Unites States Army in Europe (USAREUR) All Star, USAREUR Army/AF, All Star tournament teams. He is hugely respected by teens living in Suisun City.

Andre operates NoTime2Chill out of premises located at **110 Railroad Avenue, Suisun City**, and Element 7 will work with Andre to financially sponsor the Academy, conduct 'Say No 2 Drugs' youth education programs, and including Andre as a member of Element 7's **Suisun City Community Advisory Board** that will hold Element 7 accountable in the local community to promises made, and programs developed.



WE WILL SET A NEW INDUSTRY STANDARD IN THE CITY OF SUISUN CITY

We are proud to present our vision for Element 7, and we are confident that the site we have selected will help us meet the needs of the City and its vibrant community. It will also be fully compliant with Suisun City's Cannabis Municipal Code dealing with public safety, health, comfort, and economic development.



While Element 7 has over a decade of cannabis experience and has recently been awarded additional permits in California's Coastal Region (Marina), East Bay (Oakland), and Southern California (Chula Vista), the changing and evolving retail landscape means we are continually looking to innovate our brand and add deeper intellect to our team. We will continue to push the boundaries driving change and ushering in new retail standards that tomorrow's cannabis customer will demand, elevating our offer continuously.

We are committed to being the most trusted, tested, taxed, controlled, local, and compliant cannabis operator that the City could identify and partner with to expand the City's cannabis business strategy and operations.



We know that the business operations at Element 7 Suisun City will set new standards in the cannabis industry and help the City define how cannabis brands and businesses should operate and be governed in 2020 and beyond, and we are excited to partner with Suisun City through our **Cannabis with a Conscience** positioning and brand ethos to achieve our shared ambitions for this very local business.

Kind Regards,

A handwritten signature in cursive script that reads "Bobby".

Robert DiVito
Founder and CEO
Element 7 Suisun City

A handwritten signature in cursive script that reads "Karan".

Karan Grewal
Co-Founder

A handwritten signature in cursive script that reads "Andre".

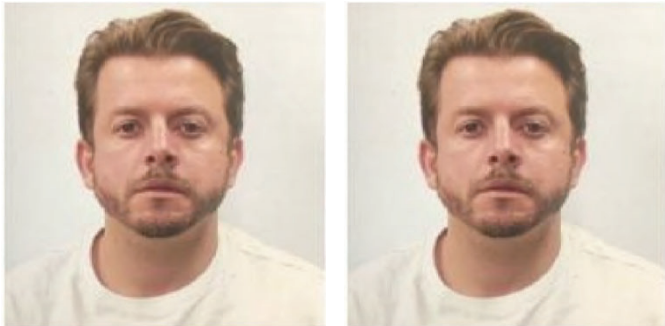
Andre Chilton
Co-Founder

BACKGROUND CHECK IDENTIFICATION FORMS

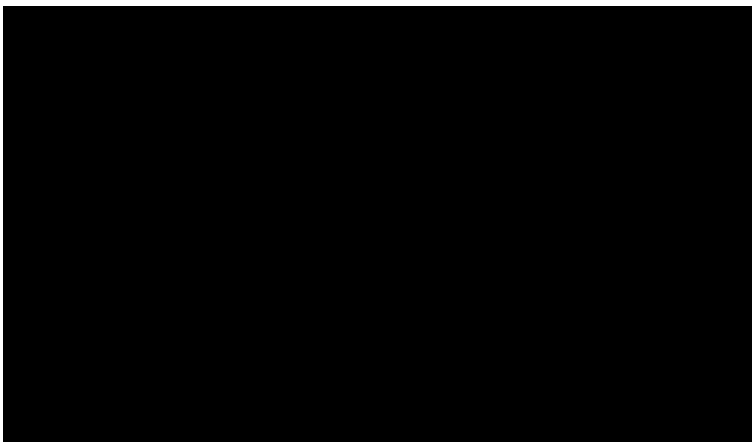


Robert Martin DiVito Jr., Owner

Picture of Principal



Copy of Social Security Card



Copy of Driver's License



Proof of Address



BACKGROUND CHECK IDENTIFICATION FORMS



Karan Grewal, Owner

Copy of Drivers License



Material on this page is requested to be exempt from disclosure under FOIA because it contains critical infrastructure information, highly confidential security information and trade secrets.

BACKGROUND CHECK IDENTIFICATION FORMS



Andre Chilton, Owner

Copy of Drivers License



Material on this page is requested to be exempt from disclosure under FOIA because it contains critical infrastructure information, highly confidential security information and trade secrets.

OTHER CANNABIS-RELATED INVESTMENTS

ROBERT M. DIVITO JR.

ENTITY	LICENSE TYPE	LICENSE NUMBER
ELEMENT 7 FIREBAUGH LLC	TYPE 6	APL-13124
ELEMENT 7 FIREBAUGH LLC	TYPE 11	C11-20-0000015-APP
ELEMENT 7 FIREBAUGH LLC	TYPE 10	C10-20-0000010-APP
ELEMENT 7 FIREBAUGH LLC	TYPE 9	C9-20-0000021-APP
ELEMENT 7 WALNUT CREEK, LLC	TYPE 9	C9-19-0000197-APP
ELEMENT 7 WILLOWS, LLC	TYPE 10	STATE LICENSE PENDING
ELEMENT 7 CHULA VISTA ONE LLC	TYPE 10	CITY PERMIT PENDING
ELEMENT 7 SAN LUIS OBISPO, LLC	TYPE 12	STATE LICENSE PENDING
ELEMENT 7 SOUTH SAN FRANCISCO LLC	TYPE 9	C9-20-0000070-APP
ELEMENT 7 EUREKA, LLC	TYPE 10	STATE LICENSE PENDING
ELEMENT 7 UKIAH LLC	TYPE 10	STATE LICENSE PENDING
ELEMENT 7 AMERICAN CANYON, LLC	TYPE 12	CITY PERMIT PENDING
E7 RIO DELL LLC	TYPE 10	C10-20-0000061-APP
ELEMENT 7 MARINA, LLC	TYPE 10	CITY PERMIT ISSUED
ELEMENT 7 BAY POINT LLC	TYPE 10	CITY PERMIT PENDING
RR ENTERPRISES LA LLC	TYPE 10	CITY PERMIT PENDING
E7 PALMS SPRINGS LLC	TYPE 10	CITY PERMIT PENDING
E7 NAPA CITY LLC	TYPE 10	CITY PERMIT PENDING
E7 DUNSMUIR LLC	TYPE 10	C10-20-0000044-APP
E7 FORT BRAGG LLC	TYPE 10	C10-20-0000063-APP





COMMERCIAL CANNABIS BUSINESS APPLICATION

Request for Applications

This City of Suisun City is opening the application period to begin accepting applications for one (1) Storefront Retailer within the City. The Suisun City Planning Commission will be considering making a recommendation to the City Council regarding amendments to the City's cannabis regulations in January. Amendments will include a possible increase in allowed retail storefronts as well as additional zoning districts were such uses would be allowed. However, this initial RFA period will be for a single storefront retailer.

The application period will open **July 15, 2020 and close September 1, 2020.**

Staff has created a webpage that provides documents relevant to the City's cannabis regulations and the subject RFA. These documents can be accessed from the city's homepage at www.suisun.com. Additionally, staff will be accepting questions via the department email address developmentsservices@suisun.com as well as via phone (707.421.7335).

Commercial Cannabis Business Application

To be considered under the first Request for Application (RFA) process initiated by the City pursuant to SCC Section 18.49.160(B) and these RFA Guidelines and procedures, applications must meet the criteria set forth herein, satisfy any and all other applicable requirements as set forth in SCC Chapter 18.49, and be submitted to the City during the RFA application period of **8:00 a.m. July 15, 2020 through 5:00 p.m. September 1, 2020**. Applicants must schedule an appointment to submit an application, and applications (with applicable fees) shall be submitted to the Development Services Department located at 701 Civic Center Blvd., Suisun City, CA 94585.

Each application shall include the materials and comply with the requirements set forth in these RFA Guidelines and Procedures, as follows (without limitation as to any other applicable requirements set forth in SCC Chapter 18.49 or otherwise established by or pursuant to the authority of the City Council)

Application Submission. Applicants, **by appointment**, must hand-deliver five (5) completed and signed copies of their application, including all attachments, along with a flash drive containing one completed and signed copy of the application in PDF format, and payment of the required application fees, to the City's Development Services Department during the application period. All application contents, as provided above, shall be enclosed in a sealed envelope or container and addressed to the City of Suisun City, Development Services Department, 701 Civic Center Blvd., Suisun City, CA 94585. Late applications will not be accepted or considered. No person or entity may submit multiple applications. The applicant shall be the owner(s) of the proposed Storefront Retailer that is the subject of the application. Staff will be accepting questions via the department email address developmentsservices@suisun.com as well as via phone (707.421.7335).





BUSINESS TYPE

Type 10 = Retailer

FEE

Application Deposit. Payment of an initial deposit, in the amount established by resolution of the City Council, toward the Preliminary RFA Application Review Fee is required at the time of application submission, and may be made by a certified check, cashier's check, or money order made payable to the City. Deposited amounts expended by the City are non-refundable. Deposited amounts remaining unexpended upon the conclusion of the RFA process will be refunded upon request of the fee payor.

Application Deposit for RFA Application Preliminary Review and Processing	\$4,800.00
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ELEMENT 7 SUISUN CITY LLC

Business Name

300 RAILROAD AVENUE, SUISUN CITY, CA 94585

Property Address

SONIA KUMARI

707-386-2547

inam@pcres.net

Name of Owner (Individual)

**Owner's Telephone
Number**

Owner's Email Address





Section 1: Cannabis Business Information (attach additional pages as necessary and label)

1. Attach a complete list of every person with 20% interest or more in the business including full name, title within the entity, birthdate and location, social security or tax identification number, phone number, e-mail, the date owner acquired interest in entity, the percentage of ownership interest, and if applicable, the number of shares owned, financial interest in other cannabis business, etc. (Additional page label #1.1) **ROBERT M. DIVITO JR.**

- FOUNDER AND CEO / [REDACTED]
- ROBERT WILL OWN 96% OF THE MEMBER SHARES IN THE LLC ENTITY (AUGUST 2020)
- PERSONAL ID IN TAB 2 / LIST OF OTHER CANNABIS INTERESTS INCLUDED IN TAB 3

2. A complete list of every person holding a management role including name, personal address and phone number, title and duties. (Additional page label #1.2)

ROBERT M. DIVITO WILL BE OWNER AND CEO: ALL OTHER PERSONS APART FROM ROBERT AND KAY GREWAL WILL BE HIRED LOCALLY FOR THE BUSINESS. SEE ATTACHED ADDITIONAL PAGE LABELED 1.2.

3. For each owner and manager, a fully legible copy of one (1) valid government-issued form of photo identification, such as a driver's license, shall be submitted. (Attach and label #1.3)

ROBERT M. DIVITO WILL BE OWNER AND CEO: DRIVERS LICENSE AND SSN ATTACHED IN TAB 2 FOR EASY REFERENCE

4. For each owner and manager, a summary criminal history (Live-Scan), dated not more than two weeks prior to the date of this application, has been processed through an authorized operator. The City will receive results of the Live-Scan directly. Live-Scan is available at the Suisun City Police Department, appoint is necessary. Please email akent@suisun.com for more information. (Attach and label #1.4)

ROBERT M. DIVITO WILL BE OWNER AND CEO: LIVE SCAN ATTACHED AS (M) TAB 17 ALONG WITH LIVE SCAN FOR KAY GREWAL.

5. A list of types and numbers of marijuana licenses already received by the applicant from the State of California, including the date the license was obtained, the licensing authority that issued the license, and the location. (Attach additional pages as necessary and label #1.5)

Business Name	Location	License Permit Authority	Permit License Number
REFER TO ATTACHMENT WITHIN TAB 3 OF THIS APPLICATION FOR A LIST OF ALL LICENSES ISSUED / PENDING			



SUPPLEMENT PAGE 1.2

LIST OF PERSONS IN MANAGEMENT ROLES

ROBERT M. DIVITO

TITLE: Founder and CEO

ADDRESS: [REDACTED]

PHONE: [REDACTED]

DUTIES:

- Lead, scale, and continue to develop the Element 7 Brand and Business across California
- Manage key relationships with City Officials, Local Organizations, Government Regulatory Bodies, and all other stakeholders
- Ensure that the business is meeting its commitment and obligations to the City
- All legal, financial, commercial, tax, and HR commitments required for the business
- Setting the "retail vision" and ensuring its being executed
- Hiring and retention of all key management and staff
- Spokesperson for the business
- Financing and funding commitments for all development in timely manner
- Create and ensure a diverse, collaborative and innovative Work Environment
- Model an environment of open communication by sharing enterprise strategy and corporate messaging to associates
- Review and interpret financial and operational reporting regularly, including store visit and audit results

KAY GREWAL

TITLE: Part-Owner and General Manager

ADDRESS: [REDACTED]

PHONE: [REDACTED]

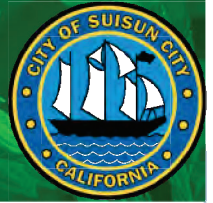
DUTIES:

- The General Manager is responsible for overseeing the financial success of the store and for responding to business needs and strategizing around business trends in order to drive profitable top line sales growth
- Assessing, recruiting and screening **local** talent to build a team that embodies The Element 7 brand by delivering exceptional service and driving customer loyalty therefore increasing return visits
- Oversee Performance Reviews
- Ensure that all employees receive required state-mandated, on-boarding and other training
- Promote a culture of teamwork by working alongside the local Management team, establishing priorities, and providing clear direction
- Identify underperforming metrics and develop strategies that leverage company programs, tools, and resources to improve and grow the business



- Mastery of POS and FlowHub in order to ensure full compliance at all times
- Implement internal operating procedures to ensure compliance with State regulations
- Protect company assets and minimize loss by ensuring all store standards and operating procedures are met, including workplace safety, inventory control, compliance and loss prevention, and reporting
- Provide support on the retail floor, when needed
- Ensure that customer feedback, comments, and / or complaints are addressed in a respectful, professional manner
- Ensure that all associates adhere to the goal of elevating customer experience
- Meet or exceed goals related to total store sales, profitability, and operational excellence
- Forecast and adjust payroll to maximize productivity, achieve sales & payroll goals, and complete workload

Section 2: Scoring Criteria for Application Evaluation.
 (attach additional pages as necessary and label)



The City will consider the following selection criteria in its evaluation of applications submitted under this RFA and will award up to a maximum of **200** points to each application received.

Site Control	20
Business Plan	30
Floor Plan/Elevations	15
Qualification of Applicants	20
Neighborhood Compatibility	25
Safety and Security Plan	20
Community Benefits, Labor, & Employment	20
Air Quality Control Plan	15
Suisun City Resident?	10
Tax Revenue	25
Current Suisun City Cannabis Business	-15





Section 2.1 Site Plan

A scaled site plan, prepared by a licensed civil engineer or architect, of the premises, including at minimum all buildings, structures, driveways, parking lots, landscape areas, and boundaries.

Section 2.2 Floor Plan / Elevations

Depict existing and proposed conditions. The floor plan(s), elevations, site layout and vector isometric renderings should be accurate, dimensioned and to-scale (minimum scale of 1/4"). If new building construction is proposed, provide a preliminary site layout and floor plan, preliminary elevations, vector isometric renderings.

Section 2.3 Safety & Security Plan

The application shall include:

- A detailed security plan meeting and confirming ability to comply with the requirements of SCC Section 18.49.150(H) and the Supplemental Security Requirements for Storefront Retailers/Dispensaries adopted by the City Council. This plan should also include a description and detailed schematic of the overall facility security of the proposed use. It should have details on operational security, including but not limited to general security policies for the facility, employee specific policies, training, sample written policies, transactional security, visitor security, third party contractor security and delivery security. In particular, applications should address ingress and egress, perimeter security, product security (at all hours), internal security measures for access (area specific), types of security systems (alarms and cameras), and security personnel to be employed. Security plans will not be made public.
- A detailed fire safety plan. This plan should describe the fire prevention, suppression, HVAC and alarm systems the facility will have in place. An appropriate plan will have considered all possible fire, hazardous material, and inhalation issues/threats and will have both written and physical mechanisms in place to deal with each specific situation. The plan should reflect compliance with all applicable provisions of the California Fire Code and other applicable laws and regulations.
- A detailed fire evacuation plan. This plan should depict the location of all exits, the primary and secondary evacuation routes, and the distance to all exits. The plan should reflect compliance with all applicable provisions of the California Fire Code and other applicable laws and regulations.

Section 2.4 Transportation Plan

A transportation plan describing the procedures for safely and securely transporting cannabis and cannabis products and currency to and from the premises.





Section 2.5 Air Quality / Odor Control Plan

Describe how interior air circulation, ventilation and filtration systems will minimize impacts to employees' and customers' health and welfare and prevent any odor impacts to surrounding businesses or the public.

Section 2.6 Disposal Plan

Procedures for identifying, managing, and disposing of litter, waste, and contaminants and hazardous materials pursuant to Section 18.49.150(M)-(N).

Section 2.7 Business Plan

With as much detail as possible, describe:

- The day-to-day operations of the proposed Storefront Retailer, which are to meet industry best practices for Storefront Retailer uses.
- How the proposed use will conform to local and state laws and regulations.
- How cannabis and cannabis products will be tracked and monitored to prevent theft and diversion.
- A schedule for commencement of operation, including a narrative outlining any proposed construction and improvements and a timeline for completion of work.
- A budget for construction, operation, maintenance, compensation of employees, equipment costs, utility costs, and other operation costs. The budget must demonstrate sufficient capital in place to pay startup costs and at least three months of operating costs, and must describe the sources and uses of funds.
- A pro forma for at least three years of operation.

Section 2.8 Operations Plan

An operations plan, detailing the operating procedures of the proposed commercial cannabis business, tailored to the specific type of business proposed. Such procedures shall address, without limitation, storage, handling and use of cannabis, cannabis products, and any other materials to be used or contained in the proposed operation, handling of cash, equipment and methods to be used, inventory procedures, lighting, signage and quality control procedures, as applicable.





Section 2.9 Qualification of applicants

Include information concerning applicant's past experience with operation of any commercial cannabis businesses, including, but not limited to, Storefront Retailers/Dispensaries. Provide details on all such businesses that have been under the full or partial ownership or management of the applicant, including the full legal name, location, commencement date, and current status of the operation (including date of termination of the business and description of the reason for termination, if applicable). To the extent applicable, disclose and describe:

- (1) any and all state or local cannabis permits or licenses currently held by the business or applicant;
- (2) any administrative order or civil judgment ever entered against the business or applicant for violation of labor standards;
- (3) any suspension or revocation of a state or local cannabis license or permit ever held by the business or application; and
- (4) any sanctions for unlicensed/unpermitted commercial cannabis activity ever imposed by a state or local agency against the business or applicant. Describe any special qualifications or licenses of the applicant that would add to the number or quality of services that the proposed Storefront Retailer would provide, especially in areas related to medicinal or scientific applications of cannabis or cannabis products.

Section 2.10 Site Control

Provide a statement regarding whether the applicant has legal control of the proposed Storefront Retailer site or location. The City considers site control a requirement in enabling an operator to commence business activities in a timely manner. Demonstration of any legal control through proof of ownership, tenancy, or other legal right or entitlement to control of the site should be included with the application. Scoring is as follows:

- Lease 5 points
- Ownership/Substantial Renovation 10 points
- New Building 20 points

Section 2.11 Neighborhood Compatibility – Good Neighbor Policy

Address the degree to which the proposed use is compatible with surrounding uses and how the proposed use, including its exterior areas and surrounding public areas, will be managed to avoid becoming a nuisance or having impacts on its neighbors and the surrounding community. Include a site plan (accurate, dimensioned and to-scale) for the proposed location. Every cannabis business must describe how the business interacts with the neighborhood. You need to meet with your neighbors to get feedback on what to include in your Good Neighbor Policy for your business, they in turn will be added to you conditions of approval.





Section 2.12 Community Benefits

Describe the benefits that the proposed use would provide to the local community, such as community contributions, participation in or support of community organizations, drug abuse awareness education, or other contributions or activities that will benefit the community.

Section 2.13 Criminal History Check

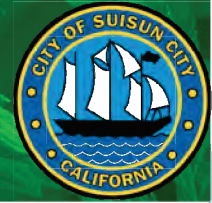
As part of the RFA Process, each owner and manager of the proposed Storefront Retailer must undergo a criminal background check, administered by the Suisun City Police Department using "Live Scan," demonstrating that he or she has not been convicted within the last ten years of a felony substantially related to the qualifications, functions or duties of operation of a Storefront Retailer (such as a felony conviction for distribution of controlled substances, not including cannabis, money laundering, racketeering, etc.). All fees and costs associated with completing background checks shall be paid by the applicant. No individual who does not undergo and pass the required background check shall be involved in the operation or ownership of a Storefront Retailer in the City, unless such individual has obtained a certificate of rehabilitation (expungement of felony record) for the applicable transgression(s) under California law or under a similar federal statute or state law where the expungement was granted. The application for the Live Scan and appointment link will be made available on the City's website. Persons who do not meet criminal history eligibility requirements will be disqualified from the RFA process.

Section 2.14 Labor and Employment

If applicant is proposing higher wages the application could describe to what extent the Storefront Retailer will adhere to heightened pay and benefits standards and practices, including recognition of the collective bargaining rights of employees. Specific practices that are subject to consideration include the following:

- i. Providing a description of proposed payroll practices/use of payroll consultants that document employee compensation.
- ii. Providing compensation to and opportunities for continuing education and training of employees/staff (include proof of the proposed business' policies and regulations for employees);
- iii. Providing a "living wage" to the proposed business' staff and employees. The proposed wage scale should be provided in writing for all levels of employment within the business. "Living Wage" shall mean 150% of the minimum wage mandated by California or Federal law, whichever is greater.
- iv. Describing the extent to which the proposed business will be a locally managed enterprise whose owners reside in or within the vicinity of the City.





Section 2.15 Proposed Location

Include the address, assessor’s parcel number(s), and a detailed description of the proposed location. This section should also describe and generally characterize all uses within 600 feet of the property line of the proposed location. The proposed site must be located in either the Commercial Services and Fabrication (CSF) zone or the Commercial Mixed Use (CMU) zone and may not be located within 600 feet of a K-12 school, commercial daycare center, or center.

SONIA KUMARI

REFER TO TAB 6 FOR (C) SITE CONTROL LETTER

AUGUST 31, 2020

Signature Owner

Date

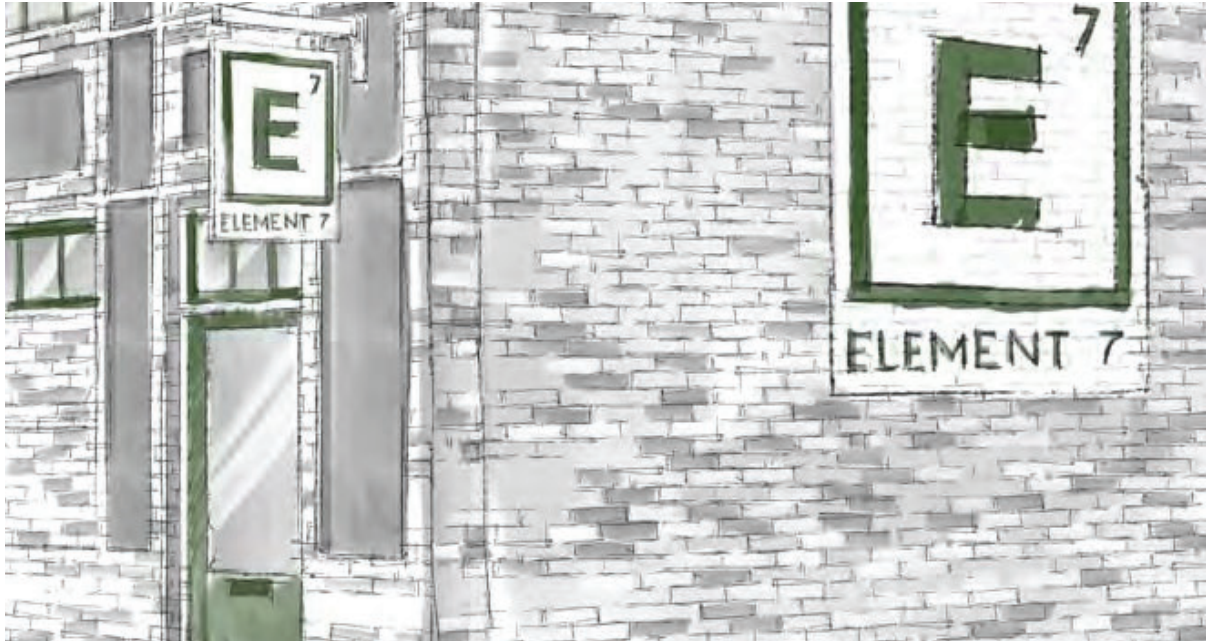
ROBERT M. DIVITO JR.

AUGUST 31, 2020

Print Name

Date



(B) PROPOSED LOCATION**Introduction**

Finding the optimal business site is never easy – the challenge of locating premises that have no immediate neighbors with concerns for a cannabis business are difficult in every municipality we operate within. Communication though, and early engagement are key. Re-educating neighbors, stakeholders, community leaders, and immediate neighbors on how a compliant and controlled cannabis business can be built and managed, can be effectively done when Element 7 engages these people early, including these people in our business plans and site operation strategies.

The key selection criteria for the physical location of our business premises include site-compliance, neighborhood compatibility, security and customer safety, parking, City cannabis zoning restrictions, size of the premises, and how the site fits with our holistic wellness and sustainable business vision.

Our core business objective is to create a vertically enabled cannabis business in the City of Suisun City that maximizes taxes, job creation, and sustainable economic development, while exceeding the needs of our patients and customers and continuously demonstrating to our partners and communities that Element 7 is a business with purpose and vision. We will do this by selecting the optimal site that meets our needs and engaging the community early to gain their buy-in, trust, and commitment to collaborating with us.



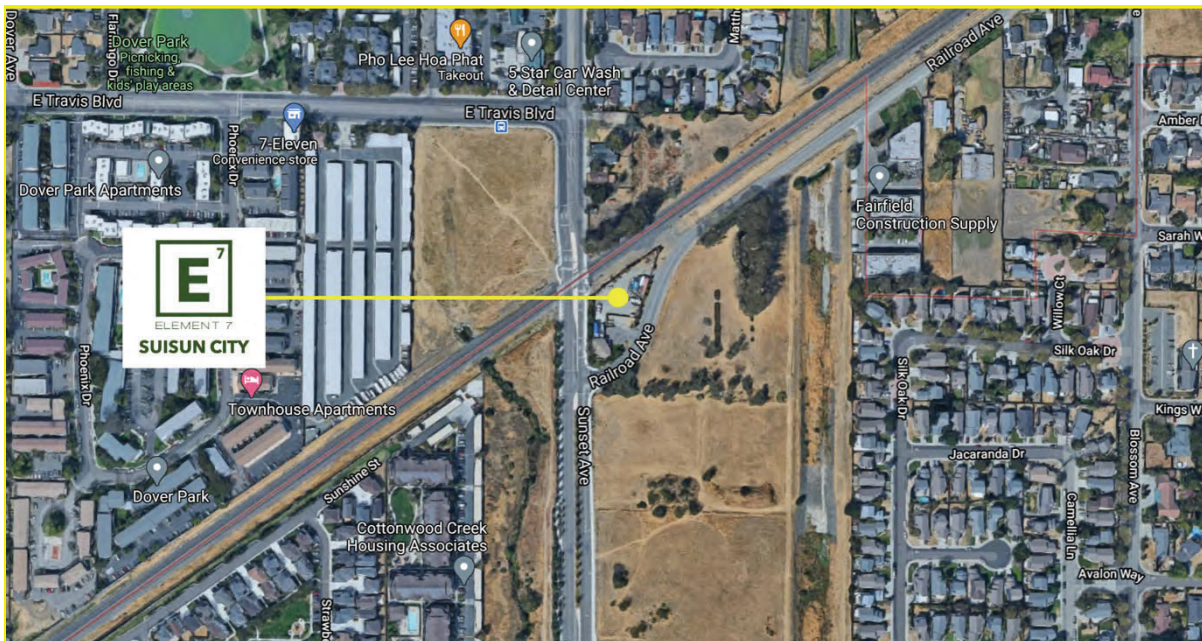
Property Selection

We have secured the following property for our commercial cannabis application:

Property Address	300 Railroad Avenue, Suisun City, CA 94585
Assessor Parcel Number (APN)	0037-160-100
Zoning	Commercial Mixed Use (CMU)
Land Use Type	Office Building
Lot Size	0.64 Acres
Building (Premises) Size	3,000 Square Feet (New Building)
On-Site Parking Spaces	20
Property Owner	Property under contract to purchase (LOI)
Property Terms	Purchase on permit issuance (\$1.2M)
Legal Description	Locke Paddon Colony 4 Lot 36

We understand from discussions with City Officials that the parcel we have selected is compliantly zoned for cannabis and will allow us to construct a cannabis business that meets our business objectives.

We will take possession of the property on approval of the licenses and, subject to any required building and planning permits, will have the property developed with operations to commence in October 2021.



HIGH AERIAL VIEW





LOW AERIAL VIEW



STREET VIEW FROM SUNSET AVENUE

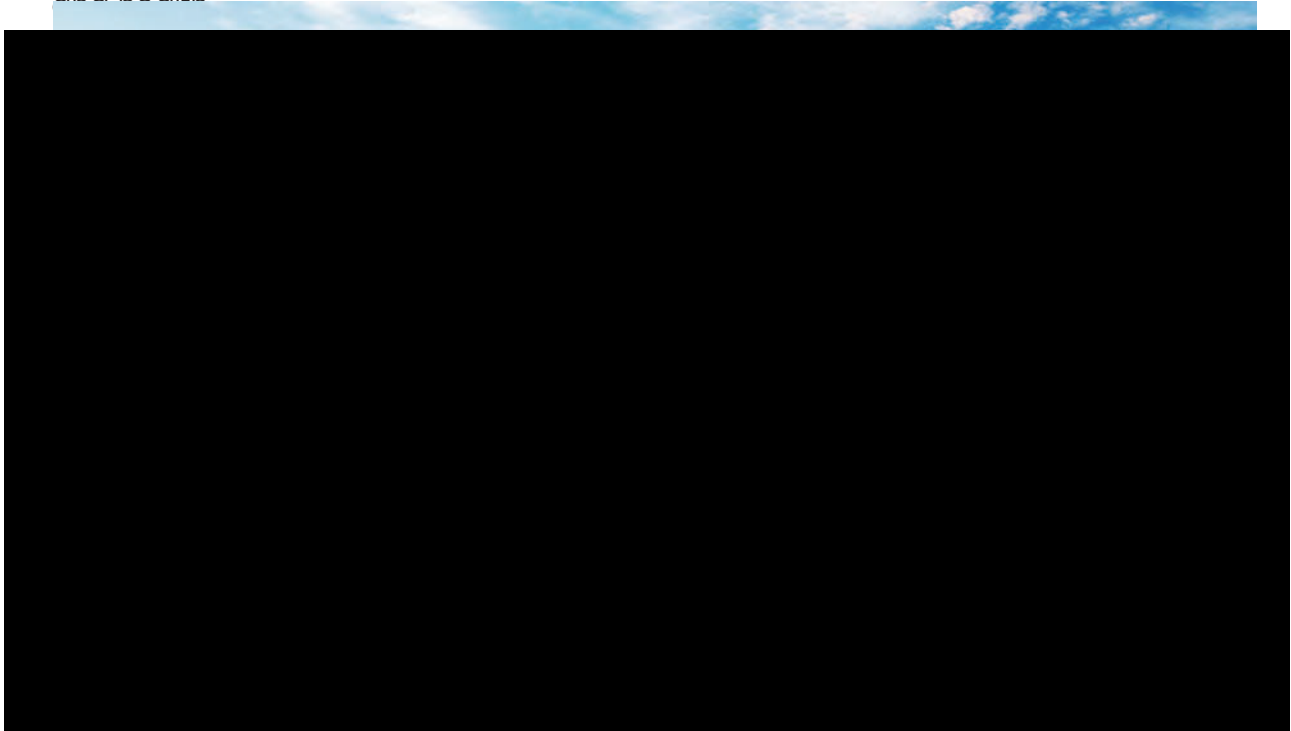


STREET VIEW FROM RAILROAD AVENUE

We have a range of relationships in the market across California to provide these materials, focusing on local suppliers, family businesses, and small communities that continue to specialize in the production of these building supplies.

Exterior Design Concept

Our exterior design concept is designed to be eco-modern, sustainable, low-maintenance, friendly, warm, and welcoming. Our use of glass and live plants creates the sense of an urban holistic wellness facility, while our attention to detail communicates to our audience that we are focused on every aspect of their wellness and health.



Living Walls, Air Quality Enhancing Plants and endless walls and floors of glass and wood emulate a Zen-like aspiration of balance and calm. Conveying this balance throughout our design mirrors our own brand ethos and vision of being holistic cannabis retailers that seek to understand, heal and respect the entire person.



We take our inspiration from many sources, including some of North America's most forward-thinking brands and retail operators. Beyond that, we also have looked internationally to understand how the global retail landscape is changing, and how it impacts and influences how consumers shop and purchase products.

This store design from Aesop Australia, is a demonstration of how architects and designers are finding new ways to build a unique and unforgettable retail experience into a defined retail space. This thinking is constantly being built into our Element 7 store and retail design.



