

Verts Grand Lake LLC

A. Business Plan – Executive Summary

With over a decade of experience in Colorado's regulated marijuana industry, Verts Grand Lake LLC (Verts) is seeking to build on its reputation as a community resource, good neighbor and well-run business to become Grand Lake's first licensed marijuana store.

Location

Proposed to be located at 525 Grand Avenue, Verts intends to be a successful cannabis business that blends in with the surrounding area and builds community with neighboring residents and businesses. Verts has secured the right to the property from its prospective owner. Should Verts be selected in the lottery, the prospective owner will execute the purchase of the property from the existing owner, and then lease the property to Verts for use as a Regulated Marijuana Business.

Products

Verts understands that careful product procurement and shelf selection will drive sales growth and better serve customers. The company focuses on the careful development of product selection by fostering excellent relationships with its existing vendors, and facilitating new vendor relationships and the procurement of quality cannabis and cannabis products from licensed Colorado producers. Verts projects that roughly 50 percent of sales will be cannabis flower and 45 percent will be manufactured (non-flower) cannabis products, with the remaining 5 percent of sales being non-cannabis products such as accessories and branded merchandise.

Operating procedures

Based on a decade of experience and continuous improvement, Verts has detailed operating procedures and training in place for receiving, product handling, inventory control, order fulfillment, returns, and product display.

Customer service

We are honest and forthcoming with our customers. We never make volume or sales figures the focus of an interaction, but rather focus on making sure our patrons feel taken care of. We take accountability for any mistake or shortcomings on our part as a business. If any of our employees are ever incapable of making something right for a customer, we bring it to the rest of the team's attention so we can get the resources in place to provide solutions.

Local hiring and career development

Whenever possible, Verts hires from within the community. We offer our team members the ability to move up in the company, a competitive pay rate and potential bonuses. Our employees receive paid time off and paid sick leave. We provide health, dental, vision, and life insurance, and focus on career development opportunities for our staff. Whenever there is a new position available, we always try to promote from within the company first.

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Compliance

We make compliance a core value and a focus of daily operations. Instead of looking at our sector as the “Cannabis Industry,” we like to consider it the “Compliance Industry.” Because only with total compliance comes the opportunity to sell cannabis; not the other way around. Regulations are constantly changing and we stay up to date and implement changes immediately.

Community benefits

Among the business practices that set Verts apart is our focus on taking care of the team members within the company as well as our customers throughout the community. We will give back to the Grand Lake and Grand County communities and support local charities and initiatives to make our home a better place to work and live.

Verts' niche is – and will continue to be – in the retail segment of the regulated cannabis industry, providing quality products at a great price. As a vertically integrated company with a long history in Colorado's legal cannabis market, we have the experience and expertise to thrive within our niche and to continue growing our business.

Verts is Colorado born and raised. We look forward to continuing to grow in our home state.

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B. Operations Plan – Executive Summary

Hours of operation – In accordance with GLMC 6-5-5(h)(1), Verts Grand Lake LLC (Verts) will operate only within the hours of 8am-10pm, seven days a week. We will be closed on Thanksgiving and Christmas.

Per GLMC 6-5-5(g), the store's licensed premises and the property associated with the license, its books, records and inventory, including any places of storage where regulated marijuana is stored, displayed or sold, and locked and/or secured area, shall be made available to inspection by Town personnel, or commissioned police officers of the Town, during all business hours and other times of apparent activity.

Opening and closing procedures – Verts will implement detailed opening and closing procedures to:

- Ensure regularity and consistency.
- Prevent theft or diversion of cannabis and cannabis products.
- Maintain confidentiality of customer information and records.
- Comply with all inventory control and reporting requirements throughout the chain of custody.

Customer check-in procedures – Per state law and GLMC 6-5-5(h)(6), Verts will not allow entry to the Retail Area without first identifying an individual as 21 years of age or older with a valid ID. Verts follows a strict access control plan and the licensed premises is not shared with, nor does it permit access from, any other business.

All customers will be required to present valid identification for verification. IDs are scanned and verified via Intellicheck, a software that is downloaded onto an iPad or tablet. The employee puts the barcode up to the camera and the platform will run the ID through its database. IDs are further verified by a visual and physical scan of the ID, and a visual scan of the customer. Once the customer has been verified to be over 21 with a valid ID, the customer will then be entered into Treez, our internal POS software system that allows Verts to track the amount of cannabis sold according to state purchase limits. Only upon verification will customers be allowed into the Retail Area of the store.

Location and procedures for receiving deliveries – Verts will obtain all cannabis and cannabis products from State of Colorado-licensed cannabis facilities. Any deliveries will be made by the vendor themselves or from a third-party licensed transport company. If from a third-party licensed facility, Verts will check the validity of their local and state licenses. All drivers are verified to have a valid driver's license and a State-issued badge.

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Point-of-sale infrastructure – Verts will utilize Treez as our point-of-sale (POS) system. Treez is a state-of-the art, secure, and user-friendly POS and retail management system. Treez also provides streamlined software for customer check-in, analytics, inventory management and compliance.

