Exhibit D

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EXHIBIT C
DRAFT RESOLUTION

Before the Planning Commission in and for the County of Monterey, State of California

In the matter of the application of:
PHAT, LLC (GRUPO FLOR/EAST OF EDEN CANNABIS CO.) (PLN170300)
RESOLUTION NO. ----
Resolution by the Monterey County Hearing Body:

1) Finding the project categorically exempt from CEQA pursuant to Section 15303 of the guidelines; and
2) Approving a Coastal Development Permit to allow a commercial cannabis retailer, including sale and delivery of adult use (recreational) and medical use cannabis.

[PLN170300, Phat LLC (Grupo Flor/East of Eden Cannabis Co.), 8022 Moss Landing Road, Moss Landing Community Plan, North County Land Use Plan (APN: 133-212-002-000)]

The Grupo Flor/East of Eden Cannabis Co. application (PLN170300) came on for public hearing before the Monterey County Planning Commission on June 13, 2018. Having considered all the written and documentary evidence, the administrative record, the staff report, oral testimony, and other evidence presented, the Planning Commission finds and decides as follows:

FINDINGS

1. **FINDING:** **CONSISTENCY –** The Project, as conditioned, is consistent with the applicable plans and policies which designate this area as appropriate for development.

EVIDENCE:

a) An application for a Coastal Development Permit to allow a commercial cannabis retailer at 8022 Moss Landing Plan Road was filed on March 7, 2018 and was deemed complete on April 5, 2018.

b) During the course of review of this application, the project has been reviewed for consistency with the text, policies, and regulations in:
- Moss Landing Community Plan
- North County Land Use Plan; and
- Monterey County Zoning Ordinance (Title 20);

No conflicts were found to exist. No communications were received during the course of review of the project indicating any inconsistencies with the text, policies, and regulations in these documents.

c) The property is located at 8022 Moss Landing Road, (APN: 133-212-002-000), Moss Landing Community Plan, North County Land Use Plan. The parcel is zoned Moss Landing Commercial [MLC (CZ)] Zoning District in the Coastal Zone, which allows cannabis retailers

subject to the requirements of Chapter 20.67.040 of the Monterey County Code. Therefore, the project is an allowed land use for this site.

d) The proposed application would include minor interior improvements to the existing structure, including installation of a sprinkler and fire alarm system, partitioning of residential area, and restroom modifications for ADA compliance. Proposed exterior improvements would include signage, and security lighting. RMA Public Works would require frontage improvements and ADA compliance (access to street). The proposed signage is consistent with the allowable sign area in a commercial zoning district according to Section 20.60.050 of the Zoning Ordinance.

e) There are no cannabis retailers within 1,500 feet of the site; and therefore, the retailer would comply with the required 1,500 feet setback from another retailer with a similar use.

f) A Development Project Application which includes a General Development Plan, Business Plan, Operations Plan, and Security Plan, has been submitted for the proposed cannabis retailer use that addresses the minimum regulations contained in Section 20.67.040.B of the Zoning Ordinance Title 20.

g) Location: The retailer would be located in the Moss Landing Commercial [MLC (CZ)] zoning district, and is more than 600 feet from the nearest school, public park or drug recovery facility; and is more than 1,500 feet from another permitted retailer.

h) Records: The Operation Plan proposes the use of track and trace software, such as Trellis, to record and report information to prevent diversion of the products and theft while maintaining product quality and product consistency; make the employees accountable for the tasks they undertake and provide management with key information and storage of information. A mandatory condition is included that requires the dispensary to allow access to Monterey County officials for inspection of the records (Condition 6).

i) Security: The Operation Plan and Security Plan provide a detailed description of security measures to be implemented on-site. The proposed security measures have been reviewed by the RMA and include on-site security guards, 24-hour security cameras, limited access areas, alarm system, secured storage of cannabis products and cash or currency, and panic buttons.

j) Delivery Services: The General Development Plan states that the applicant would not deliver products initially but would like to add delivery services in the future. This Coastal Development Permit assumes delivery services will be provided.

k) Supply Chain: The Operation Plan and Security Plan propose a supply chain where cannabis products available for purchase are cultivated, manufactured, transported, distributed, and tested by licensed and permitted facilities that maintain operations in full compliance with state and local regulations.

l) Packaging and Labeling: The Operation Plan/Security Plan state East of Eden Cannabis Co. will adhere to packaging and labeling requirements set forth by the County of Monterey and the State.

m) Sheriff Notification: The Operation Plan and Security Plan describe the proposed operational procedures for preventing theft & diversion, on-site consumption, and loitering. The plan indicates that employees will be trained on the procedures and guidelines for dealing with security threats, and the Sheriff's office will be notified within 24 hours of significant discrepancies identified during inventory including: diversion, theft, loss, or criminal activity involving the facility or its operations, or any agent, officer, or employee of the business; and any other breach in security.

n) Other Illegal drugs: The Operations Plan and Security Plan, Security Measures does not propose to permit the dispensing or delivery of any non-cannabis related controlled substances.

o) Parking: The current site plan for the proposed retailer includes 6 standard stalls and one ADA accessible stall on the south side of the lot. Three parking spaces are shown for the residential side. Only one handicap parking space is required because there are less than 40 spaces altogether according to Section 20.58.050 (G) in Title 20. On September 14, 2000, under Resolution No. 970248, the Zoning Administrator approved a Combined Development Permit and Design Approval consisting of a General Development Plan and Coastal Administrative Permit for a retail store to include uses such as: an antique shop, a dress shop, resale shop, bookstore, florist, art studio, and shoe repair; and to allow for the renovation of a 340-square foot existing shed to office use. The original permit (PLN970248) was approved in conjunction with a Negative Declaration, where staff determined that 10 parking spaces was the minimum required for the uses proposed. The originally approved parking plan shows eleven parking spaces, including the handicap parking space (7 on south end and 4 on the north end). The subject project is proposing to occupy the approved retail space for a single commercial use (cannabis dispensary) and therefore, meets the parking requirement as outlined in Section 20.58.040 of Title 20. The current site plan will be revised to include the actual parking capacity. The standard parking requirement for general retail is 1 space per every 250 square feet of net floor area (e.g. does not include areas to be used for toilets or restrooms, utilities, stairways, mechanical rooms). The proposed project covers a net floor area of 1,853-square feet which translates to 7.4 or 8 parking spaces. A three-bedroom residential space (as shown on the floor plans dated 12/22/2017), requires 2.2 or 3 parking spaces. The 340-square foot office currently being rented by Elkhorn Slough Safari uses parking space at the Moss Landing Harbor, approximately .2 miles north of their physical address; employees of East of Eden Co. will also be parking at the Moss Landing Harbor parking lot.

p) Any retailer business operating at the site will be required to obtain a Business Permit pursuant to Chapter 7.90 of the Monterey County Code, a Business License pursuant to Chapter 7.02 of the Monterey County Code, and retailer license(s) from the State. These other licenses and entitlements will ensure ongoing monitoring of compliance with the plans and operational requirements. Failure to obtain and maintain all required permits, licenses, and entitlements

may be ground for revocation of this permit.

q) The project was referred to the North County Land Use Advisory Committee (LUAC) for review. The LUAC recommended approval of the Use Permit by a vote of 7 ayes, 0 noes, and 1 abstention. Public comments were received at the meeting related to concerns about parking; in particular, that parking is already insufficient for the current use. Committee Member Sherry Owen also had concerns about parking availability. The project meets the standard parking requirements under Section 20.58. See Evidence "O."

r) The application, project plans, and related support materials submitted by the project applicant to Monterey County RMA-Planning for the proposed development found in Project File PLN170300.

2. **FINDING:** **SITE SUITABILITY –** The site is physically suitable for the use proposed.

EVIDENCE:

a) The project has been reviewed for site suitability by the following departments and agencies: RMA- Planning, North County Fire Protection District, RMA-Public Works, RMA-Environmental Services, Environmental Health Bureau, and Water Resources Agency. There has been no indication from these departments/agencies that the site is not suitable for the proposed development. Conditions recommended have been incorporated.

b) Potential impacts were identified with respect to electric and water consumption. Potable water service would be provided by the Pajaro/Sunny Mesa Community Services District. In an effort to reduce water usage, low flow toilets and motion sensor water faucets would be installed. Any proposed landscaping would be serviced by drip irrigation on a timed schedule to minimize excess or over watering. Energy efficiency measures would be utilized for the proposed use, including upgrading all lighting fixtures to LED. A letter from Pajaro/Sunny Mesa Community Services District stating that the District currently provides potable water to the parcel is part of the file (PLN170300).

c) The proposed location is a vacant retail space on the first floor of an existing two-story, mixed use building. A living area is located on the second floor of the building. The proposed retailer use would be consistent with other commercial uses in the vicinity. Parking and other improvements for the existing commercial building are already provided. RMA Public Works will require frontage improvements for the facility (Condition No. 12).

d) Operational plans including security, tracking, reporting, and other relevant information are proposed to address regulatory requirements and minimize impacts at the site and in the surrounding areas.

e) A site visit was conducted on May 11, 2018.

f) The application, project plans, and related support materials submitted by the project applicant to the Monterey County RMA - Planning for

the proposed development found in Project File PLN170300.

3. **FINDING:** **HEALTH AND SAFETY –** The establishment, maintenance, or operation of the project applied for will not under the circumstances of this particular case be detrimental to the health, safety, peace, morals, comfort, and general welfare of persons residing or working in the neighborhood of such proposed use, or be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the County.

EVIDENCE:

a) The project was reviewed by the Planning, North County Fire Protection District, Public Works, Environmental Health Bureau, and Water Resources Agency. The respective agencies have recommended conditions, where appropriate, to ensure that the project will not have an adverse effect on the health, safety, and welfare of persons either residing or working in the neighborhood.

b) Necessary public facilities, including sewer and water services, are available. The facility is currently serviced by the Pajaro/Sunny Mesa Community Services District.

c) Operational plans including security, tracking, reporting, and other relevant information are proposed to address regulatory requirements and minimize impacts at the site and in the surrounding areas (See also Finding 1).

d) Any retailer operating at the site will be required to obtain a Business Permit pursuant to Chapter 7.90 of the Monterey County Code, a Business License pursuant to Chapter 7.02 of the Monterey County Code, and a retailer license from the State. These other licenses and entitlements will ensure ongoing monitoring of compliance with the plans and operational requirements.

e) The Environmental Health Bureau reviewed the application and did not apply conditions; however, the Bureau will require that the facility be designed to meet or exceed the requirements of the California Health and Safety Code, Division 104, Part 7, California Retail Food Code and the Agricultural Commissioner's Office and will inspect packaging, labeling, and weighing devices used on-site.

f) The application, project plans, and related support materials submitted by the project applicant to the Monterey County RMA - Planning for the proposed development found in Project File PLN170300.

4. **FINDING:** **NO VIOLATIONS –** The subject property is in compliance with all rules and regulations pertaining to zoning uses.

EVIDENCE:

a) Staff reviewed Monterey County RMA - Planning and Building Services Department records and determined that no outstanding violations exist on the property.

5. **FINDING:** **STATE AND COUNTY REQUIREMENTS –** The retailer, as proposed, has demonstrated that it can and will comply with all of the requirements of the State and County to operate a cannabis retail facility.

EVIDENCE

a) Operational plans including security measures, track and trace programs, monitoring and reporting requirements, packaging and

labeling standards, and other relevant information are proposed to address regulatory requirements contained in Section 20.67.040 of the Coastal Zoning Ordinance Title 20 (See also Finding 1 with relevant evidences).

b) Any retailer operating at the site will be required to obtain a Business Permit pursuant to Chapter 7.90 of the Monterey County Code, a Business License pursuant to Chapter 7.02 of the Monterey County Code, and a retailer license from the State. These other licenses and entitlements will ensure ongoing monitoring of compliance with the plans and operational requirements on the local and State level. Failure to obtain and maintain all required permits, licenses, and entitlements may be ground for revocation of this permit.

6. **FINDING:** **REQUIRED SETBACKS –** The retailer will not be located within 600 feet from any school, public park, or drug recovery facility, or within one thousand five hundred feet of another retail facility.

EVIDENCE:

a) The retailer will be located at 8022 Moss Landing Road, Moss Landing (Assessor's Parcel Number: 133-212-002-000).

b) North Monterey County Middle School is the nearest school. The school boundary is more than 2.4 miles from the proposed retailer.

c) Cato Phillips Park is the nearest park. The park is more than 3.3 miles from the proposed retailer. Salinas River State Beach is more than 1.5-miles from the proposed retailer.

d) The Recovery Center of Community Hospital of Monterey Peninsula is the nearest drug recovery facility. The drug recovery facility is located 18 miles from the proposed retailer.

e) The nearest approved retailer is more than 1,500 feet from the proposed retailer.

7. **FINDING:** **LESS THAN SIGNIFICANT IMPACTS –** The retailer, as approved and conditioned, will not result in significant unavoidable impacts on the environment.

EVIDENCE:

a) The project would allow a commercial cannabis retailer within an existing mixed-use, commercial building in the Moss Landing Commercial [MLC (CZ)] zoning district in the Coastal Zone. The only physical improvements would include interior tenant improvements, new exterior signage, and security lighting.

b) As proposed and conditioned, the project can be categorically exempt from the California Environmental Quality Act (See Finding 10).

8. **FINDING:** **MINIMIZE NUISANCES -** The retailer operations plan includes adequate measures that minimize, to the extent feasible, nuisances to the immediate neighborhood and community including minimizing the detection of odor from off-site, minimizing the effects of loitering, providing adequate security measures, and not exceeding the Coastal Development Permit's limits on hours of operation.

EVIDENCE:

a) Plans and materials contained in the file (PLN170300) include measures to minimize nuisances within the area. A 24-hour contact will be available to address issues and concerns that may arise as a result of the operation.

b) Odor control measures are proposed to include an electronic air purifier and HVAC system to ensure that odors from cannabis are not detectable off-site. Customers will not be permitted to consume products on-site.

c) Security measures and protocols are proposed that would minimize risk of theft, diversion, and loitering.

d) Procedures are proposed to ensure customers are of a legal age to purchase cannabis and cannabis products.

e) The proposed retailer would be open seven days a week. Hours of operation would be from 10:00 A.M. to 8:00 P.M., Monday through Sunday. The hours of operation have been included in the conditions of approval for the project (Condition #4).

f) Ongoing monitoring and inspection for compliance with the plans and regulations will be required.

9. **FINDING:** **FEDERAL COMPLIANCE –** The retailer will provide adequate measures that address the federal enforcement priorities for cannabis activities including providing for restriction on drugged driving, restricting access to minors, prohibiting use or possession of firearms for security purposes at the premises, and ensuring that cannabis and cannabis products are supplied from permitted and licensed sources.

EVIDENCE: a) Plans and materials contained in file PLN170300, including the Operations/Security Plan verifies products sold by East of Eden Cannabis Co. will be purchased from licensed distributors within the State of California. Labels on products sold at the retailer will contain warnings regarding impaired ability to operate machinery. Track and Trace measures are proposed and required to ensure all products purchased, provided to, and sold at the retailer come from other permitted sources. The applicant proposes to verify the identity, age, and any other relevant information of all customers and visitors to the retailer and to limit access of products to minors through that process. On-site security is prohibited from carrying lethal weapons.

b) Background checks of all persons with 10 percent or more interest in the cannabis businesses will be conducted. Any known association with organized crime may be grounds for denial of business permits and State licenses required to operate the retailer.

c) Any cannabis retailer business operating at the site will be required to obtain a Business Permit pursuant to Chapter 7.90 of the Monterey County Code, a Business License pursuant to Chapter 7.02 of the Monterey County Code, and a retailer license from the State. These other licenses and entitlements will ensure ongoing monitoring of compliance with the plans and operational requirements on the local and State level.

d) Violations of Federal Enforcement priorities may be grounds for revocation of this permit.

10. **FINDING:** **CEQA (Exempt) –**The project is categorically exempt from environmental review and no unusual circumstances were identified to exist for the proposed project

EVIDENCE: a) California Environmental Quality Act (CEQA) Guidelines Section

15303, categorically exempts the conversion of exiting small structures from one use to another where only minor modifications are made in the exterior of the structure.

b) The project entails a change in commercial use in a 2,328-square foot space within an existing 4,469-square foot two-story mixed-use building. Improvements are limited to minor interior tenant improvements, exterior signage, and security lighting.

c) None of the exceptions under CEQA Guidelines Section 15300.2 apply to this project. The project is located within an existing structure that has adequate services available to serve the proposed use. Other than new signs identifying the business, there are no physical changes proposed that may cause an impact to historic resources or visual resources.

d) The applicant has proposed appropriate operational plans, which include details to minimize nuisances in the vicinity including odor; and security measures (See the preceding Findings and Evidence).

e) The application, project plans, and related support materials submitted by the project applicant to Monterey County RMA-Planning for the proposed development found in Project File PLN170300.

11. **FINDING:** **APPEALABILITY -** The decision on this project may be appealed to the Board of Supervisors

EVIDENCE:

a) Chapter 20.86 of the Monterey County Zoning Ordinance states that the proposed project is appealable to the Board of Supervisors and that certain decisions may be appealed to the California Coastal Commission based on Section 20.86.080 of Title 20.

b) The project is located in the Coastal Zone.

DECISION

NOW, THEREFORE, based on the above findings and evidence, the Planning Commission does hereby:

1. Find the project categorically exempt pursuant to Section 15303 of the guidelines; and
2. Approve a Coastal Development Permit to allow a commercial cannabis retailer operation in an existing retail space including sale and delivery of adult use (recreational) and medical use cannabis at 8022 Moss Landing Road, Moss Landing, in general conformance with the attached sketch and attached Operations Plan**,** and subject to the attached conditions all being attached hereto and incorporated herein by reference.

PASSED AND ADOPTED this 13th day of June 2018 upon motion of _____, seconded by _____, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Jacqueline R. Onciano

Secretary to the Planning Commission

COPY OF THIS DECISION MAILED TO APPLICANT ON

THIS APPLICATION IS APPEALABLE TO THE BOARD OF SUPERVISORS.

IF ANYONE WISHES TO APPEAL THIS DECISION, AN APPEAL FORM MUST BE COMPLETED AND SUBMITTED TO THE CLERK TO THE BOARD ALONG WITH THE APPROPRIATE FILING FEE ON OR BEFORE _____.

(Coastal Projects)
THIS PROJECT IS LOCATED IN THE COASTAL ZONE AND IS APPEALABLE TO THE COASTAL COMMISSION. UPON RECEIPT OF NOTIFICATION OF THE FINAL LOCAL ACTION NOTICE (FLAN) STATING THE DECISION BY THE FINAL DECISION MAKING BODY, THE COMMISSION ESTABLISHES A 10 WORKING DAY APPEAL PERIOD. AN APPEAL FORM MUST BE FILED WITH THE COASTAL COMMISSION. FOR FURTHER INFORMATION, CONTACT THE COASTAL COMMISSION AT (831) 427-4863 OR AT 725 FRONT STREET, SUITE 300, SANTA CRUZ, CA.

This decision, if this is the final administrative decision, is subject to judicial review pursuant to California Code of Civil Procedure Sections 1094.5 and 1094.6. Any Petition for Writ of Mandate must be filed with the Court no later than the 90th day following the date on which this decision becomes final.

NOTES

1. You will need a building permit and must comply with the Monterey County Building Ordinance in every respect.

   Additionally, the Zoning Ordinance provides that no building permit shall be issued, nor any use conducted, otherwise than in accordance with the conditions and terms of the permit granted or until ten days after the mailing of notice of the granting of the permit by the appropriate authority, or after granting of the permit by the Board of Supervisors in the event of appeal.

   Do not start any construction or occupy any building until you have obtained the necessary permits and use clearances from Monterey County RMA-Planning and RMA-Building Services Department office in Salinas.

2. This permit expires 3 years after the above date of granting thereof unless construction or use is started within this period.

Monterey County RMA Planning

DRAFT Conditions of Approval/Implementation Plan/Mitigation Monitoring and Reporting Plan

PLN170300

1. PD001 - SPECIFIC USES ONLY

Responsible Department: RMA-Planning

Condition/Mitigation Monitoring Measure: This Coastal Development Permit (PLN170300) allows a commercial cannabis retail use at the site. The property is located at 8022a Moss Landing Road, Moss Landing (Assessor's Parcel Number 133-212-002-000), Moss Landing Community Plan. This permit was approved in accordance with County ordinances and land use regulations subject to the terms and conditions described in the project file. Neither the uses nor the construction allowed by this permit shall commence unless and until all of the conditions of this permit are met to the satisfaction of the Director of RMA - Planning. Any use or construction not in substantial conformance with the terms and conditions of this permit is a violation of County regulations and may result in modification or revocation of this permit and subsequent legal action. No use or construction other than that specified by this permit is allowed unless additional permits are approved by the appropriate authorities. To the extent that the County has delegated any condition compliance or mitigation monitoring to the Monterey County Water Resources Agency, the Water Resources Agency shall provide all information requested by the County and the County shall bear ultimate responsibility to ensure that conditions and mitigation measures are properly fulfilled. (RMA - Planning)

Compliance or Monitoring Action to be Performed: The Owner/Applicant shall adhere to conditions and uses specified in the permit on an ongoing basis unless otherwise stated.

2. PD002 - NOTICE PERMIT APPROVAL

Responsible Department: RMA-Planning

Condition/Mitigation Monitoring Measure: The applicant shall record a Permit Approval Notice. This notice shall state:
"A Coastal Development Permit (Resolution Number ***) was approved by the Planning Commission for Assessor's Parcel Number 133-212-002 on June 13, 2018. The permit was granted subject to 13 conditions of approval which run with the land. A copy of the permit is on file with Monterey County RMA - Planning."

Proof of recordation of this notice shall be furnished to the Director of RMA - Planning prior to issuance of grading and building permits, Certificates of Compliance, or commencement of use, whichever occurs first and as applicable. (RMA - Planning)
Prior to the issuance of grading and building permits, certificates of compliance, or commencement of use, whichever occurs first and as applicable, the Owner/Applicant shall provide proof of recordation of this notice to the RMA - Planning.

Compliance or Monitoring Action to be Performed: Prior to the issuance of grading and building permits, certificates of compliance, or commencement of use, whichever occurs first and as applicable, the Owner/Applicant shall provide proof of recordation of this notice to the RMA - Planning.

3. PD006(A) - CONDITION COMPLIANCE FEE

Responsible Department: RMA-Planning

Condition/Mitigation Monitoring Measure: The Owner/Applicant shall pay the Condition Compliance fee, as set forth in the fee schedule adopted by the Board of Supervisors, for the staff time required to satisfy conditions of approval. The fee in effect at the time of payment shall be paid prior to clearing any conditions of approval.

Compliance or Monitoring Action to be Performed: Prior to clearance of conditions, the Owner/Applicant shall pay the Condition Compliance fee, as set forth in the fee schedule adopted by the Board of Supervisors.

4. PD029 - HOURS OF OPERATION

Responsible Department: RMA-Planning

Condition/Mitigation Monitoring Measure: Hours of operation shall be 10 a.m. to 8 p.m. , Monday through _____. (RMA - Planning)

Compliance or Monitoring Action to be Performed: Prior to commencement of use and on an on-going basis, the Owner/Applicant shall demonstrate compliance with the hours of operation to the Director of RMA-Planning.

5. PDSP001 ANNUAL INSPECTION

Responsible Department: RMA-Planning

Condition/Mitigation Monitoring Measure: The retailer shall allow access to the retailer facilities and records if requested by the County, its officers, or agents, and shall pay an annual inspection and submit to inspections from the County or its officers to verify compliance with all relevant rules, regulations, and conditions.

Compliance or Monitoring Action to be Performed: The retailer shall allow for inspection of the premises and records on an on-going basis.

6. PDSP002 INSPECTION OF RECORDS

Responsible Department: RMA-Planning

Condition/Mitigation Monitoring Measure: The applicant, owner, and all permittees agree to submit to, and pay for, inspections of the operations and relevant records for documents necessary to determine compliance with Monterey County Code from any enforcement officer of the County or their designee.

Compliance or Monitoring Action to be Performed:

7. PDSP003 COMMERCIAL CANNABIS PERMIT

Responsible Department: RMA-Planning

Condition/Mitigation Monitoring Measure: Any person operating a cannabis retailer shall obtain a valid and fully executed commercial cannabis permit pursuant to Chapter 7.90 of the Monterey County Code prior to commencing operations and must maintain such permit in good standing in order to continue operations.
Within 90 days, the retailer shall apply for and obtain a Commercial Cannabis Business Permit pursuant to Chapter 7.90 of the Monterey County Code.

Compliance or Monitoring Action to be Performed: The retailer shall comply with the requirements of the Commercial Cannabis Permit and maintain the permits in good standing while in operation on an ongoing basis.

8. PDSP004 PERMITS, LICENSES, AND ENTITLEMENTS

Responsible Department: RMA-Planning

Condition/Mitigation Monitoring Measure: The owner shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and State law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or State shall be grounds for the suspension or revocation of a Coastal Development Permit pursuant to Section 20.67.120 of the Monterey County Code.

Compliance or Monitoring Action to be Performed: As needed on an ongoing basis, the owner shall verify that the businesses operating on the site have obtained and maintain all required permits, licenses, and entitlements to operate a cannabis business on the property. If needed the owner shall diligently pursue evicting or removing cannabis operations from the site that have failed to obtain or maintain the required permits.

9. PDSP005 OPERATIONS

Responsible Department: RMA-Planning

Condition/Mitigation Monitoring Measure: The retailer shall operate only in accordance with the operating plans reviewed and approved by the County.

Compliance or Monitoring Action to be Performed: Maintain operations and procedures approved by the County on an on-going basis.

10. PDSP007 ODOR CONTROL

Responsible Department: RMA-Planning

Condition/Mitigation Monitoring Measure: The property owner shall ensure that any cannabis businesses operating on-site conforms to Section 7.90.100.A.7 of the Monterey County Code, which requires odor prevention devices and techniques are installed and maintained, through the operational life of the cannabis business, to ensure that odors from cannabis are not detectable off-site or as Section 7.90.100.A.7 may be amended.

Compliance or Monitoring Action to be Performed: Prior to issuance of Commercial Cannabis Business Permits, the owner/applicants shall provide plans and information to the satisfaction of the Chief of Planning, indicating and describing how odors will be controlled and how the odor control devices will be maintained.

Odor prevention devices shall be maintained in accordance with approved odor control plans through the life of the operation(s).

11. CC01 INDEMNIFICATION AGREEMENT

Responsible Department: RMA-Planning

Condition/Mitigation Monitoring Measure: The property owner agrees as a condition and in consideration of approval of this discretionary development permit that it will, pursuant to agreement and/or statutory provisions as applicable, including but not limited to Government Code Section 66474.9, defend, indemnify and hold harmless the County of Monterey or its agents, officers and employees from any claim, action or proceeding against the County or its agents, officers or employees to attack, set aside, void or annul this approval, which action is brought within the time period provided for under law, including but not limited to, Government Code Section 66499.37, as applicable. The property owner will reimburse the County for any court costs and attorney's fees which the County may be required by a court to pay as a result of such action. The County may, at its sole discretion, participate in the defense of such action; but such participation shall not relieve applicant of his/her/its obligations under this condition. An agreement to this effect shall be recorded upon demand of County Counsel or concurrent with the issuance of building permits, use of property, filing of the final map, recordation of the certificates of compliance whichever occurs first and as applicable. The County shall promptly notify the property owner of any such claim, action or proceeding and the County shall cooperate fully in the defense thereof. If the County fails to promptly notify the property owner of any such claim, action or proceeding or fails to cooperate fully in the defense thereof, the property owner shall not thereafter be responsible to defend, indemnify or hold the County harmless. (County Counsel)

Compliance or Monitoring Action to be Performed: Upon demand of County Counsel or concurrent with the issuance of building permits, use of the property, recording of the final/parcel map, or recordation of Certificates of Compliance, whichever occurs first and as applicable, the Owner/Applicant shall submit a signed and notarized Indemnification Agreement to the County Counsel for review and signature by the County.

Proof of recordation of the Indemnification Agreement, as outlined, shall be submitted to the Office of County Counsel.

12. PW0001 – FRONTAGE IMPROVEMENTS

Responsible Department: RMA-Public Works

Condition/Mitigation Monitoring Measure: Construct asphalt curb, sidewalk, driveway connections, and paveout, together with required drainage facilities, along the frontage of Moss Landing Road. The design and construction is subject to the approval of the RMA. Encroachment Permits are required for all work within the public right-of-way.

Compliance or Monitoring Action to be Performed: Owner/Applicant shall submit the design for review and approval of the RMA-PWF, obtain an encroachment permit from the RMA prior to issuance of building or grading permits, and construct and complete improvements prior to occupancy or commencement of use. Applicant is responsible to obtain all permits and environmental clearances.

13. PW0045 – COUNTYWIDE TRAFFIC FEE

Responsible Department: RMA-Public Works

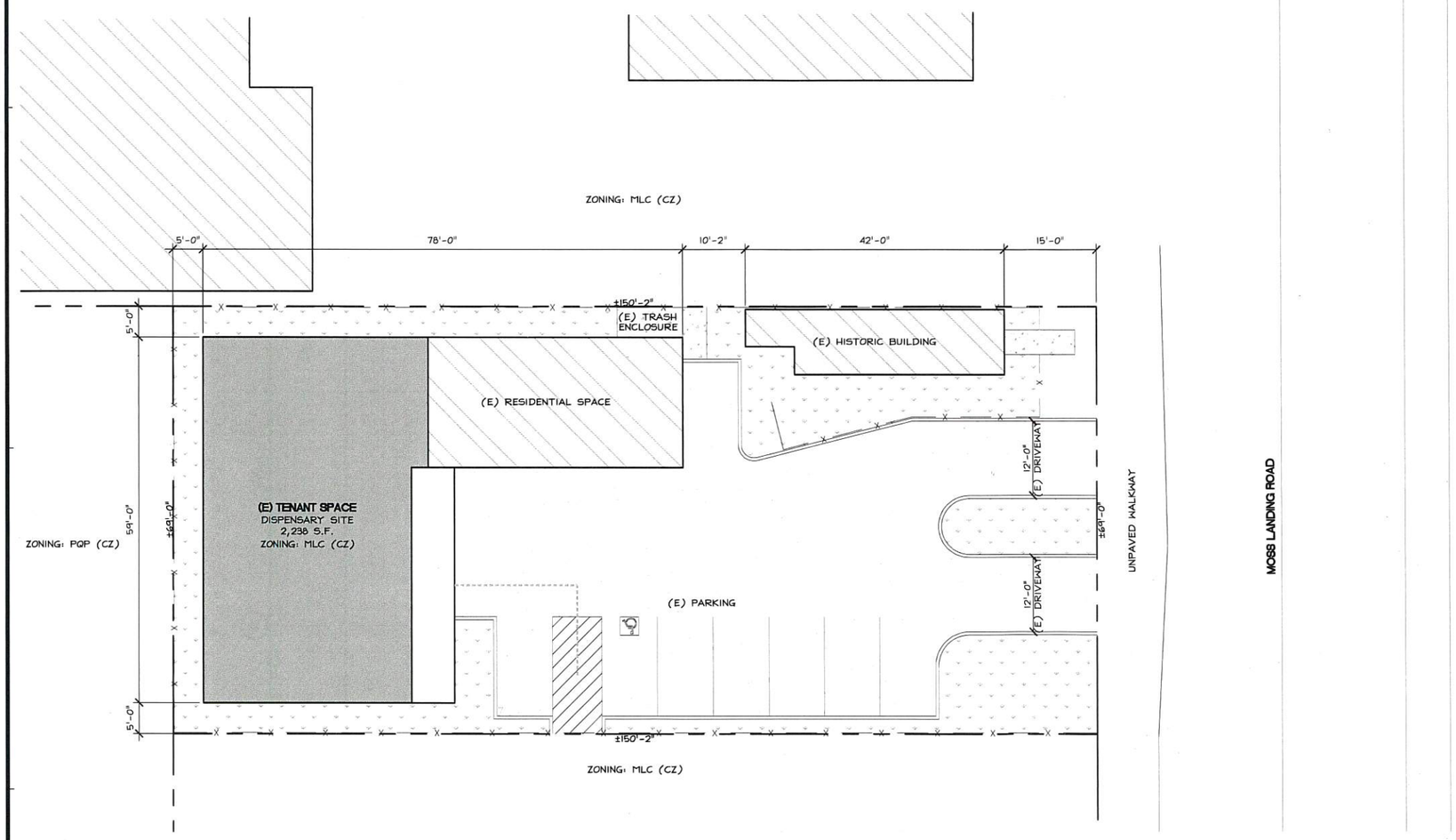
Condition/Mitigation Monitoring Measure: Prior to issuance of building permits, the Owner/Applicant shall pay the Countywide Traffic Fee or the ad hoc fee pursuant to General Plan Policy C-1.8. The fee amount shall be determined based on the parameters in the current fee schedule.

