

Business Plan Executive Summary:

IgadI Ltd. (“IgadI”), which has operated a vertically integrated marijuana company in the state of Colorado and Grand County since 2015 and currently operates 22 licenses across the state, will be managed by IgadI’s current executive team who are described in detail throughout this application. IgadI is one of the few companies that can claim it started in Grand County prior to expanding across the state, and knows how to operate successfully in Grand County’s unique environment.

Grand Lake offers extensive opportunities for customer capture. IgadI’s market research indicates that a significant portion of shoppers at its Granby and Tabernash locations are residents of Grand Lake and the surrounding area. Opening a retail storefront in Grand Lake will give these customers quick and convenient access to the products they know, love, and have confidence in their consistency and quality.

IgadI will also target the more than 1 million tourists that visit Grand Lake each year. IgadI has extensive experience targeting these mountain tourist customers at its Central City, Idaho Springs, Granby, Lyons, Nederland, and Tabernash stores, and will leverage this to drive traffic to its store and the surrounding businesses.

IgadI will operate 1 retail location in Grand Lake, selling internally produced products alongside carefully curated 3rd party products. With a team of specialized experts in every area of its organization, IgadI has developed cutting edge processes that allow for the production of high-quality goods for an affordable price. IgadI is also able to leverage its scale to procure well-known 3rd party products for a reasonable cost, and passes its savings directly to its customers.

IgadI anticipates annual revenue to average between \$2M and \$3M, translating to an average of 108 to 161 transactions per day. IgadI will staff the store in kind with a total of 8 employees in Year 1, 10 employees in Year 2, and 12 employees in Year 3 as outlined in its staffing plan. IgadI’s unique products from its vertical integration, outstanding customer service, and consistency will yield excellent results in the proposed new store in Grand Lake.

Finally, IgadI has executed its operations at scale across Colorado for eight years without a single compliance violation on its record. IgadI will continue to promote strict adherence to the rules and regulations of the town and state in its operations in Grand County.

Operational Plan Executive Summary:

IgadI strives to provide best-in-class service while maintaining compliance with State and Local regulations. In this effort, IgadI extensively trains all of its retail employees on key topics of compliance through on-site and digital training to ensure smooth, compliant transactions. In its 8 years of operations IgadI has never committed a compliance infraction and has received thousands of 5 star reviews on Google, Yelp, and other digital search platforms.

Hours of Operation: Monday - Sunday, 8AM - 8PM, but IgadI reserves the right to reduce hours based on seasonality, efficiency, profitability, and staffing.

Opening and Closing Procedures:

- **Opening:** Staff will arrive 30 minutes prior to opening and ensure that the sales floor is stocked and clean, and that all systems including scales, point of sale stations, and entry control systems are operational. Staff will then unlock the doors for customer access at 8AM.
- **Closing:** Staff will lock all exterior doors at 10PM and begin closing procedures. These procedures will include cleaning, restocking, and turning off all lights and equipment that are not required for nighttime security.

Customer Check-In Procedures:

All employees of IgadI - Grand Lake will be trained on compliant customer check-in procedures. Customers will be greeted by a receptionist, who will ask the customer to see their identification. The receptionist will scan the ID with Flowhub's Nug scanner to ensure the customer is of proper age to purchase marijuana. If deemed necessary, the receptionist will further validate the legitimacy of the ID through physical tests of the ID and questions to the customer.

Point of Sale Infrastructure:

IgadI will utilize Flowhub's point of sale software. This software will track inventory, customer purchase limits, verify the buyer's age, and further ensure compliance with both State and Local code for any consumer sales. All sales are uploaded daily into METRC, the State's seed-to-sale inventory traffic as required by state law.

Inventory Control:

All marijuana inventory will be maintained in either secure storage or on the retail sales floor within the limited access area. The secure storage room will only be accessible by a pre-programmed fob which is only provided to shift leads and store managers. Inventory on the sales floor will be kept to the minimum amount necessary to serve forecasted traffic in an efficient manner.

IgadI will utilize Flowhub & METRC (Colorado's seed to sale marijuana tracking system) to ensure compliant receipt, storage, and sale of marijuana inventory. Shift leads, and store managers will be trained how to utilize these systems in order to receive, reconcile, and track inventory in adherence to State and Local regulations.

