

OWNERSHIP, MANAGEMENT AND SECURITY PLAN INFORMATION

Pursuant to Zoning Bylaw Section 171-28.6(D)(15), Toroverde (Massachusetts) III, Inc. is providing the following information regarding current and proposed ownership and management, as well as security:

a) Name and Address of the legal owner and Licensee of the Marijuana Establishment

Current Licensee: Toroverde (Massachusetts) III, Inc.
(will remain) 424 State Road, Unit A1
Whately, MA 01093

b) Name and Address of all persons having lawful, equity or security interests in the Marijuana Establishment

Current Owners: Toroverde (Holdings), Inc. (**owns 100% of the Licensee*)
c/o Cogency Global Inc.,
850 New Burton Road, Suite 201
Dover, DE 19904

Nallim Capital, Inc. (**owns 100% of Toroverde (Holdings) Inc.*)
1055 W. Georgia St., Suite 1500
Vancouver, BC Canada V6E 4N7

Jeffrey Giarraputo (**owns 100% of Nallim Capital, Inc.*)
909 Bannock Street
Denver, CO 80204

Proposed Owners: Nectarize LLC (**will own 100% of the Licensee post-transaction*)
105 Lowell Road, Apt. 201
North Reading, MA 01864

Pathik Patel (**owns 100% of Nectarize LLC*)
12112 Luftburrow Lane
Hudson, FL 34669

c) Name and Address of the Manager of the Licensed Marijuana Establishment

Current Director, William Beetz (**no involvement post-transaction*)
President & Chief Executive Officer: 5324 Southern Valley Loop
Brooksville, FL 34601

Proposed Director, President, Pathik Patel
Chief Executive Officer and Manager: 12112 Luftburrow Lane
Hudson, FL 34669

d) The number of proposed employees

Toroverde proposes to hire 10 - 15 employees, with a preference for hiring locally.

e) Proposed security precautions

General Security Overview

Toroverde (Massachusetts) III, Inc. (“Toroverde”) will implement policies and procedures to maintain a secure facility and to prevent diversion or other loss of marijuana products in accordance with 935 CMR 500.110 as set out by the Cannabis Control Commission (“Commission”). These policies are intended to protect the general public, employees, visitors, and customers. Toroverde will identify each individual seeking entrance into the marijuana establishment or to whom Marijuana Products are being transported or delivered to ensure that only licensed and permitted marijuana establishment agents and such other individuals permitted by 935 CMR 500.000 are allowed access to the premises and Marijuana Products. These policies will also provide for the proper storage and disposal of marijuana products. Toroverde will ensure that all excess marijuana is disposed of safely and will have in place the necessary storage areas and equipment for proper storage of marijuana, including established limited access areas. This equipment will include but is not limited to locked safes or vaults, keys, alarms, and cameras. In addition to these measures, Toroverde will ensure that all marijuana products are kept out of plain sight of public places outside of the marijuana establishment. Toroverde will also implement policies and procedures for situations following inadvertent diversion or loss of marijuana products. Toroverde will work cohesively with law enforcement authorities and fire services and will share Toroverde’s security plans including any plans to deliver directly to consumers, policies, and procedures with those authorities.

Access to the Premises

Toroverde will implement security protocols and procedures to limit access to the licensed premises to only individuals that have been positively identified as 21 years of age or older. Loitering will be strictly prohibited. Toroverde will ensure that only individuals engaging in activity expressly or by necessary implication permitted by the Commission or applicable laws are allowed to remain on the premises. All entrances to the facility will be clearly marked and secured with commercial grade locks, alarms and remain under clear surveillance 24 hours a day, 7 days a week to prevent unauthorized access.

Limited Access Areas

Toroverde will designate limited access areas by posting clearly visible signs, no smaller than 12” x 12” and which state: “Do Not Enter-Limited Access Area-Access Limited to Authorized Personnel Only” in lettering no smaller than one inch in height. After receipt of Final License, limited access areas will only be accessible to specifically authorized personnel limited to include only the minimum number of employees essential for efficient operation. Furthermore, limited access areas will be restricted to employees, agents or volunteers specifically permitted by the Marijuana Establishment, agents of the Commission, state and local law enforcement and emergency personnel. All limited access areas will be clearly described in a diagram of the premises reflecting entrances and exits, including loading areas, walls, partitions, retail, storage, and disposal areas.

Toroverde will require all employees to wear employee identification badges at all times while inside the marijuana establishment.