Compliance or Monitoring Action to be Performed: Prior to issuance of Building Permits, the Owner/Applicant shall pay Monterey County RMA Building Services the traffic mitigation fee. The Owner/Applicant shall submit proof of payment to the Development Services.

USE PERMIT FOR:

PHAT, LLC.

8022 MOSS LANDING ROAD
MOSS LANDING, CA 95039



LEGEND

- (E) PROPERTY LINE
- ACCESSIBLE PATH OF TRAVEL TO BUILDING ENTRANCE
- (E) FENCE
- (E) TENANT SPACE, IN PROJECT SCOPE
- (E) BUILDING/TENANT SPACE, NOT IN PROJECT SCOPE
- (E) LANDSCAPING
- (E) CONCRETE WALKWAY
- (E) A/C PAVING

1 SITE PLAN
SCALE: 1" = 10'-0"

PROJECT NORTH

PROJECT DATA #PLN170300

PROPERTY OWNER: A.G. DAVI
383 WASHINGTON STREET SUITE D
MONTEREY, CA 93940

OPERATOR: PHAT, LLC.
115 CATUGA STREET
SALINAS, CA 93901

PROJECT ADDRESS: 8022 MOSS LANDING ROAD
MOSS LANDING, CA 95039

APN: 133-212-002-000

PARCEL SIZE: 10,222 S.F. (0.22 ACRES)

ZONING: MLC (CZ)

LOT COVERAGE: 4,469 S.F. (44%)

USE: MOSS LANDING COMMERCIAL

TENANT AREA: 2,328 S.F. (23%)

JURISDICTION: COUNTY OF MONTEREY

FLOOR AREA RATIO: 6,039 S.F. (59%)

USE DESIGNATION: DISPENSARY

IMPERVIOUS COVERAGE: BUILDINGS: 4,469 S.F.
OTHER: 3,962 S.F.
TOTAL: 8431 (82%)

REQUIRED PARKING: TBD

PARKING PROPOSED: (E) TO REMAIN

LANDSCAPING AREA: ±1,791 S.F. (18%)

INCLUDES ADA PKG: 1 VAN ACCESSIBLE

TREE REMOVAL: NONE

GRADING VOLUMES: NONE

PROJECT DESCRIPTION: USE EXISTING TENANT SPACE FOR THE SALE OF MEDICAL CANNABIS.

CODES: 2016 CBC - CALIFORNIA BUILDING CODE
2016 CPC - CALIFORNIA PLUMBING CODE
2016 CMC - CALIFORNIA MECHANICAL CODE
2016 CEC - CALIFORNIA ELECTRICAL CODE
2016 CFC - CALIFORNIA FIRE CODE
2016 CALIFORNIA TITLE 24 ENERGY REQ'MENTS
2016 CALIFORNIA AMENDMENTS

BUILDING DATA

BUILDING DESCRIPTION: EXISTING WOOD STRUCTURE
CONSTRUCTION TYPE: V-B, NON-SPRINKLERED
EXISTING OCC. GROUP: M, R-2
NEW OCC. GROUP: M, R-2
USE DESCRIPTION: (E) RETAIL SPACE
STORIES: 1
BUILDING HEIGHT: ±15'-0"
TENANT GROSS S.F.: 2,328 S.F.

RECEIVED
MAR 07 2018
MONTEREY COUNTY
RESOURCE MANAGEMENT AGENCY
LAND USE DIVISION

PROJECT TEAM

OPERATOR
PHAT, LLC.
CONTACT: KAZ AJIR
PHONE: (831) 277-4520

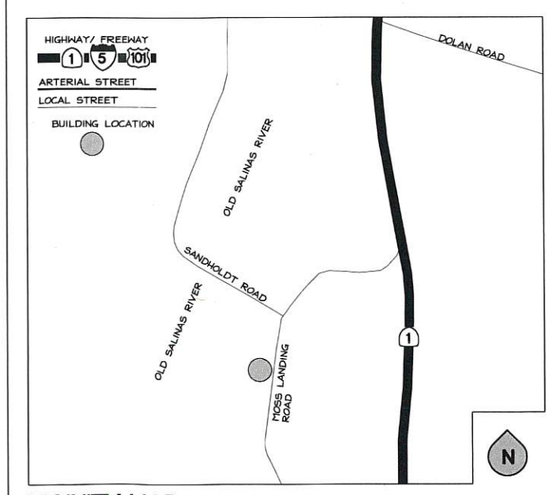
ARCHITECT
BELLI ARCHITECTURAL GROUP
CONTACT: LINO BELLI
PHONE: (831) 424-4620
FAX: (831) 424-4408

SHEET INDEX

T1.1 TITLE SHEET

ARCHITECTURAL

A2.0 EXISTING/DEMOLITION FLOOR PLAN
A2.1 CONSTRUCTION FLOOR PLAN
A2.2 FIXTURE FLOOR PLAN
A4.1 EXTERIOR ELEVATIONS



VICINITY MAP
NO SCALE

REVISIONS	DATE	BY	DESCRIPTION

LICENSED ARCHITECT BERTONI LINO BELLI NOT FOR CONSTRUCTION Exp. 6/30/19 STATE OF CALIFORNIA

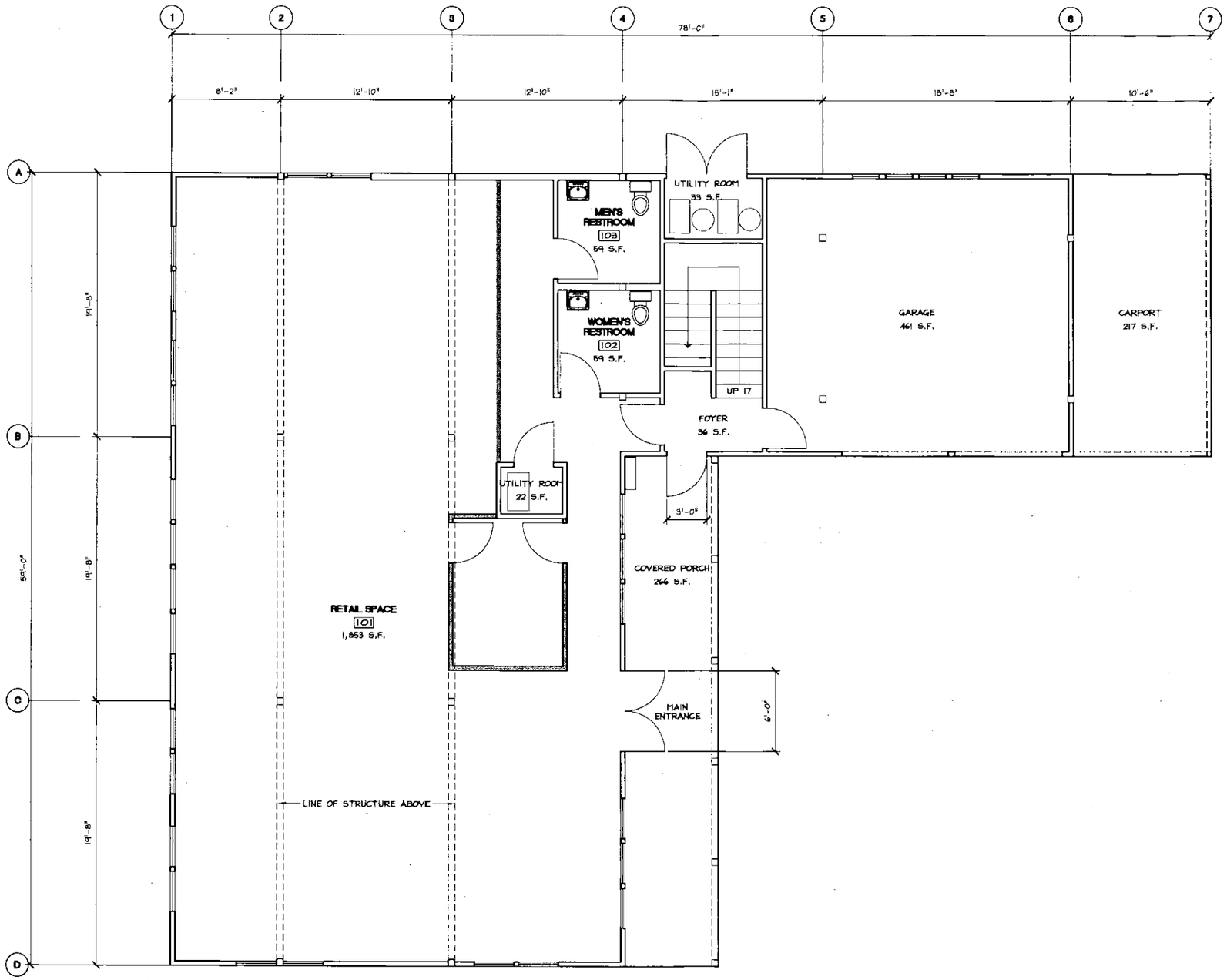
BELLI ARCHITECTURAL GROUP 831. 424 - 4620
235 MONTEREY STREET, SUITE B, SALINAS, CA 93901
BELLIAG.COM

architectural group

TITLE SHEET
USE PERMIT FOR:
PHAT, LLC.
8022a Moss Landing Road
Moss Landing, CA 95039

DATE	12/22/17
SCALE	AS NOTED
DRAWN	JC
JOB	17028
SHEET	T1.1
OF	SHEETS

THE USE OF THESE PLANS AND SPECIFICATIONS SHALL BE RESTRICTED TO THE ORIGINAL SITE FOR WHICH THEY WERE PREPARED AND PUBLICATION THEREOF IS EXPRESSLY LIMITED TO SUCH USE. REVISIONS, REPRODUCTION, OR PUBLICATION BY ANY METHOD, IN WHOLE OR IN PART, IS PROHIBITED. TITLE TO THE PLANS AND SPECIFICATIONS REMAINS WITH THE ARCHITECT, AND VISUAL CONTACT WITH THEM CONSTITUTES PROPA FACE EVIDENCE OF THE ACCEPTANCE OF THESE RESTRICTIONS.



1 EXISTING GROUND FLOOR PLAN
SCALE: 1/4" = 1'-0"

PROJECT NORTH

REVISIONS	DATE	BY	DESCRIPTION

LICENSED ARCHITECT
NOT FOR CONSTRUCTION
Exp. 6/30/19
STATE OF CALIFORNIA

BELLI ARCHITECTURAL GROUP 831. 424. 4820
235 MONTEREY STREET, SUITE B, SALINAS, CA 93901
BELLIAG.COM

EXISTING GROUND FLOOR PLAN

USE PERMIT FOR:
PHAT, LLC.
8022a Moss Landing Road
Moss Landing, CA 95039

DATE	12/22/17
SCALE	AS NOTED
DRAWN	JC
JOB	17028
SHEET	A2.1
OF	SHEETS

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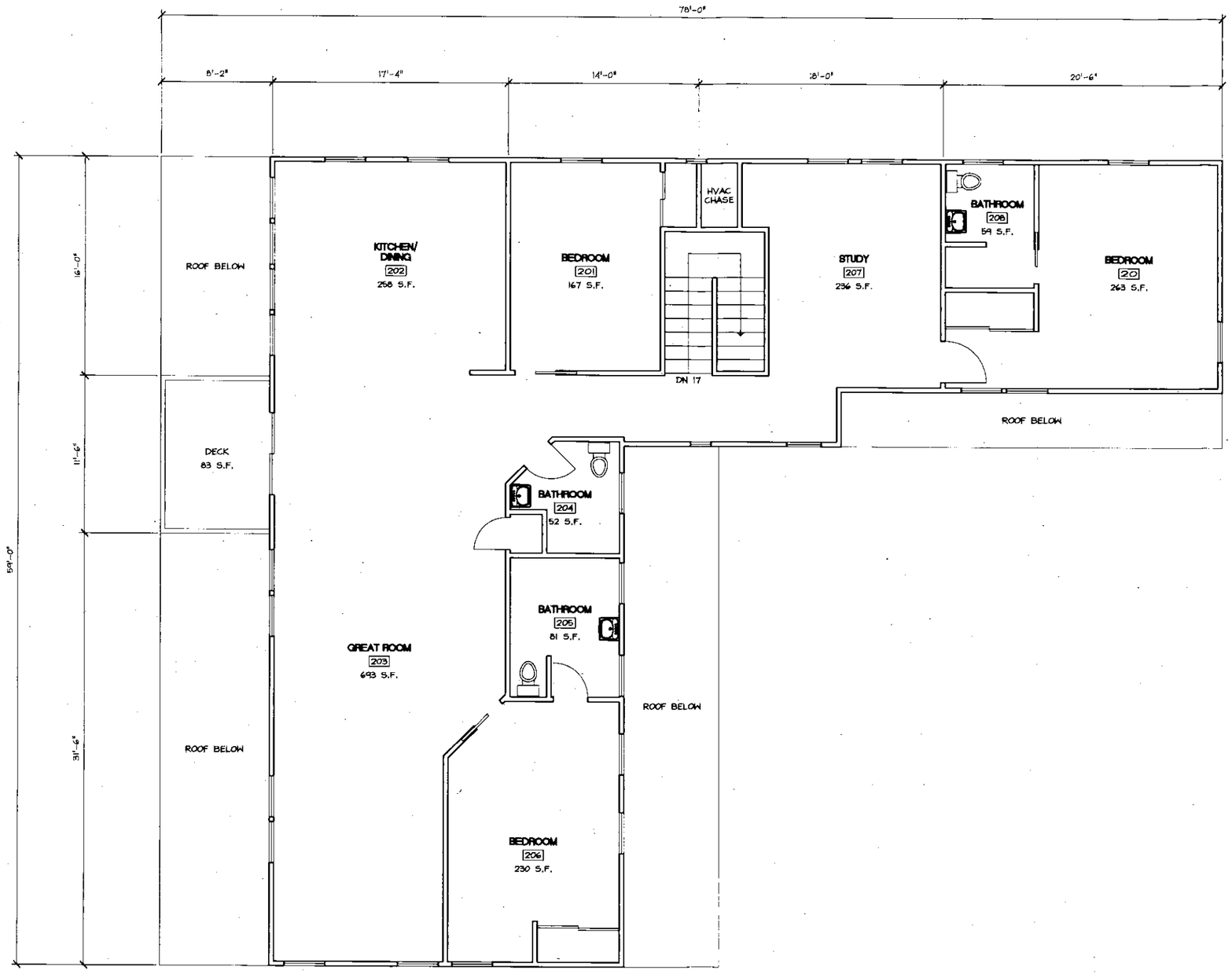

1 EXISTING SECOND FLOOR PLAN
SCALE: 1/4" = 1'-0"

PROJECT NORTH

REVISIONS	DATE	BY	DESCRIPTION

LICENSED ARCHITECT MATTHEW LIND BELLI
NOT FOR CONSTRUCTION
Exp. 6/30/19
STATE OF CALIFORNIA

BELLI ARCHITECTURAL GROUP 831. 424. 4820
235 MONTEREY STREET, SUITE B, SALINAS, CA 93901
BELLIAG.COM

EXISTING SECOND FLOOR PLAN

USE PERMIT FOR:
PHAT, LLC.
8022a Moss Landing Road
Moss Landing, CA 95039

DATE	12/22/17
SCALE	AS NOTED
DRAWN	JC
JOB	17026
SHEET	A2.2
OF	SHEETS

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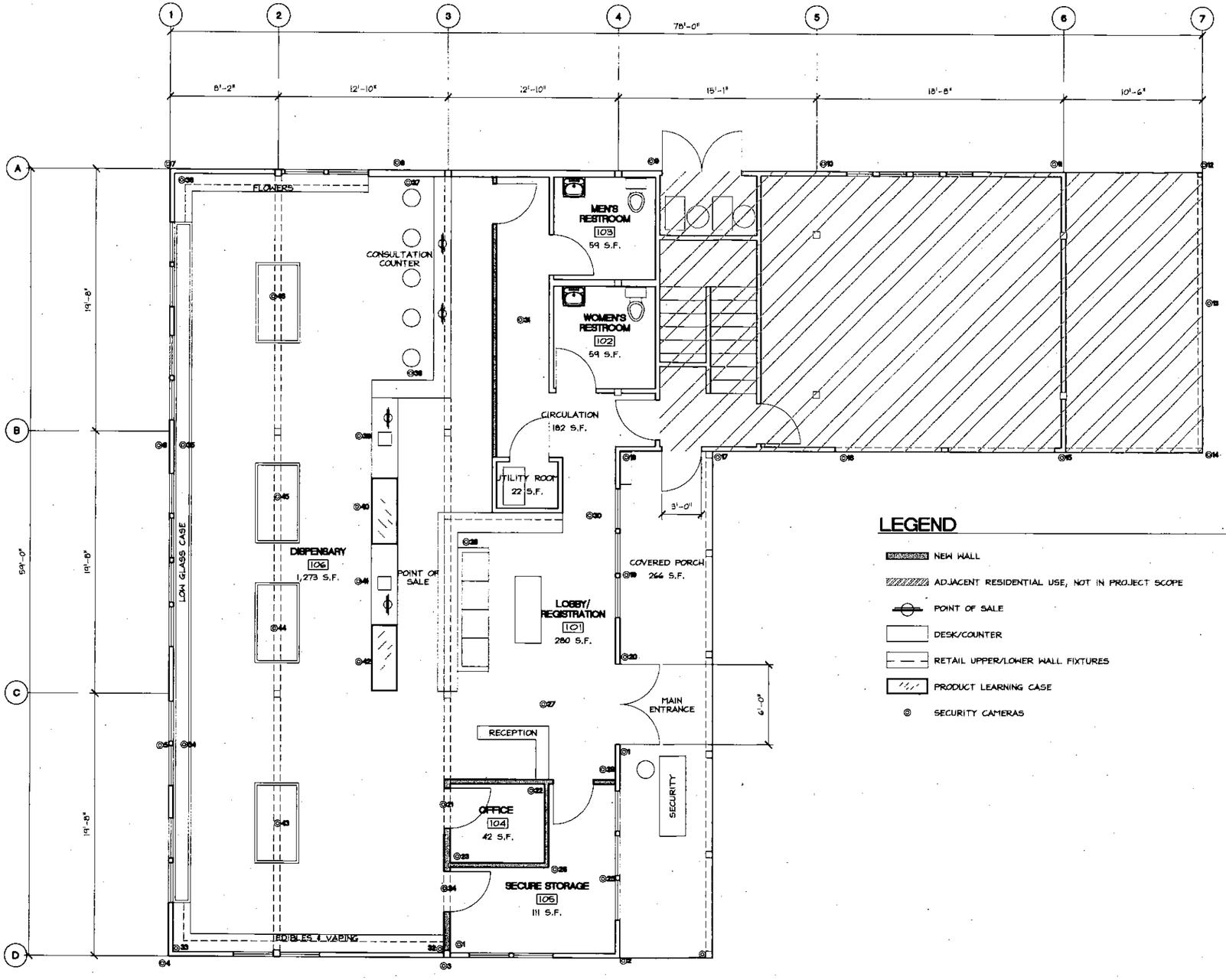

LEGEND

- NEW WALL
- ADJACENT RESIDENTIAL USE, NOT IN PROJECT SCOPE
- POINT OF SALE
- DESK/COUNTER
- RETAIL UPPER/LOWER WALL FIXTURES
- PRODUCT LEARNING CASE
- SECURITY CAMERAS

PROJECT NORTH

1 PROPOSED GROUND FLOOR/FIXTURE PLAN
SCALE 1/4" = 1'-0"

REVISIONS	DATE	BY	DESCRIPTION

LICENSED ARCHITECT RICHARD LINE BELLI NOT FOR CONSTRUCTION Exp. 6/30/19 STATE OF CALIFORNIA

BELLI ARCHITECTURAL GROUP 831. 424. 4620
235 MONTEREY STREET, SUITE B, SALINAS, CA 93901
BELLIAG.COM

PROPOSED GROUND FLOOR/FIXTURE PLAN
USE PERMIT FOR:
PHAT, LLC.
8022a Moss Landing Road
Moss Landing, CA 95039

DATE	12/22/17
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DRAWN	JC
JOB	17026
SHEET	A2.3
OF	SHEETS

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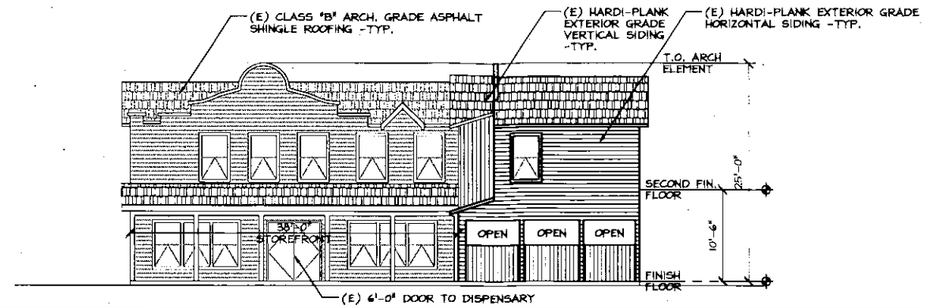
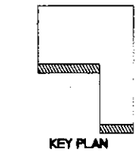
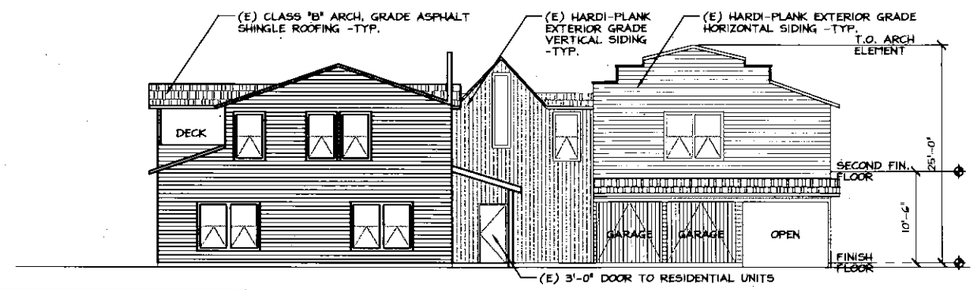
SIGNAGE NOTES

SIGNAGE ALLOWED: 1 S.F. PER LINEAR FOOT OF STOREFRONT
(E) 38'-0" LINEAR FT OF STOREFRONT
TOTAL: 38 S.F. SIGNAGE ALLOWED

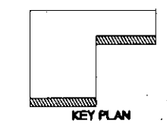


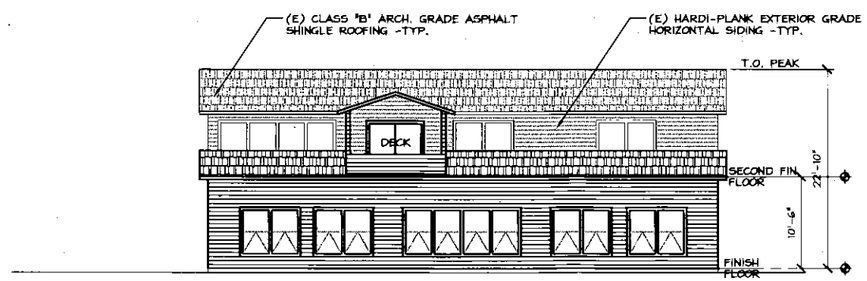
1 EAST ELEVATION
SCALE: 1/8" = 1'-0"



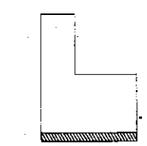


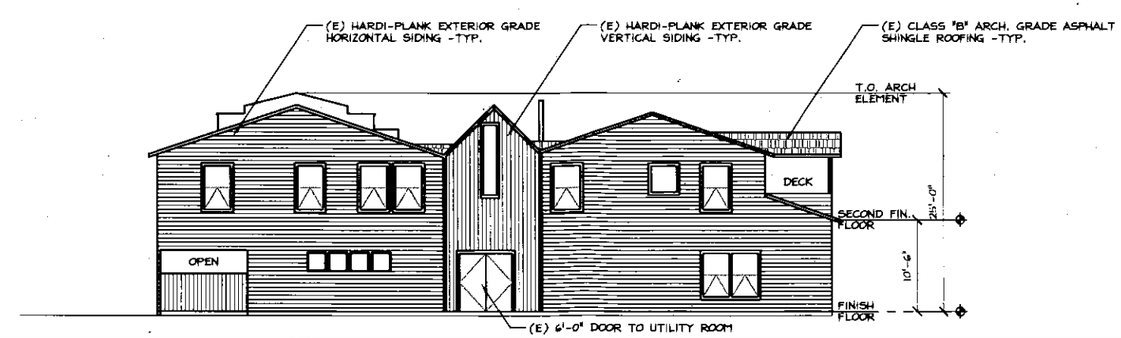
2 SOUTH ELEVATION
SCALE: 1/8" = 1'-0"



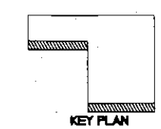


3 WEST ELEVATION
SCALE: 1/8" = 1'-0"





4 NORTH ELEVATION
SCALE: 1/8" = 1'-0"



REVISIONS	DATE	BY	DESCRIPTION

LICENSED ARCHITECT
NOT FOR CONSTRUCTION
Exp. 6/30/19
STATE OF CALIFORNIA

BELLI ARCHITECTURAL GROUP 831. 424. 4620
235 MONTEREY STREET, SUITE B, SALINAS, CA 93901
BELLIAG.COM

EXTERIOR ELEVATIONS

USE PERMIT FOR:
PHAT, LLC.
8022a Moss Landing Road
Moss Landing, CA 95039

DATE	12/22/17
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COMMERCIAL CANNABIS RETAIL FACILITY FOR BOTH RECREATIONAL AND MEDICAL SALES

COASTAL DEVELOPMENT PERMIT

PLN 170300

PREPARED FOR

DIRECTOR OF PLANNING
MONTEREY COUNTY RESOURCE MANAGEMENT/PLANNING AGENCY
COUNTY OF MONTEREY
1441 SCHILLING PLACE
SOUTH SECOND FLOOR
SALINAS, CALIFORNIA 93901

APPLICANT

EAST OF EDEN CANNABIS CO.

PREPARED BY:
LAW OFFICES OF JENNIFER ROSENTHAL IVERSON
POST OFFICE BOX 1021
CARMEL VALLEY, CALIFORNIA 93924
831.625.5193
831.601.9376

Table of Contents

Application

A. Notarized Written Authorization from the Property Owner.....A

B. Name and Address of all Persons and Entities Responsible for the Operation.....B

C. Site Plans, Floor Plans, and General Description of Activities Requested.....C

D. Operations Plan: .....D

D-1. Security Measures

D-2. Standard Operating Procedures Manual: Compliance; Quality Control; Record Keeping for Financing, Testing, and Adverse Effect Recording; Product Recall Procedures

A. Compliance with State and Local Regulations

B. Safety and Quality of Products

C. Record Keeping Procedures

1. Financing

2. Testing

3. Adverse Effect Recording

4. Product Recall Procedures

D-3. Proposed Hours of Operation

D-4. Waste Disposal Information

D-5. Water Management Plan, Proposed Water Supply, and Proposed Conservation Measures

D-6. Medical Recommendation Verification and Youth Access Restriction Procedures

D-7. Product Supply Chain: Where Cultivation Occurs; Where product is Processed or Manufactured; Testing; Transportation; Packaging and Labeling

A. Product Supply Chain

B. Location of Cultivation

C. Location of Processing Cannabis

D. Testing

E. Transportation Plan

F. Packaging and Labeling Criteria

D-8. Record Keeping Policy

D-9. Track and Trace Measures

D-10. Sustainability Measures (Water, Energy, Mechanical Systems, Fuel)

A. Water Efficiency Measures

B. Energy Efficiency Measures

C. High Efficiency Mechanical Systems

D. Alternative Fuel Transportation Methods

D-11. Odor Prevention Devices

D-12. Proposed Signage

D-13. Parking Plan

D-14. Other Information Required by the Director of Planning

A. General Development Plan

B. Response to Post DRC Comment Letter

C. Hazardous Material Questionnaire

D. Weights and Measures Form

E. Additional Application Requirements Depending on Activities Proposed: ..... E

E-1. Cannabis Retailer/Retail Facility:

A. Operational Plans Dealing with Federal Enforcement Policies

G. Required Findings ..... G

COUNTY OF MONTEREY
RESOURCE MANAGEMENT AGENCY - PLANNING
168 WEST ALISAL, 2ND FLOOR, SALINAS, CA 93901
OFFICE: 831.755.5025 FAX: 831.757.9516

DEVELOPMENT PROJECT APPLICATION

This application is for:

- ☐ Combined Development Permit
- ☐ Rezoning
- ☐ Administrative Permit [Coastal/Non-Coastal]
- ☑ Use Permit
- ☐ Variance
- ☐ Design Approval
- ☐ General Development Plan
- ☐ Coastal Development Permit
- ☐ Modification of Conditions
- ☐ Local Coastal Plan Amendment [L.U.P. or C.I.P.]
- ☐ General Plan Amendment
- ☐ Minor Amendment [Coastal/Non-Coastal]
- ☐ Tentative Parcel Map [Minor Subdivision]
- ☐ Tentative Map [Standard Subdivision]
- ☐ Vesting Tentative Map
- ☐ Preliminary Map
- ☐ Preliminary Project Review Map
- ☐ Lot Line Adjustment
- ☐ Revised Final Map
- ☐ Revised Parcel Map
- ☐ Amended Final Map
- ☐ Amended Parcel Map
- ☐ Subdivision Extension Request
- ☑ Commercial Cannabis Use Permit
- ☐ Other _____

1. Owner[s] Name: A.G. Davi
   Address: 484 Washington St. D City: Monterey State: CA
   Telephone: (831) 373.2222 Zip Code: 93940
2. Applicant's Name: Grupo Flor / East of Eden
   Address: 115 Cayuga St. City: Salinas State: CA
   Telephone: (831) 753.1234 Zip Code: 93901
3. Applicant's interest in property [Owner, Buyer, Representative, etc.] Tenant
4. Property address and nearest cross street: 8022a Moss Landing Road, Moss Landing / Sandholdt
5. Assessor's Parcel Number[s]: 133.212.002
6. Current Zoning: LC
7. Property area [acres or square feet]: Tenant area: 2328 SQ./ft.
8. Describe the proposed project: medical and recreational retail space with a delivery service.