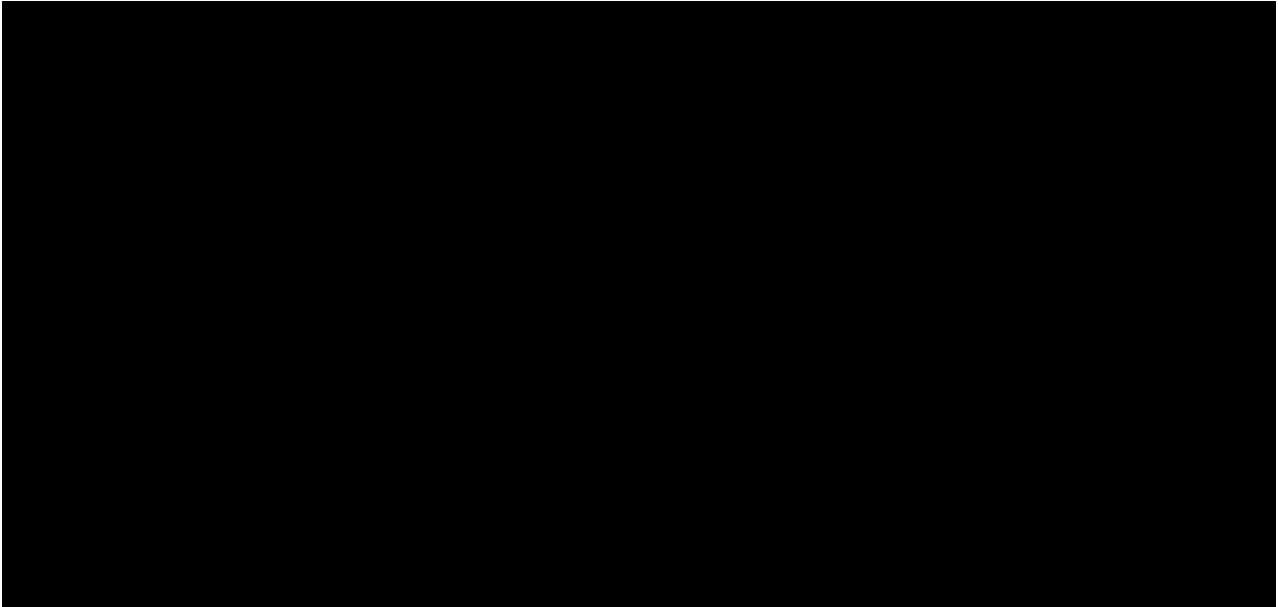
We look at how European retailers have created timeless style, and how Asian retailers integrate smart technology, open space, and sustainable building materials into their retail concepts.



Interior Design Concept

Element 7's vision is to visually create a retail facility that is welcoming, without being overbearing. From the moment customers enter the lobby of Element 7 and are attended to by the Receptionist, through to when they leave, they will be catered to with personalized that inspire and celebrate holistic wellness.

Impactful interior design is critical to creating a lasting Element 7 impression with customers. Our preferred materials are hardwoods, greens and whites for a clean safe feeling, lighting with dimmable LED and light efficient fixtures, and design pieces that create impact.



To demonstrate our commitment to horticulture and plant-based medicines, our design vision is to create a feeling that customers have walked into a green living room, with plants spread throughout the facility.

This design will create a lasting impression with customers and set Element 7 apart from other dispensaries in California.

Design Team

The Design Team behind Element 7 concept have significant experience in the fashion, quick serve restaurant, and leisure industries.

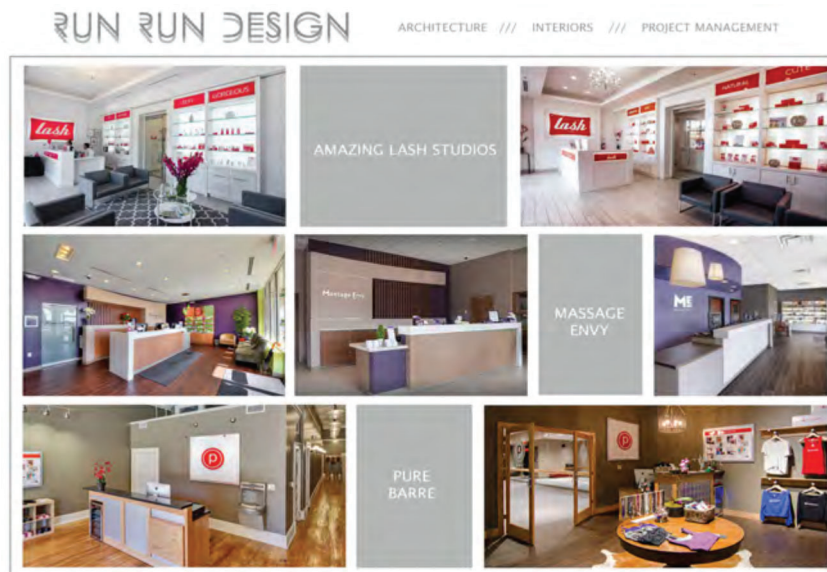
Led by Scott Neiss of ND Enterprises, Scott's team have designed over 3,500 projects across North America in the last 30 years. Scott holds architecture and interior design licenses, and specializes in restaurant, fashion, and lifestyle design. His team was responsible for the design and concept for Menchies Frozen Yogurt, a brand with 400 locations across North America. They also designed and provided architectural services for 200 Tropical Smoothie Café locations across North America, 12 AhiPoki restaurants on the US West Coast, Toca Madera & Tocaya Organica, over 100 Coldstone Creamery locations, and Project Pie, a new franchise in the US, Scotland, Philippines and Dubai.



Element 7 believes that Scott and the team at ND Enterprises deliver a significant commercial and design advantage. Being able to leverage their 30+ years of Quick Service Restaurant (QSR) Design ensures that Element 7 is able to build and complete projects at pace with strong design concepts. Design efficiencies learned and tested in the QSR industry are absolutely relevant to the cannabis industry.



In addition, Scott is joined by Elisa Bayha (Lead Interior Designer) at Element 7. Elisa heads up Element 7's interior design works and her firm, Run Run Design, has delivered hundreds of projects in the wellness, leisure, fitness, and healthy fast food space over the last 5 years. Clients include Amazing Lash Studios, Pure Barre, Massage Envy, Which Which Sandwiches, Jamba Juice, Samurai Sam's, and Scotty's Brewhouse. Elisa and her team have extensive experience across all aspects of design including Site Surveying, Construction Document Development, Permit Administration, Mechanical, Electrical and Plumbing Engineering, Interior Design and Branding, 3D modeling and Visualization, Commercial Kitchen Equipment Design, Project Management and Construction Consultation. Elisha graduated from ASU with a degree in Interior Architecture in 2005 and brings 15 years of interior design experience to the Element 7 team.



Optimal Site Location

Element 7 believes it has found possibly the most optimal site in the City of Suisun City for a commercial cannabis business, because:

1. The zoning for the proposed use is consistent with the City Zoning Ordinance.
2. We have zero sensitive uses within sensitive 600 feet use buffers.
3. The site is a strong fit with the surrounding land uses.
4. The site is in a light industrial / agricultural area.
5. The site will have full off-street parking for all vehicles used by Element 7 and its customers, including two (2) mobility parking spaces and bicycle stands for customers that use this mode of transport.
6. The granting of such permit will not be detrimental to the public health or welfare or injurious to the property or improvements in such zone or vicinity.
7. The streets and highway nearby are adequate in width and pavement type for the traffic generated.
8. The granting of such use permit will not adversely affect the comprehensive General Plan.
9. The operation of the business will not create excessive demands for police or other public services.
10. The business will benefit of the City of Suisun City through job creation, economic development and taxes. Element 7 are prepared to enter into a Development Agreement with Suisun City if desired by the City.

Site Compliance with Buffer Zones

Per the Suisun City Municipal Ordinance, the site is compliant in that it is not within 600 feet of a sensitive use facility or location. The nearest sensitive locations are shown on the attached 'Buffer Zone' Maps.

Parking: Element 7 believe that the site can deliver 18 off-street parking spaces and 2 ADA parking spaces which would create no additional demand in the surrounding streets for parking.

Vehicle Access: Access to the site is excellent with access roads and freeways bordering all sides of the Lot. The site is easily accessed from Sunset Avenue to the South, Tabor and Travis Blvd in the North, and Railroad Avenue to the East and West. The site is under 1 mile from Highway 12 to the south.

Public Transport Access: The property is reasonably served by public transport with several bus routes nearby to the north and south of the property.



Pedestrians: By foot, the site is accessible along Sunset Avenue with retail centers half a mile south and just north of the property.

Site Ingress and Egress: Element 7 propose having 2 entrances serving the property – one being at the north east corner of the property, and the other being at the south west corner of the property – both entrances are situated on Railroad Avenue and give drivers a clear view of traffic.

Traffic Reduction: Cannabis customers shop throughout the day – some will come in early before they start the day and others will shop after work – this constant flow of customers through the day ensures that we are not contributing to peak hour traffic issues which currently affect the City. Deliveries will be requested from suppliers at non-peak times to reduce traffic stress.

We prefer to hire staff locally and they will be encouraged to use public transport or to ride a bicycle to work – all staff that use public transport or a bicycle for the majority of their work travel will be rewarded with a monthly meal bonus valued at \$30.00 in our '**Commute the E7 Way**' program.

Youth Visibility Limits and Access Prevention: In addition to the privacy measures outlined in this application (frosted windows and check-in counter), persons under the age of twenty-one (21) years shall not be allowed into the facility at any time or for any reason (medical patients may be aged 18 but must have a valid Physicians Recommendation to enter as a patient). No person under the age of twenty-one (21) shall be offered any form of work or employment at the facility. The facility shall be clearly and legibly posted with restricted entry notices. As a business sitting on an 'island', visibility of the premises is highly restricted.

Residential Visibility Restrictions: The nearest residential zone is located 456 feet from Element 7's proposed location (to the north. Element 7 does not see any concerns with residential visibility of the location.

Summary

As demonstrated in this permit application, there is no other parcel in Suisun City that is compliantly zoned for cannabis, unoccupied by another tenant, and generates as much economic development as Element 7 would, building from the ground up and working with local contractors.

Managing neighborhood concerns is integral to Element 7's business model and brand positioning. In December 2019, after receiving strong vocal opposition from neighbors in Brentwood for a 2-acre greenhouse cultivation project, Element 7 withdrew its application for a permit with Contra Costa County. Similarly, in February 2020, when Element 7 was set to be approved for an indoor cultivation permit at Paul Davis Drive in the City of Marina, Element 7 withdrew its application for a cannabis cultivation license due to neighborhood odor and noise concerns from nearby residential and business neighbors.

We care about communities and believe that wherever we do business, we should create maximum economic impact and minimal neighborhood concern.



LEGEND

 City Limits






Residential

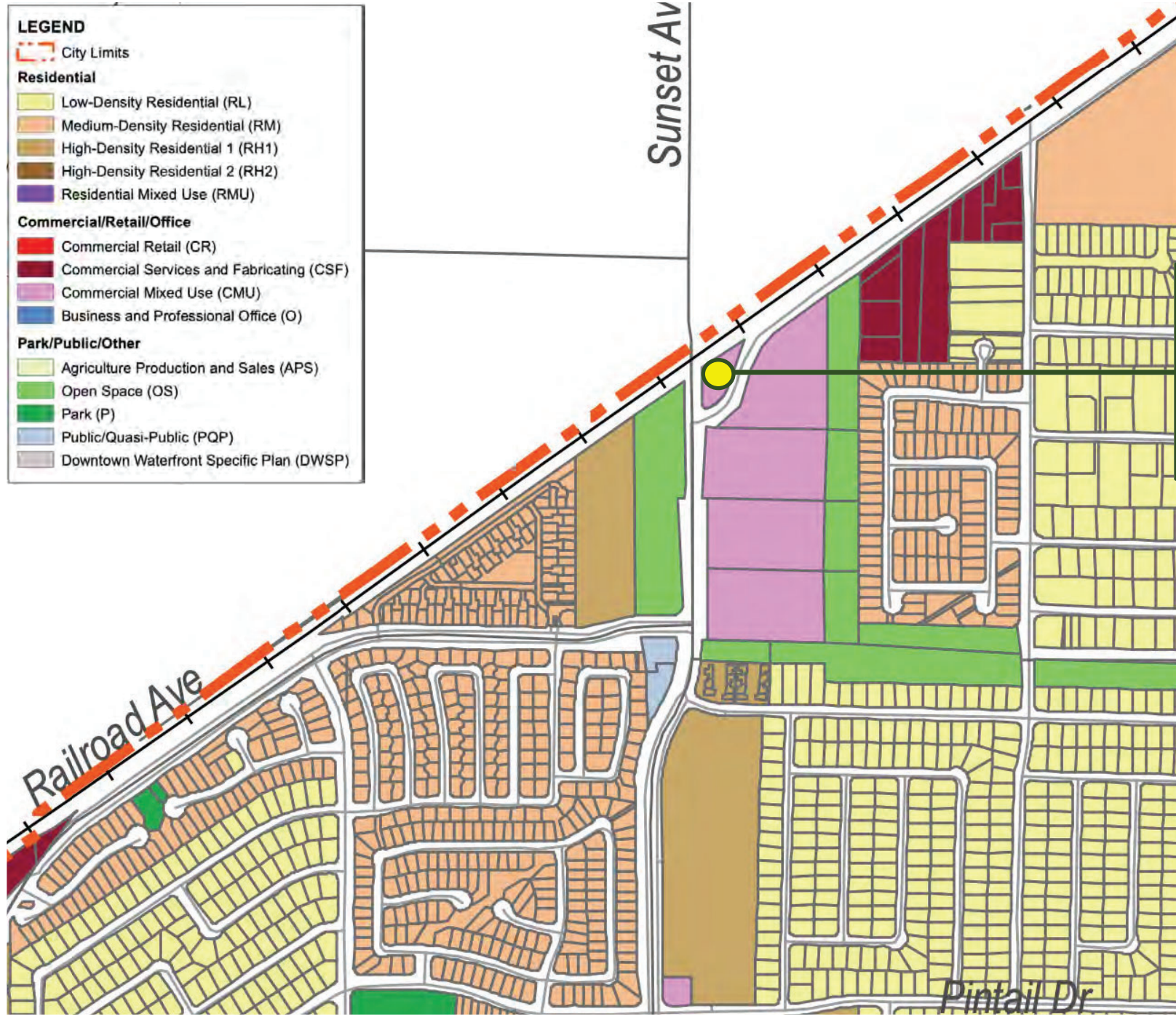
-  Low-Density Residential (RL)
-  Medium-Density Residential (RM)
-  High-Density Residential 1 (RH1)
-  High-Density Residential 2 (RH2)
-  Residential Mixed Use (RMU)

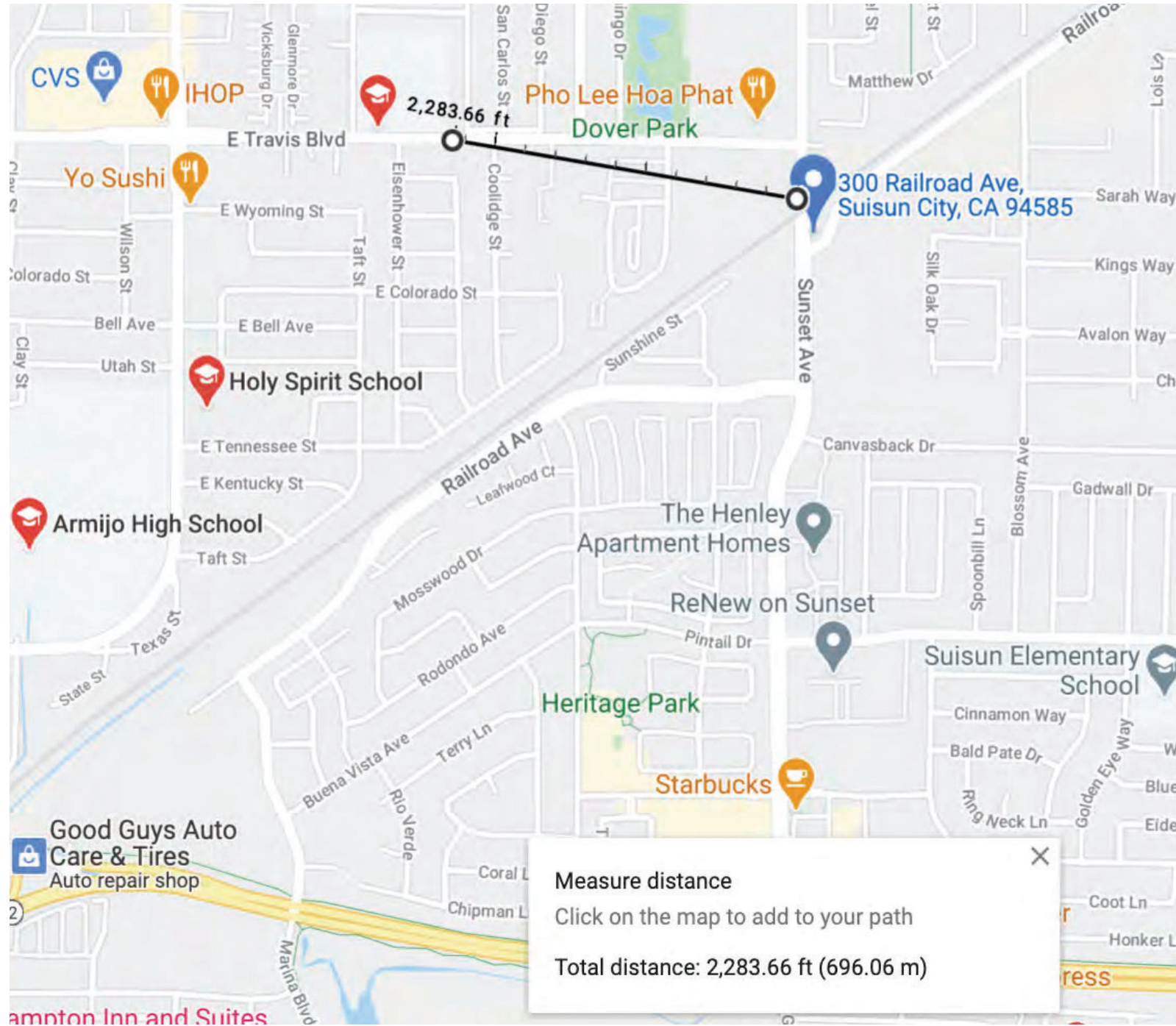
Commercial/Retail/Office

-  Commercial Retail (CR)
-  Commercial Services and Fabricating (CSF)
-  Commercial Mixed Use (CMU)
-  Business and Professional Office (O)

Park/Public/Other

-  Agriculture Production and Sales (APS)
-  Open Space (OS)
-  Park (P)
-  Public/Quasi-Public (PQP)
-  Downtown Waterfront Specific Plan (DWSP)

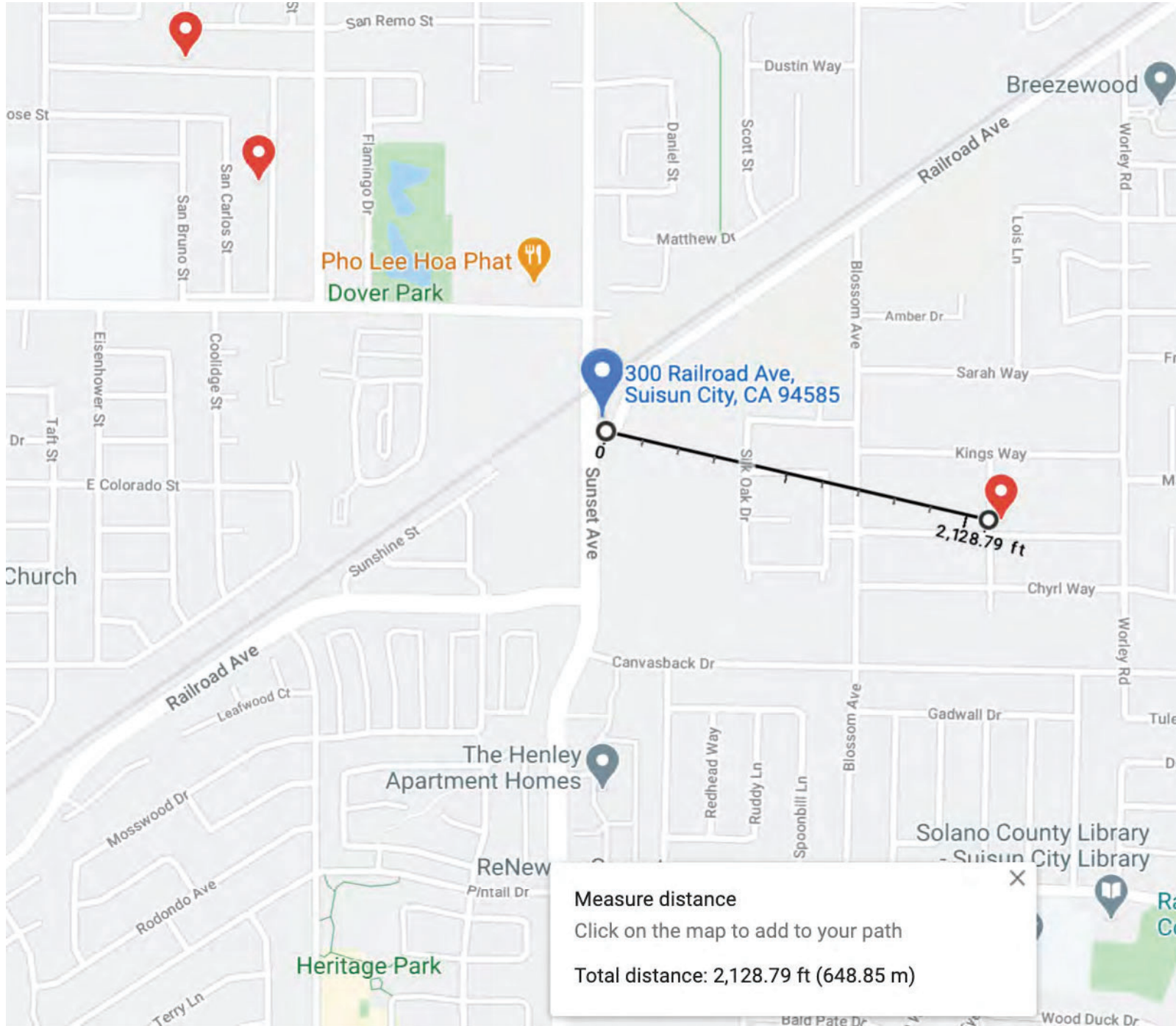




Measure distance ✕

Click on the map to add to your path

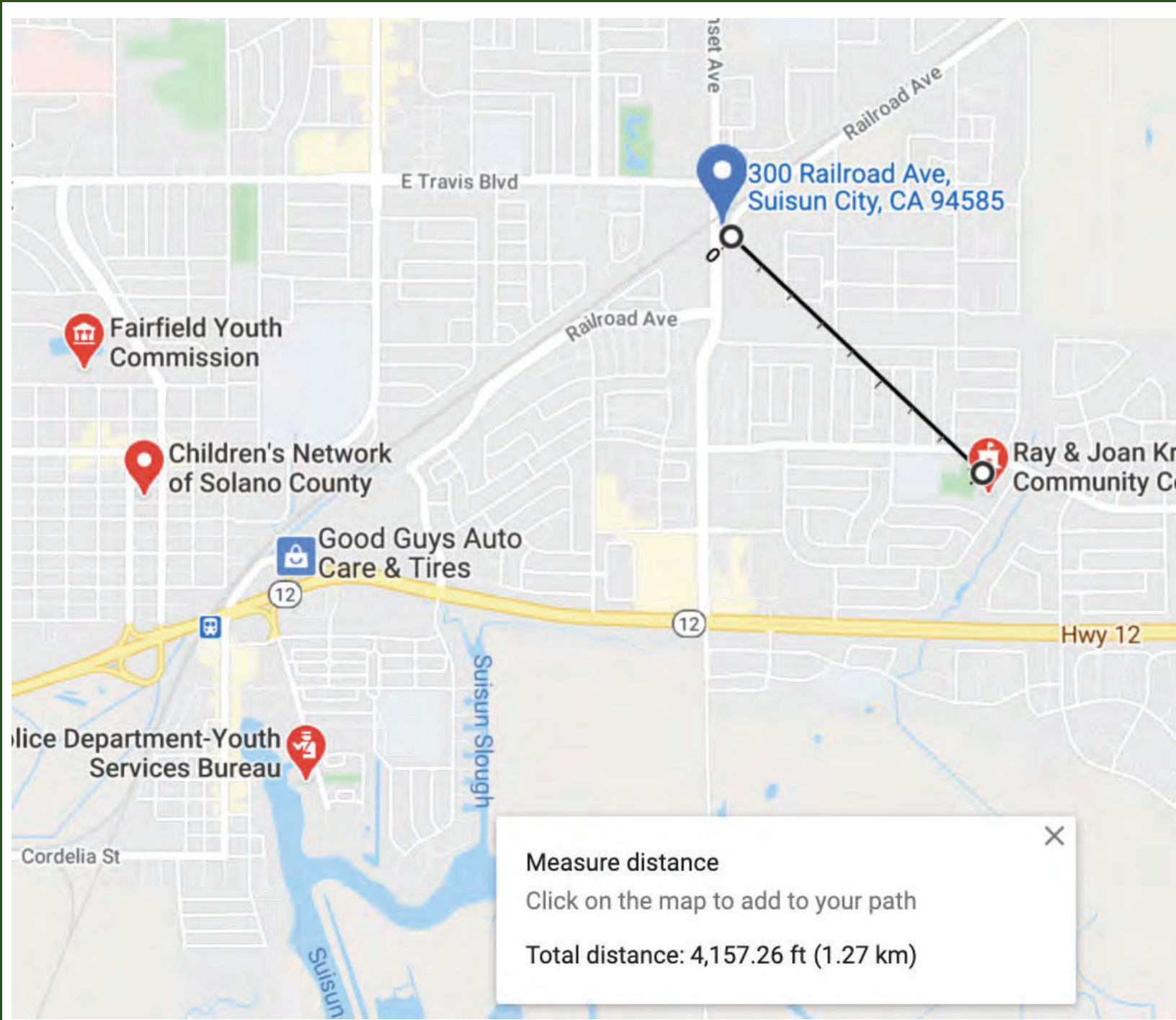
Total distance: 2,283.66 ft (696.06 m)



Measure distance

Click on the map to add to your path

Total distance: 2,128.79 ft (648.85 m)



Measure distance

Click on the map to add to your path

Total distance: 4,157.26 ft (1.27 km)

(C) SITE CONTROL LETTER



Introduction

Element 7 has legal control of the site at **300 Railroad Avenue, Suisun City, CA 94585**, by way of a legally binding Purchase and Sale Agreement Letter of Intent for the Property executed by both the Buyer (Element 7 LLC, of which Robert DiVito is the sole owner, manager, and member) and the Seller.

Such Purchase and Sale Agreement has a closing date thirty (30) days after the City issues any such cannabis permit to Element 7.

This will allow Element 7 to commence business activities in a timely manner with full control and ownership of the property.

A copy of the Purchase and Sale Letter of Intent is attached, along with a Consent Letter from the Owner.

Once escrow is closed, Element 7 will own the property AND construct a new building on the premises, delivering maximum economic benefit to the City of Suisun City as Element 7 works with local contractors and suppliers for building materials, works, supplies, installations, and ongoing maintenance.



OWNERS CONSENT FOR LAND USE: SUISUN CITY

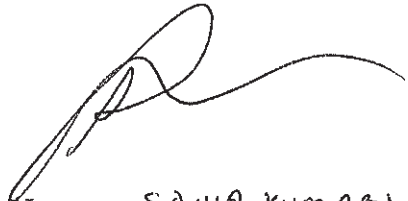
I, SONIA KUMARI of **300 Railroad Avenue, Suisun City, CA** , hereby give permission to **ELEMENT 7 SUISUN CITY LLC** to use the property located at **395 Broadway, El Centro, CA 94585** for the purposes of a commercial cannabis business (Storefront Retail Dispensary with Non-Storefront Delivery) effective immediately and subject to executing a property Purchase Agreement entered into between the parties.

All questions about the commercial cannabis business and its nature have been discussed to my satisfaction.

As the property owner, I agree to notify the City of Suisun City of any change in land ownership, development, or use 60 days prior to the change in status.

I can be reached at [REDACTED] at any time to discuss this further.

Kind regards,



Name: SONIA KUMARI

Address: [REDACTED]

Date: 8/29/2020

LETTER OF INTENT TO PURCHASE REAL ESTATE

The purpose of this Letter of Intent to Purchase Real Estate (the “**Letter**”) is to set forth some of the basic terms and conditions of the proposed purchase by the undersigned, **ELEMENT 7 SUISUN CITY LLC** (the “**Buyer**”) of certain real estate owned by Sonia Kumari (the “**Owner**”), for property at **300 Railroad Avenue, Suisun City, CA 94585** which is a commercial property available for purchase by the Buyer and offered for sale by the Owner (the “**Property**”). The terms and obligations set forth in this Letter will remain binding until a comprehensive “**Purchase Agreement**” is negotiated and duly executed by the parties.

1. PROPERTY ADDRESS: The Property is located at **300 Railroad Avenue, Suisun City, CA 94585**.

2. PURCHASE PRICE: The parties agree that the purchase amount for the Property shall be **\$1,200,000.00** which is subject to the long-form Purchase Agreement and the terms of this Letter of Intent.

Condition Precedent to Buyer's Obligation to Perform: Buyer's obligation to perform as set forth herein is hereby expressly conditioned on Buyer being awarded its desired Permit and License by the City of Suisun City and the State of California. Close of Escrow shall take place within sixty (60) days after the City and State have awarded such permits and licenses to Buyer. In the event Buyer does not secure its desired Permits and License from the City of Suisun City and State of California, this Agreement shall be deemed cancelled.

3. DIRECT BUYER: Buyer is direct with no Agents or Brokers. Buyer agrees to prepare a long-form Purchase Agreement within sixty (60) days of this Letter being executed.

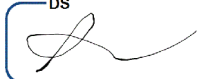
4. INSPECTION PERIOD: Buyer shall have a sixty day (60) Inspection Period to determine if there are any structural, mechanical, plumbing or electrical deficiencies, structural pest damage or infestation, any unsafe conditions or any other damage or unsatisfactory conditions of any kind or nature, including the presence of radon gas, any lead-based paint hazards, other conditions that are customary to the locality and/or that are required by law. During the Inspection Period, the Owner shall provide Buyer with reasonable access to the Property for purposes of any and all such inspections.

5. CLOSING PERIOD: The parties shall work together in good faith towards a final closing to occur on the later of: (a) one hundred and twenty (120) days after the parties have executed this Letter, or (b) within thirty (30) days from the date on which the City of Suisun City and State of California issue Buyer their required business permit and license. In the event that Buyer informs Seller it shall not close within the Closing Period for any reason, or Buyer does not receive the anticipated and sought business Permit and License, this Agreement will terminate and the Seller shall retain the non-refundable Deposit which shall be the liquidated damages.

6. POSSESSION AND CLOSING COSTS: Possession would be given on closing. Traditional distribution of closing costs.

7. STANDARD PROVISIONS: The Purchase Agreement will include the standard provisions that are customary to the locality and/or that are required by law, governed by State of California. Seller agrees to execute a Notarized ‘Owners Consent Form’ to state their acknowledgment of Element 7’s use of the Property for applying for its cannabis business license.

8. CONFIDENTIALITY. The terms of this Letter of Intent are confidential among the Parties and their offices, employees and advisers. Neither party will authorize or release any publicity or disclose

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details of this Letter of Intent without the express written permission of the other party. This clause shall survive the expiry or termination of this Agreement.

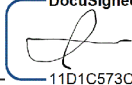
9. OTHER PROVISIONS. This Letter of Intent does not and is not intended to contractually bind the Buyer. Rather, this Letter is only an expression of the basic conditions to be incorporated into a formal and binding Purchase Agreement. The Buyer shall not be contractually bound unless and until they enter into a formal, written Purchase Agreement, which must be in form and content satisfactory to each party and to each party's legal counsel, in their sole discretion.


If you would like to move forward with the drafting and execution of a binding and formal Purchase Agreement with the undersigned on these general terms, please sign and return a copy of this Letter of Intent to the undersigned at your earliest convenience.

The above Letter reflects our mutual understanding and sets forth the basis for proceedings to negotiate a Purchase Agreement as outlined above.

SONIA KUMARI

ELEMENT 7 SUISUN CITY LLC

DocuSigned by:

11D1C573CB104D8...
Name: Sonia Kumari
Date: 8/31/2020


Name: Robert DiVito
Date: August 31, 2020

(G) QUALIFICATIONS AND RETAIL EXPERIENCE



Introduction

Element 7 brings together a team of highly experienced individuals with a broad base of retail experience, both in traditional 'big box' retail, and in cannabis retail which has its own set of unique nuances and challenges.

Founded by Robert DiVito in 2018, Element 7 has a mission of being '**California's Most Local Cannabis Retailer**'. We will achieve this by relentlessly focusing on building a team of industry professionals that understand both traditional and cannabis retail, identifying local partners in each municipality that have local retail experience, creating a back-end platform driven by technology that allows us to scale operations across multiple stores for efficiency, and further building a culture that creates trust, respect, new business solutions, and collective well-being.

Element 7's model has been built by finding the best talent in the cannabis industry, supplementing that with proven retail talent and experience from traditional retail. Our architects, contractors, vendors and technology suppliers mostly come from traditional retail backgrounds, working with companies like Samsung, AT&T, Verizon, Starbucks, Coffee Bean and Tea Leaf, and Kohl's. These partners bring the understanding, discipline and models required to break 'traditional cannabis thinking' that we think often holds back the industry from developing professionally or at a pace required to meet changing and evolving consumer need-states.



It's this exact type of approach that landed Element 7 a joint venture partnership with Playboy Enterprises Inc. in late 2019. For almost a year, the Playboy Enterprises team has interviewed the cannabis industry, looking for a partner that brought traditional 'big brand thinking' to the cannabis industry. Playboy, a brand and business that has been supporting cannabis financially and editorially since 1971 (Hugh Hefner was NORML's first and largest backer in the 1970's) will be launching into the cannabis industry in 2020 and Element 7 has been exclusively selected to be its cannabis joint venture partner – launching a range of Playboy branded retail outlets and brands into the market. The deal is a landmark one for Element 7 and ushers in a new era of Corporate America involvement into the cannabis industry.