Visitor Policy

Following receipt of a final License, all outside vendors, contractors and visitors will be logged in and out, and Toroverde will maintain this log and make it available to the Commission for periodic inspection. Prior to entering a limited access area, vendors, contractors and visitors will obtain a visitor badge and will be

escorted at all times by a marijuana establishment agent authorized to enter the limited access area. Visitor badges will be visibly displayed at all times while the visitor is in any limited access area. Toroverde will ensure that all visitor identification badges are collected before visitors leave the premises.

Security and Alarm Requirements

Toroverde will ensure that all outdoor areas of the facility are properly secured against unauthorized access. Measures taken by Toroverde will include clear signage designating the area as a limited access area, commercial-grade locks, security alarms, and video cameras. The security alarm system will be continuously monitored by a third party and will alert employees of Toroverde within five minutes of a system failure (either by telephone, email, or text message). Toroverde will install video cameras at all entrances and exits as well as in any parking lot. Toroverde will ensure that all video surveillance footage is maintained in accordance with 935 CMR 500.110, can produce clear still photos with a date and time stamp embedded in all recordings, and can be stored in a standard format. 24-hour recordings from all video cameras will be made available for immediate viewing by the Commission. Recordings are retained for at least 90 calendar days or the duration of a request to preserve the recordings for a specified period of time made by the Commission (whichever is longer) and will not be destroyed or altered. Recordings are retained as long as necessary if Toroverde is aware of a pending criminal, civil or administrative investigation or legal proceeding for which the recording may contain relevant information. Toroverde will ensure that the security equipment is in good working order and will be inspected and tested at regular intervals, not to exceed 30 calendar days from the last test. On an annual basis, Toroverde will obtain a security audit by a vendor approved by the Commission. The security audit report will be provided to the Commission within 30 days of conducting the audit.

The interior of the establishment shall have video cameras in all areas that contain marijuana and directed at all safes, vaults, and sales areas. All cameras shall be angled as to allow for the capture of clear and certain identification of any person entering or exiting the establishment. Toroverde's facility will be equipped with a perimeter alarm on all building entry and exit points and perimeter windows. A duress, panic or hold up alarm connected directly to local public safety or law enforcement authorities will be installed in the vault and security surveillance area, at a minimum. Toroverde's security and alarm system will remain operational during a power outage for a minimum of four hours and, if it appears likely that the outage will last for more than four hours, Toroverde will take sufficient steps to ensure security on the premises in consultation with the Commission. Toroverde will demonstrate to the Commission's satisfaction the safeguards that are in place to ensure continuous operation of a security system. All security system equipment and recordings will be maintained in a secure location to prevent theft, loss, destruction and alterations. Access to security system equipment and recordings will be limited to authorized agents requiring access in accordance with their operational responsibilities and those other individuals expressly allowed access pursuant to 935 CMR 500.000.

Waste Disposal

In accordance with Toroverde's waste disposal policies and procedures, all waste will be disposed of in compliance with 935 CMR 500.105(12). Liquid waste containing marijuana or marijuana byproducts will be disposed of in compliance with all applicable state and federal requirements, including but not limited to, for discharge of pollutants into surface water or groundwater or stored pending disposal in an industrial wastewater holding tank in accordance with 314 CMR 18.00: Industrial Wastewater Holding Tanks and Containers. Any Marijuana containing organic material (as defined in 310 CMR 16.02: Definitions) will be ground up and mixed with other organic material (as defined in 310 CMR 16.02: Definitions) at the facility such that the resulting mixture renders any Marijuana unusable for its original purpose. Once such Marijuana has been rendered unusable, the organic material may be composted or digested at an aerobic or

anaerobic digester at an operation that is in compliance with the requirements of 310 CMR 16.00: Site Assignment Regulations for Solid Waste Facilities.

Solid waste containing marijuana will be ground up and mixed with solid wastes such that the resulting mixture renders the marijuana unusable for its original purposes. Once such marijuana waste has been rendered unusable, it will be brought to a solid waste transfer facility or a solid waste disposal facility that holds a valid permit issued by the Department of Environmental Protection or by the appropriate state agency in the state in which the facility is located. A minimum of two marijuana establishment agents will be present and properly document the disposal of marijuana waste in accordance with 935 CMR 500.105(12)(d).

Storage and Facility Security

All finished marijuana and marijuana products will be securely stored in a locked safe or vault accessible to a limited number of authorized individuals to prevent diversion, theft, or loss. Toroverde's safes and vaults and any other equipment or areas used for the retail or storage of marijuana and marijuana products will be securely locked. Toroverde's vault will be a secure, limited access storage room that is outfitted with adequate security features for the purposes of storing Marijuana or Marijuana Products or cash. The vault will be adequately sized to store inventory that is not being actively handled for purposes of dispensing, packaging, processing or transportation. In accordance with Toroverde's security policies and procedures, the safes, vaults and any other aforementioned areas or equipment will be securely locked using commercial grade equipment and protected from entry, except for the actual time required to remove or replace marijuana. Toroverde will keep all locks and security equipment in good working order. Keys, if utilized by Toroverde, will be prohibited from being left in locks and stored or placed in an area accessible to persons other than specifically authorized personnel. In addition, Toroverde will maintain a list of individuals with access to keys and a policy for key issuance and lock replacement. Security measures will be strictly limited to specifically authorized marijuana establishment agents including accessibility of combination numbers, passcodes, electronic or biometric security systems.