9. REZONING OR AMENDMENT ONLY: The applicant wishes to amend Section _____ of the Monterey County Code, from a _____ Zoning District to a _____ Zoning District or some other classification.

10. GENERAL PLAN AMENDMENT OR COASTAL PLAN AMENDMENT ONLY: Describe the proposed amendment: _____

11. SUBDIVISION INFORMATION ONLY: Number of Lots: _____
    Purpose of Subdivision: Sale: ☐ Lease: ☐ Financing: ☐ ☐ Other: _____

12. LOT LINE ADJUSTMENT INFORMATION ONLY: What is the purpose f the adjustment: : _____

    WILL THE ADJUSTMENT RELOCATE THE BUILDING AREA? Yes ☐ No ☐

    ADJUSTED PARCEL SIZE[S]: _____

    Owner's Signature | Owner's Signature
    Owner's Name [Please Print] | Owner's Name [Please Print]
    Assessor's Parcel Number | Assessor's Parcel Number

13. VARIANCES ONLY: Describe the proposed variance: _____

14. If new or additional construction is proposed, complete the following information:

A. Residential Development: Single Family Residence ☐ Other [how many total units] _____

No. of covered parking spaces _____ No. of uncovered parking spaces 7 Lot Coverage _____ %

B. Commercial or Industrial Development: No. of employees [include all shifts] 8

No. of covered parking spaces _____ No. of uncovered parking spaces 7

No. of Loading Spaces _____ Lot Coverage _____ %

15. Will grading or filling be required: Yes ☐ No ☑ Cubic Yards _____

16. Will the project require placement of structures, roads, grading cuts or fills on slopes of 30% or greater: Yes ☐ No ☑

17. Will any trees be removed: Yes ☐ No ☑ If yes, indicate the number, specie[s] and diameter: _____

Other vegetation to be removed: none

18. How will water be supplied: Individual Wells _____ Mutual System _____

Name of Public or Private Water System: Pajaro / Sunny Mesa Water

19. How will sewage or other waste be disposed: public sewer system

Name of Public or Private Sewer System: _____

20. Is this land currently in row crop production: Yes ☐ No ☑

21. Is this land used for grazing: Yes ☐ No ☑

22. Is this land under an Agricultural Preservation Contract: Yes ☐ No ☐ If yes, indicate the Contract No. _____

23. Is this proposed project located on a hazardous waste facility: Yes ☐ No ☐ [Government Code 65962.5]. [A list of hazardous waste sites is maintained by the Environmental Health Dept., Phone 831-755-4500.]

I/We state that as the owner[s] or agent for owner[s] for the development permit application, I/We have read the complete application and know the contents herein. I/We declare under penalty of perjury that the information contained in this application including the plans and documents submitted herewith are true and correct to the best of my/our knowledge. If the project is approved, I/We understand that we may be charged an additional fee for staff time required to satisfy conditions of approval.

Dated: 1-17-2018 *at* Monterey, *California*

I declare under penalty that I am authorized by the owner[s] of the described property to make this application.

Phat LLC / Jeff Dwi
Owner's Name [Please Print or Type]

Jennifer Rosenthal
Agent's Name [Please Print or Type]

Owner's Signature Manager-member

Agent's Signature JRosenthal

Some application fees are charged on a deposit basis. Processing hours in excess of the deposit will be billed to the applicant at an hourly rate, prior to issuance of entitlements or permits. Processing hours less than the original fee will be refunded at the same rate after issuance of the entitlements or permits.

For Department Use Only

Plan Designation: _____ Area Plan / Land Use Plan: Moss Landing Community Plan

Legal Lot: _____ Zoning Violation Case No.: _____

Property Owner Verified: Yes ☐ No ☐ Height: _____ Lot Coverage _____

Setbacks: F _____ R _____ S _____ Special _____ OPL _____

FAR _____ Fire Haz. _____ SRA _____ Flood _____

Advisory Committee: _____

Geo. Hazard Zones: _____ Arch. Sensitivity Zone: HIGH ESH: _____

Misc.: _____

Application Given Out By: Maira Blanco, Assistant Planner Date: 11/2/2017

Application Received By: _____ Date: _____

A

A. Notarized Written Authorization From the Property Owner

Following please find notarized written authorization from Jeff Davi, the authorized signer for Phat, LLC, the property owner of 8022 Moss Landing Road, Moss Landing, California 95039. His property is the subject of this application and in his attached authorization he consents to the operation of the proposed commercial cannabis (adult use and medical) retail facility on his property. Please also see attached grant deed.

I Jeff Davi, I am the manager Phat LLC Et al, which owns the property located 8022 Moss Landing Road, Moss Landing Ca 95039. I have granted permission for Grupp Flor Leasing I, LLC to operate a commercial medical and adult use cannabis business on the property.

Jeff Davi

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this document is attached, and not the truthfulness, accuracy, or validity of that document.

ACKNOWLEDGMENT

STATE OF CALIFORNIA)
)
COUNTY OF MONTEREY)

On December 28, 2017, before me, Kevin Joseph Beckman, a notary public, personally appeared Jeff Davi who provided to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

KEVIN JOSEPH BECKMAN
Notary Public - California
Monterey County
Commission # 2215535
My Comm. Expires Oct 16, 2021

I, Mustafa Bitar, am the managing partner for Grupo Flor Leasing I, LLC, the entity that is the lessee at 8022 Moss Landing Road, Moss Landing, CA 95039 APN 133-212-002-000 and I have granted East of Eden Cannabis Co. permission to operate a commercial medical cannabis business as well as a commercial adult-use/recreational cannabis business on the property.

Mustafa Bitar

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
)
COUNTY OF MONTEREY)

On JANUARY 15, 2018, before me, CHARLES N. LABOSO, a notary public, personally appeared MUSTAFA BITAR who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public

CHARLES N. LABOSO
Commission # 2114707
Notary Public - California
Monterey County
My Comm. Expires Jun 10, 2019

COMMERCIAL LEASE

This Lease, made and entered into on the date appearing in the signature block hereof, by and between Phat LLC Et al, hereinafter referred to as LESSOR and Grupo Flor LLC hereafter referred to as LESSEE, individually and severally and without regard to number or gender.

In consideration of the terms, covenants, conditions and obligation herein contained, to be kept, performed and complied with by Lessee, and upon the condition that Lessee keeps and performs with said terms, covenants, conditions and obligations, Lessor does hereby demise the following certain premises to Lessor.

The premises situated in the City of Moss Landing, County of Monterey, State of California, described as 8022 Moss Landing Road, consisting of approximately 2215 square feet +/- also known as the 'whale house' (the main building on the street leve), upon the following terms and conditions:

1. **TERM.** The term will commence on January 1, 2017, and terminate on December 31, 2021.
2. **RENT.** The base rent will be $ 3000.00 (see schedule), payable on the 1st day of each month, subject to other payments as required under this lease. All rents will be paid to Lessor or authorized agent, at the following address, A.G. Davi Ltd., 484 Washington Street "D" Monterey, CA 93940, or at such other places as may be designated by Lessor from time to time. In the event rent is not paid within 5 days after due date, Lessee agrees to pay a late charge of equal to 10% of the total rent plus interest at 10 % per annum on the delinquent amount. Lessee further agrees to pay $ 45.00 for each dishonored bank check. The late charge period is not a grace period, and Lessor is entitled to make written demand for any rent if not paid when due. Partial months will be pro-rated.
3. **CHRONIC DELINQUENCY:** Chronic delinquency by Lessee in the payment of rent or any other monthly amounts required to be paid by Lessee under this Lease shall constitute a material breach of this Lease. "Chronic delinquency" shall mean the occurrence of any of the following for any three (3) months (consecutive or nonconsecutive) during any twelve (12) month period: (a) failure by Lessee to pay or submit within five (5) days of the due date its Base Monthly Rent and/or other monthly charges, or (b) payment of any reconciliation of operating expenses or payment to vendors when due. This Paragraph shall not limit in anyway, nor be construed as a waiver of the rights and remedies of Lessor provided hereunder or by law in the event of even one instance of delinquency. In the event of chronic delinquency, at Lessor's option, Lessor shall have the right, in addition to all other rights under this Lease and at law, to require that Lessee pay all rent quarterly, in advance.
4. **USE AND CLEANLINESS:** The premises are to be used for the operation of Dispensary for Medical Canabis, and for no other purpose, without prior written consent of Lessor. Lessee will not commit any waste upon the premises, or any nuisance or act, which may disturb the quiet enjoyment of any tenant in the building. Lessee covenants that during Lessee's occupancy of the demised premises, Lessee will not permit said premises to be used for any improper, illegal or immoral purposes or permit Lessee's business to be carried on in such a manner as to be noisy or offensive to others in the vicinity of the demised premises. Lessee further covenant to keep all windows therein clean at all times and free from dust, dirt or other unsightly substances. Lessee shall not use the Premises in any manner that will constitute a nuisance or unreasonable annoyance to other tenants in the building in which the Premises are located, including, without limitation, the use of loudspeakers, or sound or light apparatus that can be heard or seen outside the Premises, or the living or sleeping in, washing cloths, cooking, or the preparation, manufacture or mixing of anything that might emit any odor or objectionable noises, lights or vibrations. No machinery, apparatus or other appliance shall be used or operated in or on the Premises that will in any manner injure, overload, vibrate or shake building in which the Premises are located. Lessor may from time to time promulgate rules and regulations for the use of the real property and Tenant agrees to abide by such rules and regulations. Lessee shall not do anything on the premises, which will overload any existing parking, utility service, and refuse or other areas to the Premises. Pets and/or animals of any type shall not be kept on the Premises. Tenant will not perform any act or carry on any practice that may injure the Premises or the Center, or that may be a nuisance or menace to any other tenant in the Center. No auctions are permitted.

   Lessee acknowledges that neither Lessor nor any agent of Lessor has made any representation or warranty with respect to the Premises, concerning the zoning or uses permissible or with respect to the suitability of the Premises for the conduct of Lessee's business, nor has Lessor agreed to undertake any modification, alteration or improvement to the Premises, except as provided in writing in the Lease. If sound insulation is required to muffle noise produced by Lessee on the Premises, Lessee at its own cost shall provide all necessary insulation.
5. **USES PROHIBITED.** Lessee will not use any portion of the premises for purposes other than those specified. No use will be made or permitted to be made upon the premises, nor acts done, which will increase the existing rate of insurance upon the property, or cause cancellation of insurance policies covering the property. Lessee will not conduct or permit any sale by auction on the premises. No pets will be permitted.
6. **ASSIGNMENT AND SUBLETTING.** Lessee will not assign this Lease or sublet any portion of the premises without prior written consent of the Lessor, which will not be unreasonably withheld. Any such assignment or subletting without consent will be void and, at the option of the Lessor, will terminate this Lease. All Lessor costs associated with this provision is to be paid by Lessee, subject to a minimum of $750.00 for processing and administration fee paid in advance.
7. **ORDINANCES AND STATUTES.** Lessee will comply with all statutes, ordinances, and requirements of all municipal, state and federal authorities now in force, or which may later be in force, regarding the use of the leased premises at Lessee's expense. The commencement or pendency of any state or federal court abatement proceeding affecting the use of the premises will, at the option of the Lessor, be deemed a breach of this Lease.
8. **ACCEPTANCE, MAINTENANCE, REPAIRS. ALTERATIONS OF THE PREMISE.** The premise is accepted as is and unless otherwise indicated, Lessee acknowledges that the premises are in acceptable order and repair. Lessee hereby agrees that the Lessor has no responsibility whatsoever for compliance with the AMERICANS WITH DISABILITIES ACT of 1990, or any maintenance, replacement or repair of any part of said demised

premises. Lessee will, at Lessee own expense, maintain the premises in a good and safe condition at all times, including but not limited to, security, telephone, computer systems, all glass, walls, floors, ceilings, doors, windows, sewer blockage inside the demised, excepting food service uses in which case the Lessee shall be responsible for the sewer blockages both inside and outside the demised premises, electrical wiring, plumbing and heating and air conditioning installations systems (if any), and any other system or equipment. As part of the consideration for this Lease, Lessee agrees to fully maintain the demised premises in a first class order and condition and repair at all time during the term of this Lease at no expense to Lessor. Lessee/Tenant acknowledge Pursuant to California Civil Code section 1938: That Pursuant to California Civil Code Section 1938 that this property has not undergone an inspection by a Certified Access 'specialist' (CASp) to determine if it meets all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53.

8.1 If the use of the premises includes the preparation and or consumption of food or beverage in, about, or away from the premises, Lessee will be responsible for maintenance, repairs and replacement of sewer lines, including sewer lines buried in the earth or concrete, except for sewer lines lying outside the property line which shall be Lessor's responsibility, except where defects are caused or contributed to by Lessee's use and or occupancy of the premises. Lessee agrees to periodically have sewers flushed and cleaned at Lessee's expense and to provide Lessor with copies of invoice confirming the cleaning. Lessee, in accordance with local and state governmental fire and health agencies and regulations, shall install automatic fire suppression systems over commercial cooking equipment and shall install non-combustible metal plates between deep fat fryers and open flame units, all at Lessee's expense and prior to the opening of business. Additionally, Lessee shall:

a) Service and wash said equipment on a regular basis including the washing or exchanging of filters in the hood systems and flues are to be cleaned on a quarterly basis by a licensed flue-cleaning contractor and provide Lessor with copies of invoice or contract confirming the cleaning
b) Lessee shall also provide adequate fire extinguishers as required by law
c) Prior to opening for business and throughout the duration of this Lease, Lessee shall provide Lessor a copy of a contract for pest control abatement for demised premises and the center (if needed) with a local, reliable and licensed pest control firm providing a weekly or monthly pest abatement as maybe needed.

8.2 Lessor has not made a survey of the premise with regard to the presence of hazardous materials and Lessor has no knowledge of the presence of hazardous materials and Lessee upon entry of the demised premises assumes all risk with regard to the same. The premises will be surrendered, at termination of the Lease, in as good condition as received, normal wear and tear excepted. Lessor will be responsible for the roof, exterior walls excluding doors & windows, and structural foundations subject to Article 33. Lessor shall have no responsibility in any respects for damage to property of Lessee or Lessee invitees caused by water, flooding, waves, or fluids of any nature or origin whatsoever.

8.3 Lessee shall not make any improvements on the property without Lessor's consent. In making any alterations that Lessee has a right to make, Lessee shall comply with the following:

a) Lessee shall submit reasonably detailed plans and specifications of the proposed alterations before the commencement of such Lessor approved alterations.
b) The alterations shall not commence until five (5) days after Lessor has received notice from Lessee stating the date the construction is to commence so that Lessor can post and record an appropriate notice of non-responsibility.
c) The proposed improvements shall be approved by all the appropriate government agencies, and all applicable permits and authorizations shall be obtained before commencement of the alterations. All approved improvements shall be completed in the standard workmanship quality.
d) All the appropriate government agencies, and all applicable laws shall approve the proposed improvements.
e) Before commencing the alterations and at all times during construction, Lessee shall maintain insurance as provided for in paragraphs 18 and 19. In addition, contractor shall be licensed and insured and a Certificate of Insurance with liability insurance in the amount of $1,000,000.00 and Worker's Compensation Insurance shall be provided by Lessee's contractor to Lessor within 10 days prior to commencement of any work and said certificate shall name Lessor as additionally insured.
f) Lessee shall pay all costs for construction done by it or caused to be done by it on the premises as permitted by this Lease. Lessee shall keep the improvements and land free and clear of all mechanics' liens resulting from construction done by or for Lessee.

9. **INDEMNIFICATION OF LESSOR. Lessor or its agent will not be liable for any damage or injury to Lessee, or any other person, or to any property, occurring on the premises. Lessee agrees to hold Lessor or its agent harmless from any claims for damages arising out of Lessee's use of the premises, and to indemnify Lessor or its agent for any expense incurred by Lessor in defending any such claims.**
10. **POSSESSION.** If Lessor is unable to deliver possession of the premises at the commencement date set forth above, Lessor will not be liable for any damage caused by the delay, not will this Lease be void or voidable, but Lessee will not be liable for any rent until possession is delivered. Lessee may terminate this Lease if possession is not delivered within 30 days of the commencement term in Item 1, with 15 days written notice.
11. **LESSEE'S INSURANCE.** Lessee, at his or her expense, will maintain glass, public liability, and property damage insurance insuring Lessee and Lessor with minimum coverage of $1,000,000.00 and Lessee will provide Lessor with a Certificate of Insurance showing Lessor and A. G. Davi Ltd. as additional insured during the term of this Lease. During the term of this Lease Lessee shall maintain in full force and effect upon all of Lessee fixtures, betterment's and improvements, equipment, inventory and stock in trade in the demised premises a policy or policies fire plus all risk coverage, and loss of income coverage with an admitted California insurance company rated A+ XIV, at Lessee's expense.
12. **LESSOR'S INSURANCE.** Lessor's insurance will not insure Lessee's personal property, leasehold improvements, or trade fixtures
13. **UTILITIES/ANCILLARY SERVICES.**
    a) Lessee agrees that Lessee will be responsible for the payment of all utilities and ancillary user services delivered to the premises, including but not limited to gas, electric, telephone, cable, telecommunication systems, refuse collection, garbage, refuse and or garbage recycling, water, sewer, city, county, state or federal user fees, assessments and or taxes, storm drain fees taxes or assessments, surcharges, fines

or penalties, interest, late fees, insect and rodent control neighborhood assessments, traffic impact fees and any other ancillary user services cost resulting from the occupancies of the premise by Lessee/Tenant.

b) In the event that certain utilities at said premises are commonly metered, Lessor shall bill to Lessee and Lessee shall pay to Lessor within ten days of statement received by Lessee, such amount as Lessor shall determines to be Lessee's share of usage of any such utilities and ancillary services. Lessor and Lessee agree that Lessee's initial share,(subject to adjustments by Lessor) is $

c) Notwithstanding anything to the contrary contained herein, Lessee/Tenant agrees that Landlord may arrange for professional direct billing to Lessee/Tenant for commonly provided Utilities and or Ancillary Services provided for Lessee/Tenant by the Lessor, and Lessee/Tenant agrees to pay for such direct billing including costs separate from the rent payments owed to Lessor, according to this Lease, and that the costs and direct billing for such services shall not be consider a reduction or offset in the rental payments due Lessor but shall be in addition to the rent. It is understood and agreed between Lessor and Lessee/Tenant that in the event such direct billing payments are not made when due, it shall be considered a substantial default under the Lease and Lessee/Tenant agrees that Lessor may bring summary proceedings for payment and or eviction as if the rent were not paid. All payments due under this certain section 13 shall be deemed additional rent.

14. **SIGNS.** Lessee will not place, maintain, nor permit any sign or awning on any exterior door, wall, or window of the premises without the express written consent of Lessor, which will not be unreasonably withheld, and of appropriate governmental authorities.

15. **HAZARDOUS MATERIALS.** Lessee will not use, store, or dispose of any hazardous substances upon the premises except the use and storage of such substances that are customarily used in Lessee's business, and are in compliance with all environmental laws or regulations applicable to the property. Lessee will be responsible for the cost of removal of any toxic contamination caused by lessee's use of the premises.

16. **ABANDONMENT OF PREMISES.** Lessee will not vacate or abandon the premises at any time during the term of this Lease. If Lessee does abandon or vacate the premises, or is dispossessed by process of law, or otherwise, any personal property belonging to Lessor left on the premises will be deemed to be abandoned, at the option of Lessor.

17. **CONDEMNATION.** If any part of the premises is condemned for public use, and a part remains which is susceptible of occupation by Lessee, this Lease will, as to the part taken, terminate as of the date the condemner acquires possession. Lessee will be required to pay such proportion of the rent for the remaining term as the value of the premises remaining bears to the total value of the premises at the date of condemnation; provided, however, that either party may, at his or her option, terminate this Lease as of the date the condemner acquired possession. In the event that the premises are condemned in whole, or the remainder is not susceptible for use by the Lessee, this Lease will terminate upon the date which the condemner acquires possession. All sums which may be payable on account of any condemnation will belong solely to the Lessor; except that Lessee will be entitled to retain any amount awarded to him or her for his or her trade fixtures and moving expenses.

18. **TRADE FIXTURES.** Any and all improvements made to the premises during the term will belong to the Lessor, except trade fixtures not permanently attached to the premises. Lessee may, upon termination, remove all said trade fixtures, and will pay for all costs necessary to repair any damage to the premises occasioned by the removal.

19. **DAMAGE OR DESTRUCTION OF DEMISED PREMISES:** If the demised premises or the building in which they are situated are totally destroyed or damaged more than thirty percent (30%) in value by fire or the elements during the term of this Lease, Lessor shall thereupon have an election to terminate this Lease. In the event that a government agency by ordinance, regulation, interference or refusal to permit the restoration of the premises and/or the building to substantially the same condition prior to such loss, or restrict the extent of the reconstruction so as to make the property not economically feasible, in the sole discretion of the Lessor, then the Lessor shall thereupon have the option to terminate this Lease, and in the event that Lessor should exercise such election to terminate this Lease, all rights and obligations herein shall cease and terminate, except for rent and other sums accrued and unpaid to date of such destruction or damage. Written notice terminating this Lease pursuant to Lessor's election aforesaid shall be given to Lessee not later than ninety (90) days after such damage or destruction. If the demised premises or the building in which they are situated are so damaged by fire, or the elements, and Lessor does not exercise Lessor's election to terminate said Lease as hereinabove provided, and Lessor restores said demised premises at its own expense then, and in that event, this Lease shall remain in full force and effect. In the event that repairs are to be made pursuant to this paragraph, Lessor shall be entitled to and shall have possession of the necessary parts of said premises for such purpose, and if there is any substantial interference with Lessee's business on account of such repairs, Lessee shall be entitled to a proportionate reduction of rent during the time that said repairs are being made.

If Lessor should elect to repair or rebuild because of any damage or destruction, as hereinabove provided, Lessor's obligation shall be limited to restoration of the demised premises or the building in which they are situated similar to the condition that Lessor provided at the commencement of the term hereof, or any reasonable substitute therefore so long as such substitute meets applicable code requirements, and Lessee shall fully repair or replace all exterior signs, trade fixtures, equipment, display cases, and other installations originally installed by Lessee at its own expense, including, but not limited to, all of Lessee's betterment's and leasehold improvements.

20. **INSOLVENCY.** The appointment of a receiver, an assignment for the benefits of creditors, or the filing of a petition in bankruptcy by or against Lessee, will constitute a breach of this Lease by Lessee.

21. **DEFAULT.** In the event of any breach of this Lease by Lessee, Lessor may, at his or her option, terminate the Lease and recover from Lessee: (a) the worth at the time of award of the unpaid rent which had been earned at the time of termination; (b) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of the award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (c) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonable avoided; and (d) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform his or her obligations under the Lease or which in the ordinary course of things would be likely to result therefrom.
Lessor may, in the alternative, continue this Lease in effect, as long as Lessor does not terminate Lessee's right to possession, and Lessor may enforce all of Lessor's rights and remedies under the Lease, including the right to recover the rent as it becomes due under the Lease. If said breach of Lease continues, Lessor may, at any time thereafter, elect to terminate the Lease.

These provisions will not limit any other rights or remedies, which Lessor may have.

22. **SECURITY.** The security deposit will secure the performance of the Lessee's obligations. Lessor may, but will not be obligated to, apply all or portions of the deposit on account of Lessee's obligations. Any balance remaining upon termination will be returned to Lessee. Lessee will not have the right to apply the security deposit in payment of the last month's rent. No interest will accrue on the deposit or prepaid rent.
23. **DEPOSIT REFUNDS.** The balance of all deposits will be refunded within three (3) weeks (or as otherwise required by law, from date possession is delivered to Lessor or his or her authorized agent, together with a statement showing any charges made against deposits by Lessor.
24. **ATTORNEY FEES.** In any action or proceeding involving a dispute between Lessor and Lessee arising out of this Lease, the prevailing party will be entitled to reasonable attorney fees.
25. **WAIVER.** No failure of Lessor to enforce any term of this Lease will be deemed to be a waiver.
26. **NOTICES.** Any notice which either party may or is required to give, will be given by mailing the notice, postage prepaid, to Lessee at the premises, or to Lessor at the address shown in Item 2, or at such other places as may be designated in writing by the parties from time to time. Notice will be effective five (5) days after mailing, or on personal delivery, or when receipt is acknowledged in writing.
27. **HOLDING OVER.** Any holding over after the expiration of this Lease, with the consent of Owner, will be a month-to-month tenancy at 150% of the monthly rent, payable in advance and otherwise subject to the terms of this Lease, as applicable, until either party will terminate the tenancy by giving the other party thirty (30) days written notice.
28. **HEIRS, ASSIGNS, SUCCESSORS.** This Lease is binding upon and inures to the benefit of the heirs, assigns, and successors of the parties.
29. **REAL PROPERTY TAX REIMBURSEMENT.** Lessee covenants during the term of this lease and extension thereof to pay monthly with the rent Lessee's pro-rated share of any and all real property taxes and assessments levied upon the land and improvements of the leased premises. Lessee share will be 45% of the taxes upon the land and building in which the leased premises are situated. Lessee initial monthly reimbursement is see below. All payments due under this certain section 29 shall be deemed additional rent.
30. **COST OF LIVING INCREASE.** The rent provided for in Item 2 will be adjusted effective the first day of the second lease year and thereafter at twelve-month intervals for so long as this Lease or any extension thereof shall be in effect, unless otherwise agreed in writing by Lessor and Lessee, as follows: on the first day of the second lease year and on the first day of each lease year thereafter (the adjustment dates), the Then Fixed Rent shall become the product of multiplying the then Fixed Rent, by the annual percentage increase as reflected in the Consumer Price Index for All Urban Consumers in the San Francisco – Oakland – San Jose area as published by the Bureau of Labor Statistics, United States Department of Labor or any successor index, for the prior calendar month preceding the adjustment dates subject to a minimum 4%, provided, however, that the monthly rent will not be less than the then Fixed Rent.
31. **LESSOR'S LIABILITY.** In the event of a transfer of Lessor's title or interest to the property during the term of this Lease, Lessee agrees that the grantee of such title or interest will be substituted, as the Lessor under this Lease, and the original Lessor will be relapsed of all further liability; provided, that all deposits will be transferred to the grantee.
32. **ESTOPPEL CERTIFICATE.**
    (a) On ten (10) days' prior written notice from Lessor, Lessee will execute, acknowledge, and deliver to Lessor a statement in writing: [1] certifying that this Lease is unmodified and in full force and effect, (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect), the amount of any security deposit, and the date to which the rent and other charges are paid in advance, if any; and acknowledging that there are not, to Lessee's knowledge, any uncured defaults on the part of Lessor, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective buyer or encumbrancer of the premises.
    (b) At Lessor's option, Lessee's failure to deliver such statement within such time will be a material breach of this Lease or will be conclusive upon Lessee: [1] that this Lease is in full force and effect, without modification except as may be represented by Lessor; [2] that there are no uncured defaults in Lessor's performance; and [3] that not more than one month's rent has been paid in advance.
    (c) If Lessor desires to finance, refinance, or sell the premises, or any part thereof, Lessee agrees to deliver to any lender or buyer designated by Lessor such financial statements of Lessee as may be reasonable required by such lender or buyer. All financial statements will be received by the Lessor or the lender or buyer in confidence and will be used only for the purposes set forth.
33. **COMMON AREA (CAM) (if any).** The term "common area" shall include all areas and facilities in, upon or about the aforementioned premises by Lessor for the non-exclusive use of Lessee in common with other authorized users, and said use is to be in accordance with such Common Area Rules and Regulations. These areas shall include, but are not limited to, parking area, rest-room facilities for those Lessee's without rest rooms within their demised premises, grounds, halls, stairways, walkways and refuse collection area. Lessee agrees to reimburses the Lessor for Lessee share of all of the cost incurred by Lessor in keeping the common area clean, clear and in good condition and repair. Such cost shall include but are not limited to, trash removal, re-surfacing, restriping, sweeping, painting exterior of the buildings, lighting, landscaping, security guards, insurance deductibles, financing costs, real property taxes, and other assessments levied or assessed against the common area and or assessed against Lessor for the common area, all sum expended by Lessor for maintenance, operation, professional management of the property, insurance, planting re-landscaping, painting repairs and replacements, cleaning, janitorial, utilities servicing the common area, and any other cost the Lessor deems necessary in the operation of the common area. Lessees pro rata share of said cost is 45%, which Lessee shall pay along with the monthly rent. Lessee initial monthly reimbursement is see below. Lessor will bill to Lessee any shortage in the cost, which will be payable within 15 days from receipt of notice and any overage shall be credited to Lessee. Lessor will adjust annual the monthly common area cost to reflect the Lessor best estimate of said cost. It is understood and agreed that the common area is not a portion of the premises demised to Lessee hereunder. All payments due under this certain section 33 shall be deemed additional rent.
34. **MRWPCA (SEWER USER FEES).** The term "MRWPCA" shall mean Monterey Regional Water Pollution Control Agency. Lessor and Lessee agree that Lessee will reimburse Lessor for the actual sewer fees charged for Lessee's occupancy, along with the monthly rent. The current fee is $See below. All payments due under this certain section 34 shall be deemed additional rent.
35. **REFUSE COLLECTION.** Lessee covenants and agrees to deposit Lessee's refuse and garbage only in those areas designated by Lessor. Lessee further agrees that Lessee will dispose of any large cardboard, and Lessee shall break down and crush any such cardboard boxes before disposing them. Lessee agrees that Lessee will make every concerted effort to utilize the recycling bins. Lessee shall be billed on a pro-rata basis upon the

percent of use or occupancy of the Lessee to the total leasable square footage of said premises for commonly used refuse collection at the sole discretion of the Lessor. Lessor and Lessee agree that Lessee's percentage is 45%. The current garbage reimbursement estimate is see below per month. All payments due under this certain section 35 shall be deemed additional rent.