If awarded a permit in Suisun City, Element 7 will leverage the experience, skillsets, and extensive accomplishments of the Element 7 team to create and scale a cannabis business that maximizes revenue, jobs, and taxes for the City, while striving to be the most controlled, compliant, taxed, tested, and trusted cannabis operator in the City.

Element 7 has recruited a team of experts from various industries to gain added perspective and skillsets that can be applied to the Element 7 business and, when needed, brings in external consultants with the right knowledge to find solutions to complex problems in a constantly changing industry. Element 7's robust business model allows management to pivot when needed and adapt swiftly to changes in the market, technological advancements, and/or product developments while remaining at the forefront of the industry.

Promises Made are Promises Kept

We have the skills needed to be successful and sustainable. We keep our corporate overhead lean and implement smart technology applications where they make sense. We leverage data and insights to make decisions, combining that with intuition and experience. Our staff are trained 5X more than the industry average and we use platforms and systems like CURA-AI to make medical recommendations to our patients, rather than relying on budtenders and front-line sales staff to advise patients on dosages and strains (CURA-AI is a machine learning platform built for medical patients to recommend cannabis products). Our founders have over 25 years of experience in the cannabis industry and decades of traditional retail experience, understanding, and operations.

We are well positioned to deal with volatility, uncertainty, and change. During the recent COVID-19 health crisis, we hired new staff and expanded at a time when many in the industry shrunk and contracted. We are agile – our size and scale will enable us to continue to expand in the future, but we keep reporting lines thin and empower our middle management so that we can make quick decisions to drive our business forward. We have the financial backing needed to build, operate, and scale all of our permits, licenses, and locations.

Our passion for winning, succeeding, and building a better business is unmatched. We are continually looking for ways to do things '1% better' and actively incentivize our staff to find daily improvements in processes and systems. Within days of California locking-down during the COVID-19 health crisis, we had a comprehensive SOP in place to better manage staff and customer safety.



Our Retail Operations Director (Neil Demers) and Retail Experience Director (Nicholas Jack) were awarded Cannabis Business Executive of the Year and Dispensary Manager of the Year Awards at the 2018 National Cannabis Business Awards.

We constantly strive to not only do smarter business, but 'better business' in the communities we operate.

In pursuit of our endeavours, we have collaborated with some of the world's largest cannabis and non-cannabis brands (e.g., Playboy), and developed harmonious relationships with local officials in each of the cities and counties where we do business. Our understanding of technology and access to proprietary data through our partnership with Brigade, the sole global licensee of Weedmaps data, powers our understanding and thinking. This partnership gives us a competitive edge and deep understanding of cannabis consumers as we analyze search data. Our vertically integrated operations allow us to control pricing, shelving, ranging, and quality, which will be critical to building a successful sustainable business in East LA County which has dozens of non-compliant cannabis retail delivery operators and a thriving illicit market which present a challenge to operators that cannot compete with this activity.

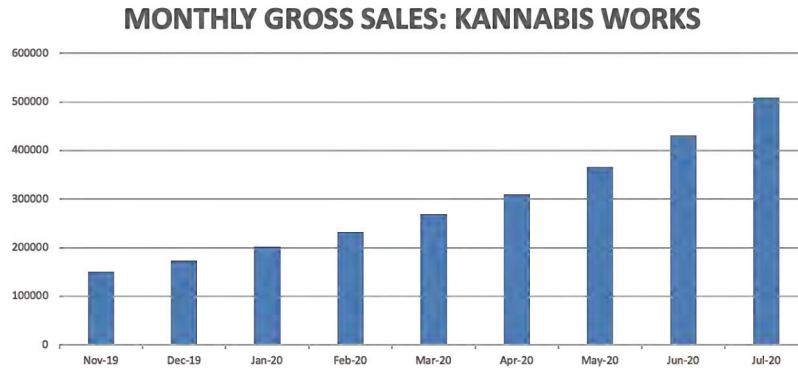
As we enter Suisun City and build a scalable sustainable business in that market, the City has our commitment to doing things right and ensuring that **the promises made are the promises kept.**

Existing Operations in California

Our first cannabis dispensary in California operates out of Santa Ana in Southern California. Kannabis Works first opened for business in April 2018 as adult-use legalization laws were enacted in California. Element 7 took over management of the business 18 months later in October 2019, with our Chief Retail Officer, Mark Malatesta, taking over full day-to-day operations for the dispensary.



Since then, Mark has increased sales 4X with profitability up significantly – prior to taking over the store, the business was losing \$30,000 - \$40,000 per month. After pricing, products, marketing, and merchandizing were optimized within the store, the business is now delivering profits close to \$60,000 each month – **a \$100,000 a month turnaround which is a testament to our experience as a retail cannabis operator.**



Kannabis Works provides us with the operational know-how and insight to efficiently and compliantly scale our retail dispensary operations across the State and Element 7 has recently promoted key staff within Kannabis Works into our centralized retail team to help us expand even faster.

As Element 7 expands its footprint across the State, all prospective General Managers and Head BudTenders will undertake a minimum of four weeks of on-the-job training at this Southern California facility, living at a nearby house and working as a team to understand data platforms, security systems, inventory management, and other standardized operational processes built by Element 7. Coupled with a minimum of 80-hours of classroom based training, this training program will ensure Element 7 staff are better trained than any other cannabis staff in the industry.

Our 2nd dispensary, **The Bakery by Element 7**, will be opening in Fort Bragg in September 2020. Element 7 initially applied for this permit in January 2020, was approved in May 2020, and commenced construction in July 2020, demonstrating our ability to win permits and become operational.



Element 7 is in discussions with the United Food and Commercial Workers Union (UFCW), and Employment Development Department (EDD) to create a State-Accredited LEA-endorsed internship program which would be headquartered in Fort Bragg alongside the Element 7 Fort Bragg cannabis dispensary.

Expanding Retail Footprint

Element 7 has been issued local permits, under the Element 7 brand in several cities in California including:

- **Walnut Creek:** Non-Storefront Retail Delivery
- **Rio Dell:** Storefront Retail Dispensary
- **Firebaugh:** Manufacturing, Distribution, Storefront Retail Dispensary, and Non-Storefront Retail Delivery
- **Dunsmuir:** Storefront Retail Dispensary
- **South San Francisco:** Non-Storefront Retail Delivery
- **Fort Bragg:** Storefront Retail Dispensary
- **Willits:** Storefront Retail Dispensary
- **Eureka:** Storefront Retail Dispensary

The Rio Dell property will commence operations in November 2020, with Walnut Creek and South San Francisco to commence operations in December 2020.

In a number of other cities including Oakland, Willows, Willits, Chula Vista, Marina, Arcata, Bay Point (Contra Costa), Los Angeles, Palm Springs, Napa City, and Fairfax, we are working with City Officials and Staff through the permit planning process.

Cannabis with a Conscience

Element 7's positioning, **Cannabis With A Conscience**, presents a unique ownership model for the City that will allow the City, community, and constituents to have an active ownership interest in the business – 3% of the equity in the business will be issued local staff through a stock option plan, with a range of local non-profits. This equity is in perpetuity for the natural term of the business and means the benefits of ownership will extend beyond the immediate owners, and instead, impact a number of locals and their families.

This model further enables the business to be operated by an experienced California-focused cannabis operator, who understands the compliance and control policies and procedures needed to operate a cannabis business to the highest standards of the industry, while integrating locals into the business that can deliver local understanding of customers and the community.

Element 7 attests that our local operations will meet all our obligations to the City in regard to development timelines, compliance regulations, and community expectations, and bring a wealth of knowledge, experience, and commitment to the success of the facility to ensure that processes are flawlessly implemented.

A Board of Advisors supports all aspects of the business with a particular focus on creating policies, directives, and initiatives for Element so that these programs can be implemented across all Element 7 retail outlets. As a recent BDC study shows, “annual



sales at businesses that have robust and experienced advisory boards were 24% higher than those at companies without one, and productivity was 18% higher," and this informal body of outside experts enables Element 7 to leverage community outreach in critical and effective ways.

Local Integration Model

We appreciate and understand that counties, cities, and towns across California are seeking robust local ownership representation as cannabis operations expand into their jurisdiction. Our business model presents a unique hybrid model that we believe is unique to Element 7 – the local community will benefit from the professionalism, scale, and market understanding of an experienced operations team, while participating in the operations through the equity issued locally.

Ensuring that the local values are reflected in the local business is our number one priority. A variety of initiatives that emphasize this model will be integrated into our day-to-day operations, including:

- Appointment of a **Dedicated 'Community Manager'** that is hired from the local community who has direct lines of communications with business leaders, elected officials, and civic organizations to maximize Element 7's positive impact on the community ;
- **Educational Clinics** that educate local constituents about the medical benefits, myths, and facts, and latest cannabis research. Normalization of cannabis begins with education as an informed public that is enlightened on the beneficial qualities of cannabis through credible, reliable, and fact-based information is less easily swayed by misinformation and/or propaganda;
- **Element 7 Cares** program (registration efforts underway to make this a 501C) that will directly support local health, education, and veterans' affairs efforts, providing significant funding to initiate establishment of facilities that contribute toward local community development in these and other areas;
- **Social Equity and Local Enterprise Board** headed by Bryant Mitchell, the Founder and CEO of Blaqstar Farms — one of California's most respected cultivation operations — who has more than 10 years of hands-on management experience in the cannabis industry;
- **Justice Reform Programs** headed by Lynne Lyman, the former State Director for California's Drug Policy Alliance whose extensive experience fighting outdated drug policies has promoted cutting-edge, alternative solutions to the unfair incarceration of individuals convicted of minor drug-related violations and crimes, plus a mentorship program that will see Element 7 mentor two 21-year old workers annually;
- Commitment to working with local **Craft Cannabis** producers to support their business and help them expand across California through our network;



- **Community Advisory Board** formed from the local community that will keep us accountable annually to the commitments we make – local basketball legend Andre Chilton will sit on this Board;
- **Volunteer Programs** that will see all full-time staff commit 40-hours annually to local charities and causes;
- A range of “**green**” initiatives that feature energy efficient lighting, water saving devices, full recycling methods, and waste, water, and air management practices that drive the business toward zero-waste and best-practice environmental standards;
- Design Standards that protect and enhance local architecture;
- Commitment to hiring **75% of Staff** from the local community.

Agile Business Leadership

The company's forward-thinking business practices — from crafting distinctive cannabis business plans to thoroughly vetting legal compliance structures — aligned with the Executive Team's vast knowledge and expertise, have been instrumental in placing Element 7 at the forefront of the industry. With a keen eye toward state-specific cannabis regulatory laws and stipulations, Element7 has forged an overall business strategy that differs from traditional cannabis retail business offerings – our commitment to education, real social justice, and local communities is what differentiates us.

Element 7 strictly adheres to carefully constructed guidelines and policies when launching flagship cannabis operations in new cities and counties—with the same attention to detail, resourcefulness and adaptability that enabled the company to commence and continue its compliant retail operations in Santa Ana.

Our ability to leverage vertically integrated operations is an opportunity to control pricing, shelving, ranging, and quality. We are brand builders - in every other category and industry, customers gravitate to brands they can trust and love. Award-winning actress and comedian, Whoopi Goldberg, and NBA Legend, Gary Payton, both have business deals in place with Element 7 to build social justice and equity programs – Gary Payton is a partner with Element 7 on its license in Oakland.




Suisun City Executive Team


Element 7 has split its personnel into executives that will have a day-to-day management role and influence on the Suisun City business, and others that work across the entirety of Element 7's California business.

Element 7 is looking to hire at least 75% of its staff from the local community – none of whom have yet been hired. As these people are recruited, pending permit issuance, Element 7 would then propose identifying these persons to the City of Suisun City for background checks.


At this stage, Element 7 has 'live scanned' its owners that would have the most day-to-day management involvement and operations of the business, as included below:




ROBERT DIVITO
FOUNDER AND CEO
ELEMENT 7



Cannabis entrepreneur, investor, and business operator. Former General Manager for StrayLight Farms, one of the State's largest cannabis cultivation operations. In 2016, advice from the former Mayor Los Angeles saw DiVito head north to California's Central Valley with a plan to focus on cannabis economic development – locating cities and communities that needed education, jobs, and community development that could benefit from cannabis. Despite many communities having commercial cannabis bans in place and, in some cases, hostility towards the industry, DiVito travelled the State lobbying for education, change and growth through his 'Cannabis Campus Model' – a model that was later adopted into the Medical Cannabis Regulation and Safety Act (MAUCRSA) in June, 2017. In September 2017, DiVito's profile in the industry rose sharply as he convinced big-ag to invest in cannabis, securing a \$51 Million commitment from one of the country's largest organic farming families to invest in cannabis cultivation. This was a landmark deal and marked big-ag's first serious investment into cannabis and will have a huge impact on the future development of the industry. In 2018, DiVito founded and launched Element 7 in California, a retail business focused on creating change at the grass-roots level through leading business practices, education, social justice, and change.



KARAN GREWAL
CO-FOUNDER
ELEMENT 7 SUISUN CITY LLC



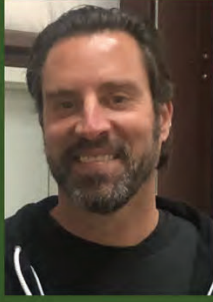
Karan Grewal (Co-Founder and Owner) is a local entrepreneur and business owner - he is the founder and General Manager of Mega Smoke Shop on Sunset Avenue. Karan grew up in India, immigrated to the US in 2006, got his Masters in Business Administration (Major in Marketing) from Long Island University, and then spent 8 years working for Blackbird Worldwide (global transport and logistics company) before moving to California in 2014. He purchased Mega Smoke Shop in 2015 and has operated the business since. In 2018 he purchased a second business in Vacaville. Karan plays cricket on the weekend and enjoys coaching young kids aspiring to take up the game. At Element 7, Karan would serve as General Manager of the local business, taking on a range of roles and responsibilities that we believe he is more than adequately capable of handling, especially when Karan undertakes our onboarding program which would include an 8-week placement within one of our operating dispensaries in Southern or Northern California.

Head Office Executive Team

The Element 7 team brings a wealth of experience, management understanding, and operational expertise across the cannabis industry, other regulated industries, and cannabis retail.

The Executive Team, supported by its advisory board of industry experts, is well-equipped to navigate the legal processes in establishing and maintaining profitable and legal cannabis operations throughout the state. Specific employee's, described below, will assist Element 7 Suisun City's day-to-day operational team. **These new operational staff would be hired from the local community.**





MARK MALATESTA
CHIEF RETAIL OFFICER
ELEMENT 7



Mark Malatesta 30 years of traditional 'big box' retail understanding and experience to the Element 7 team, and 15 years of cannabis retail knowledge and operations as an owner and operator of Kannabis Works (Santa Ana), and ShowGrow (Santa Ana). At Kohl's, Mark was responsible for the management and operations of 1,400 stores in North America. He's worked for Target, Walmart, Sam's Club, Macy's, Guess Jeans, and Levi's during his extensive retail career and is one of the industry's most experienced and accomplished retail executives. Mark is a co-founder at Industrial Court L11 LLC, a vertically integrated cannabis leader in California with operations that deliver over \$100M in annual revenue. Mark has been involved in the cannabis industry since 2009 operating legal medical compassion dispensaries, cultivation operations, and distribution networks. He is well respected across the industry and is extremely passionate about his staff and customers.



NEIL DEMERS
RETAIL OPERATIONS DIRECTOR
ELEMENT 7



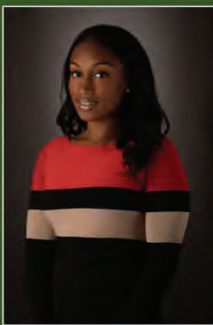
Neil was voted the industry's #1 Executive at the 2017 Cannabis Business Awards. He holds a Masters in Finance (University of Denver) and is the Founder and CEO of Diego Pellicer, the #1 cannabis dispensary in Colorado. Prior to launching Diego Pellicer, Neil spent almost a decade working in the cannabis industry, operating dispensaries and working behind the counter in others. He launched a successful staffing company, Canna-Staff, that now powers the companies staff recruitment across the industry, bringing in fresh talent that bring new perspectives and ideas to the Diego Pellicer brand. At Element 7, Neil works across the full retail operations plan, working to flawlessly implement best-practice systems and processes across all Element 7 retail stores in California.



NICHOLAS JACK
RETAIL EXPERIENCE DIRECTOR
ELEMENT 7



Nicholas is the Chief Retail Officer of one of Colorado's leading dispensaries. Voted the industry's #1 Retail Manager in 2017, Nicholas has unmatched experience building, operating and scaling cannabis dispensaries. He holds a Bachelor of Science (Marketing) from Colorado's Metro State University and is transforming the cannabis retail industry. Before joining his current business, Nicholas was the Store Manager at the highly successful 'Ballpark Holistic' cannabis dispensary in Colorado. He is passionate about changing the industry and his voice in the Colorado market is being heard as he goes about changing the way customers think, feel and interact with cannabis dispensaries. Nicholas leads Element 7's in-store experience platforms and programs.



AMBER NORWOOD
CHIEF COMPLIANCE OFFICER
ELEMENT 7



Amber joined the Element 7 team to head its compliance and regulatory affairs division in 2018 and has quickly proven to be one of the key executives in the company. In her current role, Amber oversees regulatory compliance, licensing and project management. Having won over 25 licenses for clients in California and submitting applications in over 8 US States, she specializes in writing and implementing Standard Operating Procedures across all aspects of the industry. Amber was born and raised in Pasadena and is active in the local community and cannabis industry – she is a member of NORML, Minorities in Cannabis Business Association and WomenGrow, a female focused industry group expanding female representation in the cannabis industry. Amber previously worked with the **Attorney General's Office** in Miami before joining the cannabis industry.



JOSH BLACK
CHIEF MARKETING OFFICER
ELEMENT 7



Josh is a former Marketing Director with PepsiCo, managing Tropicana, Aquafina and Gatorade brand launches in over a dozen markets globally. He is the former CEO for WPP's (world's largest media and marketing services holding company) content and entertainment business – at WPP he worked with brands including Nike, Coca-Cola, P&G, Unilever, Nestle, Chanel, and Gucci. He is a published author, was named in the media industries '40 Under 40' in 2016 and manages Element 7's commercial, marketing, talent and training, and licensing functions. Black has written and won over 50 license applications in North America, is a co-founder of CT3 (world's first CBD beverage for traumatic brain injury), and Daily Hemp Co which is sold on Amazon. At Element 7, Black oversees marketing, licensing, and brand development.





COREY ENGLISH
CHIEF SECURITY OFFICER
ELEMENT 7



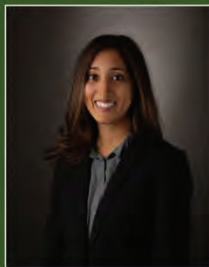
Corey English (Chief Security Officer) is Element 7's strategic security lead and oversees all security measures and efforts for the Element 7 brand. His security guidance covers all risk management, threat suppression, and systems to guide the Element 7 business and team. He is the President of LEAPS (Law Enforcement and Private Security) and has over 2 decades of experience working for some of the world's largest companies managing their security and risk management systems.



LYNNE LYMAN
STRATEGIC ADVISOR, DRUG POLICY REFORM
ELEMENT 7



Lynne Lyman was one of the central figures responsible for cannabis legalization in California, named in the Top 100 most influential people in cannabis nationwide, as well as in the Top 5 in Los Angeles. Having spent over five years as the California State Director for the **Drug Policy Alliance**, Lynne's vision, strategy and exceptional organizing skills helped propel the state to gain critical mass throughout 2016 resulting with 57% of Californians voting Yes on Proposition 64, the Adult Use of Marijuana Act, permanently changing the landscape for cannabis in the sixth largest economy in the world, while reducing or eliminating most cannabis crimes, including retroactively. Lynne's work at Drug Policy Alliance did not start or stop with cannabis. Among other major drug policy reforms secured in her 5 year tenure, Lynne led the successful 2014 effort to equalize the penalties for crack and powder cocaine under California law. Lynne continues her work to advance criminal justice reform and cannabis equity as a consultant in Los Angeles. Lynne has held positions with local, state and federal governments in California and Massachusetts, in addition to managing over a dozen political campaigns for candidates in California, Massachusetts, and Colorado. Ms. Lyman, who is fluent in Spanish, has worked on political campaigns in Central America and addressed the Mexican Congress on cannabis policy. Lynne received her M.P.A. from the Harvard Kennedy School of Government in 2001, where her graduate work focused on the criminal justice system and leadership. She earned her B.A. in Political Science from UC Berkeley in 1996.



SHEILA MERCHANT
HEAD OF LEGAL AFFAIRS
ELEMENT 7



Sheila received her law degree from Columbia University School of Law and has been a practicing attorney since 2012. Before studying law, she studied at the University of Michigan, graduating with an Honors degree in History and English. She served as an Associate Attorney for three years before setting up her legal practice and specializes in contract law, financing projects and M&A. At Element 7, Sheila oversees all legal contracts, commercial agreements, alliances, and partnerships. Sheila is also leading our efforts to continuously upgrade our data management, compliance and risk management efforts.



GABRIEL WIESEN
CEO ILLINOIS & RETAIL OPERATIONS HEAD
ELEMENT 7, LLC



Gabriel Wiesen (CEO Illinois and Retail Operations) brings over a decade of general F&B retail experience to the team. He has built and operated two of Illinois' largest food truck operations, is the former Head of the Illinois Food Truck Association and has grown Beaver's Donuts and Dapper Donuts to national franchises with over 100 stores in operation across a dozen US States. Gabriel is the CEO of our Illinois operation and provides retail operations experience across the full Element 7 business.

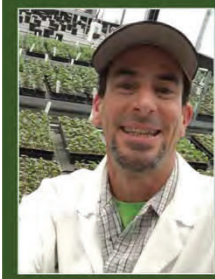


JUSTIN CALVINO
QUALITY ADVISOR & CRAFT CANNABIS
ELEMENT 7, LLC



Born and raised on a farm in New England, Justin Calvino has always been drawn to permaculture, wellness, and design. After several years of landscape design and construction in Atlanta, Georgia, Justin went on to study eco-literacy and permaculture at Esalen and then settled in Mendocino County, where he has focused on fostering economic stability through the development of the cannabis industry. Most recently, he became a founding board member of the Mendocino Cannabis Industry Association, in addition to the California Growers Association. Justin is best known his role in creating numerous local initiatives including the Emerald Exchange, Mendocino Appellations Project, Mendocino Coast Farmers Market, Mendocino Cannabis Policy Council, the Mendocino farm-to-table dinner series, and the Regenerative Design Center. In 2015, Justin founded Green Goat Estates and Terroir Mendocino. Through his work, Justin strives to shift public perception of cannabis while honoring craft cannabis' unique heritage and culture.





MARTYN PHILLIPS
HEAD OF CULTIVATION
ELEMENT 7



Martyn has over 20 years of successful growing experience in the horticulture industry. Until recently he was MedMen's Head of Cultivation at their Nevada facility running a team of 30 gardeners and cultivators. He is well versed in pest and disease control with many years of accredited continued education on plant health/protection and IPM systems. Licensed by the State of California as a Pest Control Advisor and holds a Qualified Applicators License. Two decades of experience with media, tissue, and water sampling, testing and analysis. His career has allowed him to work extensively with Breeding projects and growing plants for seed as well as work hand in hand with Tissue Culture. Former Head of Cultivation at Riverview Farms.



ELICIA TERRY
LICENSING DIRECTOR
ELEMENT 7, LLC



Elicia Terry (Licensing Director) is one of Element 7's key Licensing Directors and oversees the team's State Licensing needs, ensuring that Element 7 is exceeding State requirements where possible, and at the forefront of industry best-practices across product management, security, inventory, consumer safety, education, product handling, and environmental issues.

Strategic Advisors

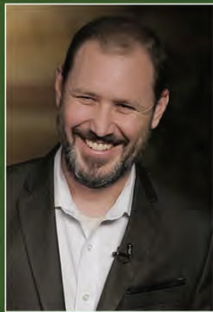
Element 7's Strategic Advisors comprise some of the cannabis industries biggest names, leaders and experts. The Advisors meet four (4) times annually to review the Element 7 Suisun City business plan, operations, financial performance and specific benchmarks set for compliance, control, product quality, systems and processes and special initiatives.

Our Advisors include one of North America's leading marijuana law reform advocates, the former head cultivator for MedMen, a former Lieutenant Colonel in the US Army, one of North America's leading R&D specialists, a pharmacist, and a fire safety expert that has over 3 decades of fire safety experience.

Our alliance with **Diego Pellicer**, voted the #1 Dispensary in North America at the 2017 and 2018 National Cannabis Business Awards, is an important relationship as it expands our operational expertise and ensures that we have additional perspectives at the table when making strategic decisions on the future expansion of our retail footprint.



As a world leader in the premium cannabis market, Diego Pellicers's extensive experience in all aspects of the cannabis industry, including development, growth, execution, regulatory compliance, commercial grow facilities, and large-scale edible/concentrate manufacturing and processing aligns well with Element 7's vision. The brand's high-calibre products, merchandizing, and world-class customer service make Diego Pellicer a valued partner as Element 7 moves forward in the industry. Neil Demers, named '**Cannabis Executive of the Year**' (2018) and Nicholas Jack, named '**Dispensary Manager of the Year**' (2018) at the National Cannabis Business Awards, both sit within Element 7's Strategic Advisors, and bring a tremendous amount of retail experience to our existing team.



BOB HOBAN
STRATEGIC ADVISOR, LEGAL
ELEMENT 7



Bob is the founder and CEO of Hoban Law Group, North America's #1 cannabis and hemp law group. Bob is recognized as one of the leading commercial cannabis practitioners and has litigated nearly every aspect of Colorado's Marijuana Code and a significant portion of California's. Bob has drafted cannabis policy for dozens of States and countries around the world and is a global expert in cannabis policy. Bob founded Gateway Proven Strategies (GPS) in 2019, an advisory firm that serves the global cannabis industry, and brings together some of the smartest minds in cannabis to drive policy, industry development, and market-entry.



KEVIN SULLIVAN
DATA SECURITY ADVISOR
ELEMENT 7, LLC



Kevin Sullivan (Data Security Advisor) is a proven and experienced business leader with over 30 years experience in data security, military systems, and government contracts. Kevin rose to the rank of Lieutenant Colonel in the US Army (Director of Aviation, US Army Pacific, Fort Shafter, Hawaii), spending 20 years serving his country. He is the Founder of Leading Points Corporation which provides data security, biosecurity, and enterprise solutions globally, and the CEO of International Hemp Solutions, one of North America's largest hemp companies.



DR. YUFU CHENG
STRATEGIC ADVISOR, ENVIRONMENT
ELEMENT 7



Dr. Yufu Cheng is a global cannabis medical advocate and the China representative for former Governor Schwarzenegger's R20 Global Warming Committee. Cheng leads Element 7's Task Force on environmental measures, reducing our carbon footprint and creating sustainable clean cannabis. Cheng holds a Ph.D. in Ecology (Climate Change) from UC Davis and works with some of North America and China's largest organizations to implement corporate policy.

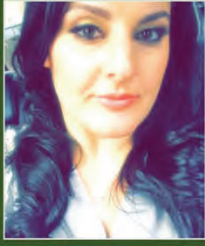


TIM GORDON
SCIENCE & RESEARCH ADVISOR
ELEMENT 7



Tim Gordon became President at CBDRx and Functional Remedies in 2017 and is now serving as Chief Science Officer for the Company. Born and raised in Canada in a Cannabis farming community, Tim's love for sustainable cannabis farming is only eclipsed by his love for the cannabis plant. Tim oversees hemp operations and the Functional Remedies product division. Tim has developed an aggressive cannabis breeding program, an industry leading agricultural operation, and state of the art laboratory and production facility. Tim serves as a technical adviser on the board of the National Hemp association and is also President of the Colorado Hemp Industries Association. Tim has written and researched the cannabis plant for nearly 20 years and has been highlighted in news programs and in magazines and periodicals. Functional Remedies is the world's leader in cannabinoid hemp production and **CBD enhanced nutraceuticals**, while leading the way in eco-sustainable hemp farming.





DR. EFTHIMIA VASILIADIS, PHARM D.
PHARMACEUTICAL PRACTICES ADVISOR
ELEMENT 7



Efthimia holds a Doctorate Degree in Pharmacology (2002-2004), a Bachelors of Science in Pharmaceutical Studies (2000-2002), and a Bachelors of Science in Molecular Cell Biology, all from the prestigious University of Connecticut. She brings almost unmatched experience as a retail pharmacist and has worked for CVS Pharmacy Inc., for 17 years (2002 - 2019), and the Stop and Shop Pharmacy Group for a year (2019). Her unique skillsets filling and processing prescriptions, operating under highly regulated State and Federal Laws, counseling patients, collaborating with physicians and insurance companies, managing inventory, and addressing workflow issues, are invaluable to Element 7 as we focus on being the most compliant, controlled, and regulated cannabis retail operator in California.



LARRY FROGOSO
FIRE SAFETY ADVISOR
ELEMENT 7, LLC



Larry Frogoso was born and raised in Tracy, CA. In 1974 he began his fire fighting career, working for the City for 23 years with the Tracy Rural Fire District. In 1999 he returned to the City of Tracy Fire Department as a Battalion Chief and retired as a Division Chief in May of 2005. He presently operates a small R.V. park in Oroville and joins the Element 7 team as a strategic advisor on all aspects of fire safety, processes, and site design with 29 years experience.



BRADLEY BERNARD
CONSULTANT: HVAC AND ODOR CONTROL
ELEMENT 7



Bradley Bernard has lived and worked in Martinez for the last 24 years, moving from nearby Tracy in 1994. For the last 2 years he has occupied the premises at 741 Green Street with his business, Freedom HVAC, growing and thriving in the community. Bradley is a father figure to many of the City's young and troubled teenagers and he has fostered and adopted children which he has raised alongside his 3 biological children. All of his children went to Los Juntas Elementary and Martinez Junior High School. During their time at the school, Kathi (Bradley's wife) and Bradley were both heavily involved in the school with Kathi rising to become President of High School PTA. Bradley provides valuable HVAC and Odor Management strategies to Element 7 and has partnered with the company to build operations in the East Bay.



AMITOJ SINGH
WASTE MANAGEMENT ADVISOR
ELEMENT 7, LLC



Amitoj is a waste management expert based out of Fresno, CA. He is the District Manager for the City of Fresno, managing the day to day waste management needs of the City across hauling, transport, compost, hazardous materials, and recycling. Amitoj brings 6 years of waste management experience to the Element 7 team, prior to which he was a Sergeant in the US Army deployed in support of Operation Freedom (Iraq). AJ has an MBA from the University of Redlands, Master of Arts in Management, a Bachelor's Degree in Political and History Studies, and an Associate's Degree in Philosophy from Bakersfield College.

Other Regulated Industry Management Experience

The Element 7 team brings additional experience in heavily regulated markets and industries, including:

- **Robert DiVito – Education.** In addition to his role as Founder and CEO of Imagination Children's Academy where he regularly worked in unison with a wide range of local and city government departments, Bobby has tirelessly furthered cannabis educational development in communities throughout California. His *Cannabis Campus Model* designed to enlighten citizens on the many medicinal benefits of cannabis products and services was adopted into the Medical Cannabis Regulation and Safety Act (MAUCRSA) in 2017.



- **Corey English – Security.** Corey's extensive expertise guides all risk management, threat suppression, and security systems at Element 7. As president of LEAPS (Law Enforcement and Private Security), he has experience at some of the world's largest companies managing their security and risk management systems.
- **Eric Greenberg – Financial Services and Trading.** Eric is a Certified Public Accountant (CPA), member of AICPA, and is an Adjunct Lecturer at De Paul University's Commerce Faculty in Chicago. His 30+ years' experience in accounting, taxation, and financial risk management spans consumer goods, services, capital markets, and contractual services for professional athletes.
- **Sheila – Oil, Gas and New Energy.** Specializing in contract law, Sheila is a Columbia University School of Law graduate. At Element 7, Sheila oversees all legal contracts, commercial agreements, alliances, and partnerships, and leads efforts to continuously upgrade the company's data management systems, and compliance and risk management efforts.

Playboy Cannabis Co. Joint Venture

Element 7 recently entered a Joint Venture with Playboy Enterprises Inc. to create, launch, distribute, and manage a range of cannabis branded products, which is an exclusive joint venture for the California market. What's most exciting about this partnership is the selection process – Element 7 went head-to-head with over 20 leading cannabis companies in California for the opportunity to enter a Joint Venture with Playboy Enterprises, and after an exhaustive process that lasted over 12 months, Element 7 was selected as the brands exclusive partner. Together, the companies have formed **Element 7 Brands** which now holds the rights to Playboy Cannabis.



Testimonials

Here are just some of the things our colleagues and respected peers in the industry say about us:

"Element 7 are the real partner for social justice and reform in an industry where many have taken advantage of minority communities. In the Los Angeles Social Equity Program, no other cannabis company came close to offering fair terms like the team at Element 7 offered equity candidates." **Bo Money**, Founder and Director, NDICA



"Element 7 have been a strong supporter of UCLA and our Cannabis Research Initiative since it was formed in 2018. I not only value their support for advancing the cannabis industry and cause, but also their friendship, integrity, and trust." **Dr. Jeff Chen**, Founder and Lead, UCLA Cannabis Research Initiative

"Element 7 are a true advocate for social justice and change in an industry that needs more honesty and diversity."

Scheril Murray-Powell, Cannabis Advocate, Activist, and Attorney

"Element 7 have been a great partner of Diverse Real Estate Solutions, a multi-billion dollar cannabis property and investment group. We value their hard work, commitment to doing things right, and ethics."

Charlie Copelan, Partner, Diverse Real Estate Solutions

"Element 7 are a company with a strong vision, focused on understanding the customer and building a long-term sustainable cannabis business in a nascent and emerging California industry."

Jonathan Jenkins, Co-Founder and Chief Operating Officer, Weedmaps

"Element 7 bring a level of professionalism and integrity to the cannabis industry. They are focused on doing things right and building a business that can stand the test of compliance and continued regulation."