The outside perimeter of the facility will be sufficiently lit to facilitate surveillance. All trees, bushes, and other foliage outside the establishment shall be maintained to prevent persons concealing themselves from sight. Toroverde will keep all marijuana products out of plain site and not visible from a public place without the use of binoculars, optical aids or aircraft. Marijuana is not visible if it cannot be reasonably identified.

Emergency Policies and Incident Reporting

Toroverde will develop emergency policies and procedures for securing all product following any instance of diversion, theft or loss of marijuana, and conduct an assessment to determine whether additional safeguards are necessary. All security policies and procedures will be shared with local law enforcement authorities and fire services and periodically if the plans or procedures are modified in a material way.

Toroverde will immediately notify law enforcement authorities and the Commission of any security breach including, but not limited to, discovery of discrepancies identified during inventory, diversion or loss of any marijuana product, any criminal action involving or occurring on or in the Marijuana Establishment premises, any loss or unauthorized alteration of records related to marijuana, suspicious actions involving the sale, cultivation, distribution, processing or production of marijuana by any person, unauthorized destruction of marijuana, failure of an alarm system due to a loss of electrical power or mechanical malfunction that is expected to last more than eight hours, a significant motor vehicle crash that occurs while transporting Marijuana, activation of an alarm system or other event that requires response by public safety personnel or security personnel, or any other breach of security. Notification will be immediate, and

in no instances, more than 24 hours after the incident occurs. Toroverde will provide written notice in the form of an incident report to the Commission within ten calendar days of any incident described in 935 CMR 500.110(9)(a). Toroverde will maintain records and documentation of any reportable incident for not less than one year or the duration of an open investigation, whichever is longer, and made available to the Commission and Law Enforcement Authorities within their lawful jurisdiction on request.

Cash Handling and Transportation Requirements

If Toroverde enters into a contract to deposit funds with a financial institution that conducts any transaction in cash, Toroverde will establish and implement adequate security measures and procedures for safe cash handling and cash transportation to financial institutions or DOR facilities to prevent theft and loss, and to mitigate associated risks to the safety of employees, customers, and the general public. Adequate security measures will include:

1. An on-site secure locked safe or vault maintained in an area separate from retail sales areas used exclusively for the purpose of securing cash;
2. Video cameras directed to provide images of areas where cash is kept, handled and packaged for transport to financial institutions or DOR facilities, provided that the cameras may be motion-sensor activated cameras and provided, further, that all cameras be able to produce a clear, still image whether live or recorded;
3. A written process for securing cash and ensuring transfers of deposits to Toroverde's financial institutions and DOR facilities on an incremental basis consistent with the requirements for deposit by the financial institution or DOR facilities; and
4. Use of an armored transport provider that is licensed pursuant to M.G.L. c. 147, § 25 (watch, guard or patrol agency) and has been approved by the financial institution or DOR facility.

Notwithstanding the requirement of 935 CMR 500.110(7)(a)(4), Toroverde may request an alternative security provision under 935 CMR 500.110(2) for purposes of cash transportation to financial institutions and DOR facilities. Any approved alternative security provision will be included in the security plan shared with law enforcement in the municipality in which Toroverde is licensed and periodically updated as required under 935 CMR 500.110(1)(q). To be determined to provide a sufficient alternative, any such alternative safeguard shall include, but may not be limited to:

1. Requiring the use of a locked bag for the transportation of cash from a Toroverde facility to a financial institution or DOR facility;
2. Requiring any transportation of cash be conducted in an unmarked vehicle;
3. Requiring two registered Marijuana Establishment Agents employed by Toroverde to be present in the vehicle at all times during transportation of deposits;
4. Requiring real-time GPS tracking of the vehicle at all times when transporting cash;
5. Requiring access to two-way communications between the transportation vehicle and Toroverde;
6. Prohibiting the transportation of Marijuana or Marijuana Products at the same time that cash is being transported for deposit to a financial institution or DOR facility; and

7. Approval of the alternative safeguard by the financial institution or DOR facility.

All written safety and security measures developed under 935 CMR 500.105(7) will be treated as security planning documents, the public disclosure of which would jeopardize public safety.