36. **ESTIMATED REIMBURSEMENT STATEMENTS.** Lessor and Lessee agree that Lessor may at Lessor's option elect to estimate the approximate reimbursement of the aforementioned common area, utility, property taxes, insurance and other costs as provided for in this lease on a monthly basis. Lessee agrees to pay said amount along with Lessee's monthly rent. Lessor and Lessee further agree that Lessor shall review aforementioned estimated reimbursement amount and Lessor shall adjust said amount to reflect the actual annual costs.
37. **PERSONAL PROPERTY AND LESSEE IMPROVEMENTS.** Lessor and Lessee agree that upon Lessee vacating premises, Lessee shall remove all Lessees' signs and personal property. It is further understood that Lessee shall remove Lessee's improvements subject to Lessor's prior written approval. Lessee further agrees that Lessee shall make necessary repairs and the premises shall be left free of any refuse and in a clean condition. Failure to do so will result in Lessor using, applying or retaining the whole or any part of the security deposit for the payment of any sums which Lessor may be required to spend by reason of Lessee's failure to leave said premises in a clean and orderly state.
38. **INSURANCE REIMBURSEMENT.** Lessee covenants during the term of this Lease or any extension to reimburse Lessor for Lessee's share of any and all insurance cost paid by Lessor of the leased premises along with the monthly rent. Lessee share will be 45%. Each year Lessor shall adjust said monthly cost to reflect the actual cost. The initial year monthly reimbursement is see below. All payments due under this certain section 38 shall be deemed additional rent.
39. **LEASE SQUARE FOOTAGE AGREEMENT.** The Lessee hereby acknowledges that they are leasing the premises they viewed. Square footage of 2,215 is an approximate figure and may not be the sole basis for the monthly rent. Lessee should measure the premises to verify square footage prior to signing the Lease, and must communicate any discrepancy to the Lessor and Lessor's Agent prior to signing the Lease. If Lessee elects not to measure the premises and or not to communicate any discrepancy to Lessor or Lessor's Agent and signs the Lease, Lessee will have no recourse if during the term of this Lease, or later, a discovery of inaccurate square footage is made to the Lessor or Lessor's Agent. The Lessee hereby acknowledges that they physically visited and viewed the premises and acknowledges that regardless of square footage, they are accepting and renting the premises as viewed. Upon mutual execution of this Lease Agreement by Lessor and Lessee, Lessee will not thereafter challenge the square footage and or the determination of the square footage as contained in this Lease Agreement.
40. **LIMITATION TO LESSOR'S PERSONAL LIABILITY.** Lessee shall look solely to Lessor's interest in the building and the land of which the premises forms a part for the recovery of any claims, damages or judgement against Lessor, Lessor agent or property manager and if Lessor, its agent or property manager is (i) a partnership, its partners whether general or limited, or (ii) a corporation, its directors, officers or shareholders, or (iii) a limited liability company, its members or (iv) a trust its beneficiaries, shall never be personally liable for any such claims, damages or judgement.
41. **NUMBER AND GENDER:** Whenever the singular number is used in this Lease and when required by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders, and the word "person" shall include corporation, firm, partnership, or association. If there be more than one Lessee, the obligations imposed herein upon Lessee shall be joint and several.
42. **MARGINAL TITLES:** The marginal headings or titles to the paragraphs of this Lease are not a part of this Lease and shall have no effect upon the construction and interpretation of any part of this Lease.
43. **MODIFICATION AND VOIDANCE OF PRIOR AGREEMENTS:** This instrument contains all the agreements and conditions made between the parties to this Lease and may not be modified orally or in any other manner than by an agreement in writing signed by all of the parties to this Lease or other respective successor or successors in interest. This Lease supersedes any and all prior written and oral agreements between Lessor and Lessee, which such agreements, if any, are void and of no further effect.: This instrument contains all the agreements and conditions made between the parties to this Lease and may not be modified orally or in any other manner than by an agreement in writing signed by all of the parties to this Lease or other respective successor or successors in interest.
44. **TIME OF ESSENCE:** Time is of the essence of each term, covenant, condition and obligation of this Lease.
45. **PAYMENTS NOT IN SUBSTITUTION:** Except as otherwise expressly stated, each payment required to be made by Lessee shall be in addition to and not in substitution for other payments to be made by Lessee.
46. **SUBORDINATION:** This Lease is and shall be subordinate to any encumbrance now of record or recorded after the date of this Lease affecting the building, other improvement, and land of which the premises are a part. Such subordination is effective without any further act of Lessee. Lessee shall from time to time upon request from Lessor execute and deliver any documents or instruments that may be required by a lender to effect any subordination. If Lessee fails to execute and deliver any such documents or instruments, within ten (10) days, Lessee irrevocably constitutes and appoints Lessor as Lessee's special attorney in fact to execute and deliver any such documents or instruments.
47. **WATER USE / SHORTAGE DISCLOSURE / ASSESSMENTS AND FINES:** All parties to this lease acknowledge the following: In Monterey County water is a scarce resource, due to recent drought years, limitations on water use and consumption have been implemented to water users in the past and will continue into the future. These limitations include, but are not limited to: water rationing; limitation/restriction of new fixtures; limitation/restriction to businesses due to potential increase in water use; implementation of fines for overages of water use; implementation of fees resulting from new fixtures or water hookups or increased water use. Lessee hereby agrees to comply and abide by all rules, regulations and policies adopted by the Monterey Water Management District or its successors, including but not limited to the payment of fines, fees and assessments, as a result of the occupancy and use of the premises by Lessee. Lessee shall pay said amounts of pro-rata, or 100% if resulting from Lessee use of premise promptly so as to avoid a lien being placed upon Lessor's property by the district. Lessee may appeal the decision of the district, provided Lessee's action does not create a lien upon Lessor's property. Lessee is hereby informed that if for any reason assessments, fees or fines are imposed upon the property, Lessor may pay such assessments, fees or fines and deduct them from the prepaid rents and/or the security deposit and Lessee shall within ten (10) days from notice, restore the prepaid rents and/or the security deposit, as provided for in this lease. In the event Lessee's actions or lack of actions results in a lien being placed upon Lessor's property, Lessor may, in his sole discretion, declare Lessee in default and terminate this lease upon ten (10) days advance written notice. Lessor further acknowledges that no representation has been

made by Lessor, and A.G. Davi, Ltd. and/or its agents and representatives about the Lessee's right to water use, increase use or installation of additional water fixtures. Lessee agrees to hold harmless and indemnify Lessor, and A.G. Davi, Ltd. and/or its agents or representatives from any liability and costs relating to this issue, including but not limited to assessments, fines, fees, attorney fees and court costs.

48. **NOTICE OF SURRENDER:** Lessee shall, at least thirty (30) days before the date of expiration of this lease, give Lessor a written notice of intention to surrender the leased premises on that date. If such notice is not given, the Lessee shall be liable for rent of one additional month.

49. **REAL ESTATE BROKERAGE FEE:** Lessee warrants to Lessor that there are no Real Estate brokerage fees offered or required in conjunction with this lease which may arise as a result of the execution of this lease and agrees to pay said fees, and hold harmless and indemnify Lessor from any claims for brokerage fees for failure to pay said fee.

50. **ATTORNMENT:** If Lessor conveys in a Sale all of its rights and duties in and to the Lease and/or Premises and the realty underlying the Premises, or if an interest in Lessor or Lessor's equity of redemption or other interest in the Lease and the Premises under a mortgage, deed of trust, pledge or security agreement is foreclosed judicially or nonjudicially, upon the request of Lessor's lawful successor, Lessee shall attorn to said successor, provided said successor accepts the Premises subject to this Lease. The foregoing notwithstanding, in accepting the Premises subject to this Lease, said successor shall not be bound by (i) any prepayment of more than one month's rental (except for payments under Article 7, "Security Deposit") or (ii) any material amendment of this Lease made after the later of the Effective Date or such date as the successor's lien or interest first arose, unless said successor shall have consented to such amendment.

51. **MUTUAL WAIVER OF RIGHT OF SUBROGATION:** Except as may be provided herein, Lessor and Lessee each hereby waives any and all rights of recovery against the other and their respective authorized representatives for damage to any person or to the Premises, and the Building and other improvements in which the Premises are located, and to fixtures, personal property, Lessee's improvements, and alteration of either Lessor or Lessee in or on the Premises and the Building and other improvements in which the Premises are located, arising from any cause insured against under any insurance policies carried by the parties and in force at the time of any such damage. Each party shall cause insurance policy obtained by it to provide that the insurance company waives all right to recover by way of subrogation against either party in connection with damage covered by any policy. The foregoing waivers shall be operative only so long as available in the State of California, and so long as no policy is invalidated thereby.

52. **LIENS:** Lessee covenants to keep the demised premises and any alterations, improvements and changes thereof, free and clear of liens of every kind and character whatsoever during Lessee's occupancy thereof, no matter what the source thereof, or the reason thereof, which may arise from the use of occupancy of said premises by Lessee, or from any work, labor or materials furnished to or performed upon said premises. Lessee further covenants to indemnify and hold Lessor free and harmless of and from any and all loss or damage howsoever arising by virtue of any such liens or claims of lien including any expense reasonably incurred by Lessor in defense against such claims. Lessor shall have the right to post and maintain on the demised premises such notices of non-responsibility or non-liability as Lessor may deem appropriate to avoid any liability for liens.

53. **ACCESSION:** All alterations, improvements, additions or fixtures, other than trade fixtures not permanently affixed to realty, that may be made, constructed or installed upon the demised premises by either Lessee or Lessor and that in any manner are attached to the floors, walls, ceilings, or roof shall become and be the property of Lessor without cost and, at the termination of this Lease, shall remain upon and be surrendered with the premises as a part thereof without disturbance, molestation or damage thereto. Any floor covering that may be cemented, nailed, tacked or otherwise affixed to the floor of the demised premises shall become and be the property of the Lessor. Any light fixture that may be installed by Lessee in, upon or about the demised premises shall become and be the property of Lessor whether such fixture be affixed by screws, bolts, nails or otherwise. All water, sewer, utility, and other governmental use allocations, and all governmental permits shall remain with Lessor, without cost to Lessor at the termination of this Lease.

54. **WASTE:** Lessee shall not commit nor suffer to be committed any waste, legal, equitable, or otherwise, to or upon the demised premises or any part thereof and covenants that at the expiration of the term hereof or any sooner termination thereof, Lessee will quit and surrender up said premises to Lessor peaceably and quietly and in as clean and good condition as said premises now are or may be put into, reasonable use and wear excepted.

55. **PROHIBITED ACTS:** Lessee covenants not to do and not permit to be done, anything in, on or about the premises, and not to bring, nor keep anything therein which will in any way affect fire or other insurance upon the entire property, building, or any of its contents other than as shall be specifically allowed elsewhere in the Lease, nor which will violate any law or regulation which now may be or which may hereafter be enacted or promulgated by any public authority, or which in any way may obstruct or interfere with the rights of others, or injure, or annoy them. Lessee further covenant that should there be an increase in fire or other insurance rates on any insurance held by Lessor on the demised premises which increase is caused by or is attributable to the equipment, installations, alterations, or the business conducted, or us of occupancy by Lessee, the monthly rental to be paid by Lessee shall be raised correspondingly to cover the full increase in such insurance rates.

56. **INSPECTION:** Lessor and Lessor's agents shall have the right to enter into and upon the demised premises at all reasonable times, and in emergencies at all times, for the purposes of inspecting the same, protecting Lessor's reversion, making repairs, additions, or alterations to the premises or to any property owned or controlled by Lessor, or, for any lawful purposes. At any time within ninety (90) days prior to the expiration of the term hereof, Lessor shall have access to the premises for the purpose of exhibiting them to prospective tenants for their inspection and for posting "for lease" or "for rent" signs upon the premises.

57. **BANKRUPTCY OR INSOLVENCY:** If Lessee should execute a voluntary assignment hereof without the written consent of Lessor first had and obtained, or, if there should occur any assignment hereof by operation of law on account of any act of Lessee, or, if Lessee, or any member of Lessee if Lessee be a partnership of joint venture, should file any petition in bankruptcy or any petition for extension or composition of creditors, or become insolvent, or make any assignment of any of Lessee's property for the benefit of Lessee's creditors, or, if any involuntary bankruptcy proceedings should be initiated against Lessee (and Lessee fails to obtain the dismissal of such proceedings within ninety (90) days after same are filed) or, if any receiver be appointed of the business or of the assets of Lessee, this Lease, at the election of Lessor, shall thereupon immediately terminate, and said Lease or any interest in said leasehold, shall not be assignable by any process of law, or treated as an asset of Lessee thereafter, nor shall it pass under the control of any trustee or assignee of Lessee by virtue of any control of any such proceeding or act of Lessee. If any such act or proceeding shall occur, Lessor may terminate this Lease by the mailing of written notice to the Lessee's Address For Notice

stating Lessor's election to so terminate, and all rights of Lessee hereunder shall thereupon terminate, and Lessor may promptly reenter upon said premises.

58. **LESSEE'S IMPROVEMENTS:** Insofar as the space demised to Lessee within said building is concerned, Lessee's obligation shall be to complete those items necessary for Lessee's intended use of the demised premises, all of which must be installed in conformity with the latest applicable local and state rules, regulations, ordinances, and building codes, and in conformity with the plans and specifications, to be prepared by Lessee's architect and submitted to Lessor for Lessor's approval, in writing, prior to commencement of Lessee's work, which said approval by Lessor shall not be unreasonably withheld. Construction shall be diligently prosecuted to completion by Lessee, provided, however, that any prevention, delay or stoppage due to strikes, lock-outs, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefore, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform shall excuse performance by such party for the period equal to any such prevention, delay or stoppage. The acceptance of said premises for the purpose of performing Lessee's work in the premises, as hereinabove defined, shall constitute an acknowledgment by Lessee that the premises are in the condition called for by this Lease and that Lessor has performed all its work with respect to the premises. All of Lessee's work shall be done on a lien-free basis and shall be completed free and clear of all liens recorded or recordable pursuant to the provisions of the Civil Code of the State of California relating to mechanic's liens (Section 3109 et. seq.).

59. **SURRENDER OF PREMISES:** Upon expiration or termination of this Lease, Lessee shall surrender possession of the premises in the condition required by this Lease, and Lessee shall, at Lessee's expense, a) remove all signage from the exterior and interior of the premises and or building and or common areas, and (b) remove all Lessees trade fixtures and personal property and those claiming under Lessee from the premises and the property, subject to the limitation, of this Lease agreement, and (c) clean the premises including, but not limited to windows, carpets, floors, walls, ceilings, (d) paint the interior of the premise a color acceptable to Lessor, and (e) quit and deliver up the premises peaceable and quietly and in as good order and conditions as the same were in on the date the term of this Lease commenced, ordinary wear and tear excepted. Additionally, all Lessee alterations of the premises, at the election of the Lessor, will be removed and the premises will be returned to the conditions as at the time of the commencement of this Lease, at the expense of the Lessee,(e) surrender all keys, any key cards, and any parking stickers or cards, to Landlord, and advise Landlord as to the combination of any locks or vaults then remaining in the Premises.

60. **MISCELLANEOUS PROVISIONS**

a) **Severability.** It is agreed that, if any provision of this Lease shall be determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision of this Lease and all such other provisions shall remain in full force and effect. It is the intention of the parties hereto that, if any provisions of this Lease is capable of two (2) constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

b) **Warranty of Authority.** If Lessee is a corporation, the person or persons executing this Lease on behalf of Lessee hereby covenant and warrant as of the Effective Date that: (a) Lessee is a duly constituted corporation, qualified to do business in the State where the Center is located; (b) Lessee has paid all applicable franchise and corporate taxes; and (c) Lessee will file when due all future forms, reports, fees and other documents necessary to comply with applicable laws.

c) **Right to Lease.** Lessor reserves the absolute right to effect such other tenancies in the Center as Landlord, in the exercise of its sole business judgement, shall determine to best promote the interest of the Center. Lessee does not rely on the fact, nor does Lessor represent, that there shall be any specific occupants or number of occupants of space in the Center after the Effective Date.

d) **Waiver of Rights of Redemption.** Lessee hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event Lessee is evicted or dispossessed for any cause or in the event Lessor obtains possession of the Premises by reason of the violation by Lessee of any of the terms, covenants and conditions of this Lease or otherwise. The rights given to Lessor herein are in addition to any rights that may be given to Lessor by any statute or otherwise.

e) **Flood/Flood Disaster Disclosure.** Lessee is hereby advised that the subject property may be located within a Flood Area and that the Lessor or possible previous Lessor may have received Federal Flood Assistance in the past. Lessee hereby agrees to investigate the matter, including the availability of Flood Insurance and agrees to accept the premises with this understanding. Additionally lessee agrees to hold harmless and free from any liability, and to indemnify the Lessor, Lessor agent and Lessor property manager from any loss or liability resulting therefrom.

f) **Earthquake and Seismic Hazard Area.** Lessee is hereby advised that the subject property is located within an Earthquake and Seismic Hazard Area and that Lessor does not maintain Earthquake Insurance on the building. Lessee accepts the premises with this knowledge and understands that it is the lessee responsibility to investigate this matter, and to obtain insurance coverage on lessee personal property. Lessee holds harmless and free of any liability, and will indemnify, the Lessor, Lessor agents and property manager, from any loss or liability resulting therefrom.

g) **Agency Disclosure.** Lessee acknowledges and agrees that A.G. Davi Ltd. is the Lessor agent and or property manager and is only representing "the Lessor exclusively". Lessor recommends that Lessee obtain professional advice and to engage legal counsel for lessee own representation.

<u>Calculation of Estimated Monthly Rent as of the first month of the lease</u>: *(all parties acknowledge that this estimate is based on the initial month of the lease and that the figures relating to triple net below can change at any time during the term of the lease.)*

Base Rent:	$3,000.00	Parking fee:	$n/a
CAM:	$250.00	Utilities:	$5.00
Insurance:	$112.50	Refuse:	$36.00
Taxes:	$344.25	MRWPCA:	$20.00

Total amount due	$6,767.75

Total Monthly	$3,767.75
Security Deposit	$3,000.00
Prepaid Rent	n/a

61. **ENTIRE AGREEMENT.** The foregoing constitutes the entire agreement between the parties and may be modified only in writing signed by all parties. The following exhibits are a part of this Lease:

Exhibit A: _____ Exhibit B: _____ ADDENDUM: ONE (attached here to and made a part of this lease) & OPTION TO EXTEND AGREEMENT

The undersigned Lessor and Lessee acknowledges receipt of a copy of this Lease and have thoroughly read, understand and approve of each of the provisions contained in this Lease, and agree to the terms and conditions specified.

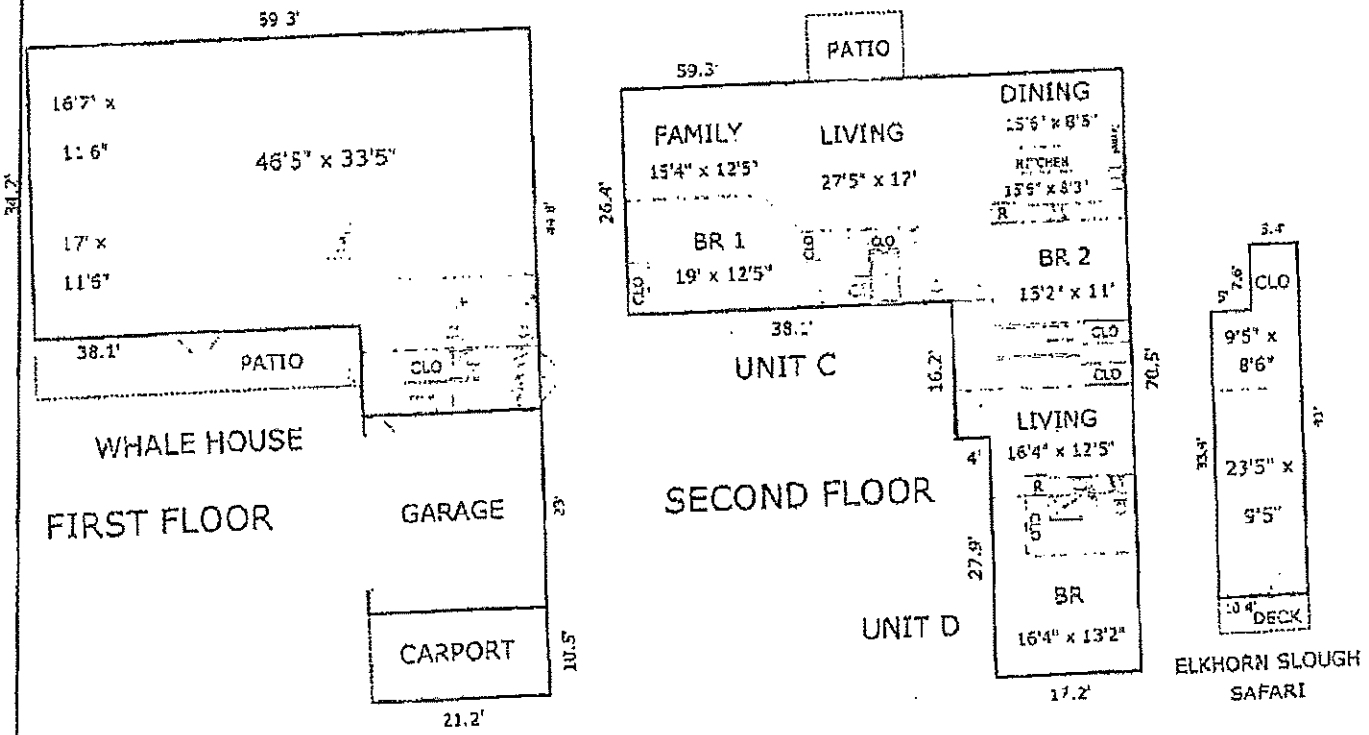
Lessor _____ Date 12/27/10 Lessor _____ Date 12/31/2010

Lessee _____ Date _____ Lessee _____ Date _____

LEASE EXHIBIT "A"

Schematic Location of Demised Premises
(Not to scale)

8022 MOSS LANDING ROAD, MOSS LANDING, CA 95039



Lessor _____ Lessee _____

LEASE ADDENDUM "2"

CONDITIONAL OPTION TO EXTEND TERM

This Addendum to that certain Lease entered into on **January 1, 2017**, by and between **Phat LLC ET AL** (hereinafter referred to as Lessor), and **Grupo Flor LLC** jointly and severally, (hereinafter referred to as Lessee), is made on the date appearing in the signature block below, by and between the same parties.

WHEREAS, Lessor and Lessee have entered into a Lease with an commencement date of **January 1, 2017** and an expiration date of **December 31, 2021** for the premises located at **8022 Moss Landing Road Main Floor**, hereinafter the Lease,

WHEREAS, Lessor and Lessee wish to amend the above mentioned Lease,

NOW THEREFORE, Lessor and Lessee do further agree as follows:

If Lessee is not in default in the performance of any of Lessee's obligations thereunder, Lessor hereby grants to Lessee an option to extend the term of the Lease, subject to: (a) subject to similar terms and conditions thereof, (b) that Landlord shall make no improvements to the premises, and (c) that Lessee has not assign, sublet, transferred, sold, mortgaged or hypothecated this lease; (d) Lessee has not and is not in delinquent in the rental payments, for an additional successive period (s) of Five (5) Years. Such additional term to commence upon the date following the final day of the term granted herein, and subject to rental amount for such option period to be as agreed upon by Lessor and Lessee, as provided herein: To exercise Lessee's option, Lessee shall give to Lessor notice in writing by registered or address for notice provided herein, not sooner than eight (8) months prior to the expiration of the term hereof and not later than six (6) months prior to the expiration of the term hereof. Upon receipt of the notice of Lessee's exercise of said option, Lessor and Lessee shall endeavor to reach an agreement upon the rental for the term of said option period. If such agreement cannot be accomplished on hundred twenty (120) days prior to the date on which the term of said option period commences, the option right is hereby terminated and Lessee agrees to permit "For Lease" signs in the window or the exterior front of demised premise, if agreement is not reached, as required above.

IN WITNESS WHEREOF, the above-named parties hereto have: (a) set their hands the date first hereinabove written, (b) acknowledge receipt of a copy hereof, and (c) have read, understand and agree to all of the above.

LESSOR:	LESSEE:
Phat LLC ET AL	Grupo Flor LLC
12/31/2016	12/27/16
Dated	Dated

Addendum No. 1

This Addendum entered on **January 1, 2017**, by and between **Phat LLC ET AL** (hereinafter referred to as Lessor), and **Grupo Flor LLC** jointly and severally, (hereinafter referred to as Lessee or Tenant), is made on the date appearing above, by and between the Lessor and Lessee.

WHEREAS, Lessor and Lessee have entered into a Lease with a commencement date of **January 1, 2017**, and an expiration date of **December 31, 2021** for the premises located at **8022 Moss Landing Road ("whalehouse" Main floor)**, hereinafter the Lease, and,

WHEREAS, Lessor and Lessee wish to amend the above mentioned Lease,

NOW THEREFORE, Lessor and Lessee do further agree as follows:

1. This lease is subject to the Tenant Obtaining the necessary licenses from the County to operate a dispensary for the sale of cannabis.
2. The following is the rent schedule effective after 8 months of the lease, starting on September 1, 2017:
   9/1/2017 Base Rent increases to $7500.00 plus triple net plus percentage of gross sales pursuant to the next paragraph of this Addendum No 1.
3. Percentage of Sales: Effective as of September 1, 2017, (or earlier if able to open for business) The Base Rent will also become subject to a percentage of sales of the business total sales based on a percentage of 4% (four) This additional rent will be calculated and paid every quarter to the Lessor and will be subject to confirmation or Audit by Lessor at any time. It is agreed that the base rent (not including triple net) or annual CPI increases) with the percentage of sales will not exceed $15,000 per month, when and if it does then the base rent and percentage rent will be capped at that figure. This cap will not carry forward to any renewals, extensions, or options.
4. Tenant is a California Limited Liability Company; the following individuals will be signing the lease and will personally guaranty this lease: _____/ _____.
5. If the Federal Government files any action, or threatens to act (by stating so in writing) against the Lessor, Owner+ or manager of this property because of the use, then the lease may be cancelled at the sole discretion of the lessor/owner. If Lessor decides to cancel the lease, the lessor/owner can do so with 30 day written notice to tenant.
6. Tenant may rent the upstairs apartment unit C consisting of 1021 sq.ft. at a reduced rate of $2500 per month plus utilities provided they inform the Manager of their intent to do so before December 8, 2016.

All of the terms and conditions of said original lease except as herein modified are to remain in full force and effect and are made a part of this agreement.

IN WITNESS, WHEREOF, the above named parties hereto have:
A) Set their hands the date first hereinabove written,
B) Acknowledged receipt of a copy hereof, and
C) Have read, understood and agreed to all of the above.

DATE: 12/31/2016

Phat LLC by Jeff Davi Managing Member

DATE: 12/27/16

Grupo Flor by Mike Bilbeu

Grupo Flor by _____

Stephen L. Vagnini
Monterey County Recorder

CRALMA
11/30/2016
12:22 PM

CHICAGO TITLE-ER SIMPLIFILE

DOCUMENT: 2016073028

Titles: 1	Pages: 4
Fees	21.00
Taxes ...	990.00
Other ...	.00
AMT PAID	$1011.00

RECORDING REQUESTED BY:
Chicago Title Company

When Recorded Mail Document and Tax Statement To:
PHAT, LLC
P. O. BOX 2350
MONTEREY, CA 93942

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Escrow Order No.: FWMN-5251600544

Property Address: 8022 Moss Landing Road,
Moss Landing, CA 95039
APN/Parcel ID(s): 133-212-002

GRANT DEED

The undersigned grantor(s) declare(s)

☐ This transfer is exempt from the documentary transfer tax.
☑ **The documentary transfer tax is $990.00** and is computed on:
  ☑ the full value of the interest or property conveyed.
  ☐ the full value less the liens or encumbrances remaining thereon at the time of sale.
The property is located in ☑ an Unincorporated area

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Margaret Shirrel, Trustee of The 1997 Margaret Shirrel Revocable Trust dated November 3, 1997

hereby GRANT(S) to

PHAT, LLC, a limited liability company

the following described real property in the Unincorporated Area of of the County of Monterey, State of California:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

MAIL TAX STATEMENTS AS DIRECTED ABOVE

GRANT DEED
(continued)

APN/Parcel ID(s): 133-212-002

Dated: November 28, 2016

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

The 1997 Margaret Shirrel Revocable Trust dated November 3, 1997

BY: Margaret Shirrel
Margaret Shirrel
Trustee

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Monterey

On 11-28-2016 before me, Gerry E. Wiles, Notary Public,
(here insert name and title of the officer)

personally appeared Margaret Shirrel,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Gerry E. Wiles
Signature

(Seal)

GERRY E. WILES
Commission # 2026967
Notary Public - California
Monterey County
My Comm. Expires Jun 28, 2017

EXHIBIT "A"
Legal Description

For APN/Parcel ID(s): 133-212-002

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA IN COUNTY OF MONTEREY, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL I:

That portion of the Rancho Bolsa Nueva Y Moro Cojo, described as follows:

Beginning at a point on the Westerly side of the county road leading from Castroville to Moss Landing at a point distant Southerly, 50 feet from a post marked "M" at a point where the Westerly line of said county road intersects the Southerly side of a 19 foot alley leading Westerly therefrom; thence from said point of beginning; running along the Westerly line of said county road,

(1) Southerly, 19 feet to a point: thence parallel to the Southerly side of said 19 foot alley,

(2) Westerly, 150 feet to the Westerly boundary line of the property described in the Deed to Thomas Lehman, recorded February 24, 1915 in Book 138, Page 136, of Deeds, Monterey County Records; thence running along said Westerly boundary line of the property described in said last mentioned Deed,

(3) Northerly, 19 feet, more or less, to the Southwest corner of the tract of land conveyed in the Deed to Michael Hanson, recorded May 12, 1924 in Book 38, Page 272, Official Records of Monterey County, California; thence along the Southerly line of the property so conveyed to Michel Hanson and the Southerly line of the property conveyed in the Deed to Fred Gomez, recorded November 30, 1925 in Book 70, Page 328, Official Records of Monterey County, California,

(4) Easterly, 150 feet, more or less, to the point of beginning.

PARCEL II:

The Westerly 75 feet, also being the Westerly 1/2 of the following described tract of land, being that portion of the Bolsa Nueva Y Moro Cojo Rancho, in said County of Monterey, State of California, comprising the Northerly 50 feet of the tract of land conveyed in the Deed to Thos. Lehman, dated February 16, 1915 and recorded in Volume 138, Page 136, of Deeds, Monterey County Records, described as follows:

Beginning at a corner 'M" at a point where the Westerly line of the county road leading from Castroville to Moss Landing intersects the Southerly side of a 19 foot alley leading Westerly therefrom; thence along said Westerly side of the county road,

(1) Southerly, 50 feet; thence leaving said county road and running at right angles thereto,

(2) Westerly, 150 feet to the Westerly boundary of the Lehman tract; thence along said Westerly boundary and parallel with said county road,

(3) Northerly, 50 feet to the Northwesterly corner of said Lehman tract; thence at right angles, along the Northerly boundary of said tract and the Southerly side of said 19 foot alley before mentioned,

(4) Easterly, 150 feet to the point of beginning.