Bob Hoban, Founder, Hoban Law Group

Previous Violations

Element 7 and none of the owners have any previous enforcement, license or permit violations, or other code / regulatory breaches.

Summary

Element 7 brings diverse retail experience to Suisun City - an understanding of the California cannabis retail landscape, scaled operations, vertical integration to support price and value initiatives, and traditional 'big box' and 'big brand' retail knowledge.

Key management including Robert DiVito, Mark Malatesta, Neil Demers, Nicholas Jack, and Josh Black have over 50 years of cannabis and traditional retail experience between them, having worked at and with companies including Kohl's, Dell, Black & Decker, PepsiCo, Quaker Oats, Gatorade, Coca-Cola, Target, Walmart, Sam's Club, Macy's, Guess, and Levi.

Element 7's business model is driven by efficiency, scale and having a very localized footprint. Element 7's promise is **'exceptional experiences at everyday prices'**. Our matrix management approach allows us to stay agile and nimble, ensuring that front-line staff has the expertise, authority, and direction to work efficiently while adhering to a rigid set of policies and practices that standardize our commitment to excellence in serving our customers.

We are confident that our extensive industry experience — coupled with our unique, agile business model — ensures that no other cannabis company is a better fit for Suisun City than Element 7.



(H) NEIGHBORHOOD COMPATIBILITY PLAN**Commitment to the Community**

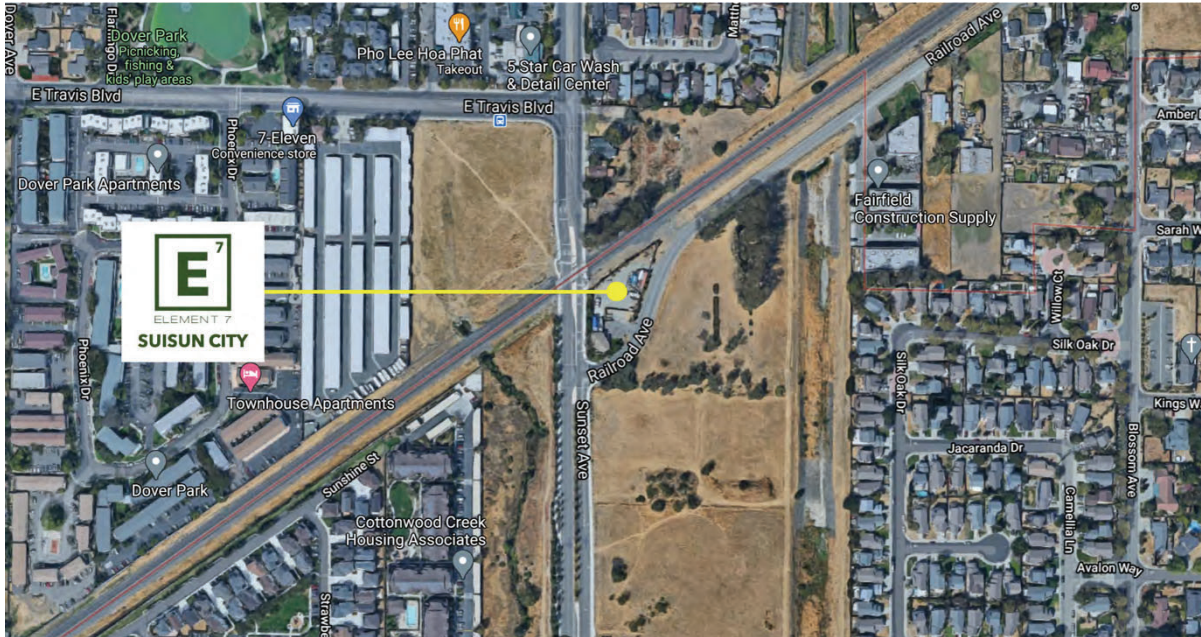
Element 7 is committed to being an asset to the local community. We aim to enhance the local community by being a safe, professional business that is considerate and dedicated to the advancement of the community. As recent studies indicate, the introduction of cannabis dispensaries to both urban and suburban neighborhoods can make them safer, reduce the incidence of opioid-related problems, and increase values of homes and surrounding properties.

Element 7 strives to establish cannabis dispensaries to encourage private enterprise and entrepreneurship, contribute to the community's overall health, and promote awareness of the benefits of marijuana through education, seminars, newsletters, and so forth.

Element 7 will maintain the business premises in a manner that will best eliminate potential nuisances, safety and security issues, and negative effects on the surrounding grounds. Element 7 is focused and conscious about its role and potential impact on the local neighborhood; as such, Element 7 intends to operate in a manner that is respectful and beneficial for the residents, visitors, and business owners in Suisun City.

Our location, effectively on its own 'island' sits nestled between 2 roads and a railway track. We think this location presents the optimal location in the City for a cannabis business as there are almost no immediate neighbors, as demonstrated in the image below. We are surrounded on almost 4 sides by vacant farming land, yet the site will

maximize taxes due to its proximity to the major retail locations within the City and Fairfield in the north that has no legal or licensed cannabis dispensaries.



Element 7 recognizes that it is essential that cannabis businesses are compliant, safe, and considerate of the surrounding area. Given the potential concern of the City of Suisun City, the state regulatory agencies and local residents regarding the operation and location of commercial cannabis businesses. Element 7 has consciously chosen a location that will fit well within the City of Suisun City. Specifically, the business premises are located well outside the sensitive land use buffer zones of schools, youth centers, or day care facilities.

Good Neighbor Policy

Element 7 has a 'Good Neighbor Policy' in place to ensure that it builds a sustainable relationship and dialogue with its neighbors in Suisun City. This Policy includes:

We will be creating an outreach program to actively engage with our immediate business neighbors on both an always-available and formalized twice a year basis. We are committed to creating a strong sense of community and business health around our Facility, regularly consulting and engaging with local business neighbors.

This program will be enacted to all businesses within 500-feet of Element 7. Outreach efforts will include:

- *If Element 7 is successful in its Application, a personal visit from the Licensees to each business within 21-days of being awarded a Permit.*
- *Creating an email database of all businesses within the 500 feet radius and sending them a twice-annual email offering news of the cannabis industry AND Element 7 business, while asking for proactive feedback on better business and community relations. All businesses will be given the name and phone number of Element 7 Community Relations Manager (Local General Manager).*

- *Inviting businesses to attend a Business Feedback and Community Management Forum twice a year which will be hosted at a suitable venue in the proximate area. Additionally, residents within 500-feet of Element 7 will also be included and will receive our Community Relations Officers contact information.*
- *Creating a dedicated email address for priority feedback – feedback@Element7.co*
- *Designating one of our Senior Managers as the Community Relations Officer at Element 7 (Local General Manager).*
- *During the first year of operations, Element 7 will attend quarterly meetings with the County to discuss costs, benefits, and other community issues.*

Nuisance Management

Element 7 ensures the establishment of “neighborhood-friendly” cannabis dispensaries in the community as it is our goal to present an aesthetically-pleasing as well as safe and secure business operation as possible. To enhance community transparency and engagement, besides providing formal meetings and public pronouncements about our products and services, we will provide other ways to inform community members about potential regulations and practices via such methods as surveys and/or additional online platforms.

Element 7 will enact the following practices to ensure a “good-neighborhood policy” with prospective neighborhood business establishments and communities:

- Provide a pleasing storefront absent of offensive signs or symbols that may attract undesirable individuals or inspire neighborhood bad relations.
- Operate a well-run, clean, store staffed with industry professionals.
- Hire on-site security personnel to ensure the safety of customers and employees.
- Ensure the placement of hi-tech security systems, lighting, fencing, alarms, etc., to promote a safe environment for employees as well as clientele.
- Establish effective banking and cash-handling practices so as not to endanger employees or clientele by exposing them to risk of robbery or physical harm.
- Maintain positive relations with local police departments, municipalities, and elected officials to ensure compliance with local laws and promote the safety of the neighboring community.
- Remove graffiti and prevent loitering.

- Provide a 24/7 telephone hotline, responsive website, email dedicated to receiving and responding to feedback and/or complaints.
- Assign a local Community Liaison who will be able to address any complaints, feedback and/or concerns from neighboring businesses and community members.

Odor Management

Odor concerns, whether caused by cannabis plants and products themselves or the smoke from consumption, can be legitimate, and we ensure that controls are put in place to mitigate the strong, pungent aroma that marijuana can produce. Our facilities are equipped with high-end heating, ventilation, and air conditioning (HVAC) systems to negate the strong scent that cannabis products often induce, and we continuously explore new odor-mitigation technologies to enhance the air quality of our dispensaries.

Please see the "Air Quality Odor Control Plan" attachment to the application for more details regarding odor and air quality management and control.

Loitering and Graffiti

Additionally, to prevent any other possible nuisances, we will prohibit loitering within fifty (50) feet of the premises, and "No Loitering" signs will be posted, if needed, at strategic locations around the property. Benches, chairs, or "rest spaces" will be removed or altered if they are determined to encourage loitering. A licensed security guard will be present on the premises to monitor the perimeter of the facility, control loitering, and site access. A state-of-the-art security system with strategically placed, hi-tech cameras will keep a watchful eye over the property 24/7, and spaces that may encourage loiterers or vagrants to "camp out" will be refurbished or eliminated. All facilities will be locked and monitored by security surveillance at night.

Also, Element 7 will ensure that any debris, graffiti, and unappealing or unsafe aspects of the building will be adequately addressed by having the General Manager sweep the perimeter of the premises once a day after opening.

Element 7 will encourage the community to communicate any concerns, issues, or questions it has regarding our operations and/or the cannabis industry in general to our Community Liaison. We are committed to creating a safe, environmentally-friendly, and compliant facility.

Noise Reduction

We will not have any activities or operations on site that would create excessive noise for neighboring businesses. The design of our facilities provides sound-proofing measures via insulation, double-paned windows, foam matting, carpeting, acoustic ceiling tiles, etc., that will absorb excess sound produced from daily business practices onsite, preventing it from affecting neighboring businesses or residences. Entrance and exit points will be directed away from noise-sensitive areas, especially in regard to deliveries and vehicles moving materials on- or offsite.

Noise barriers will be furnished, if necessary, in noise-sensitive areas in the form of walls, fences, and/or dense plantings of shrubs/trees, or some combination of these, with

close attention paid to aesthetic visual appearance. There will be 24-hour surveillance of the property to ensure that noise levels are kept at a minimum at all times.

Customers and patients will be asked to quietly leave the premises after all transactions have been completed.

Traffic Management

Traffic congestion across many Cities in California is reaching intolerable levels. New building congestion is one of the major causes of traffic congestion which is why Element 7 has chosen an already built property that requires minimum construction works to become operational.

The site we have located is a major traffic thoroughfare and we have adequate parking within our premises to allow customers and patients to safely park off the street and reduce traffic impacts. Our loading areas are strategically located within the premises with adequate turning circles to reduce traffic congestion, and delivery vehicles for products will be minimized to small compact delivery and cargo vans. Deliveries will be requested from suppliers at non-peak times to further reduce traffic stress.

Cannabis customers shop throughout the day – some will come in early before they start the day and others will shop after work – this constant flow of customers through the day ensures that we are not contributing to peak hour traffic issues which currently affect the City.

We prefer to hire staff locally and they will be encouraged to use public transport or to ride a bicycle to work – all staff that use public transport or a bicycle for the majority of their work travel will be rewarded with a monthly meal bonus valued at \$30.00 in our '**Commute the E7 Way**' program. Part of this program includes providing bike racks for employees who are able to ride their bikes to work. A ride-sharing waiting area will also be included in our parking area plans, as well as an electric-vehicle charging station.

Element 7 is prepared to work with the City to take part in any efforts it can to improve roads and minimize traffic congestion.

Parking Management

The site has sufficient off-street parking for both staff and customers with over 18 parking spaces at the site, including ADA-compliant parking spaces. All parking spaces will be clearly marked and sign-posted for the convenience of Element 7 shoppers and to ensure that adjacent businesses are not adversely impacted. Safety for customers and clientele is always Element 7's primary concern, and the following policies will be enforced:

- Any damaged, deficient, lighting fixtures or unlit areas will be immediately addressed
- Parking rules concerning hours of operation and signs prohibiting loitering or trespassing will be posted, with a telephone number provided to report any suspicious activity

- A safe waiting area for passenger pick-up will be designated
- 24-hour security will be provided for the entire perimeter of the premises

Element 7 further endeavors to become an active member of the surrounding neighborhood in the following ways:

- **Reducing crime in the area.** According to a July 2017, issue of the Journal of Urban Economics, the presence of cannabis dispensaries reduce crime in their immediate neighborhoods as they, along with restaurants and other establishments, attract more people to a given area thereby increasing pedestrian foot traffic while decreasing the chances of property crime and auto theft.
- **Reducing opioid-related treatment admissions.** As the opioid crisis claims more than 115 American lives every day, medical cannabis has proven to help thousands of people in getting off of addictive, life-threatening medications.
- **Increasing residential property values.** In addition to boosting property values for homes located near cannabis dispensaries, the presence of these businesses can help increase surrounding property values as well:
 - Vacant or abandoned commercial properties near dispensaries are often renovated for new business;
 - New businesses generally relocate near cannabis dispensaries;
 - Dispensary staff members are usually trained to help with the upkeep of the community; and
 - The presence of security cameras and guards promotes safety in neighborhoods near dispensaries.
- **Spearhead Clean-Up Days at least twice, annually.** Making sure our operations are geared to saving the earth is not enough. We believe that inviting the community to take part in cleaning up the City is a meaningful way to develop strong local ties, earn Public Trust, keep the City clean, and take care of the environment.
- **Building and maintaining an Urban Farm for the Community.** Greenhouse gas emissions continues to contribute and escalate the swift destruction of our planet. Studies have shown, that Urban Farms is proving to be efficient in off-setting these emissions. Not only do Urban Farms reduce the amount of Carbon Dioxide in the atmosphere, it beautifies communities, brings people together, is a great tool to educate children on science and natural processes, reduces food waste by teaching families how to sustainably feed themselves and creates job opportunities. Element 7 will work with the City of Suisun City to bring Urban Farming to the local community.

The regulated cannabis industry has also been a boon to neighborhoods that have legalized adult-use cannabis. The industry has proven to be a key driver of tax revenue generation in states such as Alaska, California, Colorado, Nevada, and more, producing more than \$1 billion that has been largely dedicated to public education, infrastructure repair, and other local government services.

Design Compatibility

The Facility would be very similar in construction to buildings in the immediate vicinity which include a number of light industrial buildings. All steps will be taken to ensure that the facility's construction is in keeping with the aesthetic character of the neighborhood, thereby enhancing the local surroundings.

Summary

Gone are the days when neighbors brought brownies to your doorstep as a welcome gift. An unfortunate side effect of technology is less face time with neighbors. This is the same when it comes to business owners and their neighboring businesses. We all have good intentions, but as business owners, we get laser-focused on the day-to-day operations and don't find the time to introduce ourselves around the neighborhood. Business owners operating in the same city and neighborhoods face similar issues. From city ordinances and road closures, to taxes and rent values, business owners have a big say in what happens in their own communities. When owners can come together on the issues that affect them all, regardless of the industry, we all win.

Marketing is a huge part of business success and working together with our neighboring businesses will be a great tool in bringing people in the door. From cross-promotions to coordinating neighborhood events to strategic discounting, partnering with our neighbors will be a great source of getting people to enter and spend money in our store. Because each community has its own personality, business owners can help and learn the most from those that have similar experiences within the same community.

At Element 7 we believe that having a strong personal and working relationship with our immediate neighbors not only makes for good business practice, but also creates a better working environment for everyone.



To Whom It May Concern,

August 04, 2020

On behalf of my client, Element 7 LLC ["the Owners"], we are writing for consideration to obtain a Local License to operate a Commercial Cannabis Use.

Local Fire Inspector will review all sites before issuing license. I have done a preliminary review of the company's fire safety plan and deem it to meet all relevant codes and regulations per general fire safety.

While the description for the required Safety Plan for the application is not entirely specific, the majority of the concerns for Fire Department review in these facilities are related to Hazardous Materials and use of volatiles. The Owners agree that once the building is occupied they will remain below the Maximum Allowable Quantities ["MAQ"]; therefore the building occupancy will remain as M, B, F-1, S-1 and U. If necessary, additional control areas will be provided. Additionally, the Owners agree that all hazardous material equipment will be listed, or field certified by an approved agency, for its use. There are no proposed flammable gases, flammable cryogenic fluids or liquid petroleum gases on site at this time.

For Flammable Liquids in open-use, the Owners agree to provide local exhaust ventilation to maintain flammable vapors at less than 25% Lower Flammable Limit. The exhaust ventilation system will be designed by the mechanical contractor and in accordance with the California Mechanical Code.

Once the building/tenant improvements plans have been designed and are ready to submit for Fire and Building permits, a complete Hazardous Materials Code Compliance Report ["the Report"], including the complete Hazardous Materials Inventory with the proposed materials and quantities and exact locations, will be prepared. The Report will address fire prevention, suppression, HY AC and alarm systems required by the Fire Code for the facility. The Report will also include the additional following requirements based on the 2016 Edition of the California Fire and Building Code:

- A Hazardous Materials Inventory with proposed quantities in storage and use
- A complete description of the marijuana extraction process
- Automatic Fire Sprinkler System (2016 Edition of NFPA-13)
- Portable Fire Extinguishers (CFC 906)
- Water Supply (CFC 507)
- Alarm/Monitoring (CFC 903.4)
- Fire Department Access Roads (CFC 503)

General Hazardous Material Requirements Including:

- Permits (CFC 5001.5)
- Hazardous Materials Management Plan (CFC 407.6 & 5001.5.1)
- Hazardous Materials Inventory Statement (CFC 407.5 & 5001.5.2)
- Containers, Cylinders and Tanks (CFC 5003.2.1, 5003.2.5, 5704.3.1 & 5704.3.3.4)





ELEMENT 7

- Equipment, Machinery and Alarms (CFC 5003.2.3)
- Maintenance (CFC 5003.2.6) o Release of Hazardous Materails (CFC 5003.3)
- Material Safety Data Sheets (CFC 407.2 & 5003.4)
- Signs/Placards (CFC 407.3, 5003.5, 5003.6, 5703.5)
- Sources of Ignition (CFC 5003.7)
- Storage & Flammable Cabinets (CFC 5003.8.7, 5704.3.2 & 7504.3.4.4)
- Personnel Training and Written Procedures (CFC 407.4 & 0503.9.1)
- Separation of Incompatible Materials (CFC 5003.9.8 & 5740.3.3.2)
- Additional General Safety Precautions (CFC 5003.9 & 570.43.3.3)
- Storage of Hazardous Materials (CFC 5003.9.9, 5704.3.3. 5& 5704.3.5)
- Flammable/Combustible Liquid Transfer (CFC 5705.2)
- Flammable/Combustible Liquid Use, Dispensing & Mixing (FCC 5705.3)
- Separation of Control Areas & Separations from AdjacentT enants (CFC 5003.8.3)
- Electrically Classified Conditions (CFC 5703.1)
- Exhaust Ventilation for Flammable Vapors (CFC 5703.1.1 & CMC 208)
- Compressed Gas Requirements (CFC Chapter 53)
- Dust Producing Equipment (CFC 2203 & CEC 500.5(C))
- Industrial Ovens (CFC Chapter 30)
- Processing & Extraction Requirements (2016 Edition of ICF Chapter 38)
- Egress (CBC Chapter I 0)
- Occupancy Separations (CBC Table 508.4)

The Owners agree that they will meet all of the applicable requirements addressed in the Hazardous Materials Code Compliance Report prior to occupancy within the facility.

I have reviewed their Site Safety Plan and Fire Safety Plan and preliminarily deem it to be sufficient for their proposed operation at the facility and meets all applicable Fire Safe Codes

Sincerely,

Brian Uthe

Building Inspector at the University of Arizona, Chairman of the Arizona Building Officials, and President of Region XI Chapter and Southern Arizona Chapter of the International Code Council. Former Senior Plans Examiner, town of Marana, AZ, former Plans Examiner and Fire Inspector, town of Sahuarita, AZ.



August 9, 2020

Suisun City, CA

RE: Element 7 Cannabis Application: Suisun City

To Whom It May Concern,

On behalf of my client, Element 7 LLC [“the Owners”], I am writing to you with regards to their application for a commercial cannabis permit in Suisun City.

The Owners will occupy their own premises at **300 Railroad Avenue, Suisun City**. Plans will include installing sprinklers throughout the entire building. The Owners will use the facility for the retail sale of marijuana. The products stored will vary and can include:

- Cannabis Flower
- Manufactured Cannabis Products
- Other packaged and sealed cannabis products

The proposed storage methods do not include storing in “high piled storage” array, as defined by California Fire Code.

Element 7 LLC agrees to store and use their hazardous materials below the MAQs (maximum allowable quantities) for a sprinklered building as specified by Chapter 50 of the CFC (California Fire Code). Therefore the building will be classified as a M (retail) and S-1 (storage) occupancy, as defined by CBC (California Building Code) Sections 302-311.

While the description for any required **Safety Plans** for the application are not entirely specific, the majority of the concerns for Fire Department review in these facilities are related to Hazardous Materials, the use of volatiles, and general fire safety concerns of which I am very familiar having worked in Fire Safety in California for over 30 years. Based on the information provided by the owners, there is no proposed storage or use of volatiles (flammable liquids) on site, or extraction operations. The Owners agree that they will submit a fire code compliance/safety report addressing fire protection and hazardous materials requirements as part of their future building and fire plan submittals to the City Fire and Building Departments. Additionally, any building plans, including exit plans, sprinkler & alarm plans, architectural plans, accessibility plans etc. will be submitted by the architect of record as part of Fire and Building Department submittal package. The Owners agree to provide plans showing compliance with the applicable edition of the California Fire Code and as a consultant, I will remain involved in all aspects of these submissions and building works.

Larry Frogoso

Larry Frogoso, Fire Safety Advisor



One Post Suite 200
Irvine, CA 92618
(949)861-4801

Re: Will Serve Letter - Insurance

To Whom It May Concern:

Element 7 has hereby appointed United Agencies as their broker of service for the insurance policies required for the operations of a cannabis business. United Agencies is a Property and Casualty insurance broker licensed in the state of California, license #0252636, and has access to specialty cannabis insurance carriers that will provide the insurance needed for the operations.

We have access to the following carriers:

Golden Bear Insurance Company – Admitted California Carrier (A.M. Best Rating A- VII)
Falls Lake National Insurance Company (A.M. Best Rating A X)
United Specialty Insurance Company (A.M. Best Rating A IX)
Progressive Corporation (A.M. Best Rating A)

These carriers will be able to provide the following coverages:

Commercial General Liability with a limit of \$1,000,000 per occurrence/aggregate
Commercial/Business Auto Liability with a combined single limit of \$1,000,000
Hired and Non-Owned Auto Liability coverage

If any further information is needed regarding the insurance for this entity, please reach out to Nathan Bosza at nbosza@unitedagencies.com.

Thank you,

A handwritten signature in black ink, appearing to read "NB", with a horizontal line extending to the right from the end of the signature.

Nathan Bosza
Commercial Insurance Broker
P&C License #0G56082
(949)861-4801
nbosza@unitedagencies.com

(J) COMMUNITY BENEFITS**Introduction: Element 7 Creates and Delivers Real Change**

When we found out that Fresno County had expunged just 89 records for cannabis and drug crimes in the last 2-years, we decided it was time to partner up with NDICA (National Diversity and Inclusion Cannabis Alliance) and the Fresno Public Defender's Office to dramatically increase those numbers and drive deep and meaningful impact in the lives of hundreds of individuals who have been adversely affected by their cannabis convictions.

On June 29, 2019, Element 7 in collaboration with NDICA and the Public Defender's Office held its first Expungement Clinic where over 120 records were expunged in a single day. On that day alone, 120 individuals got their lives back. Now, they are able to gain meaningful employment, seek life enhancing and enrichment opportunities that will positively affect and change their lives.

As part of the clinic, the Fresno Public Defenders explained voting rights, access to food banks, and how to sign up for food stamps. Each expunged record meant one more life positively affected by cannabis legalization. Entire families came to the event to witness how the new laws were going to dramatically change their lives, and the lives of their loved ones, forever.

Element 7 is humbled by the opportunity to take part in meaningful life changing initiatives. We are deeply moved, and incited to further action, to continue to rally for thousands of individuals whose lives have been negatively affected by cannabis convictions. Our biggest gains and most impactful wins are driven by the opportunity

to provide access to education and expungement services that afford entire families better futures and impacted individuals a second chance at living normal lives.

Carmen Romero, the Fresno Public Defender, commented, “Without companies like Element 7 leading the way to create change, these expungement clinics in communities like Fresno are just not possible. This is an incredible opportunity for people to change their lives by cleaning their past and wiping their slate. In a single day we cleared more records than we have in the past two years.”



Community Engagement in Suisun City

The success of Element 7 in the City of Suisun City is directly related to our acceptance by the local residents, patients, customers and the surrounding community. In order to be accepted, Element 7 intends to fully integrate with the community by actively participating as a community member, providing services for unmet needs, and improving the community where it can. To facilitate this integration, Element 7 brings several key programs that can positively affect the local community.

These programs are managed under two (2) core initiatives through Element 7's business model:

1. **E7 Cares:** E7 Cares is our local outreach platform to build community involvement, health and impact. Governed by a Board of 5 Members to be elected from the community, E7 Cares puts equity into the hands of the community and commits to a number of annual micro-plans annually designed to drive change in the community.
2. **E7 ONE:** The newly-formed E7 ONE program is in direct response to a growing need within the cannabis industry to collaborate and work together to create change, justice reform and broader social equity. The spearhead of our social equity plan is the expungement clinics that Element 7 runs in conjunction with Public Defenders and NDICA. We have ONE industry, ONE plant, ONE community, and we are all ONE people. E7 ONE is operated by a board of social justice pioneers appointed by Element 7 annually.





The balance of this document sets out the specific plans for each facet of our Community Development Plan.

1. Community Identity	
Mission	Build and support the unique local community identity
Annual Budget	Estimated spend of \$6000,000 annually on local suppliers, tradesmen and staff
Key Metrics	<ul style="list-style-type: none"> - 75% of Staff hired from Local Community - 70% of Suppliers sourced Locally
Key Programs	<ul style="list-style-type: none"> - Local Product and Supplier Sourcing Program - Local Community Engagement Manager - Industry Partnerships and Memberships

Local Product and Supplier Sourcing Program

Small businesses like Element 7 contribute to the identity of the local community in myriad ways — from “from interpersonal relationships to local government to the economy.” They help preserve an important history that is crucial to the local townships, enhancing the bonds of business relationships, and shaping the character of the people who live there while making new connections with everyday individuals passing through for the first time. Element 7 will source materials, services, equipment and team members locally, where possible. Local sourcing seeks to promote and support the vibrant local small business economy and community.

We are very interested in working with local businesses and would look to form a pool of local business engagements across several industries that supply at least 75% of our local building, construction, equipment, repairs and maintenance needs on an



ongoing basis – **all of these suppliers are local to Suisun City, or where a supplier does not operate in Suisun City, they are from Fairfield:**

Category	Name of Company
General Contractor	Alpha GC Construction Inc.
HVAC Specialist	SH Mechanical Inc.
Plumbing	Arrow Plumbing
Electricals	AHA Electric
Handyman	Tiger's Landscape and Handyman
Painters	Durbrite Painting
Landscaping	Professional Landscaping & Construction
Janitorial Services	Osorio's Cleaning
Staffing Services	Select Staffing
Vehicle Maintenance	Hi-Tech Auto Services
Catering	Vibras Catering

Local Community Engagement Manager

Element 7 will hire a part-time Local Community Engagement Manager to sit within the business, ensuring that a strong local voice is always present at key decision points within the business, and that programs that Element 7 commits to are funded and executed.

2. Community Involvement	
Mission	Create and execute plans that drive meaningful local change and impact
Annual Budget	Minimum spend of \$50,000 annually with pool of local non-profits given equity in Element 7 business (pool of equity created with stock issued)
Key Metrics	<ul style="list-style-type: none"> - Annual spend commitments met - Real change created and delivered to community
Key Programs	<ul style="list-style-type: none"> - Community Advisory Board - Element 7 Cares - Youth Outreach and Drug Education - Environmental Stewardship

As local businesses generally have a greater ability to interact with customers on a more personal level than large corporations, they are typically more cognizant of the impact they have on their neighbors and surrounding businesses. More importantly, they can also inspire and impact change, development, and a stronger sense of financial independence with customers and the broader community.

Community Advisory Board

Our Element 7 Cares program will be headed by a Committee of 5 persons – one director from Element 7 and four from the local community. The local community representatives will be nominated by the community (in Year 1 they are nominated by the Company to ensure full participation) and are essential to the governance and accountability of the program and achieving its mission.

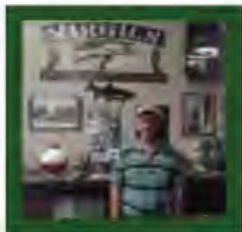
Accountability, transparency and integrity can, and should be, maintained and implemented across Element 7 operations, business model and ethos. With the help of the E7 Cares Board- Element 7 will consistently be geared towards earning and safeguarding Public Trust, the health and safety of our patrons and the environment. In Year 1 these persons include:



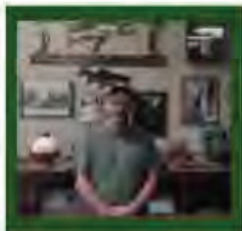
Andre Chilton is a part-owner of Element 7 Suisun City and will chair the Local Community Advisory Board. Andrew operates **NoTime2Chill Basketball Academy** and works with troubled youth looking for direction. With his background in professional sport and his connections with local youths.



Melissa Sampson is the founder of the **Imagine Me Foundation** - established in 2007 after God gave her a message. The foundation's goal is to uplift, encourage, and empower people from all walks of life, to actively participate in their fight against all types of cancer and strengthen their resolve to overcome the disease.



Erich Butcher and his brother Rick are an institution in Suisun City. Their business, **Virgil's Bait and Ice** has been operating in the City for decades and remains the oldest current standing business in the City. Erich is passionate about helping first responders and the brothers are active raising funds.



Rick Butcher is the other half of **Virgil's Bait and Ice**. The brothers are involved with Solano Community Animal Response Team, Suisun City Fire Department, Solano Community Volunteer Group, Spread Love Solano County, an ongoing **Virgil's Bait and Ice Fire Relief Program**, and the Annual Firefighter's Toy Drive.



Rachel Gardner is the founder of **Super Fur-iends**, an animal rescue organisation based in Suisun City and Solano County. **Super Fur-iends** gives pets a second chance and focuses on educating the public about 'rescues' and the importance of ensuring pets have a home.



Element 7 Cares

The foundation of our community and local efforts is our **Element 7 Cares** program which seeks to do four critical things in each community we operate. Our Mission is to:

1. Integrate as seamlessly and authentically as possible into the local community;
2. Change opinions through education, consistency, and reliability;
3. Get involved with local small businesses, non-profits and other community groups and programs; and
4. Be active in improving the overall local community economically and socially.



Element 7 will be committing up to **\$50,000.00 annually** (based on projected revenue) to the ELEMENT 7 CARES program for the purposes of actively building and creating facilities that contribute towards local community development.

Aligning with the vibrancy of the local community, we will look to be involved in existing programs that groups within the County are already running to engage the local community. The Element 7 Cares program will cover commitments to working with one group from each of the following four non-profit sectors:

- Animal Rescue
- Health
- Veterans Affairs
- Youth

Organization Focus	Name of Organization
Animal Rescue	SUPER FUR-IENDS
Health	Imagine Me Foundation
Veterans Affairs	VFW Suisun City
Youth	NoTime2Chill Basketball Academy

Youth Outreach & Drug Education

Young people are exposed to alcohol and drugs at an early age; however, states that have legalized marijuana usage have experienced the same or lower incidence of the drug's usage among the young, indicating that usage rates have mostly stabilized or declined over the years since legalization. The following studies show that the expected spike in youth marijuana usage hasn't happened; instead, rates of usage have dropped, especially in places that provide education, counseling, and regulation to prevent easy access of cannabis to teens:

- According to the 2015 Youth Risk Behavior Survey, 21.7% of American high school students used marijuana in the past month and this rate has been consistent throughout the last decade.
- In Washington, Colorado, and Alaska, rates of marijuana use among high school students are similar to national rates, indicating that fears of widespread increased usage with pot legalization have not come to fruition.

Element 7 will be an active participant in ensuring that local youth receive accurate information on the dangers of substance abuse at an early age so that they are better informed and more capable of decision-making as they develop and mature.

Element 7 also strives to find other ways to support local non-profits through volunteer programs, donations, and sponsorships. Volunteers from our organization can assist the community with such activities as food drives, building repairs, or general cleanup of the community.

To create and implement this program, we will be approaching local education, youth and law enforcement groups with a view to either providing monetary resources or educational materials to such groups.

Cannabis related arrests have plunged in communities that welcome cannabis dispensaries — saving millions of dollars and sparing people from having criminal records — and we believe that Element 7's program will extend positive flow-on effects for social issues affecting the County including neighborhood crime prevention, substance abuse and creating safer and cleaner parks and recreation facilities.

We know that beyond education, it is critically important to provide meaningful facilities and opportunities to youth that inspire, educate and entertain them.

Environmental Stewardship

Element 7 takes its environmental impact seriously and has developed facility build out and designs in a manner that complies with green building practices. Each Element 7 cannabis business facility has been thoughtfully designed, crafted and built to maximize and maintain resource-efficient, high performing, healthy, cost-effective and compliant operations, that considers sustainability its highest priority. Facilities bring forward the best and most impactful emerging technology that provides for almost 100% renewable and sustainable operations.

Element 7 believes that community and the environment go hand in hand. Securing a positive outlook and future for every Element 7 community means being a responsible cannabis business operator who takes each community member, local small business and competitor into consideration. Element 7 is at the helm of an emerging cannabis industry that is quickly making its mark on the country and the world.