Treez automatically integrates with METRC, the State of Colorado's mandated track-and-trace system to ensure compliant reporting of all transactions.

Estimated number of customers – On average, Verts expects to serve approximately 10 customers per hour and at least 100 customers per day during the summer busy season.

Inventory control procedures – In order to properly track and monitor cannabis inventory and to prevent diversion, Verts will implement standard operating procedures that cover:

- Track and trace and point of sale
- Recordkeeping
- Product storage
- Product handling

Building a diverse and inclusive workforce – Verts will implement a top-down approach to our diversity and inclusion plan to create a company culture that welcomes and respects everyone. In celebrating our differences, we foster a positive environment for all employees that, no matter what level they are in our hierarchy, is more conducive to collaboration, creativity, and engagement.

Verts will benefit the local economy through local hiring, with a goal of hiring 100 percent local Grand Lake or Grand County residents to staff our store. By hiring local residents, Verts will build a team that reflects the local market. Our experience has shown that local employees know the local market better than anyone and as a result, have a much stronger ability to relate to the community's diverse group of customers. A staff consisting of local residents provides powerful insight and connection to the community.

Benefits packages – Verts strives to offer competitive compensation, so our employees are happy, and able to live a comfortable lifestyle. We believe happy employees increase workplace morale, are more productive and motivated, and allow our business to run well as a whole. In addition to competitive pay, as described in our Staffing Plan, Verts offers generous benefits packages to *all* employees.

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C. Compliance Plan - Executive Summary

Verts Grand Lake LLC (Verts) makes compliance a core value and a focus of daily operations. Per GLMC 6-5-5(h)(7), all Verts personnel will familiarize themselves with the Town Code to ensure full compliance with applicable provisions of the Code at all times.

Location – Verts' proposed location is 525 Grand Avenue, which has been verified by the Town to meet the location requirements of GLMC 6-5-5(b) and (c). Per GLMC 6-5-5(h)(3), Verts will not operate until all permits and licenses have been approved, including State and Town business and sales tax licenses.

Signage – Verts intends to utilize the existing signage infrastructure in front of the building. The signage will be clean and simple and will not depict cannabis consumption. Per GLMC 6-5-5(e), the sign will not use the words "marijuana," "cannabis," or any other word or phrase commonly understood to refer to marijuana and will only use the word "dispensary" once. The sign will comply with all other requirements of the Town Sign Code and any modifications will follow the Town's standard sign permitting process.

Per GLMC 6-5-5(h)(9), Verts will post conspicuous signage at each point of sale, and post a sign no smaller than 8" by 11" at each customer point of egress from the licensed premises, all of which shall be printed in red, stating the following:

WARNING: FEDERAL LANDS
MARIJUANA USE AND POSSESSION
IS ILLEGAL ON ALL FEDERAL LANDS
INCLUDING IN ROCKY MOUNTAIN NATIONAL PARK

Indoor operations – Per GLMC 6-5-5(f), all store operations except transportation will be conducted inside of the building and will not be visible from the exterior of the building. We will use opaque window coverings.

Inspections and documentation – Per GLMC 6-5-5(g), the store's licensed premises and the property associated with the license, its books, records and inventory, including any places of storage where regulated marijuana is stored, displayed or sold, and locked and/or secured area, shall be made available to inspection by Town personnel, or commissioned police officers of the Town, during all business hours and other times of apparent activity.

Per GLMC 6-5-5(h)(8), Verts shall provide copies to the Town Clerk of any licensing, operational, investigative or incident documentation submitted to the Colorado Marijuana Enforcement Division or other governmental entities.

Hours of operation – In accordance with GLMC 6-5-5(h)(1), Verts Grand Lake LLC (Verts) will operate only within the hours of 8am-10pm, seven days a week. We will be closed on Thanksgiving and Christmas.

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On-site consumption – In accordance with GLMC 6-5-5(h)(2), on-site consumption of cannabis will be prohibited on the licensed premises. Any Verts employee found to be consuming cannabis on-site will be terminated immediately. For customers and the general public, signs are posted at the store saying on-site consumption of cannabis is illegal. We will also post a warning poster saying that law enforcement will be contacted if there is any suspicious or illegal behavior on or near the licensed premises.

Additionally, in accordance with GLMC 6-5-5(h)(5), no alcohol sales or consumption shall be permitted on the licensed premises.

Customer check-in procedures – Per state law and GLMC 6-5-5(h)(6), Verts will not allow entry to the Retail Area without first identifying an individual as 21 years of age or older with a valid ID. Verts follows a strict access control plan and the licensed premises is not shared with, nor does it permit access from, any other business.

Proper ventilation – Per GMLC 6-5-5(i), Verts will ensure that the odor of marijuana cannot be detected by a person with a normal sense of smell at the exterior of the regulated marijuana store or at any adjoining property. Detailed protocols are spelled out in our Odor Mitigation & Ventilation Plan.