PARCEL III:

EXHIBIT "A"

Legal Description
(continued)

The easterly 75 feet, also being the Easterly 1/2 of the following described tract of land, being that portion of the Bolsa Nueva Y Moro Cojo Rancho, in said County of Monterey, State of California, comprising the Northerly 50 feet of the tract of land conveyed in the Deed to Thos. Lehman, dated February 16, 1915 and recorded in Volume 138, Page 136, of Deeds, Monterey County Records, described as follows:

Beginning at a corner 'M" at a point where the Westerly line of the county road leading from Castroville to Moss Landing intersects the Southerly side of a 19 foot alley leading Westerly therefrom; thence along said Westerly side of the county road,

(1) Southerly, 50 feet; thence leaving said county road and running at right angles thereto,

(2) Westerly, 150 feet to the Westerly boundary of the Lehman tract; thence along said Westerly boundary and parallel with said county road,

(3) Northerly, 50 feet to the Northwesterly corner of said Lehman tract; thence at right angles, along the Northerly boundary of said tract and the Southerly side of said 19 foot alley before mentioned,

(4) Easterly, 150 feet to the point of beginning.

B

B. Name and Address of All Persons and Entities Responsible For the Operation

Attached please find the names and addresses of all persons responsible for the operation.

GAVIN KOGAN

Name: Gavin Elliot Kogan

Address: 115 Cayuga Street, Salinas, CA 93901

STEPHEN KIM

Name: Stephen Harry Kim

Address: 328 W. Alisal Street, Salinas, CA 93901

KASRA AJIR

Name: Kasra Ajir

Address: 11 Mentone Road, Carmel, CA 93923

OMAR BITAR

Name: Omar Walid Bitar

Address: 1212 Palermo Drive, Salinas, CA 93905

SALVATORE PALMA

Name: Salvatore "Sal" Palma

Address: 356 Dela Vina Ave. #4, Monterey, CA 93940

ENTITIES:

Name: East of Eden Cannabis Co.

Address: 115 Cayuga Street, Salinas, CA 93901

Name: Higher Level of Care

Address: 356 Dela Vina Ave. #4, Monterey, CA 93940

C

C. Site Plans, Floor Plans, and General Description of Activities Requested

Please see the enclosed site plan.

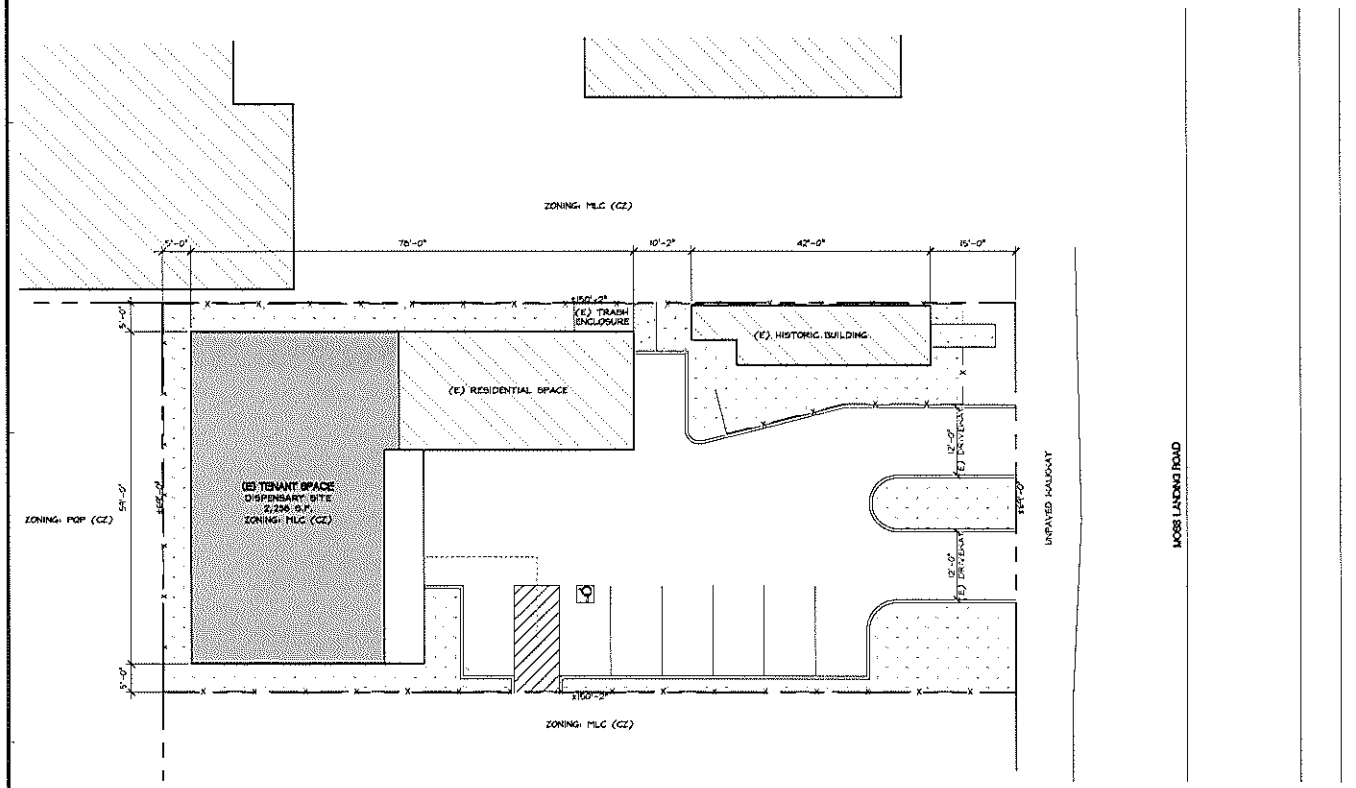
The proposed cannabis activities center around being a recreational and medical retail facility and also providing delivery services. Currently there is not cannabis activity taking place in the premises. The current building was built for retail space and is vacant and has never been open.

Moderate alterations are being proposed to update the restrooms to bring them into compliance with ADA requirements. All building permits will be sought prior to the commencement of work.

USE PERMIT FOR:

PHAT, LLC.

8022 MOSS LANDING ROAD
MOSS LANDING, CA 95039



LEGEND

- (E) PROPERTY LINE
- ACCESSIBLE PATH OF TRAVEL TO BUILDING ENTRANCE
- (E) FENCE
- (E) TENANT SPACE, IN PROJECT SCOPE
- (E) BUILDING/TENANT SPACE, NOT IN PROJECT SCOPE
- (E) LANDSCAPING
- (E) CONCRETE WALKWAY
- (E) A/C PAVING

1 SITE PLAN
SCALE 1" = 10'-0"

PROJECT NORTH

PROJECT DATA #PLN170300

PROPERTY OWNER: A.G. DAVI
363 WASHINGTON STREET SUITE D
MONTEREY, CA 93940

PROJECT ADDRESS: 8022 MOSS LANDING ROAD
MOSS LANDING, CA 95039

PARCEL SIZE: 10,222 S.F. (0.22 ACRES)

LOT COVERAGE: 4,469 S.F. (44%)

TENANT AREA: 2,326 S.F. (23%)

FLOOR AREA RATIO: 6,099 S.F. (59%)

IMPERVIOUS COVERAGE: BUILDING: 4,469 S.F.
OTHER: 3,462 S.F.
TOTAL: 8,931 (82%)

LANDSCAPING AREA: 1,791 S.F. (18%)

TREE REMOVAL: NONE

GRADING VOLUME: NONE

OPERATOR: PHAT, LLC.
115 CAYUGA STREET
SALINAS, CA 93901

APN: 133-212-002-000

ZONING: MLC (CZ)

USE: MOSS LANDING COMMERCIAL

JURISDICTION: COUNTY OF MONTEREY

USE DESIGNATION: DISPENSARY

REQUIRED PARKING: TBD

PARKING PROVIDED: (E) TO REMAIN

INCLUDES ADA PKG: 1 VAN ACCESSIBLE

PROJECT DESCRIPTION: USE EXISTING TENANT SPACE FOR THE SALE OF MEDICAL CANNABIS.

CODES: 2016 CBC - CALIFORNIA BUILDING CODE
2016 CPC - CALIFORNIA PLUMBING CODE
2016 CMC - CALIFORNIA MECHANICAL CODE
2016 CEC - CALIFORNIA ELECTRICAL CODE
2016 CFC - CALIFORNIA FIRE CODE
2016 CALIFORNIA TITLE 24 ENERGY REQUIREMENTS
2016 CALIFORNIA AMENDMENTS

BUILDING DATA

BUILDING DESCRIPTION: EXISTING WOOD STRUCTURE
CONSTRUCTION TYPE: V-B, NON-SPRINKLERED
EXISTING OCC. GROUP: M, R-2
NEW OCC. GROUP: M, R-2
USE DESCRIPTION: (E) RETAIL SPACE
STORIES: 1
BUILDING HEIGHT: <35'-0"
TENANT GROSS S.F.: 2,326 S.F.

PROJECT TEAM

OPERATOR:
PHAT, LLC.
CONTACT: KAZ AJIR
PHONE: (831) 277-4520

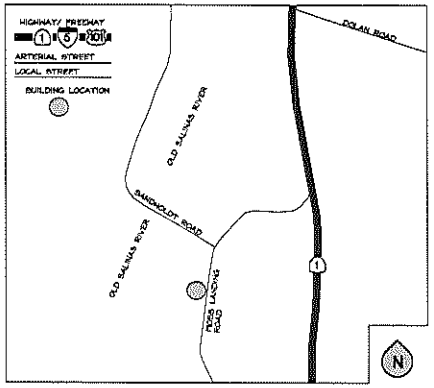
ARCHITECT:
BELLI ARCHITECTURAL GROUP
CONTACT: LINO BELLI
PHONE: (831) 424-4620
FAX: (831) 424-4406

SHEET INDEX

T1.1 TITLE SHEET

ARCHITECTURAL

A2.0 EXISTING/DEMOLITION FLOOR PLAN
A2.1 CONSTRUCTION FLOOR PLAN
A2.2 FIXTURE FLOOR PLAN
A4.1 EXTERIOR ELEVATIONS



VICINITY MAP

NO SCALE

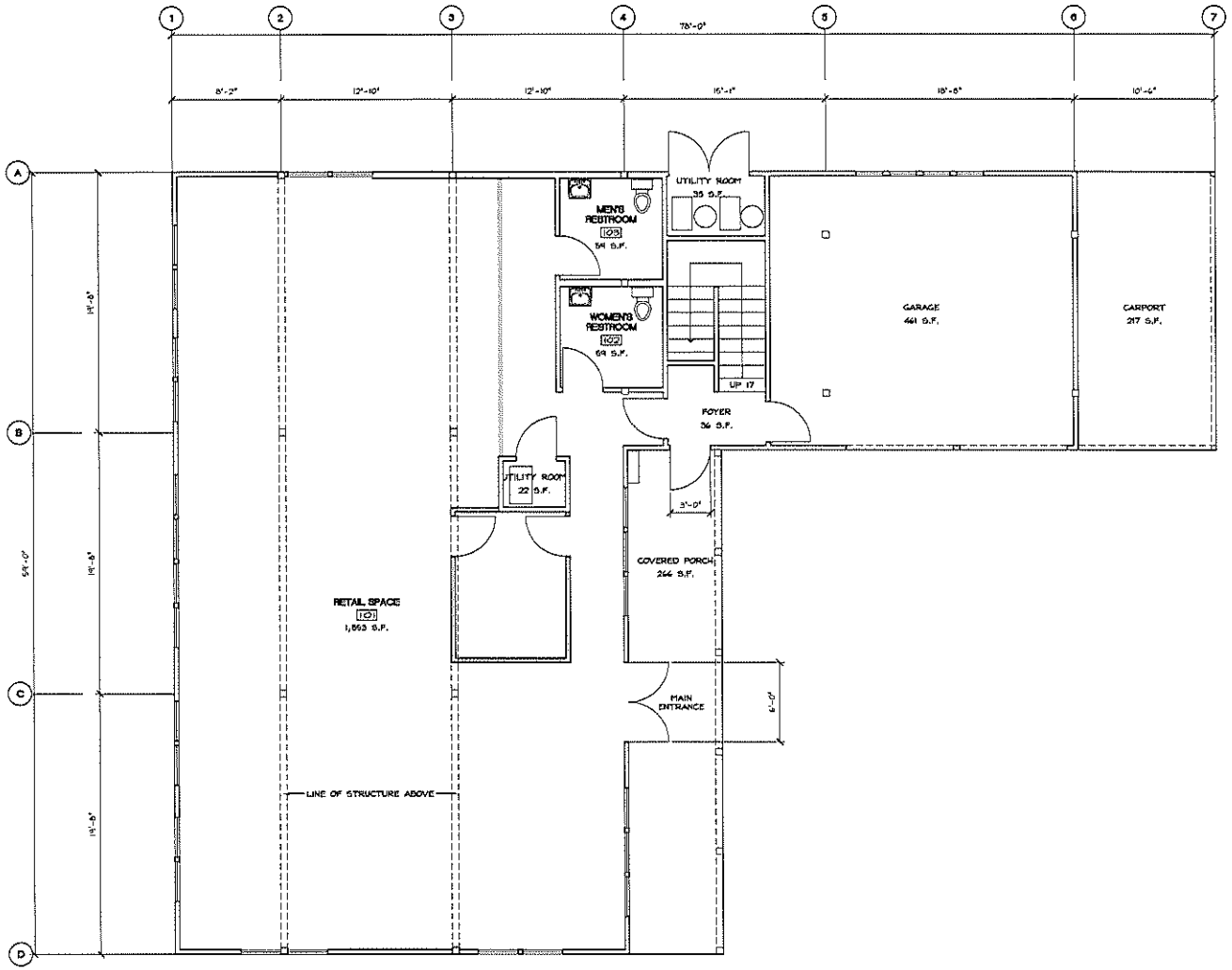
REVISIONS	DATE	BY	DESCRIPTION

NOT FOR CONSTRUCTION

BELLI ARCHITECTURAL GROUP 831. 424. 4620
233 MONTEREY STREET, SUITE B, SALINAS, CA 93901
BELLIAG.COM

TITLE SHEET
USE PERMIT FOR:
PHAT, LLC.
8022 Moss Landing Road
Moss Landing, CA 95039

DATE 12/22/17
SCALE AS NOTED
DRAWN JC
JOB 17026
SHEET T1.1



1 EXISTING GROUND FLOOR PLAN
SCALE 1/4" = 1'-0"

PROJECT NORTH

REVISIONS	DATE	BY	DESCRIPTION

LICENSED ARCHITECT
NOT FOR CONSTRUCTION
EXP. 6/30/19
STATE OF CALIFORNIA

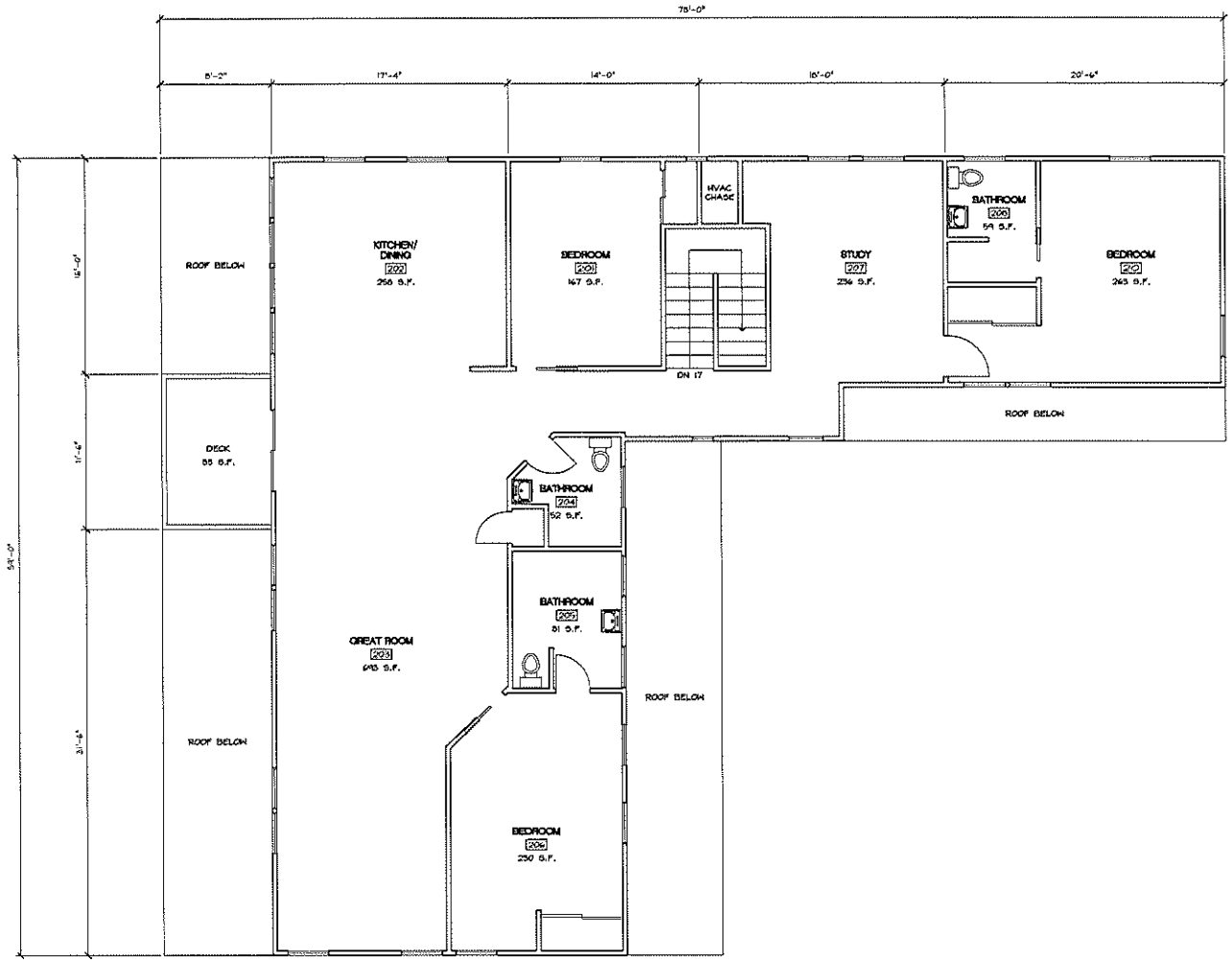
BELLI ARCHITECTURAL GROUP 801. 424. 4023
255 MONTEREY STREET, SUITE E SALINAS, CA 93901
BELLIAG.COM

BELLI ARCHITECTURAL GROUP

EXISTING GROUND FLOOR PLAN

USE PERMIT FOR:
PHAT, LLC.
5072a Pine Landing Road
New Longing, CA 95031

DATE	12/22/17
SCALE	AS NOTED
DRAWN	JC
JOB	17026
SHEET	A2.1



1 EXISTING SECOND FLOOR PLAN
SCALE 1/4" = 1'-0"

PROJECT NORTH

REVISIONS	DATE	BY	DESCRIPTION

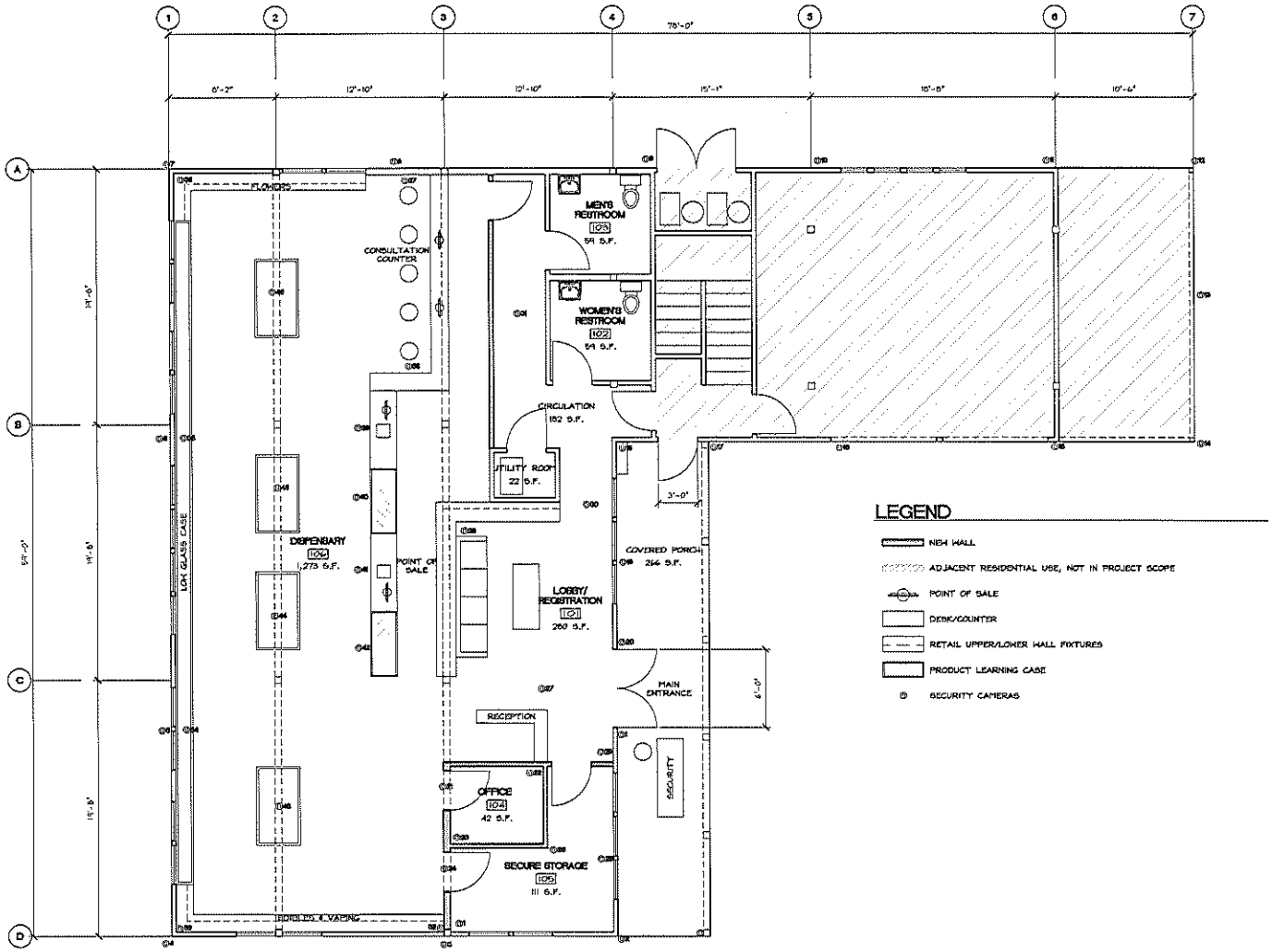
NOT FOR CONSTRUCTION
Exp. 6/30/19

BELLI ARCHITECTURAL GROUP 831. 424. 4530
250 MONTEREY STREET, SUITE B SALINAS, CA 93901
BELLIAG.COM

EXISTING SECOND FLOOR PLAN

USE PERMIT FOR:
PHAT, LLC.
16723a Moss Landing Road
Moss Landing, CA 95039

DATE	12/22/17
SCALE	AS NOTED
DRAWN	JC
JOB	17026
SHEET	A2.2



LEGEND

- NEW WALL
- ADJACENT RESIDENTIAL USE, NOT IN PROJECT SCOPE
- POINT OF SALE
- DESK/COUNTER
- RETAIL UPPER/LOWER WALL FIXTURES
- PRODUCT LEARNING CASE
- SECURITY CAMERAS

PROJECT NORTH

1 PROPOSED GROUND FLOOR/FIXTURE PLAN
SCALE: 1/4" = 1'-0"

REVISIONS	DATE	BY	DESCRIPTION

NOT FOR CONSTRUCTION

BELLI ARCHITECTURAL GROUP 831. 424. 4620
255 MONTEREY STREET, SUITE B, SALINAS, CA 93901
BELLIAG.COM

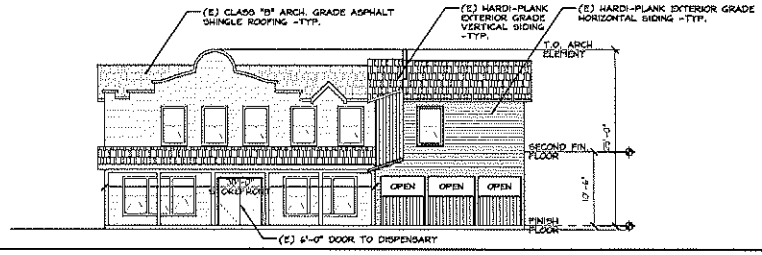
PROPOSED GROUND FLOOR/FIXTURE PLAN

USE PERMIT FOR:
PHAT, LLC.
8022a Tres Landing Road
Tres Landing, CA 95251

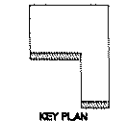
DATE	12/22/17
SCALE	AS NOTED
DRAWN	JC
JOB	17026
SHEET	A23

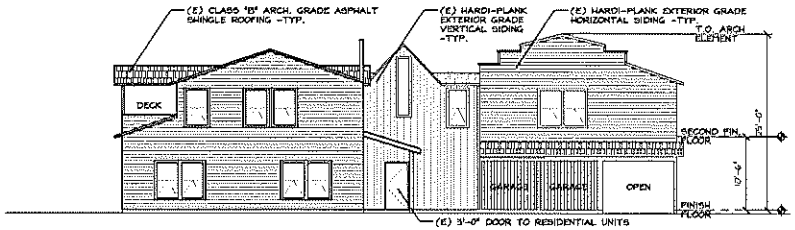
SIGNAGE NOTES

SIGNAGE ALLOWED: 1 S.F. PER LINEAR FOOT OF STOREFRONT
(E) 35'-0" LINEAR FT OF STOREFRONT
(N) X S.F. SIGNAGE
(N) X S.F. SIGNAGE
TOTAL: 40 S.F. SIGNAGE < 35 S.F. ALLOWED

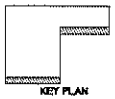


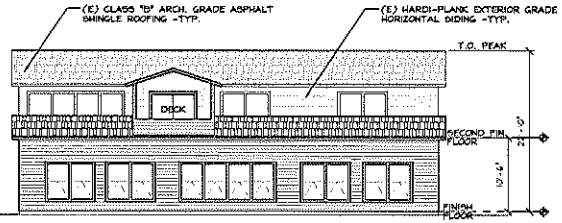
1 EAST ELEVATION
SCALE 1/8" = 1'-0"



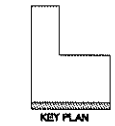


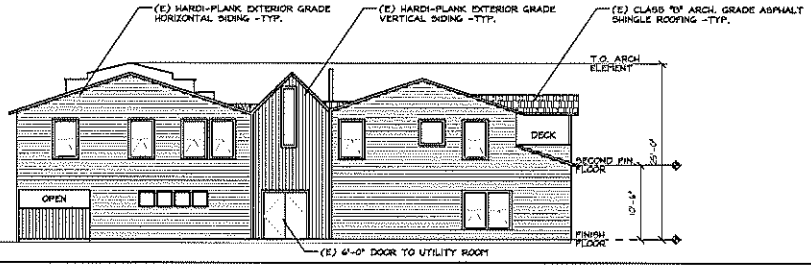
2 SOUTH ELEVATION
SCALE 1/8" = 1'-0"