- *Renewable energy: solar panels, wind technology*
- *Green building certification/Zero-impact workplace facilities*
- *Purchasing/local sourcing from sustainable vendors*



- Working with environmentally conscious distributors
- Environmental practices
- Sustainable product packaging
- Implementing emerging technology
- Assisting community infrastructure development and provide for environmental replenishing

Element 7 is also committed to proactively saving the environment and reversing climate change. As a cannabis operator, compliant operations that meet California standards still do not make as meaningful of an impact on reducing carbon emissions as was originally thought. Carbon emissions is proving to be one of the most powerful agents for environmental degradation and catastrophe. To further our commitment to saving the earth and our future, Element 7 is committing to local environmental stewardship initiatives, including Urban Farming and Saving the Redwoods League.

Studies have shown that urban farming could prove to be one of the most powerful agents for reducing carbon emissions in a world that is vastly overpopulated and over used. Element 7, in partnership with local government, will commit to developing and maintaining an urban farm that helps the environment and teaches families how to sustainably feed themselves. Currently, Element 7 is developing a one (1) acre Urban Farm in Willows, CA. Urban Farms reduce carbon in the atmosphere and it also creates jobs, educates children and families, reduces food waste, reduces greenhouse emissions, and improves the quality of life.

Also, as a member of the Save the Redwoods League, Element 7 recognizes the opportunity to take a stand and make a difference where it concerns conserving natural resources, including trees native to California. Element 7 believes that taking a stand and making things happen is the difference the world- and the cannabis industry- needs. Urban Farming and Saving the Redwoods are examples of the kind of environmental stewardship we are prepared to stand by and practice.

3. Community Education and Health	
Mission	Enhance and develop the health of the local community through education and engagement.
Annual Budget	\$50,000
Key Metrics	<ul style="list-style-type: none"> - Engagement rates with local neighbors - Sentiment rates towards Element 7 - Event participation numbers / engagement - Value of medical discounts provided to needy patients
Key Programs	<ul style="list-style-type: none"> - Good Business Neighbor - Local Health and Medical Partnerships - Community Engagement and Educational Events - Medical Cannabis Discount Program

When was the last time you walked into a large-chain local store and the owner or staff greeted you by name? Local enterprise businesses build a sense of community identity. Generally, there is a *small-town feeling* that people feel when they walk into

a local business where the staff is polite, the owner is friendly and helpful, and the unique products and services offered create a strong bond with clientele.

Being a Good Business Neighbor

Element 7 believes that having good relations with the immediate business community is important and as such, we will be creating an outreach program to actively engage with our immediate business neighbors on both an always-available and formalized twice a year basis. We are committed to creating a strong sense of community and business health around our Facility, regularly consulting and engaging with local business neighbors.

This program will be enacted to all businesses within 500-feet of Element 7. Outreach efforts will include:

- *If Element 7 is successful in its Application, a personal visit from the Licensees to each business within 21-days of being awarded a Permit.*
- *Creating an email database of all businesses within the 500 feet radius and sending them a twice-annual email offering news of the cannabis industry AND Element 7 business, while asking for proactive feedback on better business and community relations. All businesses will be given the name and phone number of Element 7 Community Relations Manager (Local General Manager).*
- *Inviting businesses to attend a Business Feedback and Community Management Forum twice a year which will be hosted at a suitable venue in the proximate area. Additionally, residents within 500-feet of Element 7 will also be included and will receive our Community Relations Officers contact information.*
- *Creating a dedicated email address for priority feedback – feedback@Element7.co*
- *Designating one of our Senior Managers as the Community Relations Officer at Element 7 (Local General Manager).*
- *During the first year of operations, Element 7 will attend quarterly meetings with the County to discuss costs, benefits, and other community issues.*

Community Engagement Events

This is a historic time in the United States and across the globe. As cannabis legalization continues, more and more people are bringing this incredible plant into their lives. The negative stigma surrounding this wonder drug is beginning to subside as people are realizing its enormous healing benefits. Element 7 believes that education is critical in helping communities understand the power that this curative medicinal treatment can bring to people's lives. A recent study from BDS Analytics shows that cannabis users "are not only more successful; they're more satisfied."

Cannabis use also provides other life-enhancing benefits such as:



- *Reduced stress levels*
- *Lower blood pressure*
- *Decreased inflammation*
- *Boosted metabolism*
- *Improved lung health*

Only by disseminating accurate information through education will the normalizing of cannabis become reality. We believe that an informed public that is provided with credible, reliable, and evidence-backed information will be empowered to make more intelligent choices concerning cannabis products, and not be swayed by negative propaganda.

Currently, “more than 60 U.S. and international health organizations — including the American Public Health Association, Health Canada, and the Federation of American Scientists — support granting patients immediate access to medical marijuana under a physician’s supervision,” as modern research shows that cannabis is a valuable aid in the treatment of a wide range of clinical applications. These include pain relief, nausea, spasticity, glaucoma, and movement disorders. Marijuana can also be used as an appetite stimulant, specifically for patients with ailments resulting from HIV, AIDS, or dementia.

The need for cannabis education is more important now than ever, and Element 7 plays an active role in delivering this message into the mainstream consciousness by making credible cannabis education accessible in the communities we serve.

Element 7 will proactively engage with Suisun City and nearby County residents, business owners, and officials to cultivate lasting and mutually-beneficial connections, sustained by a discreet but visible neighborhood presence. Element 7 seeks to provide tangible benefits to the local community through educational outreach and partnerships with non-profit organizations, municipal agencies, and neighborhood groups.

Community Educational Evenings

Element 7 is developing a Community Educational Outreach Program that will be held 4 times a year in conjunction with the local municipality cannabis community. At Element 7 we believe that education and community outreach can change the way cannabis is viewed and helps people understand its benefits. To have a successful cannabis program, we believe that there needs to be an active relationship between the community, cannabis research, and local health and medical practitioners.

To enact such a program, we will be recruiting a panel of specialists and experts onto our team which will help us conduct the outreach program. We would envision each event having 3 specialists that conduct 15-minute lectures with a 30-minute question and answer session at each event. Each event would run for approximately 90-minutes and focus on:

- *Myths and Facts of Cannabis*
- *Customer Treatment Options*

- *The History of Cannabis*
- *Latest Research and Medical Findings for Cannabis*
- *Responsible Use and Management of Cannabis*

Our goal is to provide the community with the facts and information that they need to be educated and make informed decisions. It is our goal to educate the community so that they can make the best decisions for themselves and their health. All sessions will be provided at zero cost to the attendees. We will schedule a free shuttle bus for attendees who want to attend the session but may not have transport options.

Dr. Jeff Chen, Director of the Cannabis Research Initiative at UCLA, has committed in writing to helping us with this initiative. Jeff is one of the most respected cannabis experts in North America and holds a dual MD/MBA from Cornell University. He has spent the last four years working at the intersection of academia, industry, non-profit and government to accelerate cannabis research in California and North America. Dr. Chen is the founder of the UCLA Cannabinoid Affinity Group, a published author, David Geffen Fellow and UCLA Wolfen Entrepreneurial Award Recipient.

In addition, Element 7 will be teaming up with Americans For Safe Access and taking their patient education services to each of its medical patients. Americans for Safe Access have been at the forefront of lobbying for safe access and providing accurate and reliable education to medical cannabis patients across the country. Every time a medical patient joins the Element 7 community, they will be given access codes that can be used through Americans for Safe Access, to activate an account that provides them with access to medical cannabis material, studies and reports that can provide them with a wealth of information to help them devise an effective treatment or wellness plan.

Medical Cannabis Discount Programs

Studies show that increased access to marijuana has helped reduce some of the most critical consequences of opioid use, including opioid overdose deaths and untreated opioid disorders.

- In states with medical marijuana access, overdose death rates are roughly 25% lower than states that don't offer legal access to the drug, with a significant decrease in overdose death rates over time.
- Legal access to medical marijuana has helped produce a 23% reduction in opioid dependence or abuse-related hospitalizations, and a 15% drop in opioid treatment admissions.

As a holistic wellness company focused on inspiring a holistic lifestyle, Element 7 is intent on providing safe and affordable access to its patients, primary caregivers who suffer from diseases, pain, PTSD or simply do not have the means to pay for medical cannabis or cannabis goods.

Seniors, retired veterans, and customers on government assistance need cannabis to treat a wide range of medical and wellness conditions. Element 7 will assist these

persons to access cannabis at-cost by working with hospitals and health care centers in close local proximity to our operations.

These partners will be responsible for identifying customers and others that could benefit from cannabis and need financial assistance in securing discounted pricing.

Element 7's discount program will give-away and allow for heavily discounted medical cannabis and cannabis goods for sick or low-income medical patients.

To enroll in the Element 7 discount program patients will either apply on-line or at the Element 7 facility. The process for enrollment will request the following information from applicants:

1. Medical ID Card and proof of low-income for the last two (2) years (via tax return); or
2. Medical ID Card and proof that patients are receiving state benefits such as welfare, HUD or food stamps.

Participants in the discount program can receive 5 grams of mixed shake or a 20% discount on medical cannabis purchased at Element 7 up to 28g total of THC and 50mg of CBD per month. The discount program is specifically for seniors, retired veterans, HIV and AIDS patients, children diagnosed with autism, epileptics, terminally ill patients and low-income patients.

Addressing Product Affordability Makes Communities Safer

According to research from New Frontier Data, roughly 80% of the cannabis sold in California emanates from the illegal non-compliant market. The research company puts the illegal pot market at an estimated 3.7 billion, more than four times the size of the legal market in the state. Researchers from Eaze, a cannabis-delivery firm state that, "one in five Californians has purchased cannabis from illegal sources in the last three months and 84% of those people say they're highly likely to buy from the same unlicensed source again."

Eradicating the non-compliant market is critical - the non-compliant market attracts crime, money laundering, violent crimes and a range of other undesirable social issues. The black market persists for a number of reasons, two main ones being high taxation and the limited number of legal dispensaries. Despite these hurdles, Element 7 feels that the demand for cannabis is strong, regulations will evolve to meet the public's desire for a healthy and legal cannabis market, and we want to make communities safer by opening more dispensaries and eradicating the non-compliant market.

Cannabis is democratic and everyone should have the right to experience the benefits of this incredible plant. That's why we are introducing a unique concept to our business – something that has never been done before and will go head-to-head with the non-compliant market whilst responsibly serving cannabis to many first-time or occasional users. We will be offering a \$20.00 shelf which will allow local residents and patients the opportunity to get a mild-buzz with the full Element 7 experience and safety that they are purchasing a legal, licensed, and tested cannabis product.



4. Community Impact	
Mission	Provide support to those most in need and empower Element 7 staff to create change and take ownership
Annual Budget	Volunteer Hours, Money and Equity
Metrics	<ul style="list-style-type: none"> - Loan Payments - Vested equity issued to key staff - Hours provided to local non-profits
Key Programs	<ul style="list-style-type: none"> - Local-Private Enterprise Program - Element 7 Stock Option Plan - Craft Cannabis Producers Program - Staff Volunteer Program - Young Leaders Program - Open Door and Good Neighbor Policy

When local employees live and shop in their local communities, money stays in and circulates through the local economy. As stated in The Journal of Extension, “Micro businesses employ local citizens and are an economic engine that causes cash to move through a community’s economy.” Successful business owners enable other businesses to thrive while generating more opportunities for other entrepreneurs.

Businesses with a strong local-enterprise focus tend to have a stronger sense of creating innovative solutions that appeal to local customers’ needs. This will help Element 7 stay more competitive and drive innovation for local customers which we can then transfer to other Element 7 locations where relevant.

Element 7 strives to drive the vast success of cannabis-related commerce at the local level, spurring community reinvestment, workforce development, stakeholder engagement, financial gain, health-related benefits, and public awareness and education. The rapidly evolving emergence of the marijuana industry across the U.S. is both an exciting and challenging prospect, and Element 7 is committed to providing proactive support in establishing and promoting success in the cannabis realm while building ties with local community leaders and entrepreneurs for the betterment of the community.

Local-Private Enterprise Program

The cornerstone for ensuring Element 7 is built and operates as a Local Enterprise business is its **Local-Private Enterprise Program (LPEP)**, which was founded on a number of core principles:

1. Head Office support should be provided in the initial planning and building phase of the business, which should then transition over time to allowing the local enterprise to have more autonomy on decision-making.
2. Head Office support should continue to guide the business in terms of governance, accountability and financial reporting, which drives consistency across core aspects of the business whilst allowing the local enterprise to drive its business model and growth strategy.



3. Key Management executives for the Local Enterprise should be prioritized for hiring from the local job community and talent pool.
4. A pool of equity in the business should be created and made available for key executives and talent employed at the local business, to become shareholders over time.
5. The business should be guided and governed by a Local Community Board for key aspects of the business' community support program, waste management, neighborhood compatibility and labor and employment plan – i.e., key parts of the business that have the largest micro impact within the local community.
6. Local Advisory Panels shall be created to drive change and effect for key parts of the business as it relates to local enterprise staff – i.e., skills development, learning and training, local product development and bump-it-up programs for labor growth.
7. Having a strong voice in the local community is critical to ensuring that the business is seen to be proactively working hard to shift discussion on the negative issues of the cannabis industry and drive more focus on the positive benefits.
8. Prioritizing local business partners over others for the development and ongoing operations of the enterprise.
9. Being proactive in the community with regards to visibility of the business in the right forums – attending job fairs, conducting workshops, meet and greets, community tours of the Facility before opening etc.

Element 7 will ensure that Element 7 Suisun City becomes a local enterprise by committing up to a proposed 3% of the common shares in the company to key staff and executives that are hired from Suisun City or the County. Staff serving longer than 24-months service will be eligible to be allocated equity through a Stock Option Agreement.

Element 7 Stock Option Plan

Stock options are a means to both attract good talent and keep those employees invested in the company over time. Accordingly, in general, stock option agreements are offered to key employees in conjunction with the employee's initial hire or concurrent with a significant increase in the employee's role or responsibilities at the company.

When Element 7 offers employees stock options, we will do so through a special contract called a Stock Option Agreement. Such an option, once granted to the employee, gives the employee the opportunity to benefit from increases in the company's share value by granting the right to buy shares at a future point in time at a price equal to the fair market value of such shares at the time of the grant. The

option agreement dictates all the terms of the offer - including vesting schedule, time limits for exercise once vested and any other special conditions.

Individuals will be issued with four (4) documents at the time they become eligible for Element 7 Stock Options:

1. **Stock Option Plan.** The governing document for the company's issuance of stock options, the stock option plan will contain the terms and conditions of the options to be granted, including the purchase price and any limitations. This is a standard document for all options issued to employees at the same time.
2. **Individual Stock Option Agreement.** This is the custom contract executed by Element 7 and the employee receiving the options. This document specifies the number of options the employee is entitled to exercise, types of options granted, the vesting schedule and other employee-specific terms of issuance.
3. **Exercise Agreement.** This document details the terms under which options can be exercised by employees at Element 7.
4. **Notice of Stock Option Grant.** This document includes a short summary of the material terms of the grant. It generally serves to fulfil SEC notice requirements, and in some cases includes disclosures.

Craft Cannabis Producers Program

Element 7 has a policy of supporting local and small craft and boutique cannabis farmers and manufacturers. Many of these come from disadvantaged local communities across the State of California.

As corporate cannabis operations continue to expand in California, small cannabis growers have begun to develop cooperatives to stay competitive with their large-scale rivals. Co-ops present benefits for smaller marijuana producers:

- By joining forces, these more modest-sized farming operations can offer a steadier supply of cannabis to distributors and retailers.
- Growers can generally market their products more efficiently through a cooperative model.
- Cultivators at the co-op level can share resources, helping to lower operating costs.

We have an active relationship in place with Red Crow Cannabis – a cannabis cultivation company focused on cultivating cannabis on Native American Tribal Land in California. After having conducted their first season in 2017, Red Crow Cannabis are looking to expand their business in 2018 and we call Richard *Tall Bear* Westerman, the founder and CEO for Red Crow Cannabis, a close friend. Through our Head of Security, we have also formed a relationship with a Veterans Cultivation project in Yolo County – White Wolf Farms. This group provides combat veterans with medical cannabis information, support services, and safe access to high quality medicinal

cannabis. White Wolf Farms cultivates high-quality organic outdoor cannabis on a 1-acre plot in Yolo County.

We are also a partner of Emerald Exchange – Justin Calvino runs the Emerald Exchange and is a friend and colleague. The Emerald Exchange is focused on bringing craft cannabis producers from Humboldt, Mendocino and the Trinity Triangle, and their brands to mainstream city markets, whilst keeping alive the essence and unique qualities of hand-touched sun-grown craft cannabis. This is a part of the industry that we want to keep alive and see flourish as it delivers much needed economic benefits and security to hundreds of small families across California.

Staff Volunteer Program

Element 7 will ensure that it gives back to the community by requiring all full-time staff to commit at least 10-hours quarterly to a local cause or charity.

Annually, each staff member will contribute over 40-hours or more of community service beyond the monetary commitments we deliver. These hours will either be used for hands-on volunteering or providing pro-bono support services in the specialist area of the volunteer - business management, design and creative, logistics, processes and systems.

The four-person Element 7 Cares Committee will ensure that the business is held accountable to ensuring that staff commit this time and the General Manager at the Facility will be responsible for tracking all such commitments on a quarterly basis.

Young Leaders Program

Communities across America need more young leaders to step up and lead their communities. To assist with this, Element 7 will also create a local internship and mentorship program that supports two (2) twenty-one year old youths (21) annually, who have had issues with cannabis crimes, and will mentor them in small cannabis business management, compliance, and leadership.

Our view with this program to provide a pathway for young people to be educated about the industry, get the training and experience in the workplace that they need to secure jobs and then be able to confidently move on to a senior management position within Element 7's business.

Open Door & Good Neighbor Policy

Element 7 has an open-door policy. We encourage neighbors who feel negatively affected by our operations to reach out directly to our General Manager and Community Liaison at any time to discuss concerns and provide feedback. We will set up a special telephone number and email where they can contact us and know they will receive a timely response to address their concerns.

Element 7 is committed to earning and protecting the Public Trust. Operating a cannabis business is a privilege and a responsibility that deserves utmost diligence, integrity, transparency and collaboration. In putting the community we serve first, Element 7 is able to provide positively, meaningful and lasting impact in the community. Some aspects of our Good Neighbor Policy include:



1. Ensure that each customer and patient's rights and privacy are respected and maintained.
2. Provide building enhancements, such as lighting, signage, ADA-features and other services or devices that enhance the facility and the services being provided in that all accommodations are made available to the community and its employees.
3. Provide adequate and appropriate lighting, ventilation and security to the facility, adjacent areas and parking, and neighboring businesses.
4. Maintain the premises and all sidewalks, parking areas and roadways leading to the facility, as appropriate.
5. Ensure that the facility's outer façade and landscaping are maintained according to regulation.
6. Ensure that all graffiti is removed and the facility, and its adjacent or neighboring structures remain in good condition.
7. Prohibit loitering and double parking, which would adversely affect the neighborhood and the flow of traffic.
8. Prohibit littering and maintain a clean and litter-free facility.
9. Prohibit consumption of cannabis on-site or in immediate surrounding areas.
10. Ensure all posted notices and signage is clear and easily comprehended.
11. Secure premises within 50-feet of any public entrance and exit.
12. Maintain a telephone hotline and feedback email address where patrons, neighbors and community members can provide feedback or report complaints.

5. Community Repair	
Mission	Right the wrongs from America's War on Drugs and the impacted communities
Annual Budget	\$60,000
Key Metrics	- 6 Expungement Clinics Annually across California
Key Programs	- Cannabis Criminalization Reform and NDICA Partnership - E7 ONE Board - Expungement Clinics with NDICA

Cannabis Criminalization Reform and NDICA Partnership

A founding principle of Element 7 is to see criminal justice reform for non-violent cannabis offenders as public opinion has shifted in its support of reforming federal and state marijuana laws. There is a growing outcry to remove these laws for the following reasons:

- *Prohibitionist laws waste billions of dollars criminalizing marijuana users, even for minimal offenses.*
- *Prohibition fosters an illegal underground marijuana market that fuels organized crime, drug cartels, and gangs.*
- *Desperately ill patients are not able to access beneficial and critical medical marijuana treatment.*

Amber Norwood is Element 7's Head of Compliance and a key member of our executive management team. Amber's father, uncle and cousin were all incarcerated for cannabis crimes during the 1980s, 90s, and 2000s. Each served between seven and thirteen years for cannabis possession crimes.

Element 7 also has one of America's leading advocates for criminal justice reform, harm reduction, and marijuana law reform on our team. Lynne Lyman is the California State Director for the **Drug Policy Alliance**, the nation's leading organization promoting alternatives to the war on drugs.

Prior to the DPA, Lyman worked at the Advancement Project, a civil rights organization, where she focused on issues of violence reduction, criminal justice reform and community policing. She spent six years working in Boston in criminal justice positions within state and local government, and as consultant to community and faith-based organizations seeking to address social problems relating to street violence, racial justice and juvenile justice system reform.

Element 7 has partnered at a national level with NDICA (National Diversity and Inclusion Cannabis Alliance) to sponsor and host Expungement Clinics up to 6 times a year, the first of which was recently held in Fresno, California in June 2019.

Expungement Clinics

Element 7 created history in 2019 when it hosted Fresno's first ever Expungement Clinic. The Expungement Clinic, held in partnership with the Fresno County Public Defender's Office, NDICA (National Diversity and Inclusion Cannabis Alliance), and Element 7, will pave the way for Fresno residents with minor drug related criminal records to enter the legal and licensed cannabis industry to gain meaningful employment, or as owners and investors.

Expungement clinics are part of the much-needed reparative justice for the harms of cannabis prohibition, which targeted people of color and from marginalized communities. Fresno is one of the hardest hit parts of California for drug related crime. Volunteers from the Fresno County Public Defender's Office were available at the Clinic to provide free legal assistance to Fresno residents with drug related criminal records, including Prop 64 and Prop 47.

Carmen Romero, attorney with the Fresno Public Defenders Office Clean Slate Program said, "We encourage the community to come take advantage of the opportunity to clear their criminal convictions and begin to overcome the obstacles to better jobs, housing and other benefits." This was the Fresno Public Defenders first expungement clinic in partnership with NDICA and Element 7 at the national and local level.

Summary

Giving back to the local community isn't something we at Element 7 want to be forced to do to gain a business license - rather, giving back is part of our *business with purpose* core belief and mission. We feel proud that we have the opportunity to use our business to create positive change in the local community, leveraging both our people and bottom-line to do good in a range of areas from supporting non-profits through helping disadvantaged patients, reformed cannabis criminals and local businesses.

As communities across the U.S. begin to embrace the introduction of cannabis establishments to their neighborhoods, people are seeing the many benefits that this wonder drug can bring. We at Element 7 are at the forefront of this sweeping change, offering communities the finest products and services while providing the most up-to-date industry information that not only informs, but educates, cannabis enthusiasts about the latest developments in the legal cannabis market.

Our programs are designed to enlighten people on the many benefits of legal marijuana and help eradicate the illegal black market, which supports criminal activity and gives the cannabis industry a bad name.

Local business owners often have incentives to support other local businesses, patronizing local establishments for both business and personal reasons. Chain businesses, on the other hand, tend to get their supplies from corporate, as well as having store managers and employees that aren't as personally invested in buying local.

As small-scale, pedestrian town shops have given way to massive, impersonal shopping centers, a growing number of communities are beginning to reject chain stores in their neighborhoods. During the past several years, hundreds of neighborhood groups have sprung up to protect their homegrown businesses. One study in Greenfield, Massachusetts "concluded that a proposed Wal-Mart store would cost local businesses \$35 million in sales," and a similar study in Saint Albans, Vermont, found that "a new Wal-Mart would drain 76 percent of its sales from local businesses," while many stores would be forced to close, "leading to a significant net decline in total retail employment and property tax revenue." At Element 7, we believe that a hybrid private-public model can be built – one that delivers the benefits of centralized support with a clearly local footprint.

The very foundation of a close-knit community is the vibrant retail commerce shared among its residents, and Element 7 is committed to having a local footprint, contributing to the local economy, and hiring locally with those staff to become owners of the business through our LPEP program.



(K) LABOR AND EMPLOYMENT PLAN



Introduction

At the heart of our commitment to be a fair and equal employer sits the **Labor Peace Agreement** we signed with the United Food and Commercial Workers Union (UFCW). Element 7 is currently in discussions with UFCW to expand this commitment to its workers through a **Collective Bargaining Agreement** which it expects to conclude in October 2020. These two documents, along with our Employee Handbook govern our working partnerships with our employees who we continue to value tremendously and are integral to our continued success (refer to images below).

Collective Bargaining Agreement

Between

Element 7/LLC

And

United Food and Commercial Workers Union Local

8033 Sunset Blvd., #987, Los Angeles, CA 90046
Phone: (424) 285 0088

CONFIDENTIAL

12. **Term of Agreement.** The term of this agreement is 3 years from the date of this agreement. The term will renew for additional 3-year terms unless and until either party gives the other written notice no more than 60 days and no later than 30 days prior to the expiration.

13. **Confidentiality.** The Company and Union agree that all terms and conditions of this agreement are confidential and proprietary between the parties and shall not be disclosed to anyone else, except as may be necessary to enforce this agreement, as required by law or court order, or as mutually agreed upon in writing prior to disclosure.

14. **Application.** This agreement applies to the Company's operations within the territory of the State of California only.

Robert M. DeVito Jr.
For the Company (print name)

[Signature]
Signature

December 3, 2019
Date

Element 7 LLC
Company/Company name

8033 Sunset Blvd., #987, Los Angeles, CA
Address
(424) 285 0088
Phone

James Arley, UFCW
For the Union (print name)

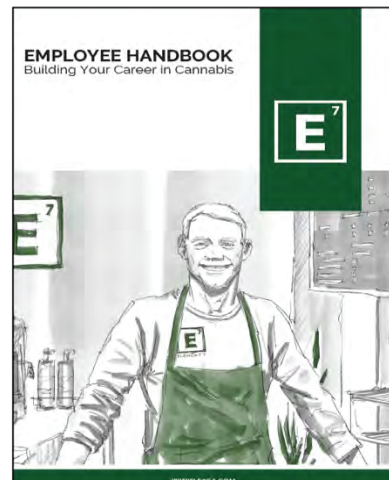
[Signature]
Signature

12/5/19
Date

(510) 599-0488
Phone

3

3/21/18
INCENTIVE/HR/00000001-14-101118



Element 7 will manage Labor and Employment from multiple angles - a dedicated HR Specialist hired within the Element 7 head office (Taylor Munoz); the General Manager at the Facility, and a third party HR Specialist consultant that will advise the business on aspects of employment law, HR principles and other labor related issues (HR BIZZ). In addition to these specialists that sit within the business, we have a close working relationship with UFCW and have partnered with the California State Economic Development Department (EDD), Latinos 4 Cannabis, and NDICA (National Diversity and Inclusion Cannabis Alliance) on job training programs and job fairs in Los Angeles and Fresno. We will be bringing these same opportunities and events to Suisun City in 2020/2021 as we prepare to start actively recruiting talent for our business in the City.



Staff training sits at the heart of our business. Having an effective staff training program in place is critical for several reasons. Firstly, cannabis consumers look to in-store staff for purchase decisions more than any media channel, form of advertising or any industry news. Secondly, having an effective staff training program in place is critical for compliant and legal operations. Finally, staff training is critical to personal development, hiring and retaining our best talent. Element 7 has partnered with Chloe Villano as a Strategic Advisor. Chloe is the President and Founder of **Clover Leaf University**, the first cannabis learning institute and academy in North America to receive University Accreditation from a Department of Higher Education's Private Occupational School Board. Clover Leaf University is the nation's first state-licensed Cannabis University and offers more than 25 stand-alone course certifications. Element 7 is in its preliminary stage of partnering with Chloe Villano to bring **Clover Leaf University** to California.

Although we have designed our plans and policies to reflect our diversity, social justice, and social equity goals, Element 7 adheres to federal, state and local laws that expressly state that employees have the right to not be harassed or discriminated against because of race, color, religion, sex, national origin, disability, age, or genetic information; receive equal pay for equal work; receive reasonable accommodations that are needed because of medical conditions or religious beliefs; have their medical and genetic information kept confidential; and be able to report discrimination, participate in an investigation, or oppose discrimination without being retaliated against.

Element 7 is an Equal Opportunity Employer that will never discriminate based on gender, age, race, color, religion, sex, national origin, disability, or genetic information.



Number of New Jobs Created

Initially, we anticipate that the Element 7 Suisun City staff will be comprised of a General Manager, 2 Shift Managers, 2 Delivery Drivers, 1 Delivery Dispatchers, and 4 Budtenders (total of 10 employees).

Job Descriptions

General Manager – The General Manager (GM) is responsible for leading a team of approximately 10 employees, including 3 managers, and is accountable for all aspects of managing a single retail cannabis store. The GM will report to the Chief Retail Officer and will help train, develop, and hire new employees as well as continuing to improve standard operating procedures. This position requires attention to detail, a passion for process, a drive for results, and the ability to lead and influence in the high-regulated and compliance-focused cannabis industry. General Manager Job Responsibilities:

- Builds company image by collaborating with customers, government, community organizations, and employees; and enforcing ethical business practices.
- Increases management's effectiveness by recruiting, selecting, orienting, training, coaching, counseling, and disciplining managers; communicating values, strategies, and objectives
- Coordinates efforts by establishing procurement, production, marketing, field, and technical services policies and practices; and coordinating actions with corporate staff.
- Maintains quality service by establishing and enforcing organization standards.
- Maintains professional and technical knowledge by attending educational workshops; reviewing professional publications; establishing personal networks; bench marking state-of-the-art practices; and participating in professional societies.
- Forecast and adjust payroll to maximize productivity, achieve sales and payroll goals, and complete workload.
- Ensure compliance with MAUCRSA, local laws and regulations centered around cannabis ordinances
- Protect company assets and minimize loss by ensuring all store standards and operating procedures are met, including workplace safety, inventory control, and loss prevention.
- Oversee the maintenance of the facility.
- Perform HR duties including: Employee Appraisals, Discipline Notices, On Boarding paperwork, PTO compliance.
- Conduct weekly manager meetings and monthly all staff meetings
- Oversee management team schedule

Inventory Manager – Our Inventory Control & Quality Assurance will bring unwavering professionalism and meticulous accuracy to the position. The Inventory Manager will work closely with management, maintain inventory levels for products on the sale floor, merchandise displays, storage rooms, and consistently perform inventory audits. Additional responsibilities include maintaining inventory storage software, ensuring the accuracy of inventory records, and helping intake all deliveries.

Successful inventory specialists should have excellent interpersonal communication skills, a firm grasp of basic computer programs, and an ability to work both independently and in a team. Inventory Manager Job Responsibilities:

- Controls full retail ordering and management process / suppliers / vendors
- Tracking inventory maintenance
- Controlling flows of product



- Merchandising displays
- Reporting to management on inventory issues and discrepancies
- Training less experienced inventory workers
- Aid in the roll out of new products
- Support manager in any back of house duties
- Addressing any problems, obstacles or challenges.
- Stocking and maintaining inventory levels on the sales floor
- Maintaining extensive knowledge of our product offerings, various consumption methods, and cannabis in general
- Follows assigned schedule and accurately reports time
- Maintain a positive working environment

BudTender – BudTenders ensure that all transactions and the implementation of other retail processes comply with state and local laws and regulations and that service exceeds customer expectations. BudTenders collaborate with the General Manager to develop and implement practices, policies, and strategies that support a performance and results-driven culture. BudTenders report to the General Manager. Job Responsibilities include:

- Ensures accuracy and compliance in all transactions;
- Performs the required duties to record all sales and inventory transactions in accordance with state and local laws and regulations;
- Maintains established standards of presentation, customer service, and compliance;
- Communicates the details of daily operations to the General Manager;
- Implements and oversees procedures related to opening and closing of the retail store with the General Manager (specifically focused on retail floor);
- Stays informed and knowledgeable about state and local laws, regulations and industry news;
- Performs inventory reconciliations daily, weekly and as needed;
- Oversee the Retail Sales and Pick-Up orders as needed, ensuring prompt delivery and quick order fulfillment.

Delivery Driver – The Delivery Driver will be tasked to make deliveries throughout Suisun City. The Cannabis Delivery Driver MUST have a valid driver's license and an absolutely clean driving record. The Delivery driver will operate off DUTCHIE, our chosen delivery management and navigation software platform, in order to successfully complete delivery orders. Delivery Drivers will be briefed on all incoming and outgoing orders, proper addresses, and drop-off locations, product knowledge, delivery efficiency, discreteness and safety. Delivery Drivers will be expected to exude excellent customer service skills by personally greeting, thanking, and communicating proactively with patients to strengthen loyalty. Delivery Driver Job Responsibilities:

- Loading, transporting, and delivering items to clients or businesses in a safe, timely manner.
- Reviewing orders before and after delivery to ensure that orders are complete, the charges are correct, and the customer is satisfied.
- Assisting with loading and unloading items from vehicles.
- Accepting payments for delivered items.
- Providing excellent customer service, answering questions, and handling complaints from clients.
- Adhering to assigned routes and following time schedules.
- Abiding by all transportation laws and maintaining a safe driving record.
- Preparing reports and other documents relating to deliveries.