Compliance Plan Executive Summary:

To ensure staff compliance, all IgadI employees will receive compliance training as part of their onboarding process through the MED approved Responsible Vendor Training program. All employees will additionally receive proprietary training including videos and quizzes, and will be required to shadow existing employees during their onboarding period.

IgadI's retail marijuana store will only permit customers over the age of 21 to enter its restricted access area and purchase marijuana products. In order to gain access to the area where marijuana and marijuana infused products are sold, a potential customer will first have to present legal identification proving that they are over 21 years of age. This identification will be scanned using Flowhub's Nug scanner which utilizes proprietary algorithms to ensure authenticity and spot fake identifications. Staff will be routinely trained on how to spot fake IDs and the forms of identifications that are acceptable under Colorado law.

If an IgadI employee has reasonable cause to believe that a person is under 21 years of age and is exhibiting fraudulent proof of age in an attempt to enter the licensed marijuana business or to obtain and marijuana or marijuana infused product, the employee shall be authorized to confiscate such fraudulent identification. Within 72 hours, any fraudulent identification shall be turned over to the Grand County Sheriff's Department by IgadI.

IgadI will strictly prohibit the consumption of marijuana and marijuana products on its licensed premises. Signage stating, "No Product Beyond This Point" will be posted outside of all bathrooms and signage stating, "No Consumption of Marijuana Allowed" within the bathrooms and on the exterior of the retail facility. If a customer needs to use the restroom after they have completed a purchase, their purchase must remain at the sales counter while they do so. Accordingly, through proper training and oversight IgadI's experienced management team and staff will ensure an atmosphere of zero tolerance for onsite consumption.

In compliance with the state mandated METRC Inventory Tracking System ("METRC"), IgadI will track the marijuana and marijuana infused products in its possession from the moment it enters its retail marijuana store to the moment it is sold to a customer and leaves the store. IgadI is very familiar with this system, and has been utilizing it since 2015 without incident..

Any marijuana that is not sold within its expiration date or that becomes unsaleable for any reason will be disposed of in a compliant manner. The type and amount of marijuana or marijuana infused products will be entered into a waste log maintained physically at the store level and in METRC. These products will be rendered unusable by mixing the marijuana waste with other non-marijuana waste material so that the ratio of marijuana to non-marijuana waste is at a minimum 1:1. The waste will then be disposed of in a secured, locked dumpster before being removed by a certified waste disposal company. There is typically very little marijuana waste from IgadI's retail store operations.

Finally, IgadI's Central Management performs monthly audits of inventory, quarterly audits of all security systems, and bi-annual regulation compliance audits to ensure its operations comply with all state and local laws and regulations.

Security Plan Executive Summary:

IgadI is committed to ensuring the security of its facilities and the management and control of the regulated marijuana that it sells therein. IgadI will employ a number of security systems detailed below to ensure the safe and compliant sale of marijuana products.

Compliance with MED Security Regulations:

All limited access areas will be secured by metal doors and locked with commercial grade locks that can only be operated by pre-programmed fobs specifically programmed for each staff member to give them access to the limited access areas that they are specifically authorized to enter. These doors will be outfitted with state mandated signs indicating that they are limited access areas. The only limited access area that will be secured only by signage and ropes with clips is behind the sales counters on the sales floor, which is continually monitored by staff during IgadI's hours of operation. No one is permitted within these areas that are clearly demarcated except for IgadI's employees or authorized visitors in accordance with CCR 212-3 § 3-205(B).

IgadI will install a video surveillance and a camera recording system in the facility in conformance with the requirements set forth in CCR 212-3 § 3-225. The recording system will record on a DVR in digital format and will retain 60 days of footage at all times. The DVR will be located in IgadI's secure storage room and will only be accessible by IgadI's management team.

IgadI will take additional measures to ensure security including the installation of an alarm system that is monitored by Think Security for burglary, panic, cellular notifications, and other disturbances. Think Security will monitor IgadI's facility during business and non-business hours. This has proven to be an effective tactic for deterring potential break-ins as Think Security is able to use an intercom system to deter undesirable behavior.