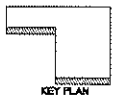


3 WEST ELEVATION
SCALE 1/8" = 1'-0"





4 NORTH ELEVATION
SCALE 1/8" = 1'-0"



REVISIONS	DATE	BY	DESCRIPTION

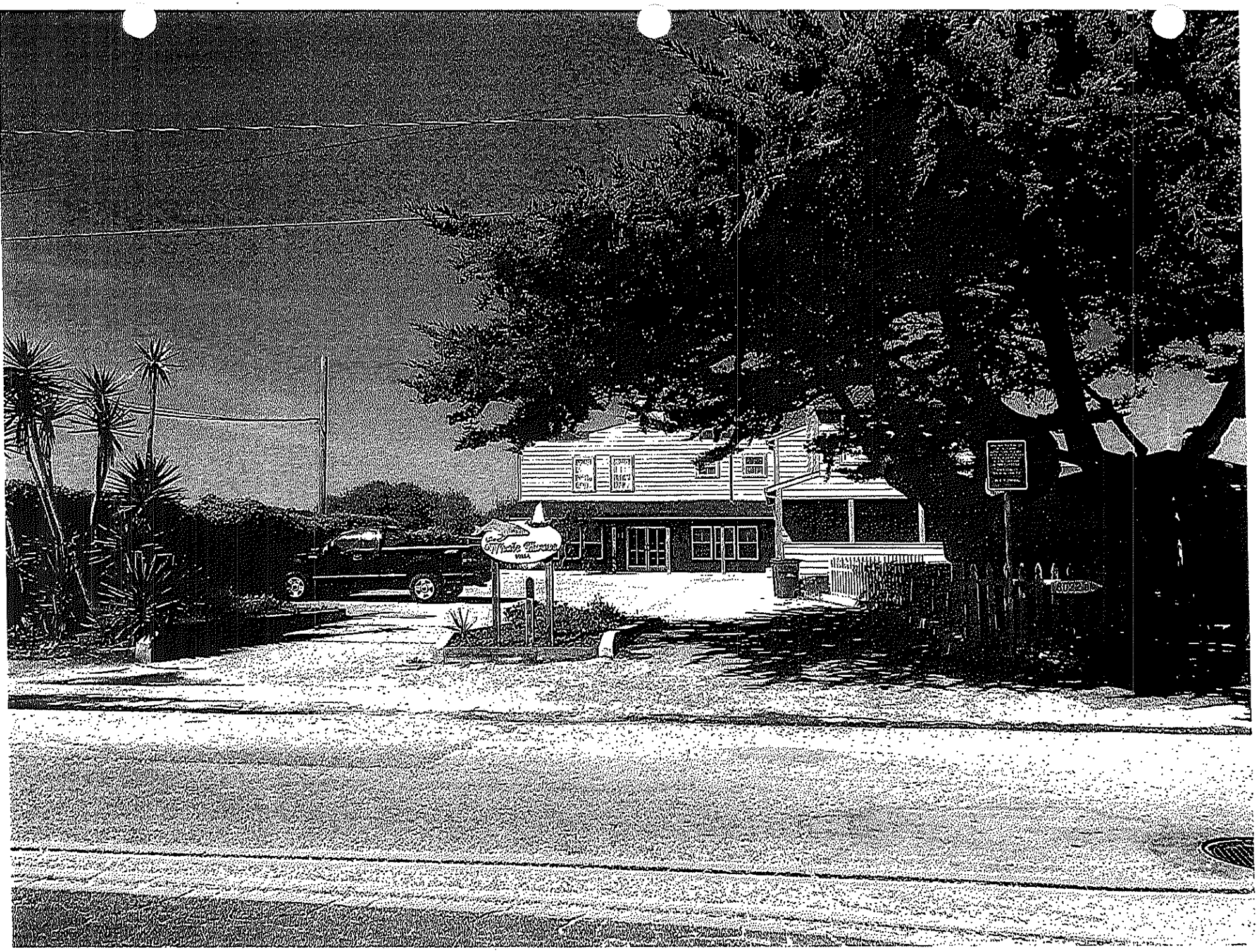
NOT FOR CONSTRUCTION

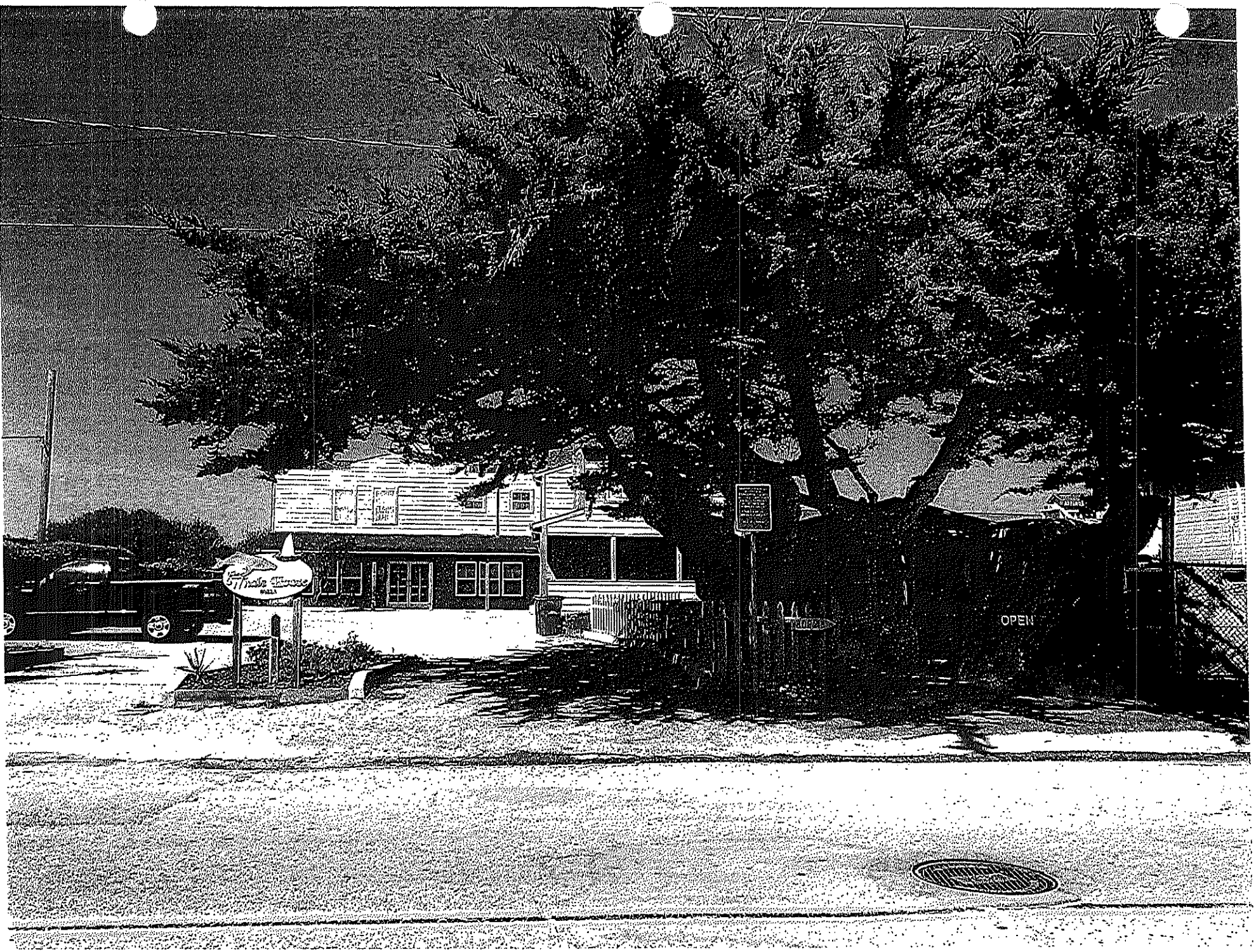
BELLI ARCHITECTURAL GROUP 831 424 4020
555 MONTEREY STREET, SUITE B, SALINAS, CA 93901
BELLIAG.COM

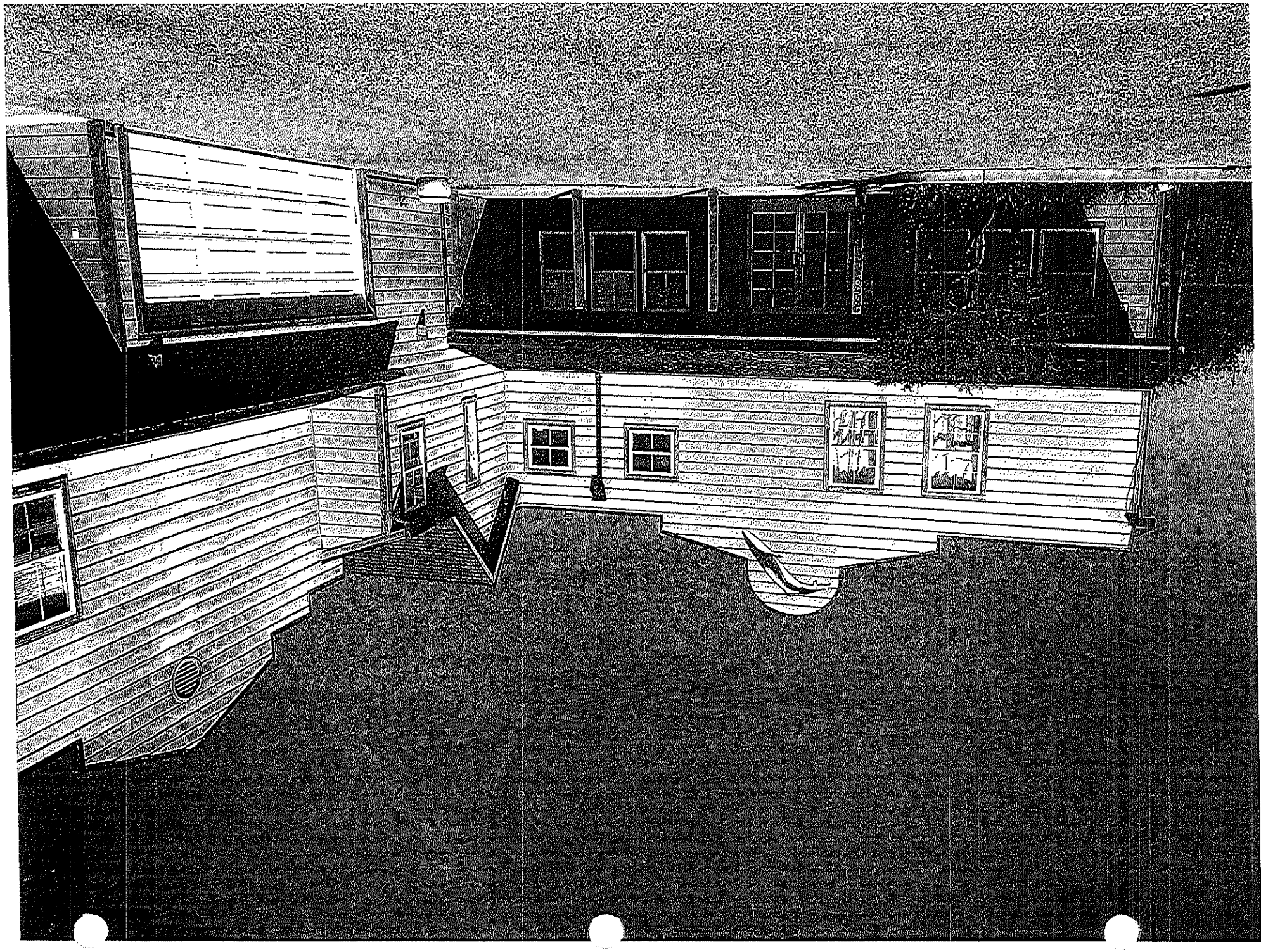
EXTERIOR ELEVATIONS

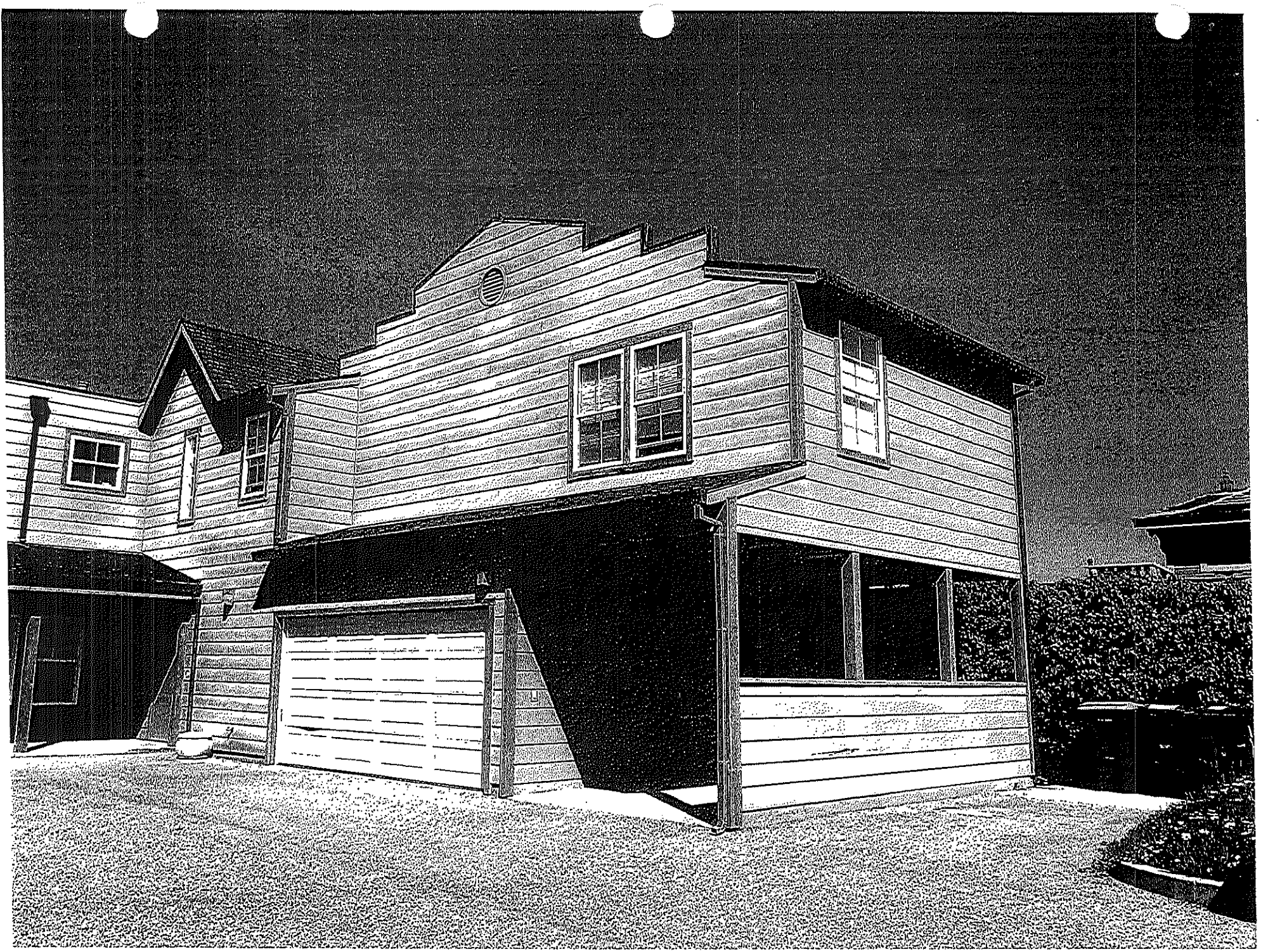
USE PERMIT FOR:
PHAT, LLC.
5272a Hess Landing Road
Hess Landing, CA 95039

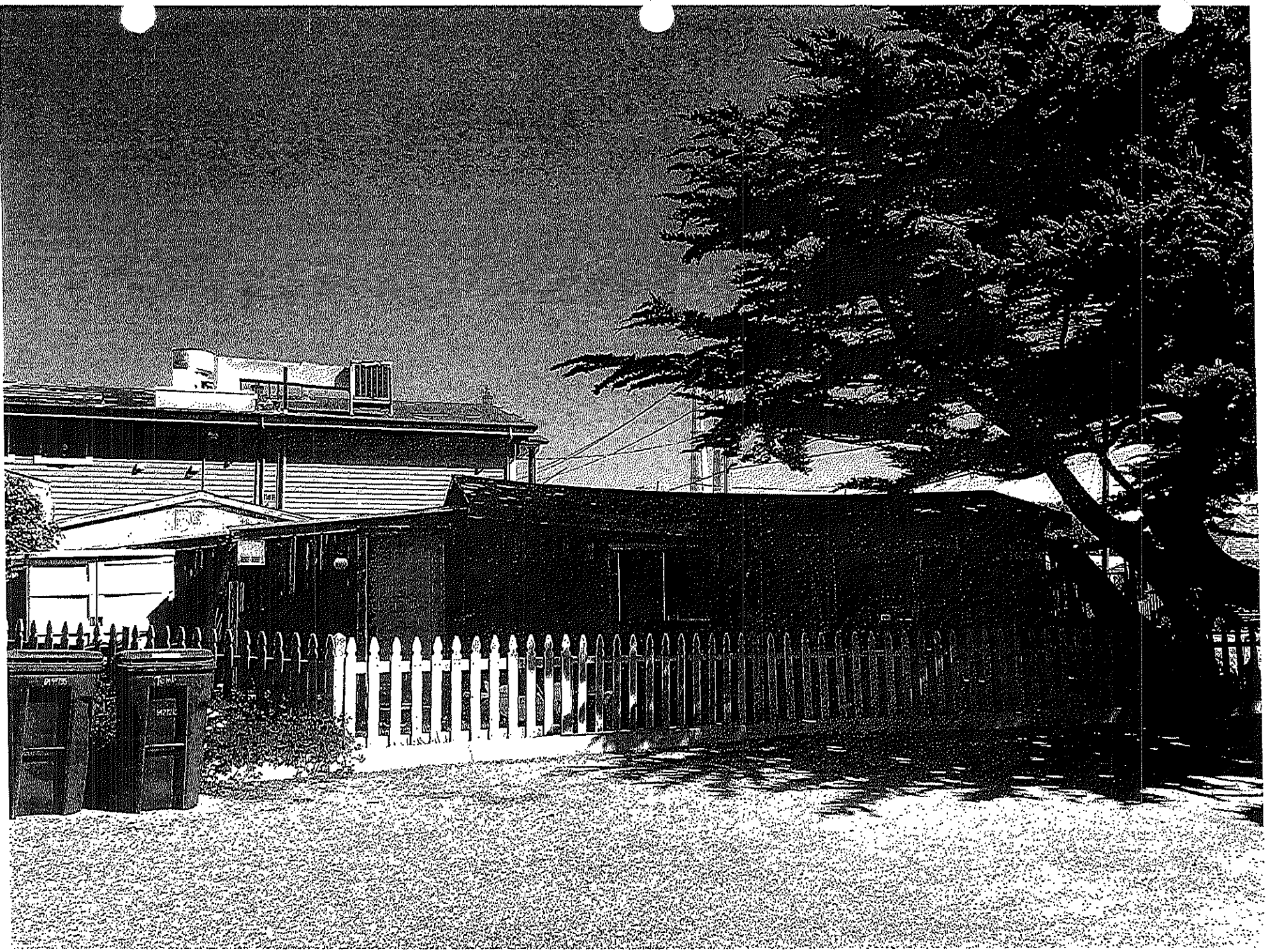
DATE	12/22/17
SCALE	AS NOTED
DRAWN	JC
JOB	17026
SHEET	A4.1


Whale House


Pirate House
OPEN







D

D. Operations Plan

D-1. Security Measures

D-2. Standard Operating Procedures Manual: Compliance; Quality Control; Record Keeping for Financing, Testing, and Adverse Effect Recording; Product Recall Procedures

- A. Compliance with State and Local Regulations
- B. Safety and Quality of Products
- C. Record Keeping Procedures
  1. Financing
  2. Testing
  3. Adverse Effect Recording
  4. Product Recall Procedures

D-3. Proposed Hours of Operation

D-4. Waste Disposal Information

D-5. Water Management Plan, Proposed Water Supply, and Proposed Conservation Measures

D-6. Medical Recommendation Verification and Youth Access Restriction Procedures

D-7. Product Supply Chain: Where Cultivation Occurs; Where product is Processed or Manufactured; Testing; Transportation; Packaging and Labeling

- A. Product Supply Chain
- B. Location of Cultivation
- C. Location of Processing Cannabis
- D. Testing
- E. Transportation Plan
- F. Packaging and Labeling Criteria

D-8. Record Keeping Policy

D-9. Track and Trace Measures

D-10. Sustainability Measures (Water, Energy, Mechanical Systems, Fuel)

- A. Water Efficiency Measures

B. Energy Efficiency Measures

C. High Efficiency Mechanical Systems

D. Alternative Fuel Transportation Methods

D-11. Odor Prevention Devices

D-12. Proposed Signage

D-13. Parking Plan

D-14. Other Information Required by the Director of Planning

A. General Development Plan

B. DRC Comment Letter Not Received

C. Hazardous Material Questionnaire

D. Weights and Measures Form

D-1

D-2

D-2. Standard Operating Procedures

D-2-a. Compliance with State and Local Regulations

D-2-b. Safety and Quality of Products

D-2-c. Recording Keeping Procedures

1. Financing
2. Testing
3. Adverse Effect Recording
4. Product Recall Procedures

D-2-a

STANDARD OPERATING PROCEDURES

D-2-A. COMPLIANCE WITH STATE AND LOCAL REGULATIONS

East of Eden Cannabis Co. (EECC) will comply with all regulations set forth by the State of California and the County of Monterey.

Title 21 - 21.67.040

B1. Retail facilities shall be located only in zoning districts that specifically provide for this use. 8022 Moss Landing Road, Moss Landing is zoned LC.

B2. 8022 Moss Landing Road is not located within six hundred (600) feet from any school, public park or drug recovery center.

B3. Currently there is not another cannabis retail facility within one thousand five hundred (1,500) feet of the proposed location.

B4. EECC shall keep accurate records of all business operations and will provide such records for inspection consistent with Section 19327 of the California Business and Professions Code.

B5. EECC shall implement and maintain sufficient security that addresses all requirements set forth in 5a through 5e of Chapter 21.67.040. Please see the detailed security plan in Section D-1 above.

B6. EECC does intend to operate a delivery service and will carry with them and provide to law enforcement the following documentation: a.) copy of the retail facility's current permits, licenses, and entitlements authorizing them to provide delivery service; b.) the employee's government-issued identification; c.) a copy of the delivery request; and d.) chain of custody records for all goods being delivered.

B7. All products dispensed shall come from licensed and permitted facilities that maintain operations in full compliance with state and local regulations.

B8. All products dispensed shall be labeled and in a tamper-evident package and in compliance with Section 19347 of the California Business and Professions Code and any additional rules promulgated by the licensing authority.

B9. EECC shall notify the Monterey County Sheriff's Office within in twenty-four (24) hours if any of the acts in section 9a through 9d occur.

B10. No illegal drugs will be permitted on the property.

D1. The County of Monterey shall have unfettered access to the retail facility's facilities and records and the retail facility agrees to pay for annual inspection to verify compliance.

D2. EECC agrees to submit and pay for inspections of the operations and relevant records or documents necessary to determine compliance.

D3. The applicants agree to hold the County harmless for any and all claims and proceedings relating to approval of the permit.

D4. The applicants will obtain a valid commercial recreational and medical cannabis business permit.

D5. The property owner shall ensure all commercial cannabis activities on site operate in good standing with all permits and licenses required by the County of Monterey and State of California.

D6. Hours of operation shall be between 10:00 a.m. and 8:00 p.m.

D-2-b

STANDARD OPERATING PROCEDURES

D-2-B. SAFETY AND QUALITY OF PRODUCTS

All cannabis products made available at the retail facility will be held to the highest industry standards and will be inspected both internally as well as independently. All products will come from licensed cannabis companies whose products are packaged following state guidelines. No products will be dispensed without 3rd party testing. All employees will be trained on the use and efficacy of every available product and will be prepared to explain the details of every available product. In addition, all employees will share the responsibility of ensuring no product is dispensed to a customer/patient with any question as to its safety or quality.

D-2-c

STANDARD OPERATING PROCEDURES

D-2-C. RECORD KEEPING PROCEDURES

The applicants will implement Trellis cannabis software platform. Trellis has both an industry side and regulatory side. The industry side is used to report the required events and information while the regulatory side is used for enforcement and compliance monitoring. The industry believes that Trellis can be the primary tool for fighting against diversion and illegal use and purchase of cannabis.

- Supports cannabis "regulations" with technology to prevent and monitor drug diversions.
- Promotes public safety and patient/customer product safety with traceability.
- Addresses cannabis "diversion" from a "state mandated" position.
- Captures perpetual inventory quantities for each entity.
- Provides an inspection process with the tools necessary to complete onsite validation of inventory with audit capability and anti-piracy safeguards.
- Supports the auditing process from a series of exception reports.
- Provides the industry with the means to report required inventories with minimal cost and investment.
- The system maintains a secure reporting environment for each industry participant. Each participant can access their own data but no other participant's data. The regulator has access to all industry participants' data.
- The system provides for a real time digital transport manifest giving access to law enforcement enabling them to quickly discover illegal activity during transportation.
- Tracks transfers between licensed premises.
- Allows regulatory users to view all licensee activities captured in the system.
- Creates audit trails and tools for assessing risk and channeling resources more efficiently (e.g. system notifications and reporting).
- Provides aggregate data regarding cultivation, production, transportation and sales of cannabis within the regulated model.

D-2-c-1

STANDARD OPERATING PROCEDURES
D-2-c-1. RECORD KEEPING PROCEDURES - FINANCING

Currency Regulations

The daily intake and management of cash will be overseen by the manager on duty, with consideration and communication regarding cash control developed by and shared with the Inventory Manager and the Director of Security. All transactions will be performed at the sales terminals and most transactions with vendors will primarily use cash. All excess cash will be kept in a locked safe in a designated safe room/vault area, with only the manager on duty having access to the safe room area and the safe combination. If at any time during the daily operations one or more of the sales terminals exceeds a predetermined threshold of currency, the drawer will be temporarily closed and the excess monies removed to the safe, leaving enough variance of bills and coins to make change for ensuing transactions. If at any time one or more of the sales drawers is deficient of the proper denominations to adequately provide change to a customer, the manager will be notified and the drawer taken to the safe room to facilitate a safe refilling of the drawer with the appropriate monies.

In the interest of safety, all terminals will be systematically closed out midday at an appropriate time determined by EECC policy and procedures. This will prevent the situation where all cash accumulated for an entire day is being counted after operating hours. Each drawer will be counted out separately by a manager or designated employee and any surplus or discrepancies recorded as compared to the expected drawer count displayed by the Trellis POS (point of sale) functionality. In the event that any drawer shows either a surplus or deficiency exceeding a designated threshold, the manager will generate a report detailing the specifics, submit the report to security, and will take appropriate steps to determine the cause of the surplus or discrepancy. Once the count has been completed it will be paired with a Z/close out report and kept on file for a minimum of 6 months. All terminals will be under video surveillance to discourage theft as well as determine errors made during the daily process of patient/customer transactions.

The Director of Security and the General Manager work together to ensure any monies leaving the facility are counted, logged and safely transported. The transport of cash off the premises will fall under the responsibility of the General Manager and the Director of Security, and appropriate steps will be taken to make sure that all money handling procedures are outlined in the security plan and followed without deviation. For specific sensitive information regarding the handling of large sums of cash, deposits, tax and payroll payments, or any other cash control issues, one can refer to the separate security plan above. The Director of Security and the General Manager will determine the appropriate disclosure of this information as requested by law enforcement or local officials.

D-2-c-2

STANDARD OPERATING PROCEDURES
D-2-c-2. RECORD KEEPING PROCEDURES - TESTING

All cannabis products dispensed at the facility will have gone through independent third-party testing from a company operating in compliance with all applicable regulations and will be labeled accordingly as required by the state regulations.

D-2-c-3

STANDARD OPERATING PROCEDURES
D-2-c-3. RECORD KEEPING PROCEDURES – ADVERSE EFFECT RECORDING

The applicants strive to ensure customer satisfaction with all of its products and services. The applicants will train all employees to do everything necessary to ensure customers are treated with the highest regard, especially when managing product returns and customer complaints or reports of adverse events that may lead to a recall. All complaints and returns will be documented, tracked, and evaluated in order to:

a) Maintain the highest level of customer satisfaction and distributed product quality; and

b) Create effective means for identifying and managing potential product defects that may or may not lead to a recall.

The applicants' procedures include three core components: communication to customers, including emotional support; support of staff involved in adverse events; and investigation and reporting of adverse events.

Adverse events may include a variety of situations, including psychological or physical reactions due to a dose that is too high or a product that is not appropriate for the customer, as well as serious problems with the product that were not caught by the quality control systems in place. The onsite manager, who will be the designated communicator with respect to any adverse events, will seek to evaluate the type of event that has taken place and take appropriate follow-up action.

The employee responsible for handling adverse effect complaints will record information that includes, but is not limited to:

- Objective details of the event, including date, time, and place.
- The customer's condition immediately before the event.
- Summary of the discussion of the event.
- Any offers of assistance, and the customer's response.
- Any questions asked by the customer and responses.
- Planned follow-up.

Actions may include, but are not limited to: recording the adverse event in the customer's file; reimbursing the customer; updating training protocols to prevent a similar recurrence; notifying the state agency responsible for recalls; notifying the originating grower; and other actions as recommended. If the event seems to be customer-specific, rather than product-specific, the applicants will focus on responses to the customer's experience and remedying the product selection or administration process.

Additional actions that shall be taken in the course of responding to an adverse event include:

1. Apologize: "I'm sorry this happened."

2. For preventable events, explain what happened.

3. Explain what will be done to mitigate further harm or prevent future events, regardless of how the event was caused, such as: dosage reminders or recommendations, different product recommendations, improved labeling, or actions related to a recall, if necessary. If the event was a known risk, explain or remind the customer of the risk of complications or side effects. Request the customer's input and concerns. Assure ongoing care.

4. Follow up with all involved employees, to explain the event and deal with any resulting concerns or sense of guilt. Explain new protocols to prevent recurrence, if possible.

5. Investigate (root cause analysis), report, and take remedial action. This step should be done by the employee responsible for handling adverse effect complaints.

Key elements include:

- Secure all related records.
- Record the event in the customer's file and the product file. Notify the employee responsible for handling adverse effect complaints, supervisor, and director, who will pass on to the originating grower and to the state agency responsible for recalls if required or appropriate.
- Eliminate any obvious threats to customer safety, if there are any identified.
- All such steps should ideally take place within 48 hours of notification or discovery of the adverse event.

D-2-c-4

STANDARD OPERATING PROCEDURES
D-2-c-4. RECORD KEEPING PROCEDURES – PRODUCT RECALL PROCEDURES

Recalled Product

In the event that EECC is made aware of a product defect they will immediately pull all stock items from the public and place them in a locked facility until they are destroyed and deposited in the waste disposal system. In addition, the software program Trellis will allow EECC to notify all patients/customers whom bought the recalled product as purchases are tracked through the Trellis Software Platform system.

EECC will implement additional requirements requested by the Monterey County Sheriff's Office, County of Monterey and State of California.

D-3

D-3. Proposed Hours of Operation

The facility's proposed hours of operation are 10:00 a.m. to 8:00 p.m.

D-4

D-4. Waste Disposal Plan

EECC intends to dispose of unused or surplus cannabis and its by-products by grinding and incorporating the cannabis waste with non-consumable solid waste such as paper, plastic, cardboard, food, or other compostable waste and other waste products approved by the State licensing authority that will render the cannabis and cannabis infused products as unusable and unrecognizable as cannabis. EECC will report any stolen or missing cannabis waste.

General Trash and Recycling

All trash will be kept in a locked portion of the facility and will be taken out by an employee on the day and time the local trash is picked up to prevent diversion. EECC has contracted with Waste Management to provide general trash and recycling services at the facility. Please see the enclosed service acknowledgment.

USA Waste of California, Inc.
172 98th Ave.
Oakland, CA, 94603
(510) 613-8740

WM Agreement #	S0009723977
Customer ID	
Acct. Name	EAST OF EDEN DISPENSARY
Salesperson	Michelle Pesquera
Effective Date	1/9/2018
Last PI Date	

Service Agreement

Non-Hazardous Waste Service Summary

Service Information

Name	EAST OF EDEN DISPENSARY	Contact	KAZ AJIR
Address	8022 MOSS LANDING RD	Telephone #	(831) 753-9999
City State Zip	MOSS LANDING, CA 95039-9651	Fax #	
County/Parish	MONTEREY	Email	

Customer Comments:

Billing Information

Name	EAST OF EDEN DISPENSARY	Contact	KAZ AJIR
Address	8022 MOSS LANDING RD	Telephone #	(831) 753-9999
City State Zip	MOSS LANDING, CA 95039-9651	Fax #	
County/Parish	MONTEREY	Email	

PO#

Service Description & Recurring Rates

Quantity	Equipment	Material Stream	Frequency		
1	32 Gallon FEL Toter	MSW Commercial	1x Per Week	Base Rate	$ 31.36
				Fuel & Environmental/RCR	$ 0.00 *

Current rate for Extra Pickup (per Lift): $ 7.84

MONTHLY TOTAL : $ 31.36*

Customer's Waste Materials not to exceed an average weight of lbs/yard.

MONTHLY GRAND TOTAL $ 31.36*

Initial One Time Service Charges*

Initial Delivery $ 0.00

As Needed Services*

The above listed Charges are for recurring services only. Charges for all additional services will be at current rates at the time of service. These include but are not limited to: extra pickups, container removal, overages and contamination. Contact Waste Management for a full list of such additional services and current prices.

*Fuel Surcharge, Environmental Charge, and Regulatory Cost Recovery ("RCR") Charge apply to all other Charges whether or not listed on this summary; any amounts shown above are estimated, and actual amounts will be calculated at the time of invoicing based on a percentage of the Charges. Information about these charges can be found at www.wm.com/billhelp. State & Local taxes, and/or fees and a Recycle Material Offset, if applicable, will also be added to the Charges. An Administrative Charge per invoice will be assessed and can be removed by enrolling in paperless statements and automated payments.