Delivery Dispatcher – The Dispatcher strategically coordinates which drivers go out to customer locations. The dispatcher will be responsible for resolving any challenges or problems the customer and/or driver has. The dispatcher keeps records and maintains logs for driver vehicles and equipment. Delivery Dispatcher Job Responsibilities:

- Maintains accurate records of all new and existing clients.
- Maintaining responsibility for dispatching all of the company's drivers in a manner that maximizes efficiency and ensures customer satisfaction
- Answering in-bound calls from customers and assessing their needs
- Scheduling and dispatching drivers to customer's homes or businesses
- Providing exceptional customer service to customers at all times
- Following-up with customers to ensure satisfaction
- Performing office clerical work, such as filing and organizing
- Set-up and ensure customers' orders are processed using POS and Routing applications
- Provide frontline support for drivers who need assistance out in the field.
- Conduct on-road management to ensure all delivery drivers are following routes and are meeting customer promise times
- Package orders accurately and efficiently
- Assist drivers with loading products/safes into vehicles.
- Dispatch, route and assign orders
- Lead drivers/picker/packers to complete work on time for each scheduled window.
- Accurately fill out end of shift reports for daily shift performance.
- Performing other duties as assigned
- Ensure Drivers arrive on time for schedules and track HC against schedules
- Help manage logs for vehicles and equipment (check in and out process)
- Forefront of the customer experience for the delivery drivers and customers
- Responsibility to ensure all orders get packed correctly and assigned to drivers
- Help coordinate any manual delivery tasks

Job Descriptions - Element 7 has developed Job Descriptions for all positions within the Company. Detailed Job Descriptions for all positions can be made available at any time upon the request of the City. A copy of our BudTender Job Description is attached to the rear of this section of the Application.

Local Hiring Policies, Outreach Practices, and Training Opportunities

Local Equity Hiring Preferences

Suisun City is a diverse community consisting of individuals and families of various racial and ethnic identities. Element 7 has partnered with NDICA (National Diversity and Inclusion Cannabis Alliance) and Latinos 4 Cannabis to bring greater local equity opportunities to Element 7 and Suisun City. Specific initiatives will include:

1. Job Fairs conducted in partnership with both organizations in Suisun City in Q4 2020.
2. Participation from these communities with a **Community Advisory Board** that will be charged with ensuring Element 7 meets its local commitments for community projects and funding.
3. Employee ownership opportunities via a **Company Stock Plan**
4. Preferred vendor and contractor opportunities for local minority-owned businesses
5. Media buys and placements with local media channels
6. Corporate donations to local minority-focused non-profit organizations



7. Financial support for NDICA and Latinos 4 Cannabis to pursue their own outreach and community development programs in Suisun City



Preference will be given to hiring local members of the community with equity, diversity and social responsibility an integral part in our hiring practices, allowing for equal opportunities for all employees. Our aim is to hire locally with 75% of the initial 10 positions to be filled with local talent. We have allocated resources, tools and leaders to ensure that underrepresented communities are included in our hiring, recruiting and training efforts and processes. In establishing a **Community Advisory Board** filled with local minority business, faith-based, and community leaders, we are able to monitor, regulate and develop effective practices, policies and programs that promote diversity.

Hiring Practices

In order to ensure the success of our hiring practices and goals, Element 7 will contact local community-based organizations, work source centers, local job fairs, and other such similar organizations to facilitate job outreach, development, and placement services. Further, Element 7 will co-host events and career fairs that will allow interested individuals to access about job opportunities and meet with Element 7 team members one-on-one, and apply in-person for available positions, thereby gaining a competitive edge for a coveted position at our company. These events and career fairs will also aim to demonstrate to target populations how their existing skills and experiences are translatable to legal cannabis businesses. Not only do these events benefit Element 7 and other employers, but more so the candidates; the candidates will have access to an abundance of employers that are passionate and determined to create diverse workplaces, and to provide opportunities for individuals that would otherwise not be included or highlighted.

We would also love to work with Suisun City and the other licensed commercial cannabis businesses that are awarded a license, to host a job fair that is specifically and heavily promoted to Suisun City residents. This event would provide many benefits including, introducing the residents to the new cannabis community, creating job opportunities to the locals, and bringing the industry, City officials and residents together for a common goal to enhance the unity of the community.

When job vacancies for advanced positions are available, such positions will be posted in the employee breakroom and distributed to employees via email. In furtherance of our culture of loyalty, we will seek to internally promote our employees whenever possible. Our employees can be best suited and qualified to move upward through the company because of their specific knowledge and experience of our company culture, operations, needs, potential, opportunities for growth, and how we can continue to be an asset to the local community. To ensure that our employees are optimal options for advanced position in the company we will provide them with training and education opportunities, and mentorship programs.

After implementing internal promotion procedures, participating in events and career fairs, and partnering with organizations, then Element 7 will post job openings through our website, Indeed, Monster, Google, Hire-a-Hero, and other recruiting websites to ensure wide distribution. Even with the wide online distribution of job openings are commit to local hiring and diversity will apply.

Code of Conduct

Our Company is committed to providing and protecting a positive, safe, inclusive and diverse work environment. That means that each of our employees actively participates in providing for, and safeguarding, their work environment. By following a basic code of conduct founded on empathy, honesty and integrity, we endeavor to further this practice.

Workplace Conduct

The basic premise of any code of conduct, is to uphold basic rights every individual should have. In the workplace, these rights include:

1. Every employee should feel safe and respected.
2. Every employee should be able to openly share their opinions, feelings, concerns, and ideas without fear of retaliation.
3. Every employee should receive fair and unbiased treatment.
4. Every employee should be given the tools and resources they need to succeed in their roles and positions, especially where it concerns making accommodations for disabilities.
5. Every employee's personal information should remain confidential.
6. Every employee should be compensated for their contributions to the Company, and encouraged to pursue professional advancement, through living wages and education / professional advancement programs.

Conduct that directly negates these principles will not be tolerated. Conduct that will not be tolerated includes:

1. Providing false or misleading information at the time of applying for a position.
2. Disrupting operations and compromising the safety of the workplace through violence, including threatening co-workers, superiors, and / or customers, vendors and contractors.
3. Violating the Company's Drug and Alcohol-Free Workplace Policy.
4. Stealing, removing or defacing Company, peer or customer property.
5. Violating Company's Confidentiality Policies.
6. Stealing or diverting or conspiring to steal or divert cannabis products and currency.
7. Failure to comply with proper appearance, hygiene, and health policies.
8. Violating Punctuality and Attendance policies and procedures, including, but not limited to habitual lateness, irregular attendance, unexcused absences, and failure to clock in and out.
9. Violating Company Safety and Security policies and procedures.
10. Consistently failing to meet Key Performance Indicators.
11. Violating Personal Electronic Device Use and Cybersecurity policies and procedures.
12. Harassing co-workers, supervisors, vendors, contractors and customers.
13. Inappropriate behavior, such as, but is not limited to, offensive social media postings and public comments, that contradict the Company's mission, vision and goals.
14. Any violation of Company policies and procedures.

Our Company deals with each act of misconduct in a fair manner and takes each employee's circumstances into consideration. Progressive discipline will be utilized in handling misconduct, such as verbal and written warnings. Our human resources team will manage employee misconduct and policy violations in a respectful and fair manner, that aligns with local, state and federal laws and regulations.

Ensuring Element 7 is Fair and Accepting

Element 7's Non-Discrimination Policy is designed to ensure that we are fair and accepting throughout our recruitment, hiring, training and promotion processes. We are committed to providing a work environment that is free from harassment. Harassment based on an individual's sex, sexual orientation, race, ethnicity, national origin, age, religion, or any other legally protected characteristic will not be tolerated. All employees, including supervisors, managers, and owners, are expected to conduct themselves in a manner that adheres to this policy. Individuals who report harassment and/or discrimination will not be adversely affected or mistreated.

Workplace Safety: OSHA guidelines and Personal Health Reporting

Facility supervisors and employees are required to complete Cal/OSHA Cannabis Industry-based training on workplace safety, health and security upon hire. Training covers slip, trip and fall hazard protection, fixed and portable ladder safety, fire prevention and safety, protection and emergency egress safety, dangers of electrical hazards, using and choosing PPE (Personal Protective Equipment), causes and prevention of Musculoskeletal Disorders (MSD) and Repetitive Motion Disorder (RMD) Injuries, workers' rights to know the chemical makeup of materials found in their workplace, the difference between chronic and acute health ailments, hazards of combustible liquids and compressed gases, and dangers of unguarded equipment.

Ways to improve compliance with laws and regulations, reduce costs, create accountability, enhance social responsibility goals, increasing productivity, and overall business operations is also included in Workplace Safety training. Other Federal Emergency Management Authority training, such as active shooter, emergency preparedness, burglary, bomb threats and other security threats that employees may encounter while on the job will be addressed in this training module. Employees will be instructed on how to identify potential risks to workplace security, describe measures for improving workplace security, and how to determine how to respond in a safety or security situation (e.g., burglary, armed hold-up, stroke and heart attack, loss of power). Training refresher courses will occur on an annual, ongoing basis for all employees with all employees to undertake a minimum of 32 (paid) hours annually for security and safety training.

Ensuring Element 7 is Fair and Accepting

Element 7's Non-Discrimination Policy is designed to ensure that we are fair and accepting throughout our recruitment, hiring, training and promotion processes. We are committed to providing a work environment that is free from harassment. Harassment based on an individual's sex, sexual orientation, race, ethnicity, national origin, age, religion, or any other legally protected characteristic will not be tolerated. All employees, including supervisors, managers, and owners, are expected to conduct themselves in a manner that adheres to this policy. Individuals who report harassment and/or discrimination will not be adversely affected or mistreated at any time.



In the event that an employee, manager, supervisor or owner feels that he or she has been harassed on the basis of his or her sex, sexual orientation, race, ethnicity, national origin, age, religion, disability, or other legally protected characteristic, a formal report should be filed with his or her immediate supervisor. If the supervisor is not immediately available, or if the individual feels it would be unproductive to inform that person, the individual should immediately contact that supervisor's superior or human resources.

Once an incident has been reported, Element 7 will promptly investigate the reported incident, and any necessary corrective action will be taken where appropriate. All complaints of unlawful harassment will be handled in a discreet, confidential and professional manner as is possible under the circumstances. All harassment or discrimination claims and reports are taken seriously. Employees, managers, supervisors or owners determined to engage in improper harassing or discriminating behavior will be subject to disciplinary action, including possible termination of employment.

Sexual Harassment

Our Company strives to maintain a work environment free of discrimination for all employees. Harassment based on a person's race, national origin, gender, age, marital status, religion, disability, sexual orientation, or any activity of sexual harassment will not be tolerated. Training on identifying, reporting, and dealing with sexual harassment in the workplace is a requirement of the state and our Company.

Training covers federal and state laws that helps create a greater awareness for supervisors and employees in understanding the consequences of their actions. Training will also include materials that demonstrate how workplace respect and courtesy improves productivity to create a workplace environment where potential victims of discriminatory and sexual harassment can discuss their concerns without legal retaliation.

It will be made clear that sexual harassment includes, but is not limited to:

- Conduct that explicitly, or implicitly, is a condition of an individual's employment
- Submission to, or rejection of, the conduct by an individual is used as the basis for employment decisions affecting such individual
- Conduct that has the purpose of, or effect of, the unreasonable interference with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Open Door Policy

Communication is an integral component of a successful and cooperative workforce. Our Company fosters communication across all organizational levels, whereby employees, managers, supervisors and owners are encouraged to communicate directly with each other. Our work culture is dynamic, diverse and inclusive. Encouraging team members to communicate directly with peers, supervisors and owners fosters a work environment that values every individual's unique perspective and strengths. It also allows for individuals to express concerns in an environment that feels safe and welcoming.

Diversity and Inclusion

All employees will be required to take diversity and inclusion training courses to raise awareness on the benefits of fostering an inclusive work-culture. This also provides employees with practical steps for recognizing their own personal biases, increasing their cultural competency, and setting a positive example for treating everyone with respect. Training topics include diversity inclusion, unconscious bias, cultural competency, civility, sensitivity, mentoring relationships, and behavior that leads to a more positive workplace.

Our Company is focused on developing and maintaining a diverse and culturally aware workplace that respects and utilizes the talents and ideas of its employees.

Performance Reviews

New employees will be reviewed at the end of their 3-month probationary period. Employees will thereafter receive yearly performance reviews to discuss progress and all strengths and weaknesses. All Performance Reviews will be written and kept on file with specific Training Plans created for each employee based on their role, skills, and weaknesses.

Staff Training Policies: Classroom Program

Qualified candidates will be hired on a three-month probationary status. During this period, they will participate in a rigorous training process, and be evaluated for suitability in a restricted-access medical environment. Training will include the employee handbook, other reading materials, lectures by qualified professionals, hands-on training and quizzes. According to BDS Analytics 2017 report 'Bud-tenders' in the industry received, on average, a total of 16 hours of training before commencing employment.

Element 7 employees will have received over **80 hours of training**, which is five (5) times the industry average prior to stepping foot on the floor. The following areas will be covered during 80 hours of training:

- Legal training will cover all Suisun City, State and Federal laws relating to cannabis, and especially those related to Commercial cannabis. Other topics will include the rules and regulations of the facility, sexual harassment training, effective interaction with law enforcement personnel, and the rights and responsibilities of Commercial cannabis consumers (**4 hours**)
- Product offerings (**12 hours**)
- Medical training will include disabled rights and sensitivity, how to identify and respond to a medical emergency, and the proper uses and benefits of Commercial cannabis (**8 hours**)
- Safety training, in addition to its focus on safety, will include warning signs of possible diversion to the illegal market, lock and alarm procedures, perimeter and entrance control, robbery response techniques, conflict resolution techniques and diversion detection techniques (**4 hours**)
- Element 7 business model and Customer Service Training (**4 hours**)
- Regulatory compliance (the applicability of Federal and State regulations to the employees' responsibilities) (**4 hours**)
- Training on Standard Operating Procedures (SOPs) (**12 hours**)
- Prevention of Diversion of Commercial cannabis (**8 hours**)
- Security procedures (**16 hours**)
- Safety procedures (**8 hours**)

Element 7 will implement a comprehensive series of trainings for all Company employees, on the overall business model and operations of Commercial cannabis products. Element 7 will train all employees to effectively and efficiently fulfill their duties and exceed the expectations of their positions, including a thorough understanding of all applicable Federal, State, and local regulations relating to Commercial cannabis operations.

All employees will gain a greater understanding regarding all aspects of Commercial cannabis production from propagation to point of sale, with an overview of SOPs across



operations. Trainings are conducted strategically to ensure that all employees on-board effectively with a proven (tested) proficiency and increase their knowledge base. Training will be conducted initially by the California Training Institute (CTI) until Clover Leaf University is operational in California.



Clover Leaf
University

Advanced Training Program (BudMaster)

'Budtenders' working at Element 7 will be allowed to apply to undertake an Advanced Training Program annually which would allow them to hold the title of 'BudMaster' at Element 7. The Advanced Training Program is adopted from LA Grants, a supplier of advanced certified training for the industry. The Advanced Training Program includes the following sections:

- Cannabis as Medicine
- Principles of Cannabinoid Therapy
- Use of Cannabis for Cardiovascular Disease
- Use of Cannabis for Respiratory Patients
- Use of Cannabis for Gastrointestinal Disease
- Use of Cannabis for Hematology / Oncology
- Use of Cannabis for Endocrine Issues
- Use of Cannabis for Gynecologic Issues
- Use of Cannabis for Musculoskeletal Issues
- Use of Cannabis for Neurological Issues
- Use of Cannabis for Dermatological Issues
- Use of Cannabis for Psychiatric Issues
- Cannabis Law
- Sales Skills 101
- Cannabis Potency, Absorption Rates & Product Effects
- Managing Impaired Patients
- Final Examination and Certification

Americans for Safe Access Training

All employees must complete the Patient Focused Certification Program given by Americans for Safe Access which shall be held annually.

Training Pass Score Requirements

Staff training for regulation and compliance will be implemented annually and all staff must PASS required mandatory tests each year regarding the handling, treatment and processing of cannabis products. Specific Compliance procedures will be implemented to ensure that the Commercial Cannabis operation meets any directives under Suisun City and the Attorney General's Guidelines for the Security and Non-Diversion of Cannabis.

Standard operating procedures as well as written health & safety information made available to all employees. A key part of the staff training program is understanding the potency, absorption rates and effects of cannabis, and dealing with impaired patients.

Supply of these documents will be reviewed for content and accuracy annually. The documents will include emergency contact information. All staff will have detailed knowledge and comprehension of the Standard Operating Procedures.

Entry and Mid-Level Wages and Employment Packages

At Element 7 we understand that the backbone of our business is our employees and the relationships we hold with them and the relationships they hold with the patients and customers. This is what creates and drives business advantage. We continuously monitor our salaries and benchmarks and will meet or exceed the "Living Wage" benchmark across all our California operations.

Compensation Packages

At Element 7 we understand that employee compensation and the payment of wages and benefits is one of the most important aspects of being a fair employer, and one of the most litigious. Complying with Federal and State Wage and 'Fair Pay' Laws can be complex and for this reason we will hire only the most competent employment lawyers and a 3rd party Human Resources Agency.

We aim to **exceed** Suisun City's 'Minimum Wage Ordinance' of \$12.00, offering a Living Wage between **\$18.00 - \$20.00 which is 150% of the Minimum Wage**. Employees, given the nature of the industry, should be paid more than the industry standard. This is also important for attracting and retaining key talent. We want to incentivize good work and compensate outstanding practices. We know that in order to retain good talent as an employer we need to offer more in the form of benefits such as health insurance, paid vacations, paid sick days, dental and the right to take leave for medical or family reasons etc.

We at Element 7 understand that the main advantage of offering attractive benefits is not only in finding and keeping top-notch talent, but that having a happy and healthy workforce will be more productive and have lower absenteeism. Never will Element 7 discriminate in their offering of benefits. All workers, regardless of gender or ethnic background, will be paid the same rates with zero deviation.

Estimated Salary Ranges are:

- General Manager: USD\$60,000.00 annually
- Shift Managers: USD\$52,000.00 annually
- Retail Staff: Starting at USD\$18.00 per hour

Employee and Health Benefits

Element 7 will be offering the following Employee and Health Benefits to its staff, which shall include (on top of their wages and salaries):

- Medical, prescription, vision and dental health plan
- Retirement Benefit Plans (401K) and Stock Options
- Commitment to Living Wages
- Disability Income Protection Plan
- Professional Advancement, education and training benefits
- Labor Union Representation
- Other Benefits



Full-time employees who have been with the Company at least six (6) months will have the option to receive Health, Mental Health, Dental, Vision, and Substance Abuse benefits. Part-time employees who have been with the Company at least six (6) months will have the option to join the Company's insurance plans but will have to pay for their insurance premiums out-of-pocket.

Health, Dental and Vision Benefits include:

- | | |
|------------------------------|--|
| - Pediatric Services | - Preventive and Wellness Services |
| - Behavioral Healthcare | - Chronic Disease Management |
| - Dental and Oral Care | - Ambulatory Patient Services |
| - Physical Therapy | - Emergency Services |
| - Prescription Drug Coverage | - Hospitalization |
| - Vision | - Primary Care |
| - Durable Medical Devices | - Telemedicine |
| - Maternity and Infant Care | - Laboratory tests, screening and Services |

Element 7 will also provide life and disability insurance coverage for employees. Term Life and Accidental Death and Dismemberment (AD&D) insurance will provide, at no cost, a benefit of \$10,000. Long-term disability will pay employees 60% of pre-disability earnings if they become disabled from injury or sickness. We also recognize the importance of maintaining fitness and health and will be offering full-time employees a \$300.00 grant towards a fitness or health club membership – we will discuss programs with fitness and health clubs surrounding Element 7's location.

Other perks offered to employees will include:

- Refreshments and meals within the Staff Room / Kitchenette
- An ongoing formalized staff training program
- Sick leave (up to 12 days a year for full-time staff)
- Paid Vacation Leave (up to 10 days a year for full-time staff)
- Family-friendly shifts
- Allowances for continued education opportunities

Our policy is to 'promote within', whereby existing staff will be looked at first for any future job promotions.

Retirement Benefits: 401K

Our employee benefits package includes a standard **401K** contribution commencing on the 13th month of employment.

Stock Option Plan

Stock options are a means to both attract good talent and keep those employees invested in the company over time. Accordingly, in general, stock option agreements are offered to key employees in conjunction with the employee's initial hire or concurrent with a significant increase in the employee's role or responsibilities at the company.

When we offer employees stock options, we will do so through a special contract called a Stock Option Agreement. Such an option, once granted to the employee, gives the employee the opportunity to benefit from increases in the company's share value by granting the right to buy shares at a future point in time at a price equal to the fair market value of such shares at the time of the grant. The option agreement dictates all the terms



of the offer - including vesting schedule, time limits for exercise once vested and any other special conditions.

Individuals will be issued with four (4) documents at the time they become eligible for Stock Options (25th month of employment):

1. **Stock Option Plan.** The governing document for the company's issuance of stock options, the stock option plan will contain the terms and conditions of the options to be granted, including the purchase price and any limitations. This is a standard document for all options issued to employees at the same time.
2. **Individual Stock Option Agreement.** This is the custom contract executed by. This document specifies the number of options the employee is entitled to exercise, types of options granted, the vesting schedule and other employee-specific terms of issuance.
3. **Exercise Agreement.** This document details the terms under which options can be exercised by employees.
4. **Notice of Stock Option Grant.** This document includes a short summary of the material terms of the grant. It generally serves to fulfil SEC notice requirements, and in some cases includes disclosures.

Labor Union Representation

All our part time and full-time employees will have access to labor union representation with UFCW.

Maternity and Parental Leave

Both male and female employees will be given at least 12 weeks within any 12-month period, for health-related and caretaking reasons, including bonding with a new child. Maternity leave will include routine, pre-natal care check-ups. Maternity and Parental leave does not qualify for paid-time off, but employees may use their accrued sick and paid-time off during their maternity or parental leave. When employees return to work following their leave, they will be reinstated to their previous position.

Earned Time Off

Vacations, personal time off and sick days can be used against Earned Time Off. Employees will be able to accrue Earned Time Off and use these days at their discretion, provided that they notify management within a reasonable time via internal PTO Requests. Federal Holidays are not counted towards Earned Time Off.

Paid Holidays

Full time employees will be given paid holidays, which consist of the following federal holidays:

- New Years' Day
- Labor Day
- Fourth of July
- Thanksgiving
- Christmas Day
- Memorial Day

Volunteer Shifts

All employees will receive their usual wage when they take time to volunteer with local charities and community-based events.

Paid Civic Duty

All employees will receive their usual wage when they take time off for Jury or Military Duty.

Special Needs, Disabilities and Accommodations

Management will make accommodations for employees that have disabilities or request for considerations, within reason, such as more work hours, flexible work hours, less heavy lifting, or other accommodations necessary to provide working conditions that enable employees to perform their tasks and duties.

Number of Jobs Above Minimum Wage

All jobs offered at Element 7 Suisun City will be above minimum wage.

Continuing Education to Promote Advancement of Local Employees

Job Education

Qualified candidates will be hired on a 3-month probationary period during which time they will receive training and evaluation. Training education will include medical marijuana industry topics, safety, legal/regulatory issues and OSHA safety training. All sales staff will undertake 'BudTender' training with a licensed and approved 3rd party training company. Training and education will take place throughout the year as well when topics arise that need further explanation to our employees. Employee Training will be scheduled and managed under the Employee Training Program catering to the individual needs of each employee and the general requirements of the Company and Facility. Training and education will be presented by Element 7' management outside consultants.

Sponsored Continued Professional Advancement

Employees that have been with the Company at least 12 months will be able to qualify for Sponsored Continued Professional Advancement. Education and training are a significant component to personal advancement and success. Employees who desire to complete certifications, obtain degrees, or further specialized skills through training can apply to receive funding to cover the costs of such programs.

Continued Education and Training

Employees will receive annual refresher training related to their specific roles within the Company. Continued education and refresher training are mandatory.

Required Training

Employees will receive training on internal policies and procedures, industry best practices, safety and security, human resource development, employee rights, and other mandatory training required by federal and state regulation.

Professional Advancement and Relocation to Other Company Cannabis Facilities across the Country

We offer exceptional employees the opportunity to advance their professional careers through tuition and certification scholarships, and through exchange and relocation programs. Our Exchange and Relocation program provides opportunities for employees that would like to work in other states, cities or neighborhoods, a chance to transition into



new roles, or assume equivalent positions, at Company facilities located across the State, or in other states where we have licensed facilities.

Summary

Element 7 is focused on performance with purpose and excellence in everything we do. To achieve this, our people are our most important asset and priority. Element 7 will place a strong focus on ensuring it attracts, develops, and retains the best talent in the market across all aspects of our operations. The core foundation to building business advantage will be to ensure we have the best trained employees in the market - employees that will go through over 80-hours of classroom training (five times the industry average) before setting foot on the floor.

We are confident that our local owners, classroom-based learning program, combined with our on-the-job approach, will ensure that Element 7 staff have an enriched and open learning and working environment that will power our business, enrich our employees working lives, and create a significant strategic advantage for the Element 7 business.





ELEMENT 7

BUDTENDER

Position Title	Budtender
Location	Suisun City
Schedule	Flex schedule, long hours, weekend work and holiday availability.
Our Story	Element 7 innovates cannabis science, culture and products through collaborations with cross-sector organizations, grassroots crowd-sourcing, big data analysis, and through the development of best practices and protocols. We are committed to elevating and re-defining customer experience, identifying consumers and creating consistently high-quality, reliable, safe and creative cannabis products. Our business relies heavily on providing accurate information to our customers, enabling them to make better, informed decisions about the cannabis products, and experiences, they choose.

The 7 Elements Element 7 adheres to seven core values and beliefs, each of which is carefully integrated into every decision we make, product we produce, and experience we create.

Excellence in Everything We Do: We live by the standards we set. Excellence is a choice, and its one we make every single day.

Trust is Earned, Not Given: Though there are countless opportunities to lose trust and destroy opportunities, you only get one chance to build trust. That opportunity must be seized.

We Only Have One Planet: Cannabis is a plant, not a commodity. Respect the plant, the soil it came from, and the larger world of which it is a part.

Make Compliance an Advantage: Survival in our industry depends entirely on compliance. Only the compliant and the controlled will survive.

Think Global, Be Local: Learn from adjacent industries, businesses, and practices, but always find a way to make these learnings matter locally.

Education is Our Foundation: Education is a force that will change our industry and our communities like nothing else.

Consistency is Everything: Our consumers will come to expect a certain feeling from us, and this feeling must be maintained at all times.

These guiding values and beliefs are the bedrock on which Element 7's mission, vision, and brand direction stand.

The Role

We are looking for a reliable, responsible, knowledgeable, and experienced Budtender. The Budtender would be responsible for attending to customer's needs and inquiries, should be knowledgeable on strains, administration, effects and products. Job duties include assisting customers on the retail floor, including conducting transactions, ensuring purchased products in exit packaging align with customer purchase orders, provide personal consultations and assist in the product focus area where customers may require additional assistance or educational resources

The Budtender will report directly to the General Manager.

Essential Functions

This position operates in a professional retail store environment and routinely uses standard office equipment such as computers, phones, and photocopiers. Prolonged standing may be required.

Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

People

Strive to provide added value to the team through product training and team seminars on various educational materials and resources provided by the Company.

Process

- Ensure that customers are provided with sufficient educational material and guidance in their product selection process on the retail floor or through the consultation nook and product focus area
- Utilize POS system to perform customer transactions, including returns, exchanges and denials of sale
- Assist in opening, mid-day and closing procedures
- Communicate customer feedback and requests to the General Manager and / or Security
- Maintain strict customer and Company data and confidentiality
- Facilitate in the management of customer flow on the retail floor
- Familiar with Loyalty Program and Specials
- Perform other tasks as required

Customer

- Greet customers
- Manage the intake cue
- Verify Age and Identity
- Assist Security in managing customer flow

Finance

- Prepare opening, mid-day and closing transaction reports

- Comply with internal Company cash handling policies at all Times
- Notify the General Manager when Cash Limits have been reached to signify the need for a Cash Drop
- Ensure that all registers balance out at the end of each shift

Competencies

- Communication Proficiency
- Ethical Conduct
- Organizational Ability
- Exceptional Customer Service
- Demonstrable comprehensive knowledge of cannabis and cannabis products
- Strong Sales Skills

Qualifications

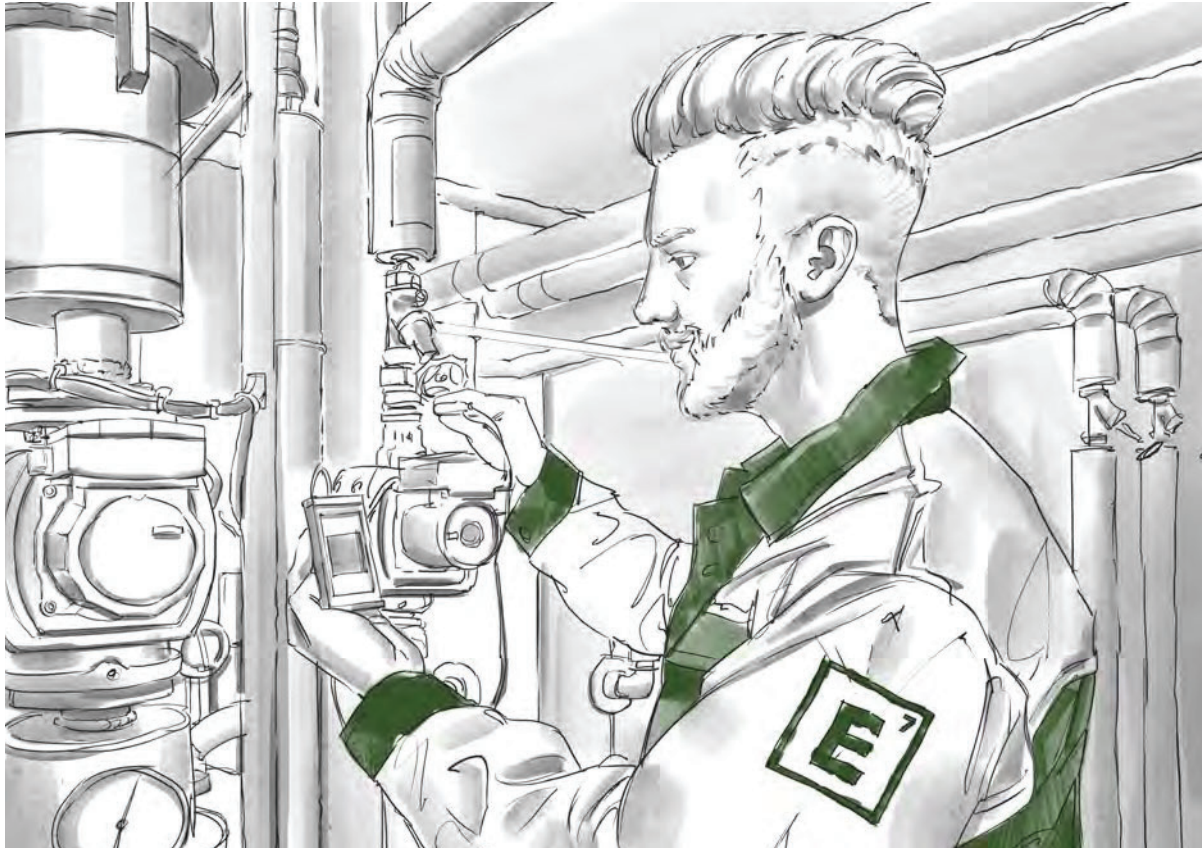
- At least 2 years of experience in retail and/or customer service
- Prior experience working in the cannabis industry and/or knowledge of POS system a plus
- At least 2 years of High School or GED equivalent
- Friendly, charismatic, customer-oriented
- Collaborative, approachable and patient
- Results-driven
- Basic computer operating skills
- Hold a valid Dispensing Agent Permit
- Minimum 21 years of age

Element 7 Is an Equal Opportunity Employer Individuals seeking employment at Element 7 are considered without regards to race, color, religion, national origin, age, sex, marital status, ancestry, physical or mental disability, veteran status, gender identity or expression, sexual orientation, or any other basis protected under federal, state or local laws.

For Further Information:

Element 7
Talent & Leadership Team
(424) 285 0088
info@e7ca.com

(L) AIR QUALITY AND ODOR CONTROL



Introduction

Element 7 has developed a proactive integrated odor management system to eliminate cannabis odors from the immediate exterior of the Facility, and between operations within the Facility. As part of our Good Neighbor policy and internal practices, we take all odor and noise complaints very seriously. If an odor complaint is made against our facility, we will work with local officials to find the source of the odor and eliminate it.

Industry standards demand that comprehensive Odor Control devices and best practices are implemented across cannabis facilities. As a leading cannabis operator, we work with 15000 Inc., an industry-specific engineering group from Santa Rosa, who are experts and leaders in designing effective and environmentally efficient odor management systems that we implement across our facilities.

The best practices and industry approved-equipment ensures redundancies across our system that exceed State and City directives to absorb and eliminate cannabis odors. Our odor and noise management systems prevent odor generated inside the facility from being detected outside our facility, anywhere on adjacent property, or public rights-of-way.



POLICY NAME	AIR MITIGATION & ODOR CONTROL POLICY
APPLICABLE LAW	Pursuant to the City of Suisun City Ordinance, Element 7 officers, management, and staff will adhere to both local and state laws and regulations as it relates to running a compliant Storefront Retail facility in the City of Suisun City.
POLICY OBJECTIVE	To ensure that the Element 7 facility remains in compliance with the City of Suisun City rules and regulations, as it relates to preventing odors generated from cannabis or cannabis products being detected from outside of the facility.
ELEMENT 7 CORE VALUE	"Make Compliance an Advantage"
SOP PROCEDURES	<p>Air Mitigation / Odor Control Policy</p> <ul style="list-style-type: none"> - Odor Management Services - Greenleaf CL2500 HVAC with HEPA Filters - MicroCool Fog System with Ecosorb CNB100 - Polarized Filters with Activated Carbon Inserts - Carbon Scrubbers - Electrostatic Air Cleaners - Air Curtains - Circulation Fans - Air Quality Enhancing Plants - Best Practices - Daily Inspections Program - Odor Management Hotline - Summary

Odor Management Services

Element 7 works with 15000 Inc. in developing odor and noise management plans for each our facilities across California. With 15000 Inc., we look to partner with, and engage the services of, local HVAC, electrical, plumbing and construction companies as part of our Local Sourcing Policy.