Theft & Diversion Prevention:

To ensure security in its cash handling procedures, IgadI has partnered with secure banking institutions, coupled with extensive internal procedures for the safe, compliant, and responsible storage and transfer of cash. All cash will be stored in an onsite safe located in a safe room with walls that are reinforced with steel mesh that can only be accessed by authorized personnel via a pre-programmed fob.

Cash will be counted in the safe room on a daily basis. Managers will pull sales reports from the prior day and check for any discrepancies between the recorded and actual cash balance within

each till. If any discrepancies are identified, the manager will report the discrepancy and work with Igadi's central management team and billings department to identify the source of the discrepancy.

During daily operations, once a till approaches a balance of \$1000, the manager will facilitate a "drop" to remove excess cash from the sales floor for storage in the safe. During this "drop" period, each till is recounted and the amounts are validated within the point-of-sale system. This provides multiple windows to find and account for any discrepancies, while keeping excessive amounts of cash off of the sales floor.

Every week, Igadi will utilize a cash logistics service (Safe Harbor) to facilitate cash deposits to Igadi's financial institution. These deposits are counted and signed off by at least 2 management personnel before the cash leaves Igadi's possession. During these deposits, the cash logistics service will deliver any necessary coinage or needed denominations of cash. Once all outgoing money has been removed, all cash is recounted to provide a new baseline for the following week's cash handling.

In order to prevent the diversion of product, Igadi will utilize a robust point-of-sale system (Flowhub) alongside Colorado's inventory tracking system (METRC) to maintain close alignment of sales and inventory. Igadi actively maintains compliance and alignment between the point-of-sale, inventory tracking system, and physical inventory. Each day, the Store Manager will run reports and perform physical counts to identify discrepancies in inventory. If any discrepancies are found, they will be immediately reported to management, who will work with the Store Manager to identify the source of the discrepancy. Igadi's Central Management also performs monthly inventory audits to ensure that there is no shrinkage or unaccounted inventory,

Igadi will ensure that products are not accessed by unauthorized individuals by storing all products that are not on the sales floor in a secure storage room that can only be accessed via a pre-programmed fob. Access to this storage area will only be given to authorized personnel including Shift Leads, Store Managers, and Central Management.

Staffing Plan Executive Summary:

IgadI is committed to a diverse and inclusive culture. We strive to have our workforce represent the local community and its many different cultures, viewpoints, and backgrounds where everyone can be their authentic selves.

As an equal opportunity employer, we do not discriminate on the basis of race, national origin, gender identity, sexual orientation, protected veteran status, disability, age, or other legally protected status. IgadI believes in empowering its employees by creating opportunities for growth and promoting from within whenever possible.

IgadI plans for 8 new jobs at its proposed Grand Lake retail marijuana business in Year 1, 10 total jobs in Year 2, and 12 jobs in Year 3. The planned recruitment process will include advertising open roles in the SkyHi newspaper, on indeed.com, and other hiring platforms. In addition, should in-person career fairs become available in the town, IgadI will plan to utilize this platform to connect directly with the residents of Grand Lake.

IgadI will offer 401k, dental insurance, disability insurance, Flexible Spending Account, health insurance, Health Savings Account, life insurance, paid time off, and vision insurance benefits to its full-time employees regardless of their level within the organization. IgadI will additionally cover 100% of its salaried employees' health, dental, and vision insurance, and 50% of its full-time employees health, dental, and vision insurance. IgadI has been voted as the best place to work in Grand County (over 20 employees) since 2016.

Community Engagement Plan Executive Summary:

IgadI has a long history of community and neighborhood involvement. We have donated to, sponsored events for, and/or volunteered with the following organizations:

- Colorado Wildfires Recovery Fund
- Troublesome Fest to benefit victims of the East Troublesome Fire in Grand County.
- The Grand Lake Pond Hockey Classic (Grand Lake, CO)
- Louisville Rising Benefit Concert to benefit victims of the Marshall Fire in Louisville, CO.
- Member of the Winter Park Fraser Valley Chamber of Commerce
- Grand County Search & Rescue
- Grand County Pet Pals
- Kicking it to Cancer Kickball (Grand County, CO)
- The Grand Foundation
- Rocky Mountain Warriors (Veterans Group)
- Winter Park Chamber Brew Fest (Grand County, CO)
- Event sponsorship with Partners Credit Union benefiting cancer research.
- Lions Club Foundation
- Michael P. Ginsberg Charitable Endowment
- Mental Health Partners
- Bright Pink (Cancer Research Nonprofit)
- Parker's Platoon (Veterans Group)
- Loaves & Fishes Food Pantry
- American Civil Liberties Union (ACLU)
- Black Lives Matter 5280
- Wreaths Across America
- Frozen Dead Guy Days (Nederland, CO)
- Central City Jazz Festival (Central City, CO)
- Louisville Street Faire (Louisville, CO)
- Lafayette Chamber Brew Fest (Lafayette, CO)
- Rapid Grass Blue Grass Festival (Idaho Springs, CO)
- Conscious Alliance Food Drive (Lafayette, CO)
- Pirate Fest (Northglenn, CO)
- Canines on the Creek (Idaho Springs, CO)
- Moving to End Sexual Assault (MESA) (Lafayette, CO)

There are many other causes to which IgadI has donated money and time over the last eight years. IgadI has also given to private GoFundMe campaigns for individuals in our communities that have experienced medical emergencies, as well as to IgadI employees affected by the Marshall Fire. Further, over the years IgadI has offered to donate to a number of other charities that have been unwilling to accept our donations due to concerns of accepting money from a marijuana company and the effect that it may have in receiving other grants or federal funding, including the Grand County Historical Society, Grand County Rural Health Network, and Mountain Family Center.

Igadi is an active member of the North Metro Chamber of Commerce, Lafayette Chamber of Commerce, and Winter Park Fraser Valley Chamber of Commerce. Additionally, Igadi is an active board member of the Marijuana Industry Group where Mr. David Michel, Igadi's Co-Owner and General Counsel, provides advice and leadership to help shape the legislative landscape in Colorado for the marijuana industry.

Igadi will continue to support the Grand Lake and Grand County community. Further, Igadi has been recognized in Sky Hi News' Best of Grand as the best place to work (over 20 employees) and best dispensary since 2016, and best customer service and best locally made product every year since 2019.

Odor Mitigation Plan Executive Summary:

Igadi currently operates 22 licenses across the state of Colorado, which includes 10 retail locations of which 2 are in Grand County, Granby and Tabernash. Odor has not been a significant issue for Igadi, as its facilities employ sufficient odor mitigation systems that are maintained by qualified technicians to prevent off-site odors.

This retail location, which are typically not associated with detectable odors as is the case with a cultivation, will have a properly designed HVAC system with carbon filtration. Igadi will prevent odor from escaping the facility by working with a mechanical engineer and contractor to ensure the following requirements are met.

1. The HVAC system will be properly balanced at all times.
2. All intake fans will be equipped with UV and insect filters maintained in accordance with manufacturer recommendations.
3. All exhausts will be equipped with a carbon filtration unit that will be active at all times and will be serviced according to manufacturer recommendations, which will include regular cleanings and filter replacements as often as is required.

The on-site Store Manager will be tasked with ensuring that there is no detectable odor outside of the facility. In the event odor is detected by an employee, customer, or neighbor, staff will be trained to immediately report the issue to the facility's maintenance team so that the issue can be addressed without delay. Igadi is committed to taking any additional, necessary, and further steps if its proven systems fail to contain odor within the premises.

Any marijuana waste will be maintained in its own locked dumpster that will be emptied regularly by an authorized waste disposal company. The waste at Igadi's other retail locations generally smells consistent with garbage from non-marijuana retailers. While Igadi does not foresee any waste odor issues that are out of the ordinary, it will promptly address any issues that may arise once operations commence.

Experience Operating a Marijuana Business in Colorado

Igadi is very experienced in operating licensed marijuana businesses in Colorado. We currently hold 22 marijuana business licenses and have previously held 2 other licenses, which have been transferred prior to this application.

Igadi has been in continual operation since May 22, 2015 and has not had a single compliance violation with the state or any other local government to date.

Igadi has spent the last 8+ years fine-tuning its SOPs and operational efficiencies and is confident in its ability to open and operate new stores effectively and efficiently.