This Agreement does not provide for a fixed price during the Contract Term.Unless specifically provided otherwise herein, Customer should expect Company to increase Charges as allowed by Section 4(b) and Company to seek other price increases subject to Customer's consent under Section 4(c) of this Agreement. Consent to price increases may be given orally, in writing, or by notice and Customer's payment of, or failure to object to, the price increase.

Contract Term is for 5 year(s) from the Effective Date ('Initial Term') this agreement does not have a Renewal Term.

The individual signing this agreement on behalf of customer acknowledges that he/she has read and accepts the terms and conditions of this agreement which accompany this service summary sheet and that he/she has the authority to sign on behalf of the customer.

Customer Signature	Printed Name	Title	Date
Company USA Waste of California, Inc.	Printed Name	Waste Management Sales Rep. Title	Date

Terms and Conditions on following page(s)

1. (a) SERVICE GUARANTEE. We guarantee our Services (as defined below). If Company fails to perform Services in accordance with the attached service summary (the "Service Summary"), and Company does not remedy such failure within five (5) business days of its receipt of a written demand from Customer, Customer may immediately terminate this Agreement without penalty.

(b) SERVICES RENDERED; WASTE MATERIALS. Customer grants to Company the exclusive right, and Company through itself and its Affiliates shall furnish equipment and services, to collect and dispose of and/or recycle (collectively, the "Services") all of Customer's Waste Materials at Customer's Service Address(es) listed on the attached Service Summary, subject to the terms and provisions contained herein (collectively, with the Service Summary, the "Agreement"). If Customer changes its Service Address(es), this Agreement shall remain valid and enforceable with respect to Services rendered at Customer's new service location(s) if such location(s) is within Company's service area. Customer represents and warrants that the materials to be collected under this Agreement shall be only "Waste Materials" as defined herein. For purposes of this Agreement, "Waste Materials" means all non-hazardous solid waste, organic waste, and if applicable, Recyclable Materials (as defined in Section 12) generated by Customer or at Customer's Service Address(es). Waste Materials includes "Special Waste", such as industrial process wastes, asbestos-containing material, petroleum contaminated soils, treated/de-characterized wastes, and demolition debris, for which Customer shall complete a Special Waste Profile sheet to be approved by Company in writing. Waste Materials excludes, and Customer agrees not to deposit or permit the deposit for collection of (i) any waste tires, (ii) radioactive, volatile, corrosive, flammable, explosive, biomedical, infectious, bio-hazardous, regulated medical or hazardous waste, toxic substance or material, as defined by, characterized or listed under applicable federal, state, or local laws or regulations, (iii) any materials containing information protected by federal, state or local privacy and security laws or regulations (unless tendered to Company pursuant to an additional Exhibit L to this Agreement), (iv) any other items or material prohibited by federal, state or local laws or regulations, or that could adversely affect the operation or useful life of the facility(ies) receiving Customer's Waste Materials, or (v) Special Waste not approved in writing by Company (collectively, "Excluded Materials"). Title to and liability for Excluded Materials shall remain with Customer at all times. Title to Customer's Waste Materials is transferred to Company upon Company's receipt or collection unless otherwise provided in this Agreement or applicable law.

2. CONTRACT TERM. The Initial Term and any subsequent Renewal Term of this Agreement (collectively, the "Contract Term") is set forth on the Service Summary. Unless otherwise specified on the Service Summary, at the end of the Initial Term and any subsequent Renewal Term, the Contract Term shall automatically renew for an additional Renewal Term at the then current Service levels and applicable Charges, unless (a) for a Renewal Term of twelve (12) months or more, either party gives to the other party written notice of termination at least ninety (90) days, but not more than one hundred eighty (180) days, prior to the termination of the then-existing term, and (b) for a Renewal Term of less than twelve (12) months, either party gives to the other party written notice of termination at least thirty (30) days prior to the termination of the then-existing term. Notice of termination received at any other time will be considered ineffective and the Agreement will be considered automatically renewed upon completion of the then-existing term.

3. TERMINATION RIGHTS. Notwithstanding the foregoing, this Agreement can be terminated prior to the end of the Initial Term or a Renewal Term as follows: (a) by Customer (with no obligation to pay liquidated damages as provided in Section 7), (i) if Company fails to satisfy the Service Guarantee provided in Section 1(a) or (ii) pursuant to Section 4(c) if Company increases the Charges payable by Customer hereunder with a Consensual Price Increase; (b) by Customer with thirty (30) days prior written notice to Company, subject to Customer's obligation to pay liquidated damages as provided in Section 7 no later than thirty (30) days after written notice of termination; (c) by Company, (i) if as a result of Customer's breach of Section 5, Company suspends Services for more than fifteen (15) days, or (ii) if Customer fails to cure any other breach of its obligations under this Agreement within five (5) business days of its receipt of written demand from Company to cure such breach; and (d) by Company, with at least fifteen (15) days prior written notice to the Customer, any time after Customer retains, designates or appoints a broker or agent to act for Customer, or manage its Services, under this Agreement. In order to move containers in a safe, secure and orderly fashion, Company shall have up to seven (7) days to remove any equipment from Customer's service location(s) after the effective date of the termination of this Agreement.

4. (a) CHARGES; ADDITIONAL SERVICES; CHANGES. Customer ("Charges") for Services and/or equipment furnished by Company to Customer are set forth on the Service Summary. Company also reserves the right to charge Customer additional Charges for additional Services provided by Company to Customer, whether requested or incurred by Customer, including, but not limited to, container relocation or removal; gate, enclosure or roll out services; account resume or reactivation services; extra pickups or trip charges; container overages and overflows; and equipment repair and maintenance (see www.wm.com/billhelp for a list of "Additional Services", which may be updated from time to time), all at such standard prices or rates that Company is charging its customers in the service area at such time. Changes in the frequency of collection, collection schedule, number, capacity and/or type of equipment, the terms and conditions of this Agreement, and any changes to the Charges payable under this Agreement (including any Consensual Price Increase or Negotiated Price Adjustment), may be agreed to orally, in writing or by other actions and practices of the parties, including, without limitation, electronic or online acceptance or payment of the invoice reflecting such changes, and written notice to Customer of any such changes and Customer's failure to object to such changes, which shall be deemed to be Customer's affirmative consent to such changes.

(b) PERMITTED PRICE INCREASES Company reserves the right, and Customer acknowledges that it should expect Company to increase or add Charges payable by Customer hereunder during the Contract Term: (i) for any changes or modifications to, or differences between, the actual equipment and Services provided by Company to Customer and those specified on the Service Summary; (ii) for any changes or difference in the composition, amount or weight of the Waste Materials collected by Company from Customer's service location(s) from what is specified on the Service Summary (including for container overages or overflows); (iii) for any increase in or other modification made by Company to the Fuel Surcharge, Regulatory Cost Recovery Charge, Recycle Material Offset, Environmental Charge, and/or any other Charges included or referenced in the Service Summary (which Charges are calculated and/or determined on enterprise-wide basis, including Company and all Affiliates); (iv) to cover any increases in disposal, processing, and/or transportation costs, including fuel surcharges; (v) to cover increased costs due to uncontrollable circumstances, including, without limitation, changes (occurring from and after three (3) months prior to the Effective Date) in local, state or federal laws or regulations, including the imposition of or increase in taxes, fees or surcharges, or acts of God such as floods, fires, hurricanes and natural disasters; and (vi) for increases in the Consumer Price Index ("CPI") for Water, Sewer and Trash Collection Services published by U.S. Bureau of Labor Statistics, or with written notice to Customer, any other national, regional or local CPI, with such increases in CPI being measured from the Effective Date, or as applicable, Customer's last CPI based price increase date ("PI Date"). Increases to Charges specified in this Section 4(b) may be applied singularly or cumulatively and may include an amount for Company's operating or profit margin. Customer acknowledges and agrees that any increased Charges under this Section 4 (including any Consensual Price Increases or Negotiated Price Adjustments) are not represented to be solely an offset or pass through of Company's costs.

(c) CONSENSUAL PRICE INCREASES Without limiting the foregoing, Company also reserves the right to seek, and Customer acknowledges that it should expect Company to seek, increases in the Charges payable by Customer hereunder for reasons not specifically permitted in Section 4(b) (a "Consensual Price Increase"). If Customer does not accept the Consensual Price Increase, Customer's sole right and remedy shall be to terminate this Agreement by written notice to Company no later than thirty (30) days after Company notifies Customer of such Consensual Price Increase. Customer's failure to terminate this Agreement (within the 30-day period) shall be construed as Customer's acknowledgement that the continuation of the Services by Company hereunder is good, valuable and sufficient consideration for the Consensual Price Increase. Notwithstanding the foregoing, the parties may, but are not obligated to, agree to a different increase or adjustment to Customer's Charges (a "Negotiated Price Adjustment") as a result of a Consensual Price Increase. Absent a Negotiated Price Adjustment, the Consensual Price Increase shall be binding and enforceable against Customer under this Agreement unless the Customer terminates this Agreement (within the 30-day period) as described above. Customer's agreement to a Consensual Price Increase or Negotiated Price Adjustment may be evidenced pursuant to Section 4(a) and the parties agree that this Agreement with such modified Charges will continue in full force and effect.

5. INVOICES; PAYMENT TERMS Company shall send all invoices for Charges and any required notices to Customer under this Agreement to Customer's billing address specified in the Service Summary, unless Customer elects to be billed or receive notices electronically or by e-mail, in which case, all Customer invoices and notices also may be delivered in accordance with Customer's electronic billing or email instructions. Customer shall pay all invoiced Charges within thirty (30) days of the invoice date. Any Customer invoice balance not paid within thirty (30) days of the date of invoice is subject to a late charge, and any Customer check returned for insufficient funds is subject to a non-sufficient funds charge, both to the maximum extent allowed by applicable law. Customer acknowledges that any late charge charged by Company is not to be considered as interest on debt or a finance charge, and is a reasonable charge for the anticipated loss and cost to Company for late payment. If payment is not made when due, Company retains the right to suspend Services until the past due balance is paid in full. In addition to full payment of outstanding balances, Customer shall be required to pay a reactivation charge to resume suspended Services. If Services are suspended for more than fifteen (15) days, Company may immediately terminate this Agreement for default and recover any equipment and all amounts owed hereunder, including liquidated damages under Section 7.

6. EQUIPMENT, ACCESS. All equipment furnished by Company shall remain its property; however, Customer shall have care, custody and control of the equipment and shall be liable for all loss or damage to the equipment and for its contents while at Customer's service location(s). Customer shall not overload, move or alter the equipment or allow a third party to do so, and shall use it only for its intended purpose. At the termination of this Agreement, Company's equipment shall be in the condition in which it was provided, normal wear and tear excepted. Customer shall provide safe and unobstructed access to the equipment on the scheduled collection day. Company may suspend Services or terminate this Agreement in the event Customer violates any of the requirements of this provision. Customer shall pay, if charged by Company, any additional Charges, determined by Company in its sole discretion, for overloading, moving or altering the equipment or allowing a third party to do so, and for any service modifications caused by or resulting from Customer's failure to provide access. Customer warrants that Customer's property is sufficient to bear the weight of Company's equipment and vehicles and agrees that Company shall not be responsible for any damage to Customer's pavement or any other surface resulting from the equipment or Services.

7. LIQUIDATED DAMAGES. In the event Customer terminates this Agreement prior to the expiration of the Initial or Renewal Term for any reason other than as set forth in Section 3(a), or in the event Company terminates this Agreement for Customer's default pursuant to Section 3(c), Customer shall pay the following liquidated damages in addition to Company's legal fees, if any: (a) if the remaining Contract Term (including any applicable Renewal Term) under this Agreement is six (6) or more months, Customer shall pay the average of its six (6) monthly Charges immediately prior to default or termination (or, if the Effective Date is within six (6) months of Company's last invoice date, the average of all monthly Charges) multiplied by six (6); or (b) if the remaining Contract Term is less than six months, Customer shall pay the average of its six (6) most recent monthly Charges multiplied by the number of months remaining in the Contract Term. Customer acknowledges that the actual damage to Company in the event of Customer's early termination or breach of contract is impractical or extremely difficult to fix or prove, the foregoing liquidated damages amount is reasonable and commensurate with the anticipated loss to Company resulting therefrom, and such liquidated damages payment is an agreed upon charge for Customer's early termination or breach of contract and is not imposed as a penalty. Customer shall also pay liquidated damages of $100 for every Customer waste tire that is found at any disposal facility used by Company. In addition to and not in limitation of the foregoing, Company shall be entitled to recover all losses, damages and costs, including attorneys' fees and costs, resulting from Customer's breach of any other provision of this Agreement in addition to all other remedies available at law or in equity.

8. INDEMNITY. Company agrees to indemnify, defend and save Customer and its Affiliates harmless from and against any and all liability which Customer or its Affiliates may suffer, incur or pay as a result of any bodily injuries (including death), property damage or violation of law, to the extent caused by any negligent act or omission or willful misconduct of Company or its employees, which occurs (a) during the collection or transportation of Customer's Waste Materials, or (b) as a result of the disposal of Customer's Waste Materials in a facility owned by Company or an Affiliate, provided that Company's indemnification obligations will not apply to occurrences involving Excluded Materials. Customer agrees to indemnify, defend and save Company and its Affiliates harmless from and against any and all liability which Company and its Affiliates may suffer, incur or pay as a result of any bodily injuries (including death), property damage or violation of law to the extent caused by Customer's breach of this Agreement or by any negligent act or omission or willful misconduct of Customer or its employees, agents or contractors or Customer's use, operation or possession of any equipment furnished by Company. Neither party shall be liable to the other for consequential, incidental or punitive damages arising out of the performance or breach of this Agreement.

9. RIGHT TO PROVIDE COMPETING OFFERS. If Customer receives an offer from (or makes any offer to) a third party relating to such third party's provision to the Customer of the same or similar Services to those provided hereunder, Customer shall give Company prompt written notice of any such offer and a 15-day period to respond to such third party offer prior to Customer agreeing to such third party offer.

10. DISPUTE RESOLUTION-ARBITRATION AGREEMENT AND CLASS ACTION WAIVER.BINDING ARBITRATION: Except for those claims expressly excluded below (EXCLUDED CLAIMS), Customer and Company agree that any and all existing or future controversy or claim between them arising out of or related to this Agreement or any prior agreements between the parties, whether based in contract, law or equity or alleging any other legal theory, or arising prior to, in connection with, or after the termination of this Agreement or any other agreements, shall be resolved by mandatory binding arbitration (see www.wm.com for details on arbitration procedures). **CLASS ACTION WAIVER:** Customer and Company agree that under no circumstances, whether in arbitration or otherwise, may Customer bring any claim against Company, or allow any claim that Customer may have against Company to be asserted, as part of a class action, on a consolidated or representative basis or otherwise aggregated with claims brought by, or on behalf of, any other entity or person, including other customers of Company. **EXCLUDED CLAIMS:** The following are not subject to mandatory binding arbitration: (a) either party's claims against the other in connection with bodily injury or real property damage and for environmental indemnification; and (b) Company's claims against Customer for collection or payment of Charges, damages (liquidated or otherwise) or any other amounts due or payable to Company by Customer under this Agreement or any prior agreements between the parties, but Customer and Company may mutually agree to arbitrate any Excluded Claims.

11. MISCELLANEOUS. (a) Except for the obligation to make payments hereunder for Services already performed, neither party shall be in default for its failure to perform or delay in performance caused by events or significant threats of events beyond its reasonable control, whether or not foreseeable, including, but not limited to, strikes, labor trouble, riots, imposition of laws or governmental orders, fires, acts of war or terrorism, acts of God, and the inability to obtain equipment, and the affected party shall be excused from performance during the occurrence of such events. (b) This Agreement shall be binding on and shall inure to the benefit of the parties hereto and their respective successors and assigns. (c) The terms, conditions and disclosures set forth on www.wm.com relating to Billing/Billing Help, Charges, Arbitration Procedures, and for those Customers that sign up for electronic billing and payment, WM ezPay or Autopay, are incorporated by reference and made a part hereof (as such terms, conditions and disclosures may be changed or modified from time to time, effective from such change or modification). In addition to, and not in limitation of, the foregoing, the terms and provisions of this Agreement may be amended and modified as agreed to by the parties as provided in Section 4(a). Subject to the foregoing, this Agreement represents the entire agreement between the parties and supersedes any and all other agreements for the same Services at the same Customer locations covered by this Agreement, whether written or oral, that may exist between the parties. (d) This Agreement shall be construed in accordance with the law of the state in which the Services are provided. (e) All written notification to Company required by this Agreement shall be effective upon receipt and delivered by Certified Mail, Return Receipt Requested, courier or by hand to Company's address on the first page of the Service Summary, provided that Company may provide written notice to Customer of a different address for written notice to Company. (f) If any provision of this Agreement is declared invalid or unenforceable, then such provision shall be severed from and shall not affect the remainder of this Agreement; however, the parties shall amend this Agreement to give effect, to the maximum extent allowed, to the intent and meaning of the severed provision. (g) In the event Company successfully enforces its rights against Customer hereunder, Customer shall be required to pay Company's attorneys' fees and court costs. (h) Notwithstanding the termination of this Agreement, Sections 6, 7, 8, 10, 11, 12(d) and Customer's obligation to make payments for all Charges and other amounts due or payable hereunder through the termination date shall survive the termination of this Agreement. (i) The term "Affiliate" means with respect to any specified party, any corporation, limited liability company, partnership or other legal entity, directly or indirectly, controlled by, controlling or under common control with such specified party, with "control" meaning, directly or indirectly, the power to direct or cause the direction of the management and policies of such legal entity, whether through the ownership of voting securities, by contract or otherwise. (j) "business day" means Monday through Friday, excluding bank holidays.

12. RECYCLING SERVICES. The following shall apply to fiber and non-fiber recyclables ("Recyclable Materials") and recycling services:
(a) (i) Single stream Recyclable Materials ("Single Stream") will consist of Customer's entire volume of clean, dry, paper or cardboard without wax liners; clean, dry and empty aluminum food and beverage containers, ferrous (iron) or steel cans, aerosol cans, and rigid container plastics #1-7, including narrow neck containers and tubs, but excluding foam and film plastics. No individual items may be excluded from Single Stream service. Glass may be included with specific approval of Company. Any material not set forth above, including tissue or paper that had been in contact with food, is unacceptable ("Unacceptable Materials"). Single Stream may contain up to 10% Unacceptable Materials. (ii) Customer shall provide wastepaper, cardboard, plastics and metals in accordance with the most current ISRI Scrap Specifications Circular and any amendments thereto or replacements thereof. (iii) All other Recyclable Materials will be delivered in accordance with industry standards or such specifications communicated to Customer by Company. (iv) Company reserves the right, upon notice to Customer, to discontinue acceptance of any category of Recyclable Materials as a result of market conditions related to such materials and makes no representations as to the recyclability of the materials which are subject to this Agreement.
(b) Recyclable Materials may not contain Excluded Materials or other materials that are deleterious or capable of causing material damage to any part of Company's property, its personnel or the public or materially impair the strength or the durability of Company's structures or equipment. Company may reject in whole or in part, or may process, in its sole discretion, Recyclable Materials not meeting the specifications, and Customer shall pay and reimburse Company for all costs, losses and expenses incurred with respect to such non-conforming Recyclable Materials including costs for handling, processing, transporting and disposing of such non-conforming Recyclable Materials. Without limiting the foregoing, Company may assess and Customer shall pay a contamination charge for handling, processing, transporting and disposing of Unacceptable Materials, Excluded Materials, and/or non-conforming load
(c) Where Company has agreed in writing to provide a market-based rebate to Customer, the following shall apply. Customer acknowledges that the market value for Recyclable Materials will fluctuate based upon various factors, and such materials may at times have no value or that the value may be negative. Company will establish the value of Recyclable Materials each month based upon such various factors, including but not limited to quantity, quality and location. For recycling services, Company shall pay or charge Customer on or about the last day of each month for Recyclable Materials accepted during the preceding month, after deduction of any charges owed to Company by Customer. Any invoice shall be payable upon receipt. Where recycling services are provided, charges may include separate fuel and environmental surcharges as set forth at www.wm.com.
(d) Notwithstanding anything to the contrary set forth above, the liquidated damages calculation set forth in Section 7 of this Agreement shall not apply to any Customer breach of the Agreement pertaining to Services for Recyclable Materials, which have been determined by Company to have a positive value. If a breach occurs under such circumstances, the damages shall be determined by calculating actual damages rather than such liquidated damages.
(e) Service arrangements will be agreed upon between Customer and Company for the service location(s) set forth in this Agreement. For trailer load quantities, Customer shall load trailers to full visible capacity to achieve 40,000 pounds minimum shipping weight and trailers shall be loaded or caused to be loaded in accordance with the most current ISRI/AF&PA Shipping Guide. Freight and/or adjustments may apply to light loads. For baled wastepaper picked up by bale route service, the minimum quantity for pickup is six (6) bales and for purposes of payment, weights shall be estimated weights. Company reserves the right at its sole discretion upon notice to Customer to discontinue acceptance of any category of Recyclable Materials as a result of market conditions related to such materials and makes no representations as to the recyclability of the materials which are subject to this contract.

D-5

D-5. Water Management Plan

The facility is serviced by Pajaro/Sunny Mesa Community Services District.

In an effort to reduce water usage, low flow toilets and motion sensing water faucets will be installed. Any proposed landscaping will be serviced by drip irrigation on a timing schedule to minimize excess or over watering. Please see enclosed application.

PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT
136 San Juan Road, Royal Oaks, CA 95076
Phone (831) 722-1389 (831) 663-2181 Fax (831) 722-2137

APPLICATION FOR WATER SERVICE

New Account Number: 11470	Date: 1-8-18	[ ] Owner (Dueno)	[X] Tenant (Inquilino)

Name (Nombre): Kaz Ajir DBA Grupo Flor Corp — Telephone (Telefono): 831-753-9999

Address (Domicilio Actual): 6022 Moss Landing Rd Moss Landing CA 95039

Mailing Address (Domicilio Postal): 115 Cayuga Street Salinas CA 93901

Previous Address (Domicilio Anterior): 831-753-9999

Employer (Patron): Self — Telephone (Telefono): 831-753-9999

Employer Address (Domicilio de Trabajo): 115 Cayuga Street Salinas CA 93901 831-753-9999

Landlord (Dueno): AG Davi Properties — Telephone (Telefono): 831-373-2222

Reference (Referencia): Executive Estates — Telephone (Telefono): 831-753-1234 Ext 101

By signing this application, the applicant agrees to observe any District regulations now or hereafter adopted related to water service and agrees to pay water bills promptly. All of the above information is true and correct. All unpaid rates and charges and penalties may be collected by suit and defendant shall pay all costs of suit in any judgement in favor of District.

Al firmar esta solicitud, el solicitante acepta observar cualquier distrito los reglamentos adoptados ahora o en adelante relacionados con el servicio de agua y se compromete a pagar las facturas de agua con prontitud. Toda la información anterior es verdadera y correcta. Se pueden recoger todos no remuneradas de las tasas, cargos y sanciones por el traje y el demandado pagará todos los costos del palo en cualquier fallo en favor del distrito.

Signature (Firma) — Received by

For Office Use only	Amount of Deposit	Cash / Check No. / Credit Card	Meter Number	Meter Size
	$150.00			

PAJAROSUNNY MESA COMMUNI
136 SAN JUAN ROAD
ROYAL OAKS, CA. 95076-52
831-722-1389

SALE

REF#: 00000011

Batch #: 741 — 13:16:01
01/08/18 — CVV2: M
AVS: Y
APPR CODE: 029225
Trace: 11 — Manual CNP
VISA — **/**
**********4700

AMOUNT **$150.00**

APPROVED

x_____

CARDHOLDER ACKNOWLEDGES RECEIPT OF GOODS AND/OR SERVICES IN THE AMOUNT OF THE TOTAL SHOWN HEREON

THANK YOU

MERCHANT COPY

D-6

D-6. Medical Recommendation Verification and Youth Access Restriction

The patient experience is a very important component to the operational procedures of EECC. All operations revolve around the goal of giving patients a friendly, safe and positive way to get their medicine and ensure minors do not enter the building.

As a patient enters the front door the first team member he/she encounters is the security personnel. All persons entering the building will be under video surveillance, which is monitored remotely inside and can also be monitored outside the facility. The security specialist will greet the patient and ask if they are a new or returning patient. On site, front door security personnel will ensure absolutely no minors enter the facility by checking valid California photo ID.

If the patient is a new patient, they are asked to show verification that they are eligible to legally receive medical cannabis under the guidelines established by the State of California. After verifying the patient possesses a valid, current doctor's recommendation for cannabis, and a valid California I.D. matching the name on the recommendation, the patient is directed toward the reception desk for registration.

While the new patient is filling out the registration form, the front desk personnel inputs the state issued medical verification card and California ID to be kept electronically. Once the patient has completed the registration form, has been verified, and has their information entered into the Trellis cannabis software platform, they are asked if they need special assistance for their first time. If the retail facility area containing cannabis (the "showroom") is ready, the patient will be allowed to enter. If the retail facility area has reached the maximum capacity at the time, the new patient is asked to wait in the waiting area until their name is called.

If the patient is a returning patient, the security specialist verifies that the patient has a valid California ID and a valid, current verification card for medical cannabis. Once the returning patient reaches the reception desk, they only need to give the front desk employee their valid California ID. Once the identifying ID number is entered into the Trellis software program, the employee will immediately have visual confirmation that the patient's medical verification card is valid or expired, as well as if the patient has already entered the facility that day, if the patient has any special needs, or if the patient has other considerations tied to their membership.

Once the patient is confirmed as valid in the system, the front desk personnel will allow the patient into the showroom if space is available to begin looking at merchandise.

Many patients come to a retailer seeking advice about the available medicinal options, and each staff member will be trained on both the products available, the proper use of such products, and the overall efficacy of cannabis as a medicine. No patient is ever directed toward a product or pressured to purchase anything unless it directly relates to the condition they are trying to treat as well as coincides with any directive they have been given by their physician.

If the patient is new, they are given a general overview of the product selection including categories, pricing, return policy and our commitment to making sure they receive accurate and helpful information in choosing which medicine may be right for their needs. A returning patient is welcomed back, and the staff member can pull up their transaction history in the Trellis patient tracking functionality to help determine what has or has not been effective.

Once the patient has received the advice they need and has made their selection, they are given a total price including appropriate taxes. All items purchased both medicinal and otherwise (such as gear or a t-shirt) are placed into a paper bag, which is stapled shut to prevent anything from falling out as well as to discourage the possibility of theft after the transaction. This tactic is also to discourage patients from opening their purchase until they are home and in the confines of a private residence. Consumption of product is prohibited on site and in the parking area surrounding the facility. An itemized receipt is provided to the patient for their own records, as well as to prove that the cannabis they are now in possession of has been obtained legally. The receipt may be placed inside the bag, stapled to the bag, or given to the patient separately depending on the specific desire of the patient. Once the transaction is complete, the patient leaves the facility. Only cannabis products that are labeled and in a tamper-evident package will be dispensed.

If requested, any patient will be provided either a staff or security escort to their vehicle to assist in the event of a disability or to ensure their safety.

EECC will implement all additional procedures required by the Monterey County Sheriff's Office.

Youth Access Restriction

Patients entering the facility must be eighteen (18) years or older with a valid identification card and medical cannabis recommendation.

Individuals wishing to enter the retail establishment for purposes of purchasing recreational/adult use cannabis must be twenty-one (21) years or older. A security guard will check identification prior to individuals entering the building. The IDs will be scanned and the data will be transmitted to the Trellis software program. A record of all adult use patrons will be kept for a period of seven (7) years.

The applicants shall only sell adult use cannabis to individuals who are at least 21 years of age and shall only sell medical cannabis goods to individuals who are at least 18 years of age who possess a valid medical verification card or who are a primary caregiver for a medical use individual.

D-7

D-7. Product Supply Chain

D-7-a. Product Supply Chain

D-7-b. Location of Cultivation

D-7-c. Location of Processing Cannabis

D-7-d. Testing

D-7-e. Transportation Plan

D-7-f. Packaging and Labeling Criteria

D-7-a

PRODUCT SUPPLY CHAIN

D-7-A. PRODUCT SUPPLY CHAIN

All products will be purchased from licensed distributors within the State of California. EECC shall not produce cannabis products on site.

Product Safety

All cannabis products made available at the retail facility will be held to the highest industry standards and will be inspected both internally as well as independently. All employees will be thoroughly trained on the use and efficacy of every available product and will be prepared to explain the details of every available product. In addition, all employees will share the responsibility of ensuring no product is dispensed to a patient/customer with any question as to its safety or quality. The following specific considerations will be given to each product category:

Flowers

All flowers accepted at the retail facility will only be available after strict quality control procedures have been satisfied. This will include the following protocol:

- Flowers are procured accompanied by certified current independent lab results from the provider showing potency of active cannabinoids, presence of pesticides, and presence of bacteria/molds and mildew. All flowers will enter the facility pre-packaged.

Concentrates

Concentrates will be procured following the same protocols as outlined for flowers. In addition to the outlined test parameters, concentrates will also be tested for the presence of residual solvents by an independent licensed testing source. Concentrates will be stored in a protected and moisture controlled environment. The concentrates in inventory will come prepackaged by the provider.

Edibles

All edibles are procured from permitted legal providers who practice food safety protocols in all aspects of the production process. This includes handling of the raw materials, testing of the cannabis source material before production, storage, packaging, and accurate testing for dosing of the finished edible product after production. Before being available to patrons, all staff members will be given specific details regarding the proper dosing of any given edible product so as to be able to give the most accurate advice regarding use. In the event any edible product is damaged or shows any abnormality in packaging, it will immediately be removed from inventory and either returned to the provider or discarded using designated waste management protocol. All packaging for any edible product will clearly show the tested amount of cannabis, suggested dosage, and clearly define the presence of any ingredient to which a patron may have an allergy. All edibles purchased by a patient/customer will be accompanied with a warning about use and the possibility of exceeding recommended dosage and what to do in the event that exceeding dosage recommendations occurs.

Topical Applications

Topical Applications will be stored in a climate controlled environment to prevent the growth or proliferation of mold or bacteria. All topicals will be clearly marked that they are not safe for ingestion.

All products, regardless of dosage or category, obtained at the retail facility will be accompanied with the following warnings:

- Keep out of the reach of children and pets.
- Do not operate a vehicle or machinery after use.
- Not for resale or redistribution.

D-7-b

PRODUCT SUPPLY CHAIN

D-7-B. LOCATION OF CULTIVATION

No cultivation is taking place at the proposed location, nor is any cultivation proposed to take place.

D-7-c

PRODUCT SUPPLY CHAIN

D-7-C. LOCATION OF PROCESSING CANNABIS

EECC shall not engage in cannabis processing at the proposed location.

D-7-d

PRODUCT SUPPLY CHAIN

D-7-D. TESTING

All products dispensed from the facility shall meet the local and state mandated independent third-party testing requirements.

D-7-e

PRODUCT SUPPLY CHAIN

D-7-E. TRANSPORTATION PLAN

Security is most important when product is entering or leaving the facility. Unscheduled deliveries or transportation will not be permitted. All shipments shall be accompanied by an appropriate manifest linked to the inventory control software.