Cleanleaf CL2500 HVAC with HEPA Filters (ACS)

Element 7 utilizes HVACs with HEPA filters, six to twelve pocket bag filters, activated carbon inserts, and an ultra-quiet blower that creates negative pressure and does not produce more than 62dBa. There are four filtering layers with the CL2500 that provides quadruple redundancies to ensure that odor generated at the facility does not leak into its external surrounding areas and cause an odor nuisance. This comprehensive and environmentally efficient system captures airborne threats that include mold, fungi, spores, bacteria, pollen, pests, insects, volatile organic compounds (VOCs) and odors. The system requires 115V 60Hz power and produces just 62 dBa (decibels) of sound, which is equivalent to a conversation in a restaurant, office background music, or an airconditioning unit at 100 feet.



The system itself is composed of the following:

1. ACFM Media Filtration with Medical Grade HEPA Filter
2. Silencer that reduces noise by 10-12 decibels
3. Pleated Fiber Pre-Filters
4. 6 or 12 Pocketbag Filter
5. 0.3 Micron HEPA Filter

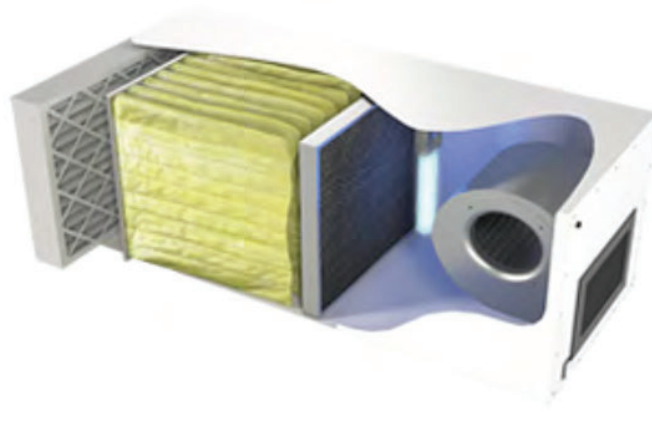


FIGURE 1: CLEANLEAF CL2500 HVAC WITH HEPA FILTERS

Filter One: MERV-13 Grade Filters

The true measure of any air purifier's efficiency is the MERV rating assigned to it. This is the Minimum Efficiency Reporting Value, and this value is indicative of the technology's ability to trap particles in a variety of sizes.

The CL2500 uses MERV-13 Filters. Anything above a 13 MERV Rating is considered to be a High-Efficiency Particulate Arrestance (HEPA) Filter, often used for hospitals and scientific research lab applications.

A filter with a MERV rating of 13 captures particles greater than 0.3 micrometers. This includes bacteria, droplets from sneezing, smoke, and most other sources of pollution. This level of filtration is used in patient and surgery areas of hospitals.

Filter Two: Six (6) to twelve (12) pocket, 95% bag filter

The second filter, a six (6) to twelve (12) pocket bag filter captures mold, mildew and pollen in the air.

Filter Three: Activated Carbon Inserts

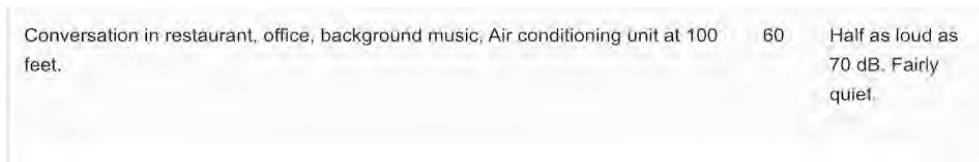
The third filter of the CL2500 is a polarized media filter with activated carbon insert pads that provide medical-grade air quality throughout the Facility. Polarized media filters utilize electromagnetic polarization to maximize the collection of dust and pollutants in the air, which increases the effectiveness of air filtration and odor control.

The carbon pads provide an additional layer of odor removal, providing maximum efficiency and benefit. Upgrading filters are relatively inexpensive, and the costs are heavily offset by the reduced labor and cost of replacing those filters less frequently.

These technologies are utilized by hospitals, laboratories and other clean facilities around the world and are an excellent option for cannabis facilities.

Filter Four: Ultra-Quiet Blower

The fourth filter of the CL2500 is an ultra-quiet blower motor that creates negative pressure and cycles the air 10 times every hour. The airflow is straight through and is released a designated exit valve at the rear of the facility. The blower produces only 62 dBAs, which is fairly quiet- producing the same amount of noise as a conversation in a restaurant, office background music, or an air-conditioner 100 feet away, as demonstrated in the graph below.



Industrialnoisecontrol.com.comparative-noise-examples.htm

FIGURE 2: NOISE COMPARISON FOR ELEMENT 7 SYSTEMS

Carbon Scrubbers

Element 7 will also be deploying activated carbon scrubbers in storage rooms where the highest concentration of products is located. These types of filters use pelletized granule carbon to remove odor, dust, and pollutants from the air and can be used as a standing unit in a space or as an exhaust filter. Just like the carbon in the air filters mentioned previously, these pellets remove dust, odor, and other pollutants through the air as it passes through the filter.



FIGURE 3: CARBON SCRUBBERS USED BY ELEMENT 7

Electrostatic Air Cleaners

Element 7 will install Electrostatic air cleaners, which are highly efficient filtration devices that use electrostatic attraction to remove fine particulate matter such as dust and cigarette smoke from the air.

Electrostatic air cleaners ionize (or electrically charge) particles as incoming air is drawn over an electronic cell. The charged particles are then attracted to and trapped by a series of flat collector plates that are oppositely charged, with the particles literally 'sticking' to the collection plates until they are manually removed.



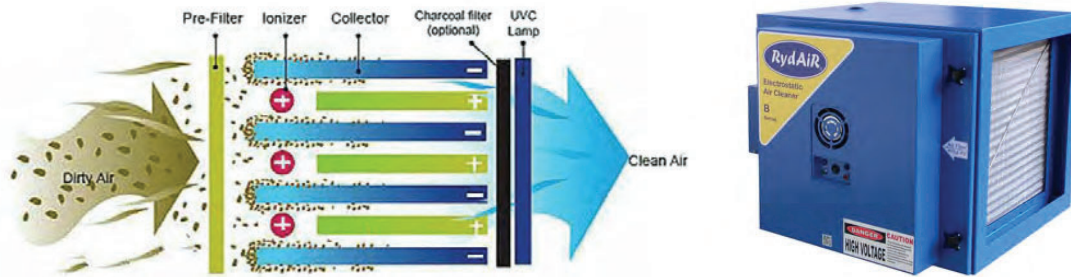


FIGURE 4: CARBON SCRUBBERS USED BY ELEMENT 7

Air Curtains

Air curtains will be installed at areas where cannabis products and cannabis waste are stored as a redundancy measure to ensure that odors do not escape these areas where the highest concentration of cannabis products and waste will be stored within the facility.

An air curtain, also known as an 'air door', employs a controlled stream of air aimed across an opening to create an air seal. This seal separates different environments while allowing a smooth, uninterrupted flow of traffic and unobstructed vision through the opening. Because air curtains help to contain heated or conditioned air, they provide sizable energy savings and increased personal comfort when applied in industrial or commercial settings. Air curtains also help to stop the infiltration of pollutants and flying insects.



FIGURE 5: AIR CURTAIN OPERATIONS PROCESS

Air Curtains are used for:

- Energy efficiencies through control of air transfer
- Energy efficiencies due to shorter run times of air handler or compressor
- Maintain employee/customer comfort
- Reduce flying insect infiltration
- Unhindered traffic flow

- Unobstructed visibility across the threshold
- Increase productivity due to stable temperatures
- Maintain usable space around the door
- Elimination of ice and fog in cold storage areas

Air Quality Enhancing Plants

Part of Element 7's facility design incorporates living plants that have the ability to enhance air quality. NASA studies the effects of plants on air quality and their research confirms that common houseplants are natural air purifiers.

Although their original research was aimed at finding ways to purify the air for extended stays in orbiting space stations, the findings are important for us on Earth as well. The following plants are documented as being especially good at improving indoor air quality and will be used within the interior design of Element 7's facilities:

- Aloe Vera
- Bamboo Palm
- Peace Lily
- Spider Plant
- Parlor Palm
- Red Emerald Philodendron
- Gerbera Daisy



FIGURE 6: PLANTS USED BY ELEMENT 7 TO MANAGE ODOR

Odor and Noise Management Best Practices

Relying on odor and noise management systems and equipment alone does not serve the Public Trust that Element 7 works diligently to earn and protect. As part of our Odor and Noise Management Plan, we implement Best Practices that facilitate in conscientious and responsive operations that work towards earning and protecting Public Trust by upholding our Good Neighbor Policies and ongoing commitment to serve our customers, patients and the communities we integrate with.

Our Best Practices include:

1. Maintain all scheduled maintenance, repairs and performance assessments and inspections recommended by equipment and system manufacturers;
2. Perform daily visual inspections and report findings.
3. Replace filters monthly, or as needed if replacement must be done sooner;



4. Receive only pre-packaged and compliant cannabis products into the facility; and
5. Perform diligent product inspections daily and remove any broken or damaged products and packages and place them in the secure Quarantine Area.

Daily Inspections Program

Element 7 will conduct daily field tests to measure odor outside the facility using a "Nasal Ranger Field Olfactometer", which is manufactured by St. Croix Sensory, Inc. The Olfactometer provides precise odor strength measurement that is consistent from place to place. This device will enable local authorities, and Element 7, to validate and/or substantiate odor complaints.

The maximum threshold for odor control is the dilution-to-threshold (D/T) ratio of seven parts clean or filtered air to one-part odorous air (7:1). Cannabis odor typically rates at a Level 7 on the olfactometer.

To "pass" an odor control test, the cannabis facility must yield a test result that is LESS than the Level 7, which is the maximum threshold at all three (3) odor measurement locations:

- (a) The front entrance of the facility, and
- (b) Two (2) opposite property boundaries accessible from public right-of-way points, and

A single test from any location resulting in a D/T ration in excess of 7:1 equates to a "failure" of the odor control test and will trigger the following:

- (a) A re-test of the results 30-minutes after the failed test which will be conducted at all 4 property boundaries;
- (b) In the event of a continued "fail", the General Manager will inform the Element 7 CEO and Chief Compliance Officer and engaged HVAC and CL2500 manufacturer team will be dispatched to the site.

NASAL RANGER® FIELD OLFACTOMETER
COMPONENT DIAGRAM

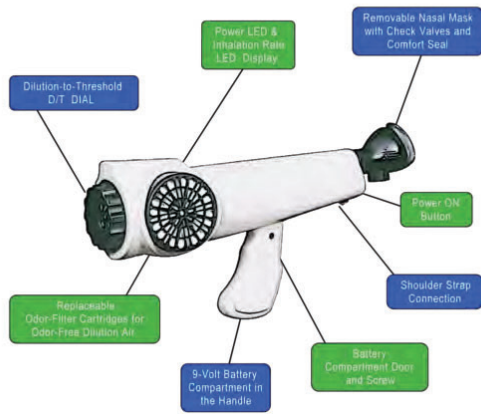


FIGURE 7: ELEMENT 7 NASAL RANGER FIELD OLFACTOMETER

In order to accurately perform an olfactory test using the Nasal Ranger, weather observations must first be accounted for. This means listing down immediately observable weather conditions that may affect the determination of where the odor may be coming from. Weather conditions that must be taken into consideration include: 1. Humidity; and 2. Wind Direction and Speed.

Odor detected by the olfactometer should be described in a consistent manner with guidance using the accompanying Descriptor Wheel. Olfactory tests are recommended to be taken several times to ensure that 1. Odor is present; and 2. The detected odor can be consistently described.

St. Croix Sensory, Inc. currently offers an Odor School Program which our Chief Compliance Officer and the facility's General Manager will attend and complete to ensure that accurate and effective readings using the Olfactometer are consistently taken during daily inspections and when addressing odor complaints.

Odor Management Hotline

As part of Element 7's community and outreach programs, an odor management hotline will be set-up to receive and process odor complaints. Community members and neighbors will receive Company-issued communication twice annually, reminding them of the Odor Management Hotline – a number they can call for any complaints from an Element 7 facility.

Complaints will be handled in the following manner:

1. All complaints will be immediately logged into the Company's system and the Facility General Manager, Chief Compliance Officer and CEO of Element 7 will be notified immediately. Information will include:
 - (a) Name, address, and telephone number of a complainant, which information shall be maintained as confidential to the maximum extent allowed by law;



- (b) Time and date of the complaint, whether that complaint originated via the hotline or a direct contact between the complainant and City staff; and a
 - (c) Description of the odor nuisance, including the estimated location or source of the odor, and if possible, noting the prevailing wind and/or weather conditions observed.
2. The General Manager will be responsible for using the Nasal Ranger Field Olfactometer device to measure the local DT Ratio as complaints are made. Tests will be conducted:
- (c) At the location where the complaint originated,
 - (d) At a property boundary accessible from public right-of-way, and
 - (e) On the property where the odor is originating from.
3. In the event that more than three (3) separate complaints are made regarding a facility within one week, Element 7's engaged HVAC specialists and CL2500 manufacturer maintenance team will be dispatched to the site to remediate, repair or replace any faulty, damaged or malfunctioning parts.

Summary

Early planning is the key to effective odor control for cannabis operations. Element 7 uses a matrix approach to controlling odor - leveraging both mechanical means such as filters, scrubbers, plant-based solutions, air curtains, food grade surfactants and professional third-party consultants, and best practices, such as our daily monitoring program.

Our daily monitoring program will ensure that Element 7 is at the forefront of odor management practices across the industry and furthers our commitment to neighborhood compatibility and operating in the best interests of the community and its constituents.

We are committed to ensuring that Element 7 remains an industry leader in odor management practices, both for employee and customer safety, neighborhood and key stakeholder management, and to continuously improve the quality of the Element 7 product.



15000 INC.

2901 cleveland ave., suite 204
santa rosa, ca 95403
phone: 707.577.0363
fax: 707.577.0364

August 20, 2020

To Whom It May Concern:

We have reviewed the attached odor mitigation plan, dated August 20, 2020, for Element 7.

It is our understanding that the attached plan meets and exceeds the requirements of municipalities across California for cannabis odor mitigation.



Sincerely,

Matthew Torre, Registered Professional
Engineer 15000 Inc

REQUEST FOR LIVE SCAN SERVICE

[Print Form](#)

[Reset Form](#)

Applicant Submission

CA0480500

ORI (Code assigned by DOJ)

Authorized Applicant Type

CANNABIS BUSINESS APPLICATION

Type of License/Certification/Permit OR Working Title (Maximum 30 characters - if assigned by DOJ, use exact title assigned)

Contributing Agency Information:

SUISUN CITY POLICE DEPARTMENT

Agency Authorized to Receive Criminal Record Information

00482

Mail Code (five-digit code assigned by DOJ)

701 CIVIC CENTER BLVD

Street Address or P.O. Box

AMBER KENT

Contact Name (mandatory for all school submissions)

SUISUN CITY

City

CA

State

94585

ZIP Code

707-421-73

Contact Telephone Number

Applicant Information:

D Vito
Last Name

Robert
First Name

Middle Initial

Suffix

Other Name

(AKA or Alias) Last

D Vito

First

Suffix



Your Number:

OCA Number (Agency Identifying Number)

Level of Service: DOJ FBI

(If the Level of Service indicates FBI, the fingerprints will be used to check the criminal history record information of the FBI)

If re-submission, list original ATI number:
(Must provide proof of rejection)

Original ATI Number

Employer (Additional response for agencies specified by statute):

Employer Name

Mail Code (five digit code assigned by DOJ)

Street Address or P.O. Box

City

State

ZIP Code

Telephone Number (optional)

Live Scan Transaction Completed By:

Carla Sosa Cordova
Name of Operator

8/31/2020
Date

Transmitting Agency

State Identity Services LLC

LSID

GES

ATI Number

F244 DR180

\$ 67.00
Amount Collected/Billed



Mobile Identity Services LLC

333 Sunset Avenue Suite 140-C
SUISUN CITY, CA 94585
707-590-5300

<http://www.MobileIdentityServicesnearme.com>

8/31/2020

10:34 AM

Live Scan Fingerprinting **\$35.00**

Live Scan Fingerprinting is an inkless, electronic means of capturing fingerprints in a digitized format and then transmitting them to a...

DOJ **\$32.00**

Total **\$67.00**

Receipt HXCS
Authorization 211343

Visa 4631



REQUEST FOR LIVE SCAN SERVICE

Applicant Submission

CA0480500

ORI (Code assigned by DOJ)

LICENSE OR ?
Authorized Applicant Type

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Type of License/Certification/Permit OR Working Title (Maximum 30 characters - if assigned by DOJ, use exact title assigned)

Contributing Agency Information:

SUISUN CITY POLICE DEPARTMENT

Agency Authorized to Receive Criminal Record Information

00482

Mail Code (five-digit code assigned)

701 CIVIC CENTER BLVD

Street Address or P.O. Box

AMBER KENT

Contact Name (mandatory for all)

SUISUN CITY

City

CA

State

94585

ZIP Code

707-421-73

Contact Telephone Number

Applicant Information:

GREWAL
Last Name

KARAN
First Name

Other Name

First

Your Number: _____

OCA Number (Agency Identifying Number)

Level of Service: D

(If the Level of Service indicates criminal history record information)

If re-submission, list original ATI number:
(Must provide proof of rejection)

Original ATI Number



REQUEST FOR LIVE SCAN SERVICE

[Print Form](#)

[Reset Form](#)

Applicant Submission

CA0480500

ORI (Code assigned by DOJ)

Authorized Applicant Type

CANNABIS BUSINESS APPLICATION

Type of License/Certification/Permit OR Working Title (Maximum 30 characters - if assigned by DOJ, use exact title assigned)

Contributing Agency Information:

SUISUN CITY POLICE DEPARTMENT

Agency Authorized to Receive Criminal Record Information

00482

Mail Code (five-digit code assigned by DOJ)

701 CIVIC CENTER BLVD

Street Address or P.O. Box

AMBER KENT

Contact Name (mandatory for all school submissions)

SUISUN CITY

City

CA

State

94585

ZIP Code

707-421-73

Contact Telephone Number

Applicant Information:

Chilton

Last Name

Andre T.

First Name

Middle Initial

Suffix

Your Number:

OCA Number (Agency Identifying Number)

Level of Service: DOJ FBI

(If the Level of Service indicates FBI, the fingerprints will be used to check the criminal history record information of the FBI)

If re-submission, list original ATI number:
(Must provide proof of rejection)

Original ATI Number

Employer (Additional response for agencies specified by statute):

Employer Name

Mail Code (five digit code assigned by DOJ)

Street Address or P.O. Box

City

State

ZIP Code

Telephone Number (optional)

Live Scan Transaction Completed By:

Name of Operator

Date

Transmitting Agency

LSID

ATI Number

Amount Collected/Billed

M. Scalen

9/11/2020

WPS Stone

Gyle

6245CHAB74

25⁰⁰ / 30⁰⁰

WASTE DISPOSAL PLAN



Introduction

Reuse, Recycle, Reduce, and Recirculate is a mantra that is at the top of management's focus list across all Element 7 locations. Element 7 employs a diverse workforce whose family lineage and heritage comes from all corners of the globe. Our people see first-hand the damage caused to the environment through climate change in the countries some of their family still calls home. The most innocent of commercial practices can have far-reaching impact and Element 7 is committed to proactively finding better ways to manage waste in every facility we operate.

Waste Management Platform

Element 7 will has implemented the use of **ENERGY STAR Portfolio Manager**, which is an online tool for tracking waste, energy and water data over time. We use this platform to benchmark the performance of Element 7 operations from a waste management perspective with a long-term goal to consistently improve the performance of our waste reduction program.

The entire Element 7 Team are set Key Performance Indicators to hit which trigger one-off performance bonuses, with an aim to reduce, reuse and recycle waste from the business premises.



The General Manager is responsible for implementing the program which includes:

1. Setting short and long-term waste reduction goals that are then aligned with the entire Element 7 Team.
2. Gathering and analyzing information related to the design and implementation of our planned waste reduction activities.
3. Communicating the importance of reducing waste within the organization, guiding and sustaining the program and encouraging and rewarding employee commitment and participation in the effort.
4. Educating employees on ways to participate and building incentives to reduce wastes.
5. Engaging employees to seek suggestions and create recognition and awards programs.
6. Monitoring progress.
7. Reporting the status of planned activities to Element 7 and all employees.

As part of Element 7's Environmental Initiatives, we aim to:

- Ensure any food-based or edible cannabis products sold are sourced from natural and organic products.
- **Manage Waste and Conserve Resources** which we can achieve by training our staff correctly. This will have a direct impact on minimizing waste. Staff will have thorough and consistent training in order to execute this precisely. The same staff will be responsible for taking inventory, whether it's on a weekly, bi-weekly or monthly basis. We will have efficient back-office software for managing things such as inventory, invoicing and reporting.
- **Understand that Small Changes Make the Biggest Differences.** To further achieve this, we have implemented the following practices:
 - Minimize plastic bottles by sourcing companies that package water in recyclable containers.
 - Facility equipment will be the greenest, cleanest and energy-smart machines available on the market.
 - Shutting down the computer and POS systems and any other power drawing equipment not needed when business is closed at night.
 - Using solar thermal panels to heat our water.



- All cleaning materials to be biodegradable, eco-safe products.
- Use of non-toxic pest control.
- Our toilet paper, c-folds, and restroom paper towels will be made of chlorine-free unbleached, recycled paper.
- Toilets will be water saving.
- Recycle bins to be provided on premises, training staff about which products are to be recycled where, we will be strict about kitchen and bar staff recycling glass and plastic receptacles.
- Cut down on linens–napkins that require a large number of chemical cleaners, bleaches and starches.
- Using eco-friendly building materials, and recycled building products, wherever possible within the facility.
- Hybrid / electric vehicle charging station at the facility.

Waste Reduction Initiatives

Waste Product	Packaging Materials
KPI & Secondary Uses	Full recycling of all plastics, paper and cardboard products.
Waste Management Plan	Plastics, paper and cardboard will be separated on-site and then collected weekly by a State-Licensed Waste Management Recycling Company.

Waste Product	Non-Compliant Cannabis
KPI & Secondary Uses	Full Destruction of any Non-Compliant Cannabis
Waste Management Plan	A rigorous chain of custody, including tracking and tracing through FlowHub, the preferred track and trace program selected, will be maintained to ensure that non-compliant medical cannabis products that have failed internal quality assurance are not released for distribution in alignment with all company policies and procedures. All products waiting for quality assurance, internal testing and/or laboratory analysis are held in quarantine. Upon notice of a failed batch, a Quality Assurance Manager or equivalent will oversee the disposal of the batch.

	<p>Quarantined batches will be held in storage with full camera coverage until the Quality Assurance Manager or equivalent removes the batch for disposal. All batches will be properly labelled for disposal and entered into the inventory management system with a disposed status. The Cultivation Manager must ensure the entire batch is properly recorded in the system as disposed and the entire batch is removed from quarantine and disposed of in accordance with county and state regulations.</p> <p>All batches that require disposal will be treated in a manner which renders the medical cannabis product unrecoverable. Any packaging that can be salvaged without any risk of contamination or recycled will be noted in the disposal record of the inventory management system.</p>
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Hazardous Waste

The only semi-hazardous materials on site at the Facility would be EPA-approved commercial / household standard cleaning materials and products for the bathroom, kitchen and other areas of the Facility that need to be cleaned.

Cannabis Waste Storage, Rendering and Disposal

The Chain-of-Custody (COC) is a necessary attribute of the regulated cannabis industry. Acquiring input for the cultivation of cannabis plants is the first step in the COC and ends when a patient or customer purchases the cannabis or cannabis-infused products at a dispensary. Throughout the conversion of cannabis plants into cannabis products for consumers, cannabis waste is generated and must be accounted for in order to maintain the COC. Cannabis waste that is typically generated by a dispensary includes damaged, tampered, expired, returned or recalled products. To ensure that these types of cannabis waste are not diverted, stolen or lost, the products will be removed and separated from Product Storage, identified and reclassified on the POS, and then moved to the Cannabis Waste Storage Area.

Our policies and procedures for cannabis waste storage and destruction comply with the Business and Professions Code sections 26012, 26013 and 26060, Public Resources Code sections 40141 and 42649.8, California Code of Regulations sections 5054, 5405(c), 5410(e) and 5727(c), and Health & Safety Code sections 114244 and 114245. They incorporate industry best practices that are implemented in other states and countries that have existing regulated medical and recreational cannabis markets. Implementing these policies and procedures will ensure that cannabis waste is destroyed and disposed of in a manner that safeguards health, wellness, security and the environment.

Cannabis Waste Management

Our Cannabis-Waste Management Plan clearly defines our methods for proper and compliant disposal of Cannabis-Waste generated at Company facilities and through Company activities pursuant to the requirements set forth in the Business and Professions Code sections 26012, 26013 and 26060, Public Resources Code sections

40141 and 42649.8, California Code of Regulations sections 5054, 5405(c), 5410(e) and 5727(c), and Health & Safety Code sections 114244 and 114245. for all company employees and affiliates, as well as State and Local regulating agencies.

POLICY NAME	CANNABIS WASTE MANAGEMENT
APPLICABLE LAW	Pursuant to Business and Professions Code sections 26012, 26013 and 26060, Public Resources Code sections 40141 and 42649.8, California Code of Regulations sections 5054, 5405(c), 5410(e) and 5727(c), and Health & Safety Code sections 114244 and 114245, cannabis waste generated by the facility must be quarantined, rendered useless and then disposed at a permitted transformation facility. Cannabis waste will be stored in a separate and secure area from the product storage area, within the facility.
POLICY OBJECTIVE	To ensure that we comply with federal and state regulations as they pertain to cannabis waste storage, destruction and disposal.
CORE VALUE	<i>"Make Compliance an Advantage"</i>
SOP PROCEDURES	Cannabis Waste Storage, Destruction and Disposal

A cannabis waste management plan has been developed that ensures that cannabis waste generated at the facility is secure and separately stored from cannabis and cannabis-infused products that are located in the main product storage area. Per state regulations, cannabis waste products will be destroyed by rendering the products useless and then hauled to a permitted waste transformation, recycling, composting or incineration facility.

Management Responsibility

Management is responsible for ensuring that all policies, practices and procedures in the Cannabis Waste Management Plan are followed and that all cannabis-waste is properly handled, labeled and disposed of.

Managers are responsible for enforcement of this plan and for ensuring that all employees are properly trained and aware of the requirements for their positions as it relates to cannabis waste disposal and all related best management practices to safeguard health, wellness, security and the environment.

On an on-going basis, assigned management personnel will identify, assess, and comply with any changes in applicable laws, regulations, permits, and other obligations or requirements related to cannabis waste disposal.

Employee Responsibility

All employees have the responsibility to fully support the Cannabis Waste Management Plan. Under no circumstances will cannabis-waste be disposed at any unauthorized site, or in a manner that is not fully compliant with this plan, Company policies and all applicable State and local regulations for cannabis-waste handling and disposal.

Employees are required to adhere to Company policies and procedures and are expected to perform their duties in accordance with these policies and procedures. The Company will provide training and Personal Protective Equipment (PPE) necessary to safely perform cannabis waste disposal tasks.

Typical Cannabis Waste Streams

Typical waste streams generated at a cannabis dispensary include organic waste, universal waste, and incineration waste.

1. Organic Waste (spent trim) mixed with absorbent
2. Universal Waste (vapor pens and batteries) removed
3. Hazardous Waste (liquids and solids) profiled
4. Incineration Waste (recalled products)

Organic Waste: Flower and Pre-Rolls

All cannabis waste organic material will be made unusable and unrecognizable prior to leaving the licensed premises by blending and incorporating it with non-cannabis organic material, such as Sawdust. The resulting material will consist of at least 51% non-cannabis organic material.

Organic material will not be comingled with non-organic material; to maintain the composting or recycling characteristics of the organic material. Organic cannabis-waste will be transported in a secure waste receptacle by an authorized cannabis waste disposal contractor to a permitted composting, recycling, waste-to-energy or disposal site.

Universal Waste: light bulbs, batteries, vaporizer cartridges

Universal Waste: Packaging and Labels, such as paper, plastic, rubber, and tape

Universal Waste materials may include the following; Batteries, Light bulbs (incl. mercury), Electronic devices, Electronic components, etc. All Universal Waste will be disposed of in a designated container designed for the material. This container will be stored in a specified area for safe collection and subsequent disposal at an authorized Universal Waste disposal facility.

When transporting any containers containing Universal Waste, care will be taken at all times to prevent contamination or pollution to the environment. No Universal Waste of any description will be disposed into any incidental trash bin.

Incineration Waste: edibles, distillate from cartridges, recalled and expired cannabis products

Incineration Waste materials may include; Recalled and expired product, failed lab test product, failed-production (contaminated) flower, oils, waxes, edibles and liquids containing THC as well as unacceptable levels of pesticides, heavy-metals, fungus / mold, chemicals and toxins; except as determined to be hazardous materials.

Incineration Waste will be disposed of in a designated container designed for the material. Containers will be stored in a specified area for safe collection and subsequent disposal at an authorized incineration disposal facility. Under no circumstances may any incineration waste be directed to a Landfill. No incineration waste of any description will be disposed into any incidental trash bin.

Authorized Cannabis Waste Disposal Sites

- (a) A manned fully permitted solid waste landfill or transformation facility, or;
- (b) A manned fully permitted composting facility or manned composting operation,
or;
- (c) A manned fully permitted in-vessel digestion facility or manned in-vessel digestion operation, or;
- (d) A manned fully permitted transfer/processing facility, or;
- (e) A manned fully permitted chip and grind operation or facility.

Secure Cannabis Waste Storage

All Cannabis waste will be securely stored, managed, and disposed of in accordance with all applicable waste management laws, including, but not limited to, Division 30 of the Public Resources Code.

- a) Cannabis waste will remain within the facility's secure, restricted access Cannabis Waste Storage Area until transferred to an authorized waste hauler.
- b) Access to the secure Cannabis Waste Storage Area will be restricted to authorized Company and waste hauler personnel ONLY.
- c) The cannabis waste storage area will be separate and distinct from the secure cannabis product storage area.
- d) All Cannabis Waste will be stored in designated cannabis-waste containers at all times.
- e) Differing waste material types will be stored in a manner that keeps the waste materials separated.
- f) Cannabis waste will be grinded in a commercial grinder that is located in the secure cannabis waste storage area and mixed with wood product (sawdust) in a manner that creates unusable cannabis waste, consisting of at least 50% non-cannabis material.

Secure Cannabis Waste Storage Containers

MediWaste, our contracted waste hauler, will provide for the following types of secure waste storage containers to facilitate compliant and segregated waste storage and disposal. Cannabis waste disposal containers will be maintained and stored within the secure cannabis waste area within the interior of the facility.

- 55-gallon poly open-top drums



- 5-gallon lock-lid carts
- 43-gallon blue incineration bin

Cannabis Waste- Rendering

The assigned Agent-in-Charge, in this case, the General Manager or an authorized designee, will grind cannabis waste, with water and wood material to ensure that cannabis waste is destroyed and rendered useless in compliance with Business and Professions Code sections 26012, 26013 and 26060, Public Resources Code sections 40141 and 42649.8, California Code of Regulations sections 5054, 5405(c), 5410(e) and 5727(c), and Health & Safety Code sections 114244 and 114245.

We will provide for a commercial grinder that will be located within the secure cannabis waste storage area within the facility.

Grinding cannabis waste

Cannabis waste will be grinded to the size of:

- Dust;
- A grain of sand; or
- Size of bark

Adding water to grinded cannabis waste

Grinded cannabis waste will be mixed with water to ensure that all cannabis waste materials can be efficiently combined with wood material.

Grinded cannabis waste will be mixed with water using the following formula:

Approximately 1-5 gallons of water per approximately 55 gallons of ground cannabis waste.

Combining grinded cannabis waste and water with wood material

Moistened cannabis waste will be combined with sawdust until the mixture consists of more than 51% non-cannabis material.

Quarantine Area

The facility will have a separate and secure cannabis quarantine storage area where products that have been damaged, expired, or recalled will be stored until it is ready to be destroyed, stored, and hauled by a contracted waste hauler to a permitted waste transformation facility.

Cannabis products that have been placed in the Quarantine Area will be rendered useless before being hauled to a permitted transformation facility.

Cannabis Waste Records and Reporting

Cannabis waste will be stored in a separate and distinct, secure area, away from the general product storage area. Cannabis waste will be destroyed within the cannabis waste storage area, in compliance with State regulations by mixing the waste with at least 50% non-cannabis wood material (sawdust).

Destroyed cannabis waste will then be hauled by a contracted waste hauler, to be disposed of in a permitted waste transformation, recycling or incineration facility.

The assigned Agent-in-Charge, in this case, the General Manager, will report all cannabis waste activities, up to, and including disposal, into FlowHub and METRC, the State's mandated track and trace system.

All cannabis-waste will be weighed and recorded on FlowHub and METRC prior to the destruction process. Reports will include the name, strain, product ID number, Agent-In-Charge and the date of disposal. All video footage and cannabis waste reports will be maintained on a secure and encrypted physical media storage device in the Main Office, and on Company's secure and encrypted cloud-based data system for at least seven (7) years from the reported disposal date.

Standard Operating Procedures

The Company will maintain a current and complete listing of Cannabis-Waste "Standard Operating Procedures" that will be managed within the Secure Cannabis Storage Area for employees. Updates made to the SOPs will be attached to the existing SOPs, including the date it was revised.

MEDIWASTE DISPOSAL, LLC

Commercial MC Permit #CA0446205
Address: 235 Deiningir Cir., Corona, CA 92880
Phone: (714) 482-7645
Frequency: Weekly
D.T.S.C HAZ-MAT Transporter Permit #6300
CHP HAZ-MAT License #228307
EPA (FEDERAL RCRA) #CAR-000265140
DTSC E.P.A ID # CAL-000408958

Wastewater Treatment Systems

Using water more effectively reduces both the need for high quality water and the amount of wastewater generated. Some water conserving fixtures that are installed in our facilities include: low water appliances, efficient water heaters, water saving toilets and urinals, and greywater separation. The choice to use water more efficiently reduces water needs and wastewater generation. Water saving activities can include promptly repairing leaking faucets and toilet valves and using water flow reducers. Water saving fixtures and appliances, and water flow reducers are easy to install and can reduce the amount of water used for daily activities.