- EECC delivery drivers will carry with them and provide to law enforcement the following documentation: a.) copy of the retail facility's current permits, licenses, and entitlements authorizing them to provide delivery service; b.) the employee's government-issued identification; c.) a copy of the delivery request; and d.) chain of custody records for all goods being delivered.
- All deliveries from suppliers and vendors will only be received at the designated shipping and receiving location, which shall not be visible from off-site. Each delivery will have a scheduled time, and vendors (including those picking up materials for offsite shipment) must strictly observe the following vendor security protocols:
- Upon arrival at the main gate, security personnel will verify the vehicle against the vendor manifest provided by the appropriate supervisor.
- If the vendor does not arrive close to a pre-scheduled delivery time, the security personnel will not permit the vendor to enter. The security personnel will record the time, date, vendor name, on-site contact, vehicle information, and require the vendor to leave.
- Security personnel will notify the appropriate supervisor that the vendor is on-site.
- Security personnel at the entrance will perform standard entry verification procedures:
    - Security personnel will record the time and date.
    - Vendor personnel, including driver, will be required to present government-issued identification. The security personnel will photocopy the ID and visually verify that the vendor matches the image on the ID card. The ID card will be scanned by security personnel and checked against a manifest of vendor drivers for that vendor. If any of these fail, the security personnel will not allow the vendor to enter.
    - Security personnel will record the vendor vehicle's information including vendor name, license plate number, and vehicle registration.
- Security personnel will notify facility staff responsible for receiving operations that the vendor vehicle has arrived and is on its way to the receiving area.
- Only one vendor will be permitted in the shipping and receiving area at a time.
- Goods will be unloaded onto the designated receiving area by facility personnel.
- Staff will update the inventory control system as appropriate.
- During the shipment receiving process, there will be at least one security guard present and at least two staff, including at least one supervisor.
- All shipment procedures will take place in areas fully covered by video surveillance. During the manifest verification process, to the extent possible, all products will be verified on camera.

East of Eden Cannabis Co.
Transporation Manifest

DATE	COMPANY	DRIVER	CDL	PHONE	DESTINATION	PRODCUT	VEHICLE	SIGNATURE

D-7-f

PRODUCT SUPPLY CHAIN

D-7-F. PACKAGING AND LABELING CRITERIA

All products dispensed shall enter the facility pre-packaged meeting all labeling requirements set forth by the County of Monterey and State of California.

Labeling requirements shall include but are not limited to:

- Packages and labels shall not be made to be attractive to children.
- Product labels shall include the following information displayed in a clear and legible font:
    - Manufacture date and source.
    - The statement "SCHEDULE 1 CONTROLLED SUBSTANCE."
    - The statement "KEEP OUT OF REACH OF CHILDREN AND ANIMALS" in bold typeface.
    - The statement "FOR MEDICAL USE ONLY." (If Applicable).
    - The statement "THE INTOXICATING EFFECTS OF THIS PRODUCT MAY BE DELAYED BY UP TO TWO HOURS."
    - The statement "THIS PRODUCT MAY IMPAIR THE ABILITY TO DRIVE OR OPERATE MACHINERY, PLEASE USE EXTREME CAUTION."

- For packages containing only dried flowers, the net weight of the cannabis in the package.
- A warning if nuts or other known allergens are used.
- List of pharmacologically active ingredients including, but not limited to, tetrahydrocannabinol (THC), cannabidiol (CBD), and other cannabinoid content, the THC and other cannabinoid amount in milligrams per serving, servings per package, and the THC and other cannabinoid amount in milligrams for the package total.
- Clear indication, in bold typeface, that the product contains cannabis.
- Identification of the source and date of cultivation and manufacture.

D-8

D-8. Record Keeping Policy

Tracking cannabis from seed-to-sale requires cannabis specific technology that can handle business at any scale and maintain compliance with all cannabis regulations. For inventory management, among other things, EECC will utilize the Trellis Software Platform. Trellis Software Platform was built by cannabis people – managers, budtenders, retail operators – who know the realities of running and working in some of the largest cannabis operations in the world. The Trellis platform enables best in process workflow, data capture, and efficiency in cannabis technology and allows real-time integration to the best technology tools for accounting, customer loyalty, menu integration, payroll, and more.

Trellis is a fully integrated Point of Sale (POS), Inventory Control, and Patient and Customer Management system and is one of the only complete seed-to-sale systems available on the market today. This software has been specifically designed to serve the cannabis industry.

The use of this system allows the retail site to track the chain of custody and real-time whereabouts of cannabis from the point that it is received by a customer or patient or vendor until it is sold, destroyed, or returned to the vendor.

Trellis software program supports:

- Tracking of every product in every form
- Packaging
- Labeling
- Sales
- Adjustments
- Conducting audits
- Disposal of unusable cannabis
- Maintaining records indefinitely
- Managing Purchases and Amounts
- Employee records, time clock, and transaction history

The procurement, display, pricing and management of all inventory carried by EECC falls under the supervision of the General Manager and the Inventory Manager. All inventory actions are tracked using the EECC inventory management system. This allows for proper reconciliation of all financials, proof of tax compliance, and prevention of diversion. Products made available to patients and customers will generally fall into the following categories:

- Flowers: dried and cured cannabis suitable for smoking or vaporizing.
- Concentrates: extracts of cannabis flowers used for smoking or vaporizing.
- Edibles: foods, candies, and tinctures infused with cannabis flowers or extracts designed for digestion or sublingual application.
- Vapor Cartridges: specially designed atomizers filled with concentrated cannabis specifically used for vaporization.
- Topical Applications: lotions, balms, rubs and sprays designed to be used on the skin (not ingested or inhaled).

- Gear- non-medicinal items including but not limited to: clothing, gifts, promotional items, informational or recreational publications, tools (batteries, non-filled vaporizers, etc.), artwork and other appropriate items that do not contain any form of medicinal cannabis.

All inventory is kept inside the locked safe, or in a secured cabinet or refrigerated unit inside the locked safe room. All inventory procured, retained, dispensed, or discarded will fall under the responsibility of the Inventory Manager and is recorded and tracked by the Trellis inventory management functionality. Inventory is physically counted daily before opening to the public, and any discrepancies recorded and investigated when appropriate. If it is determined that there is a significant discrepancy found in the inventory, EECC will notify the Monterey County Sheriff's Office within twenty-four (24) hours.

All items available for purchase have a separate SKU and are packaged per the specific requirements of their inventory category. EECC will ensure that all cannabis and cannabis products at the site are cultivated, manufactured, transported, distributed, and tested by licensed and permitted facilities that maintain operations in full compliance with state and local regulations.

Inventory will be sourced from permitted and legal providers as allowed by the existing State guidelines regarding medicinal and adult use cannabis products. The Inventory Manager and General Manager work together to determine the appropriate variety and quantity of products in each specific category, guided by patient/customer demand and an effort to provide the highest quality products at the most affordable price possible. All aspects of inventory intake will be tracked by the Trellis inventory control functionality including vendor/distributor contact information, quantity purchased, price paid, lab test results, and any other relevant information regarding the process of dispensing any given item. After any product is received into the facility, it is kept in locked storage until it is fully prepared for dispensing to individuals.

The amount of inventory on the retail facility floor is kept to a minimum and will be tracked in the inventory control system as "Sales Inventory" as a subcategory of "General Inventory". Before being made available for purchase to individuals all inventory items will be inspected for quality, tested for potency and safety when appropriate, and properly labeled. All inventory items that are made available for purchase on the showroom floor will be designated a unique SKU and tracked from intake to purchase by the Trellis Management/POS functionality.

EECC will also provide a delivery service to its members in the future. Calls/orders will be placed by a member and tracked through the Trellis Software Platform. All recommendations will be verified prior to product delivery. Prior to leaving the facility to deliver the product the driver will complete the transportation manifest indicating at minimum:

- The licensee receiving the product and address of delivery location.
- The transaction date.
- The cultivator from which the product originates, including the associated unique identifier pursuant to Section 26069.
- The variety and quantity products shipped.
- The estimated times of departure and arrival.
- The variety and quantity of products received.
- The actual time of departure and arrival.
- A categorization of the product.

- The license number and the unique identifier issued by the licensing authority for all licensees involved in the shipping process, including, but not limited to, cultivators, manufacturers, distributors, and Retail facilities.
- Upon receipt of the transport shipment the licensee receiving the shipment shall submit to the licensing authority a record verifying receipt of the shipment and details of the shipment.
- All shipments received shall be maintained electronically and shall be made available upon request of the County of Monterey or the Department of Consumer Affairs or any other law enforcement agency.

D-9

D-9. TRACK AND TRACE MEASURES

Please see the track and trace measures provided by the software platform, discussed above in Section D-8.

D-10

D-10. Sustainability Measures

D-10-a. Water Efficiency Measures
D-10-b. Energy Efficiency Measures
D-10-c. High Efficiency Mechanical Systems
D-10-d. Alternative Fuel Transportation Methods

D-10-a

SUSTAINABILITY MEASURES

10-A. WATER EFFICIENCY MEASURES

Please see Section D-5.

D-10-b

SUSTAINABILITY MEASURES

10-B. ENERGY EFFICIENCY MEASURES

All lighting fixtures will be upgraded to LED and all energy efficiency measures will be taken. It is unlikely there will be an increase in energy usage from the pre-existing use.

D-10-c

SUSTAINABILITY MEASURES

10-C. HIGH EFFICIENCY MECHANICAL SYSTEMS

The proposed retail facility is located in a preexisting building and minor modifications are proposed to bring the restrooms into ADA compliance. As such, at this time there is not an opportunity for high efficiency mechanical systems to be installed. In the event such opportunity arises, EECC is committed to install high efficiency mechanical systems.

D-10-d

SUSTAINABILITY MEASURES

10-D. ALTERNATIVE FUEL TRANSPORTATION METHODS

All delivery service vehicles will be energy efficient and will be hybrid models to reduce the carbon footprint impact. Also, EECC will seek out licensed distribution companies who employ fuel efficient vehicles.

D-11

D-11. Odor Prevention Devices

To address the concerns of odor, the following will be implemented prior to opening:

EECC will install, at a minimum, one Honeywell F90A1050 Electronic Air Purifier (or equivalent). The F90A1050 is a surface mounted Honeywell industrial commercial electronic air cleaner. It cleans by removing particulates from the air passing through the electronic cells. This filter is certified to be 94% efficient at capturing 0.5 micron air borne particles that pass through the filter such as pollen, cat dander, dust, tobacco smoke, and mold spores.

In addition to the Electronic Air Purifier, EECC proposes to install a HVAC in the facility. They will make sure that the system is up-to-date with the latest carbon filter technology. These steps should ensure that odors from cannabis are not detectable off site.

Any other odor mitigation measures required by the County will be implemented prior to occupancy.

D-12

D-12. SIGNAGE

Signage for EECC will remain consistent with neighboring businesses and conform to the criteria set forth by the Monterey County.

D-13

D-13. Parking Plan

The proposed location was built for retail space and is vacant and has never been open. There are six (6) parking stalls in the front of the building that are accessible from Moss Landing Road. One (1) parking stall is reserved for disabled drivers. Please see the site map in Section C for reference to parking spots.

D-14

D-14. Other Information Required by the Director of Planning

D-14-a. General Development Plan

D-14-b. DRC Comment Letter Not Received

D-14-c. Hazardous Materials Questionnaire

D-14-d. Weights and Measures Form

D-14-a

OTHER INFORMATION REQUIRED BY THE DIRECTOR OF PLANNING

D-14-A. GENERAL DEVELOPMENT PLAN

Project Overview

East of Eden Cannabis Co. is seeking a land use entitlement to permit a cannabis retail facility for both recreational adult and medical sales at 8022a Moss Landing Road, Moss Landing. The building was built for retail space and is vacant and has never been used. There is an apartment building on the second level. The building is currently vacant. The neighboring establishment is The Haute Enchilada, a restaurant, and a post office. Minor building modifications will be sought to update the restrooms in 8022a, bringing them into compliance with ADA requirements. All necessary permits will be sought prior to commencement of work. In addition to a brick and mortar storefront, EECC proposes to conduct a delivery service that would provide product to their members that are not able to come into the store. No other commercial cannabis uses shall take place on the premises. The retailer shall establish limited access areas and permit only authorized people to enter the area. The retailer will comply with state required daily limit sales.

Hours of Operation

The facility will operate seven (7) days a week, Monday through Sunday, 10:00 a.m. to 8:00 p.m.

Employees

There will be approximately eight (8) employees and at least one (1) security guard onsite at all times.

Parking Plan

Please see Section D-13 for parking details and please see Section C for the site plan.

Traffic

8022a Moss Landing Road is located on Moss Landing Road. There is an entrance into the parking lot from Moss Landing Road.

Site Development Standards

Please see the site plan in Section C.

Signs

Please see section D-12 for signage details.

Landscaping Plan (including Trash/Recycling Facilities)

Locked trash and recycling enclosures will be installed behind the building. Please see the enclosed site plan in Section C. All landscaping will be maintained by scheduled drip irrigation in an effort to conserve water.

Lighting Plan

This project does not include proposed changes to the current exterior lighting plan.

Fuel Management

Not applicable.

Hazardous Material Questionnaire

Please see the completed Hazardous Material Questionnaire in section D-14-c.

Information Meeting the Regulatory Requirements Contained in Chapter 21.67

Please see Section D-2-a.

Delivery Service Security Measures

All deliveries of cannabis goods shall be performed by a delivery employee of the retailer that is at least 21 years of age and will be made in person to a physical address in the state of California that is not publicly owned land or land leased by a public agency.

No cannabis shall be visible to the public and cannabis cannot be left unattended while being delivered. The vehicle must be equipped with an alarm system, GPS system, and be able to be locked remotely. Products in the vehicle shall not exceed $3,000.00 in value.

All required receipts will be sought.

Medical Recommendation Verification and Youth Access Restriction

Please see Section D-6.

Product Supply Chain

Please see Section D-7.

Record Keeping Procedures

Please see Section D-2-c.

Track and Trace

Please see Section D-9.

Sustainability Measures

Please see Section D-10.

Odor Prevention

Please see Section D-11

Fire

The commercial cannabis retail facility proposes to serve both medical patients and adult use customers. A one hour fire resistant/rated wall shall be installed with necessary permits sought beforehand. In the event sprinklers are necessary, the applicants shall comply. Occupancy M is sought.

D-14-b

OTHER INFORMATION REQUIRED BY THE DIRECTOR OF PLANNING

D-14-B. RESPONSE TO POST DRC COMMENT LETTER

Fire

Prior to occupancy, sprinkler and fire alarm systems will be installed and portable fire extinguishers will be onsite. There are no mechanically locked doors on site. Any improvements to the premises will be designated to meet the Mercantile (M) occupancy and all required building permits will be sought.

Building

Any and all improvements sought will not be commenced without the required building permits. The property will be brought into compliance with the Americans with Disabilities Act (ADA), specifically the emergency exit and the restrooms. The premises will be brought to meet the Mercantile (M) occupancy if necessary. The applicants will install a fire-resistant wall rated to withstand heat for at least one hour.

Public Works

No requirements noted in the post DRC comment letter. If any additional addresses are required the applicants will obtain it/them. The applicants will comply with the required frontage improvements upon receipt of the entitlement. The structure will be brought into ADA compliance and in the event there is new construction after receipt of necessary building permits, the applicants will pay traffic impact fees if required.

Environment Health

Please see Section D-4 for the can and serve letter from Waste Management.

Please see Section D-5 for an application to and receipt from the Pajaro/Sunny Mesa Community Service District.

Prior to submission of the Monterey County Cannabis Business Permit, applicants will apply for a Retail Food facility permit.

Please see Section C for a site map detailing the locked trash location.

Water Resources

No requirements noted in the post DRC comment letter.

Agricultural Commissioner

Please see Section D-14-d for the weights and measures form.

Planning

The applicants are aware that the proposed project is located in the Coastal Zone and to date the Coastal Commission has not adopted an ordinance governing commercial cannabis operations in the Coastal Zone. However, it is the applicants' understanding that the Coastal Commission and the County have reached a consensus on language for the cannabis ordinance and a vote is taking place in February.

As such, any amendment that needs to be made to the subject application can and will be made prior to the thirty (30) day project application review period.

Upon receipt of a Coastal Development Permit, all necessary cannabis related permits will be sought including the local business permit, business license, food retail facility license and State of California cannabis retail license.

D-14-c

Other Information Required by the Director of Planning

D-14-c. Hazardous Materials Questionnaire

Please see attached completed application.

Monterey County Health Department
1270 Natividad Road, Room 301
Salinas, CA 93906

Jurisdiction Name_____
Use Permit #_____
or
Building Permit #_____
Contact Name_____
Phone_____

HAZARDOUS MATERIAL QUESTIONAIRE

ASSESSOR'S PARCEL NUMBER 133-212-002-000

BUSINESS NAME East of Eden Cannabis Co. TYPE OF BUSINESS Medical & Recreational Cannabis Retailer (Dispensary)

SITE LOCATION 8022a Moss Landing Rd. CITY Moss Landing

MAILING ADDRESS 115 Cayuga St., Salinas, CA 93901

BUSINESS CONTACT Kasra Ajir (831) 277-4520
NAME PHONE

PROPERTY OWNER Phat, LLC / Jeff Davi (831) 373-2222
NAME PHONE

1. Will your business/proposed project be using any hazardous materials such as oil, fuels, solvents, compressed gases, acids, corrosives, pesticides, fertilizers, paints or other chemicals.
[ ] YES [X] NO

2. Will your business/proposed project be using hazardous materials in quantities of 55 gallons and above for liquids, 500 lbs. and above for solids and or 200 cubic feet and above for compressed gases.
[ ] YES [X] NO

3. Will your business/proposed project be using any quantities of acutely hazardous materials such as ammonia, chlorine, formaldehyde, hydrogen peroxide, methyl bromide or other restricted pesticides.
[ ] YES [X] NO

4. Will your business proposed project be using underground storage tanks to store hazardous materials.
[ ] YES [X] NO

5. Will your business/proposed project be generating any quantities of hazardous waste such as waste oil, waste solvents, etc.
[ ] YES [X] NO

6. Will you business/proposed project be emitting any hazardous air emissions.
[ ] YES [X] NO

CERTIFICATION:
I declare under the penalty of perjury, under the laws of the State of California, that the foregoing is true and correct to the best of my knowledge and belief.

Executed At: Carmel, California
City, State

ANY QUESTIONS REGARDING THIS FORM CAN BE DIRECTED TO:
Monterey County Health Department
Division of Environmental Health
1270 Natividad Road, Room 301
Salinas, CA 93901
(831) 755-4511

PRINT NAME OF OWNER/OPERATOR Kasra Ajir

SIGNATURE OF OWNER/OPERATOR [signature]

FOR LOCAL JURISDICTION USE ONLY

1. Is there a known or proposed school, hospital, day care, or long term care facility within 1,000 feet at this site. location. [ ] YES [ ] NO
2. Is there a known or proposed school, hospital, day care, or long term care facility within 1/4 mile of this site location? [ ] YES [ ] NO

Health Department Clearance ***Signature:***_____ ***Date:***_____
Print Name and Title:_____

Air Pollution District Clearance ***Signature:***_____ ***Date:***_____
Print Name and Title:_____

D-14-d

Other Information Required by the Director of Planning

D-14-d. Weights and Measures Form

Please see attached completed application.

MONTEREY COUNTY

AGRICULTURAL COMMISSIONER

ERIC LAURITZEN
AGRICULTURAL COMMISSIONER
1428 ABBOTT STREET – SALINAS, CALIFORNIA 93901
PHONE: (831) 759-7325 FAX: (831) 422-5003

APPLICATION FOR DEVICE REGISTRATION

Location Specific Information:

BUSINESS NAME: East of Eden Cannabis Co.		
BUSINESS ADDRESS: 8022a Moss Landing Rd.	CITY: Moss Landing	ZIP CODE: 95039
CONTACT NAME: Kasra Ajir	CONTACT TITLE:	
BUSINESS PHONE: (831) 277-4520	CELL PHONE (OPTIONAL):	FAX MACHINE:
EMAIL (OPTIONAL):		

Corporate / Business Mailing Information – If the same as above check here [ ]:

CORPORATE NAME: East of Eden Cannabis Co.			
MAILING ADDRESS: 115 Cayuga St.	CITY: Salinas	STATE: CA	ZIP CODE: 93901
CONTACT NAME: Kasra Ajir	CONTACT TITLE:		
BUSINESS PHONE: (831) 277-4520	CELL PHONE (OPTIONAL):	FAX MACHINE:	
EMAIL (OPTIONAL):			

Weighing or Measuring Device Information:

DEVICE TYPE(S) AND NUMBER (EQUIPMENT NUMBER IF APPLICABLE I.E. TRUCK #001):

A+D FX300 iN

START-UP DATE (IF ALREADY NOT IN USE):

Upon receipt of licensing.

SIGNATURE:	DATE: 1-19-18

E

E. Additional Requirements Depending on Activities Proposed

E-1. Cannabis Retailer/Retail Facility

E-1-a. Operational Plans Dealing With Federal Enforcement Policies

The retail facility will include adequate measures that address the federal enforcement priorities for cannabis activities including restricting access to minors, prohibiting use or possession of firearms for security purposes at the premises, and ensuring that cannabis and cannabis products are not supplied to unlicensed and unpermitted persons within the State and not distributed out of state.

G

G. Required Findings

Zoning Ordinance Section 20.67.040

Requirements / Findings	East of Eden Cannabis Co. (EECC) Compliance
B. 1. Dispensaries/Retail facilities shall be located only in zoning districts that specifically provide for this use.	The proposed location: 8022 Moss Landing Road is zoned: LC.
B. 2. Dispensaries/Retail facilities shall not be located within six hundred (600) feet from any school, public park, or a drug recovery facility.	There are no schools, public parks or drug recovery facilities within 600 feet of 8022 Moss Landing Road, Moss Landing.
B. 3. Dispensaries/Retail facilities shall not be located within one thousand five hundred (1,500) feet of another dispensary/retailer.	At this time there are no other cannabis dispensaries/retail facilities in operation within 1,500 feet from the proposed location
B. 4. Dispensaries/Retailers shall keep accurate records of all business operations and provide such records for inspection consistent with Section 19327 of the California Business and Professions Code.	EECC will implement Trellis software platform to track and trace all products as well as all customer records. Please see Sections D-2-c, D-8 and D-9.
B. 5. a. Dispensaries/Retailers shall prevent individuals from loitering on the premises of the dispensary/retailer if they are not engaging in activity expressly related to the operations of the dispensary/retailer.	There will be 24 hour security on-site. During hours of operation there will also be a security guard in plain clothes at the entrance of the facility to ensure timely entrance and exit and that people do not loiter in and around the premises. Please see Section D-1 for the detailed security plan.
B. 5. b. Dispensaries/Retailers shall establish limited access areas accessible only to authorized dispensary/retailer personnel.	All product will either be kept in a locked safe or will be in the retail facility showroom where only a limited number of members can enter at a time. Members will never be alone in the retail facility showroom and will not have access to the locked safe that is located in another room of the facility.
B. 5. c. Dispensaries/Retailers shall store all cannabis and cannabis products in a secured and locked safe room, safe, or vault, and in a manner as to prevent diversion, theft, and loss, except for limited amounts of cannabis and cannabis products used for display purposes, samples or immediate sale.	Only a limited amount of product will be used for display purposes and all other product will be stored in a locked safe accessible only by management.
B. 5. d. Dispensaries/Retailers shall install security cameras on site.	Security cameras will be facing both outward toward the parking lot and within the building.

B. 5. e. Dispensaries/Retailers shall provide for on-site security personnel meeting the requirements and standards contained within Chapter 7.30 of the Monterey County Code. On-site security shall not carry firearms or other lethal weapons.	Please see the security plan located in section D-1.
B. 6. a. All dispensary/retailer employees delivering cannabis or cannabis products shall carry a copy of the dispensary's/retailer's current permits, licenses, and entitlements authorizing them to provide delivery services.	Please see Section D-7-e.
B. 6. b. All dispensary/retailer employees delivering cannabis or cannabis products shall carry the employee's government-issued identification.	Please see Section D-7-e.
B. 6. c. All dispensary/retailer employees delivering cannabis or cannabis products shall carry a copy of the delivery request.	Please see Section D-7-e.
B. 6. d. All dispensary/retailer employees delivering cannabis or cannabis products shall carry chain of custody records for all goods being delivered.	Please see Section D-7-e.
B. 7. Dispensaries/Retailers shall ensure that all cannabis and cannabis products at the dispensary/retail facility are cultivated, manufactured, transported, distributed, and tested by licensed and permitted facilities that maintain operations in full conformance with state and local regulations.	Please see Sections D-2, D-7 and D-8.
B. 8. Dispensaries/Retailers shall not distribute any medical cannabis/cannabis or medical cannabis/cannabis product unless the medical cannabis/cannabis and medical cannabis/cannabis products are labeled and in a tamper-evident package in compliance with Section 19347 of the California Business and Professions Code and any additional rules promulgated by the licensing authority.	Please see proposed labels and packaging under Section D-7-f.
B. 9. a. Dispensaries/Retailers shall notify the Monterey County Sheriff's Office and the licensing authority within 24 hours after discovering significant discrepancies identified during inventory.	Please see the security plan under Section D-1.
B. 9. b. Dispensaries/Retailers shall notify the Monterey County Sheriff's Office and the licensing authority within 24 hours after discovering diversion, theft, loss, or any criminal	Please see the security plan under Section D-1.

activity involving the dispensary/retail facility or any agent or employee of the dispensary/retailer.	
B. 9. c. Dispensaries/Retailers shall notify the Monterey County Sheriff's Office and the licensing authority within 24 hours after discovering the loss or unauthorized alteration of records related to cannabis, registered qualifying patients, primary caregivers, or dispensary/retailer's employees or agents.	Please see the security plan under Section D-1.
B. 9. d. Dispensaries/Retailers shall notify the Monterey County Sheriff's Office and the licensing authority within 24 hours after discovering any other breach of security.	Please see the security plan under Section D-1.
B. 10. Possession or delivery of any other form of illegal drugs without proper legal authorization shall be grounds for revocation of permits.	Only cannabis from a licensed facility will be delivered and on the property. EECC does not condone the use of illegal drugs by their staff or members on the premises. In the event EECC becomes aware of employees or members using and/or distributing illegal drugs they will be terminated and their membership/access will be revoked. All incidents will be reported to the MCSO within 24 hours.
C. 1. A Coastal Development Permit shall not be granted unless the dispensary/retailer, as proposed, has demonstrated that it can and will comply with all of the requirements of the State and County to operate a medical cannabis/cannabis dispensary/retail facility.	EECC has complied with all requirements set
C. 2. A Coastal Development Permit shall not be granted unless the dispensary/retail facility will not be located within six hundred (600) feet from any school, public park, or drug recovery facility, or within one thousand five hundred (1,500) feet of another dispensary/cannabis retail facility.	The current and proposed location is not within 600 feet from any school, public park or drug recovery center. There is not another cannabis dispensary/retail facility in operation within 1,500 feet from EECC's proposed location.
C. 3. A Coastal Development Permit shall not be granted unless the dispensary/retailer, as approved and conditioned, will not result in significant unavoidable impacts of the environment.	EECC's proposed project does not involve substantial building alterations. In addition, the prior use of the premises was retail and the proposed use will also be retail, as such not creating unavoidable significant impacts to the environment.
C. 4. A Coastal Development Permit shall not be granted unless the dispensary/retailer includes adequate measures that minimize, to the extent feasible, nuisances to the immediate neighborhood and community including minimizing the detection of odor from offsite, minimizing the effects of loitering, providing	Please see Section D-11 with regard to odor prevention. Please see Section D-1 with regard to the proposed security plan that specifically addresses minimizing loitering and security measures. Please see Section D-3 for the proposed hours of operation.

adequate security measures, and not exceeding the Use Permit's/Coastal Development Permit's limits on hours of operation.	
C. 5. A Coastal Development Permit shall not be granted unless the dispensary/retailer will provide adequate measures that address the federal enforcement priorities for cannabis activities including providing for restrictions on drugged driving, restricting access to minors, prohibiting use or possession of firearms for security purposes at the premises, and ensuring that medical cannabis/cannabis and medical cannabis/cannabis products are supplied from permitted and licensed sources.	In the delivery service component of our business, we hope to prevent drugged driving by bringing the cannabis to the patients/retail customers. Furthermore, we require all patients/customers to sign an agreement that includes a provision that they will not drive under the influence of cannabis. Also, all sales in the dispensary/retail facility end with the placing of product into a bag which is then stapled shut to discourage opening it until the patient/customer is home. Please refer to Section D-6 for information about restricting access to minors. Please refer to Section D-1 for information about prohibiting firearms for security purposes. Please refer to Sections D-2, D-7 and D-8 for information about ensuring that cannabis and products are supplied from permitted and licensed sources.
D. 1. The dispensary/cannabis retailer shall allow access to its facilities and records if requested by the County, its officers, or agents, and shall pay for an annual inspection and submit to inspections from the County or its officers to verify compliance with all relevant rules, regulations, and conditions.	The County of Monterey will be permitted unfettered access to EECC's facility and records.
D. 2. The applicant, owner, and all permittees agree to submit to, and pay for, inspections of the operations and relevant records or documents necessary to determine compliance with this Chapter from any enforcement officer of the County or their designee.	EECC agrees to pay for inspection of relevant records by the County of Monterey.
D. 3. The applicant for the dispensary/retailer facility and property owner shall indemnify, defend, and hold the County harmless from any and all claims and proceedings relating to the approval of the permit or relating to any damage to property or persons stemming from the commercial medical cannabis/cannabis activity.	EECC agrees to hold harmless the County of Monterey against any and all claims.
D. 4. Any person operating a medical cannabis/cannabis dispensary/retail facility shall obtain a valid and fully executed commercial medical cannabis/cannabis permit pursuant to Chapter 7.90 of the Monterey County Code prior to commencing operations and must maintain	Upon receipt of the Coastal Development Permit and prior to commencing operations, EECC will apply for the commercial medical cannabis/cannabis permit pursuant to Chapter 7.90 of the Monterey County Code.

such permit in good standing in order to continue operations.	
D. 5. The owner shall be responsible for ensuring that all commercial medical cannabis/cannabis activities at the site operate in good standing with all permits and licenses required by the Monterey County Code and State Law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial medical cannabis/cannabis activities at the site who do not maintain permits or licenses in good standing with the County or State shall be grounds for the suspension or revocation of a Coastal Development Permit pursuant to Section 20.67.120 of the Monterey County Code.	EECC will ensure continued good standing with all permits required by both the County of Monterey and State of California.
D. 6. The dispensary/retailer shall operate only in accordance with the operating plans reviewed and approved by the County. The County shall limit the hours of operation for a dispensary/retail facility to begin no earlier than 8:00 a.m. and to end no later than 8:00 p.m.	Please refer to Section D-2 for the operating procedures and specifically D-3 for hours of operation.