Flow Reducers

Flow reducers and faucet aerators reduce the flow rate of water during normal faucet or shower usage. These types of devices will be installed in the restrooms and kitchen/break area, including the industrial sink that is used to clean spills. Flow control devices include in-line valves that allow the water flow rate to be set manually or in-line flow restrictors that restrict the flowrate.



FIGURE: WATER SAVING DEVICES – FLOW CONTROL VALVES, AERATORS & LOW FLOW HEADS

Greywater System

Greywater is water from non-toilet sources and accounts for a majority (60 to 80 percent) of household wastewater. Wastewater from showers, kitchen sinks, dishwashers, and the laundry is excluded from greywater measurements and can be significantly decreased through simple proactive measures.

Source separation of greywater and blackwater can provide more options for the onsite management of wastewater. In California, the standards for greywater systems are part of the State Plumbing Code. The most common use of greywater is for the irrigation of non-edible landscape plants.

A number of possibilities exist for greywater usage, including:

1. Collection of household wash-water in buckets for indoor (toilet flushing) or outdoor usage (irrigation)
2. Hoses from indoor greywater source directly draining to outdoor application
3. Greywater collection and treatment system followed by subsurface irrigation

The third option is the type of greywater system approved for use in California. In this system, greywater is collected in a separate plumbing system. The treatment generally consists of some type of filtration, a surge tank, and landscape distribution. The advantage provided by greywater systems is that it can significantly reduce the amount of wastewater that needs to be handled with a wastewater treatment system. Using greywater for landscape irrigation can alleviate water demand in areas that are prone to water shortages. Greywater systems are relatively inexpensive when included during building construction.

Element 7 will be installing a greywater system for the irrigation of on-site plants used within the retail store and landscaped exterior areas, and the live plant walls featured within the operations.



FIGURE: CLIVUS MULTRUM GREYWATER SYSTEM

Low Flush Toilets

Low-flush toilets use 4.8 litres (1.3 US gal; 1.1 imp gal) or less per flush, as opposed to 6 litres (1.6 US gal; 1.3 imp gal) or more. By installing low flush toilets in our restrooms, we do our part in reducing our water consumption.



Summary

Waste management is a crucial step in the cannabis production process, but a step that has rarely received the attention it deserves in past years. Element 7 is determined to be the most compliant, controlled, trusted, and tested operator in the market, and our waste management processes play an important role in this.

Conservation and the reduction of our carbon footprint within the communities we operate in is a primary objective of Element 7. This will be implemented throughout the entire organization and at every facility we operate.

Element 7 will continuously look for new and innovative ways to reduce our carbon footprint within all of our operations and 'Reduce, Reuse, and Recycle' will be implemented on an organization-wide scale. Environmental sustainability is of the highest priority in order to promote a sustainable community and ensure the impact of our business is positive and influential in achieving future environmental goals.

TAX REVENUE



Introduction

Based off the **City of Suisun City Annual Budget: Business and Financial Plan (Fiscal Year 2019-2020)** and historical financials for City, business permits and permit fees paid to the City are declining.

As stated in this document by Greg Folsom, "Suisun City has not experienced the commercial development that adjacent cities have, and substantially lags behind the state average in per capita sales tax and property tax generated due to the lack of retail and industry in the city. Per capita sales for Suisun City in the 4th quarter of 2018 was approximately \$1,300 while per capita sales for California overall was approximately \$4,000 for the same period. Per capita sales for Solano County (including all cities) for the same period was approximately \$4,400. Suisun City, historically, has the lowest per capita sales of any city in Solano County".

Additional taxes from a disciplined cannabis operator like Element 7 will be a significant form of new tax revenue for the City, helping the city pay for essential services and new projects and infrastructure. The injection of significant amounts of tax revenue will help solve one of the city's largest challenges: declining revenue growth paired with increasing costs, especially increasing costs related to public safety and welfare.

Element 7 believes that over the next 5 years it would generate over \$2.0M in taxes for the City.

Financials

Element 7 has attached a pro-forma income statement for five (5) years of operations. This pro-forma projects an estimated 250-300 customers per day for the retail dispensary in the 24th – 36th month of the business as the business scales and



becomes known to local customers - numbers that are realistically conservative and in line with existing cannabis retail operations.

With an average 'basket size' of \$60.00 (excludes 15% Excise Tax) this would generate Gross Sales of \$5.0M - \$6.0M annually in the second and third year of business, scaling to almost \$8.0M in Year 5.

At 7% of Gross Receipts, Element 7 would generate the following projected amounts:

Year 1 (2021): \$261,789.26

Year 2 (2022): \$350,452.39

Year 3 (2023): \$415,997.71

Year 4 (2024): \$476,315.81

Year 5 (2025): \$545,904.66

Currently, an 'average' or 'median' licensed cannabis dispensary in California generates approximately \$4.0M in average Gross Sales annually (if BDS Analytics estimate of the licensed and legal cannabis market at \$3.1B are correct). Element 7, positioned as providing '**exceptional experiences at everyday prices**' can achieve these forecasts, particularly in a market such as Suisun City that is a value / price driven market.

Element 7 is scheduled to purchase the underlying property asset at 300 Railroad Avenue for a purchase of \$1.2M and currently has the property under a LOI with closing scheduled to take place as City Permits and State Licenses are issued.

Tenant Improvements and construction costs are budgeted at \$950,000 being \$700,000 for construction costs and \$250,000 for Equipment and Furniture which includes fixtures and fittings (eg., security cameras, industrial doors, alarm systems). All equipment, utility, operation costs, compensation for all employees and contractors, labor and employment plan benefits (including **Living Wages** starting at \$18.00 - \$21.00 per hour), and public benefits (\$50,000 annually at a minimum) and included within the attached Pro-Forma (refer to Monthly Cash Flows). Sufficient working capital has been set aside for these costs and expenses as listed in the Sources and Use of Funds.

Element 7 would be highly interested in entering into a Development Agreement with the City for the commitments contained within this document, and opportunities to expand cannabis tax revenue beyond retail sales in future years.

We want to be the most taxed, tested, trusted, compliant and controlled cannabis business that the City could find for an operator permit.



LOCAL RESIDENT PLAN



Introduction – We Are Local

The success of Element 7 in Suisun City will be driven by the adoption of the business by the local residents, patients, and the community it serves. Developing Element 7 Suisun City as a local enterprise will accelerate the adoption of the business in the local community and ensure a more sustainable business model that can celebrate long term success.

Over the last year Element 7 has partnered with many local small business retailers to create a locally owned Element 7 cannabis business in local communities, including:

- **Tony Raffoul:** A local small business owner in the City of Marina. Element 7 successfully applied for, and secured, permits to operate a vertically integrated business in the City of Marina. Tony will own 25% of the local business.
- **Nicholas Pommier:** Prior to forming a partnership with Element 7, Nicholas owned and operated fitness and health businesses in Marin County for 21 years, including Ross Valley CrossFit. Nick will own 20% of Element 7 Fairfax.
- **Shanti De Luca:** Shanti approached Element 7 as a social equity cannabis applicant in the City of San Francisco. For the past decade, Shanti had dreamed of using his hospitality industry experience and passion for craft products, to open and operate a cannabis dispensary in San Francisco. Element 7 helped to locate a suitable property in Presidio Heights, negotiated



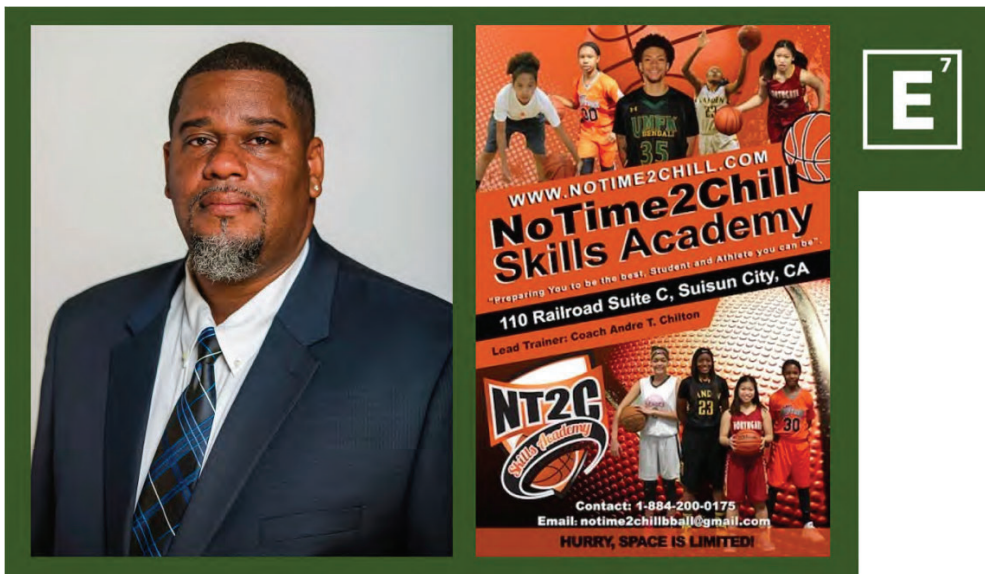
a lease with the landlord and committed to being Shanti's financial partner with Shanti to own 51% of the business and license.

Across California, Element 7 is identifying small communities that we can go into, identify opportunities, create businesses, and support the local economy. At Element 7 we pride ourselves on partnering with good people and local entrepreneurs that want to work hard and build a business and brand. We are local.

Suisun City Plan

Element 7 has engaged two (2) Suisun City locals to take part in our retail business in the City. Both will have ownership within the business and be supported by a Community Advisory Board that includes additional locals that have lived, worked, and supported the local community for decades.

Andre Chilton is an Air Force veteran with an impressive history of playing basketball at competitive levels. He has played at the collegiate level, German and Italian Semi-Pro levels, and All-United States Air Force levels. He also has over fifteen years of experience coaching and instructing basketball skills development training for athletes of all ages. Andre T. Chilton played point guard and shooting guard in college at Macon College in Macon, Georgia. He was selected to play on All Air Force, United States Army in Europe (USAREUR) All Star, USAREUR Army/AF, All Star tournament teams. He is hugely respected by teens living in Suisun City.



Andre operates NoTime2Chill out of premises located at **110 Railroad Avenue, Suisun City**, and Element 7 will work with Andre to financially sponsor the Academy, conduct 'Say No 2 Drugs' youth education programs, and including Andre as a member of Element 7's **Suisun City Community Advisory Board** that will hold Element 7 accountable in the local community to promises made, and programs developed.

In addition, Element 7 Suisun City has identified **Karan Grewal**, General Manager and Owner of Mega Smoke Shop at 141 Sunset Avenue, Suisun City, as the General Manger for Element 7's store in Suisun City. Karan has successfully operated Mega



Smoke Shop in Suisun City for many years and actively contributes to the local community through his own outreach efforts and participation in local community and business initiatives such as **Christmas at the Waterfront**.

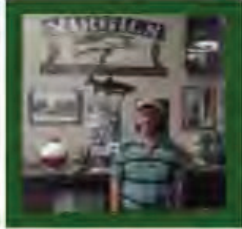
The business will be further supported by a **Local Community Advisory Board** that includes:



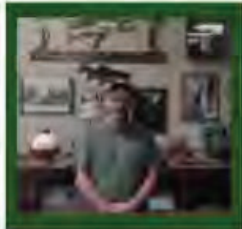
Andre Chilton is a part-owner of Element 7 Suisun City and will chair the Local Community Advisory Board. Andrew operates **NoTime2Chill Basketball Academy** and works with troubled youth looking for direction. With his background in professional sport and his connections with local youths,



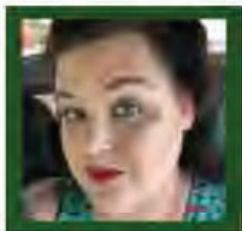
Melissa Sampson is the founder of the **Imagine Me Foundation** - established in 2007 after God gave her a message. The foundation's goal is to uplift, encourage, and empower people from all walks of life, to actively participate in their fight against all types of cancer and strengthen their resolve to overcome the disease.



Erich Butcher and his brother Rick are an institution in Suisun City. Their business, **Virgil's Bait and Ice** has been operating in the City for decades and remains the oldest current standing business in the City. Erich is passionate about helping first responders and the brothers are active raising funds.



Rick Butcher is the other half of **Virgil's Bait and Ice**. The brothers are involved with Solano Community Animal Response Team, Suisun City Fire Department, Solano Community Volunteer Group, Spread Love Solano County, an ongoing **Virgil's Bait and Ice Fire Relief Program**, and the Annual Firefighter's Toy Drive.



Rachel Gardner is the founder of **Super Fur-iends**, an animal rescue organisation based in Suisun City and Solano County. **Super Fur-iends** gives pets a second chance and focuses on educating the public about 'rescues' and the importance of ensuring pets have a home.



Local-Private Enterprise Program

The cornerstone for ensuring Element 7 is built and operates as a Local Enterprise business is our Local-Private Enterprise Program (LPEP), which was founded on a number of core principles:

1. Head Office support should be provided in the initial planning and building phase of the business, which should then transition over time to allowing the local enterprise to have more autonomy on decision-making.



2. Head Office support should continue to guide the business in terms of governance, accountability and financial reporting, which drives consistency across core aspects of the business whilst allowing the local enterprise to drive its business model and growth strategy.
3. Key Management executives for the Local Enterprise should be prioritized for hiring from the local job community and talent pool.
4. A pool of equity in the business should be created and made available for key executives and talent employed at the local business, to become shareholders over time.
5. The business should be guided and governed by a Local Community Board for key aspects of the businesses community support program, waste management, neighborhood compatibility and labor and employment plan – ie., key parts of the business that have the largest micro impact within the local community.
6. Local Advisory Panels shall be created to drive change and effect for key parts of the business as it relates to local enterprise staff – ie., skills development, learning and training, local product development and bump-it-up programs for labor growth.
7. Having a strong voice in the local community is critical to ensuring that the business is seen to be proactively working hard to shift discussion on the negative issues of the cannabis industry and drive more focus on the positive benefits.
8. Prioritizing local business partners over others for the development and ongoing operations of the enterprise.
9. Being proactive in the community with regards to visibility of the business in the right forums – attending job fairs, conducting workshops, meet and greets, community tours of the Facility before opening etc.

Element 7 will ensure that Element 7 Suisun City becomes a local enterprise by committing up to a proposed **3% of the common shares in the company** to key staff and executives that are hired from Suisun City (preference) or the County. Staff serving longer than 24-months service will be eligible to be allocated equity through a Stock Option Agreement.

In maintaining the spirit of our LPEP, we are committing to 75% Local Hiring and a Local Recruiting and Training Program that is geared towards training and preparing residents interested in working with us to help serve their loved ones and neighbors best.



Element 7 Stock Option Plan

Stock options are a means to both attract good talent and keep those employees invested in the company over time. Accordingly, in general, stock option agreements are offered to key employees in conjunction with the employee's initial hire or concurrent with a significant increase in the employee's role or responsibilities at the company.

When Element 7 offers employees stock options, we will do so through a special contract called a Stock Option Agreement. Such an option, once granted to the employee, gives the employee the opportunity to benefit from increases in the company's share value by granting the right to buy shares at a future point in time at a price equal to the fair market value of such shares at the time of the grant. The option agreement dictates all the terms of the offer - including vesting schedule, time limits for exercise once vested and any other special conditions.

Individuals will be issued with four (4) documents at the time they become eligible for Element 7 Stock Options:

1. **Stock Option Plan.** The governing document for the company's issuance of stock options, the stock option plan will contain the terms and conditions of the options to be granted, including the purchase price and any limitations. This is a standard document for all options issued to employees at the same time.
2. **Individual Stock Option Agreement.** This is the custom contract executed by Element 7 and the employee receiving the options. This document specifies



the number of options the employee is entitled to exercise, types of options granted, the vesting schedule and other employee-specific terms of issuance.

3. **Exercise Agreement.** This document details the terms under which options can be exercised by employees at Element 7.
4. **Notice of Stock Option Grant.** This document includes a short summary of the material terms of the grant. It generally serves to fulfil SEC notice requirements, and in some cases includes disclosures.

Expungement Clinics

Element 7 created history in 2019 when it hosted Fresno's first ever Expungement Clinic. The Expungement Clinic, held in partnership with the Fresno County Public Defender's Office, NDICA (National Diversity and Inclusion Cannabis Alliance), and Element 7, will pave the way for Fresno residents with minor drug related criminal records to enter the legal and licensed cannabis industry to gain meaningful employment, or as owners and investors. We intend to create history in the City of Suisun City by bringing expungement clinics here.

Expungement clinics are part of the much-needed reparative justice for the harms of cannabis prohibition, which targeted people of color and from marginalized communities. Fresno is one of the hardest hit parts of California for drug related crime. Volunteers from the Fresno County Public Defender's Office were available at the Clinic to provide free legal assistance to Fresno residents with drug related criminal records, including Prop 64 and Prop 47.

Carmen Romero, attorney with the Fresno Public Defenders Office Clean Slate Program said, "We encourage the community to come take advantage of the opportunity to clear their criminal convictions and begin the overcome the obstacles to better jobs, housing and other benefits." This was the Fresno Public Defenders first expungement clinic in partnership with NDICA and Element 7 at the national and local level.

Element 7 intends to hold an expungement clinic in Suisun City to help local residents get back on their feet, access food stamps, get jobs, and start voting again.

Industry Partnerships and Memberships

Element 7 is a member of the Institute for Local Government (ILG) which is an industry body founded in 1955 that has been promoting the importance of local governance and local business for over 60-years. The Institute's goal is to assist local leaders to govern openly, effectively and ethically, work collaboratively and foster healthy and sustainable communities.



In addition, Element 7 is a member of The California Small Business Development Center (SBDC). The SBDC is an industry leader in providing small business owners and entrepreneurs with the tools and guidance needed to become successful in today's challenging economic climate. Services offered include confidential, no-cost, one-on-one advising, expert training, and access to a wide business network. The SBDC also assists small businesses in accessing capital, developing business and financial models, creating marketing strategies, connecting to global networks, and growing online business opportunities.



Element 7 is also a member of the National Federation of Independent Small Businesses (NFIB), the largest small-business association in North America, focused on advocating for the rights and growth of small businesses across the country. As members, we attend forums, webinars, information sessions and events designed to help small businesses flourish, and NFIB provides a range of tools, educational programs and resources to grow the Element 7 business at a local level.



Supporting Small Cannabis Producers

Element 7 has a policy of supporting local and small craft and boutique cannabis farmers and manufacturers. Many of these come from disadvantaged local communities across the State of California.

As corporate cannabis operations continue to expand in California, small cannabis growers have begun to develop cooperatives to stay competitive with their large-scale rivals. Co-ops present benefits for smaller marijuana producers:

- By joining forces, these more modest-sized farming operations can offer a steadier supply of cannabis to distributors and retailers.
- Growers can generally market their products more efficiently through a cooperative model.
- Cultivators at the co-op level can share resources, helping to lower operating costs.

We have an active relationship in place with Red Crow Cannabis – a cannabis cultivation company focused on cultivating cannabis on Native American Tribal Land in California. After having conducted their first season in 2017, Red Crow Cannabis



are looking to expand their business in 2018 and we call Richard *Tall Bear* Westerman, the founder and CEO for Red Crow Cannabis, a close friend.



Through our Head of Security, we have also formed a relationship with a Veterans Cultivation project in Yolo County – White Wolf Farms. This group provides combat veterans with medical cannabis information, support services, and safe access to high quality medicinal cannabis. White Wolf Farms cultivates high-quality organic outdoor cannabis on a 1-acre plot in Yolo County.

We are also a partner of Emerald Exchange – Justin Calvino runs the Emerald Exchange and is a friend and colleague. The Emerald Exchange is focused on bringing craft cannabis producers from Humboldt, Mendocino and the Trinity Triangle, and their brands to mainstream city markets, whilst keeping alive the essence and unique qualities of hand-touched sun-grown craft cannabis. This is a part of the industry that we want to keep alive and see flourish as it delivers much needed economic benefits and security to hundreds of small families across California.



Summary

Small local businesses provide advantages to the surrounding community that large big box retailers cannot offer. When a consumer buys local, significantly more of that money stays in the community. In fact, the Institute for Local Self-Reliance found that for every \$100 spent at a local business, \$68 remained in the city while only \$43 of each \$100 spent at a chain retailer stayed local.

Local business owners often have incentives to support other local businesses, patronizing local establishments for both business and personal reasons. Chain businesses, on the other hand, tend to get their supplies from corporate, as well as having store managers and employees that aren't as personally invested in buying local.

As small-scale, pedestrian town shops have given way to massive, impersonal shopping centers, a growing number of communities are beginning to reject chain stores in their neighborhoods. During the past several years, hundreds of neighborhood groups have sprung up to protect their homegrown businesses. One study in Greenfield, Massachusetts "concluded that a proposed Wal-Mart store would cost local businesses \$35 million in sales," and a similar study in Saint Albans, Vermont, found that "a new Wal-Mart would drain 76 percent of its sales from local businesses," while many stores would be forced to close, "leading to a significant net decline in total retail employment and property tax revenue." At Element 7, we believe that a hybrid private-public model can be built – one that delivers the benefits of centralized support with a clearly local footprint.

The very foundation of a close-knit community is the vibrant retail commerce shared among its residents, and Element 7 is committed to having a local footprint, contributing to the local economy, and hiring locally with those staff to become owners of the business through our LPEP program.



ELEMENT 7

LETTERS OF RECOMMENDATION

United Food and Commercial Worker's International Union

Letter of Support

To Whom It May Concern:

Element 7 is a well-respected name in the cannabis industry in California and is a strong partner of organized labor. In multiple jurisdictions, Element 7 demonstrated a commitment to operating under the highest principles regarding labor standards, community engagement and legal compliance. Element 7 signed a labor peace agreement with the United Food and Commercial Workers for its active operations in California and entered into a separate agreement with the UFCW for their application in Illinois. Element 7 has respected both the letter and spirit of the labor peace agreement in California. Considering Element 7's superb track record on the west coast, the UFCW has every reason to believe they will make excellent community partners for the state and citizens of Illinois. Please accept this letter as an endorsement of Element 7's application for an adult-use dispensary from the United Food and Commercial Workers Cannabis Workers Rising Campaign.

Sincerely,

A handwritten signature in cursive script that reads "Aidan Coffey".

Aidan Coffey

Campaign Coordinator - Cannabis Workers Rising Campaign

UFCW International

1775 K St NW, Washington, DC 20006



June 18, 2020

To Whom This May Concern,

My name is Steve Manos. For the past seven years I have served as Mayor and City Council Member for the City of Lake Elsinore.

For several years I've been engaged with the individuals conducting business under the company name Element 7. Robert DiVito and his partners are engaged in one of the largest, fastest growing cannabis operations in California.

From everything that I've seen they are a strong company that operates with integrity. Their strategic partnerships and willingness to improve the communities that they are in is exemplary. I know elected officials throughout the state that are familiar with the organization and have heard nothing but positive feedback. They fulfill commitments and have the capacity to continue growing.

These are the types of organizations that we should see running cannabis operations in our communities. Speaking for myself, I recommend them to anyone considering a partnership in the cannabis sector.

Respectfully,

Steve Manos
Councilman
City of Lake Elsinore
Direct (951) 317-8830
City Hall (951) 674-3124
smanos@lake-elsinore.org

CAPITOL OFFICE:
STATE CAPITOL
201 WEST CAPITOL AVE.
ROOM 330
JEFFERSON CITY, MO 65101
TELEPHONE (573) 751-4415
FAX (573) 751-9758
JAMILAH.NASHEED@SENATE.MO.GOV



COMMITTEES:
APPROPRIATIONS
FISCAL OVERSIGHT
GUBERNATORIAL APPOINTMENTS
WAYS AND MEANS
JOINT COMMITTEE ON EDUCATION
JOINT COMMITTEE ON GOVERNMENT ACCOUNTABILITY
JOINT COMMITTEE ON LEGISLATIVE RESEARCH

MISSOURI SENATE
JEFFERSON CITY

JAMILAH NASHEED
DISTRICT 5

August 16th, 2019

Department of Health and Senior Services
Section for Medical Marijuana Regulation
PO Box 570
Jefferson City, MO 65102

To Whom it May Concern:

It is my understanding that Robert Divito/Element 7 is applying for licenses allowing them to both produce medicinal cannabis, as well as operate a dispensary within my district. Upon reviewing their business and track record in existing locations, I believe that both the proposed production facility located at 4510 South Broadway, and additionally the proposed dispensary location at 4200 S. Grand, would contribute greatly to the economic development of the neighborhood. In addition to the jobs that will be created with the production facility and dispensary, I believe that Element 7 will provide the neighboring residents with equitable access to medicinal cannabis as other parts of the city and region that are not as often overlooked for these types of investments.

There is community support for both the production facility as well as the dispensary location, and Mr. Divito/Element 7 have done an excellent job at engaging the local community leaders and concerned citizens groups.

Please do not hesitate to contact me if I may be of any further assistance.

Sincerely yours,

A handwritten signature in cursive script that reads "Jamilah Nasheed".

Senator Jamilah Nasheed
5th Senatorial District



CAPITOL OFFICE

Missouri State Capitol

201 West Capitol Ave., Room 106B
Jefferson City, MO 65101-6806
Tel: (573) 751-0438

E-mail: steve.butz@house.mo.gov

MISSOURI HOUSE OF REPRESENTATIVES

Steve Butz

State Representative
81st District

COMMITTEES:

Insurance Policy

Transportation

Special Committee on Small Business

August 9, 2019

Department of Health and Senior Services
Section for Medical Marijuana Regulation
PO Box 570
Jefferson City, MO 65102-0570

To Whom It May Concern.

It is my understanding that Mr. Robert DiVito of Element 7 is applying for a production license to produce medical marijuana. The proposed location is at 4510 S. Broadway (aka 2720 Dakota, the Broadway Tool building) St. Louis, MO 63111. As a lifelong resident of south city and the State Rep for this location, I can assure you it is an excellent industrial location for a production facility.

In full disclosure, I am a supporter of legalized medical marijuana and did vote for its passage during our last election cycle. My reasons are many but one in particular is my own personal experience of caring for my younger brother who died of cancer after a long, brave two year fight, several years ago. As I am sure you are aware there are many challenges faced by a cancer victim. Dealing with the effects of chemo-therapy, bouts of depression and anxiety and at times severe pain. My brother faced these as best he could and his doctors and other care givers did the same. He did need to use a small amount of marijuana while he was bed ridden and receiving hospice care. The fact that his doctors could not have prescribed this for him and the fact that we had to resort to illegally obtaining brought this issue to the forefront to me.

Community support for the facility along with the assurance of infrastructure and job creation in the immediate area where this new business will open is another reason I am in support of this application. In addition their experience in the safety and security they can bring to this facility and the surrounding area is critical to the residents nearest the proposed location. After researching Element 7 and discussing the location with other concerned citizens it is my belief and hope that this business in our area will have a positive impact for the neighborhood, the clients they will serve and themselves by providing investment, jobs, taxes and charitable support in the City of St. Louis.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Butz".

Steve Butz
81st District Representative



March 1, 2019

RE: ELEMENT 7

Dear Robert,

On behalf of the National Diversity and Inclusion Alliance-NDICA, I would like to express our sincerest gratitude and appreciation to Element 7 for sponsoring and partnering on our Fresno Expungement and Resource fair last Saturday. NDICA's work has been in the communities most negatively affected by the War on Drugs which is predominately people of color. These are the most neglected population from marginalized communities.

The support Element 7 provided for our Fresno event was instrumental in expunging 200 convictions under Prop. 64 and Prop. 47. These types of numbers are phenomenal for Fresno being that they have only expunged 89 convictions since the passing of Prop. 64 over 2 years ago. The event has positively changed many lives and taken down numerous barriers associated with a felony conviction.

Element 7 has proven to be a great asset to our social equity and social justice movement.

Thanks again for your support and we look forward to working with Element7 on many other socially impacting events.

Best Regards

Bonita Money

818-946-9702

Exec. Director of NDICA

WWW.THENDICA.ORG



**ROBERT DIVITO
(FOUNDER AND CEO, ELEMENT 7)**

LETTERS OF RECOMMENDATION

To Whom It May Concern,

My name is Jarral Neeper. Until September of 2018, I was CEO of Calcot Ltd, a Bakersfield, CA based cotton marketing cooperative, serving growers in California, Arizona, New Mexico and Texas.

Beginning around 2010, Calcot had decided to put one of its star warehousing properties up for sale in Hanford, CA. That property is approximately 150 acres with 48 warehouses each measuring 35,000 square feet. It does have rail loading capability. Calcot no longer had need for the facility since cotton acreage in California had fallen so dramatically over the years.

Of course, a facility of that size does not move easily or quickly, but we were doing things to generate revenue on the property like loading railcars with tomato paste for a tomato processor, Olam. We were also storing dry goods for Olam. Other warehouses were being leased to cotton merchants who needed space. For example, Allenberg Cotton Company, had warehouses in Fresno but the new high-speed rail route going through Fresno purchased their property.

You get the picture.

Over time we did have interest from various potential buyers but for one reason or the other, nothing really worked, for them or for us.

Robert approached us in the spring of 2014 I believe. He had a vision of turning the property into a “WeWork” for marijuana producers. Each warehouse would be leased out to individual growers and an on-site testing lab would be available to all lessees. Robert worked tirelessly with the city council of Hanford to promote the idea that giving license to these growers would be a huge financial gain to the city. He met with the Police Chief and the Sheriff’s Department to promote his ideas and to get their feedback to as to the safety of the proposal.

Robert proposed a plan to buy the property and put a substantial amount of his own money into the deal until he could line up the investors needed on the deal. Many times, I thought things would not work out because real estate can be fickle, and we were asking a pretty penny for the property. In fact, one of the reasons other bidders had trouble with our property is the appraisals kept coming in well below our asking price and their bids.

Robert was a bulldog though and he eventually pulled off a “miracle” for us, getting an investor to come in and essentially writing a check for the whole property – at our asking price.

Robert (I call him Bob) and I have become friends over time, and I find him to be a straight up guy with a high energy quotient and a laser focus on whatever project he is working on. He asked me to write a letter of recommendation for him and I told him it would be my pleasure and honor to do so.

If there are any further questions, please do not hesitate to call me at 661.978.6958 or send me an email to jarral@trucott.com.

Best Regards,

Jarral Neeper

President, Calcot Ltd.

Former Vice President, Amcot

Henry Perea
555 E. Terrace Ave
Fresno, CA 93704
559-287-08650
HpereaSUPV@aol.com

August 6, 2019

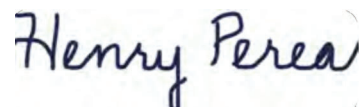
To whom it may concern,

I am pleased to write a letter of recommendation on behalf of Robert Divito, owner of Element 7. I have known Robert for over three years and have found him to be a responsible businessman. Robert is a person who is committed to the communities he works in and is willing to put resources into a community to benefit its citizens.

Robert's willingness to work in partnership with schools is a win for our children. He is committed to engage in long term relationships with community partners. From a business perspective, he will never overcommit what he can deliver. That is to say, when Robert gives his word he will follow through and deliver what is promised in a timely manner.

Please feel free to contact me if you would like to further discuss.

Henry Perea

A handwritten signature in black ink that reads "Henry Perea". The signature is written in a cursive style with a clear, legible font.

Former Fresno County Supervisor

Daniel Parra

1011 Ahronian Ave., Fowler CA 93625, 559-360-1379, dparra61@gmail.com

August 5, 2019

To Whom It May Concern:

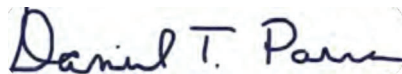
It is with much enthusiasm that I recommend Robert Divito.

In the seven years I have known Mr. Divito, he has been a generous help in prospering our community's economy. He not only works as a businessman to improve the economic development of our community, but as a citizen who cares about his community and the needs of others. Along with the numerous economic opportunities Mr. Divito's businesses have brought to our community, he has also assisted in securing jobs for individuals in the area.

What makes Mr. Divito an important asset to our community is his large network of connections that he can reach out to in a timely manner. Through my years while working with him, I have witnessed him reaching out to local nonprofits and donating resources to them with hands on help.

Please let me know if I can provide any more information.

Sincerely,

A handwritten signature in black ink that reads "Daniel T. Parra". The signature is written in a cursive style and is placed on a light-colored rectangular background.

Daniel T. Parra
Councilman, City of Fowler
President, League of California Cities Latino Caucus



PROOF OF CAPITAL FUNDING LETTER FOR CANNABIS LICENSES

August 20, 2020

Robert M. DiVito Jr.
Element 7 LLC
8033 Sunset Blvd., #987
Los Angeles, CA 90046

Dear Robert,

We, Industrial Court L11 LLC, located at 34 Tesla, Irvine CA 92618, hereby confirm our intent to make available cash funds of Five Million US Dollars (**\$5,000,000.00**), to Element 7, Inc (or any of its named subsidiaries, including Element 7 Suisun City LLC or SIGRA LLC) with immediate effect.

Use of these funds is intended to support real-estate purchases, development, construction, operations, leasing and other capital and operational costs for Element 7's endeavor to obtain commercial cannabis licenses in the state of California. These funds will be made immediately available in USD\$ via wire transfer within 48 hours of when such request is made.

We further confirm that these cash funds on deposit are legally earned and are free of any liens or encumbrances. Said cash funds are immediately available and freely transferable

Should you require additional verification of the above-mentioned funds, please contact us at your convenience. I can be reached at (714) 330 7003.

Kind regards,

Sean

Sean Sand
Chief Financial Officer

CONTACT INFORMATION



For any information regarding this application please contact:

Robert DiVito

Founder and CEO
Element 7 LLC

Element 7 Suisun City LLC

Cell Phone: (312) 823 7638
Office Phone: (424) 285 0088
Email: robert@e7ca.com

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ELEMENT 7