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Surveillance – Verts Grand Lake LLC (Verts) has a comprehensive security and video surveillance system to ensure the safety of our staff, customers and community. Video surveillance cameras are installed throughout the licensed premises to record every square inch of the facility, per 1 CCR 212-3 § 3-225(C)(1), including within 20 feet of all ingresses and egresses, per 1 CCR 212-3 § 3-225(C)(2), and from the interior and exterior of all said entry and exit points, per 1 CCR 212-3 § 3-225(C)(4).

All doors utilize commercial grade locks, per 1 CCR 212-3 § 3-220(B)(1).

All video surveillance equipment has battery backup for a minimum of four hours of recording in the event of a power outage, per 1 CCR 212-3 § 3-225(B)(2), and is equipped with a notification system that alerts management of any interruption or failure of the system, per 1 CCR 212-3 § 3-225(B)(4).

Per 1 CCR 212-3 § 3-225(E)(1), cameras record continuously (24 hours per day/seven days per week), in color, and have night vision. The digital video recording device (DVR) holds up to 40 days of camera footage, per 1 CCR 212-3 § 3-225(E)(2).

The DVR is stored securely in the locked DVR Closet at our location and is accessible only to management, per 1 CCR 212-3 § 3-225(A)(2).

Please see the attached Security Diagram for a visual representation of the location of all security cameras.

Access control – As described by our Customer Check-In procedures in our Operations Plan, Verts will not allow entry to the Retail Area without first identifying an individual as 21 years of age or older with a valid ID. Once inside, customers will not be allowed beyond the Retail Area into any limited access areas, which include all “back of house” operational areas such as the Inventory Storage areas. Access beyond the Retail Area and entry to all limited-access areas will have electronic keyfob access controls that records the movements of employees and contractors.

There are three doors within the licensed premises that lead into limited access areas. The exterior employee entrances and exits are located on the northeast and northwest corners of the building, respectively, and remain locked at all times. Only Verts employees will have access through those doors. The third door leads from the Retail Area into the limited access areas. The Points of Sale (POS) are located within the Retail Area.

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D. Security Plan - Executive Summary

Theft and diversion prevention – Verts is diligent in its commitment to preventing diversion. In order to protect the community and to protect its business, Verts has created a comprehensive strategy for preventing diversion, covered by the many topics detailed below.

Reporting criminal activity

All Verts employees are required to notify the Colorado Marijuana Enforcement Division (MED) and law enforcement within one business day of discovery of any unauthorized entry or theft of cannabis or cannabis products, or any plan or other action of any person to:

- Steal cannabis, cannabis products, cannabis paraphernalia, equipment, or money that is the property of the establishment.
- Sell or otherwise provide cannabis, cannabis products, or cannabis paraphernalia that is the property of the establishment to unauthorized persons.
- Purchase or otherwise obtain cannabis, cannabis products, or cannabis paraphernalia from unauthorized persons.
- Falsify inventory records or transport manifests.
- Commit any other crime relating to the operation of the establishment.

Employee identification

All Verts employees are required to display their MED-issued badges whenever on the premises of the establishment or when transporting cannabis or cannabis products. When employees are terminated, all issued keys, fobs, and codes will be accounted for. If a key or fob is missing, it will be immediately deleted from the access control system. Non-managerial employees will not be permitted to take electronic access cards off premises.

Controlled access

The Verts licensed premises is not shared with nor does it permit access from any other business. All sales, storage and display of cannabis occur only within the restricted area of the licensed premises and is not visible from the exterior of the store, per GLMC 6-5-5(f). As described in our Customer Check-In procedures in our Operations Plan, Verts will not allow entry to the Retail Area without first identifying an individual as 21 years of age or older with a valid ID. Once inside, customers will not be allowed beyond the Retail Area into any limited access areas, which include all “back of house” operational areas such as the Inventory Storage areas.

Employee monitoring

Employees are monitored continuously throughout the licensed premises via the store's video surveillance system. Additionally, employees and contractors are not permitted to bring personal belongings into the Retail Area or any inventory storage areas of the store.

Displays

The Verts Retail Area has been designed to provide optimal viewing capabilities of products for customers, while limiting the opportunity for diversion.

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Flower product samples are securely displayed in jars that allow customers to visually inspect the flower and smell it; however, the jars are locked and secured by a retractable steel cord within the fixed display.

Concentrates and cartridges are on display, but stored and secured within locked display cases. There is no handling of these products by consumers unless a purchase is made.

Edibles and other pre-packaged cannabis products are displayed in "dummy packaging" with no product inside or using no-THC sample products. This allows customers to visually inspect the product packaging and information, but products containing THC are not on display.

Training

Verts will prevent diversion through its training program. Specifically, Verts employees will be trained to:

- Verify customer age and identification according to the Customer Check-In procedures in our Operations Plan.
- Utilize Treez (our internal POS and inventory tracking software system) to track the amount of cannabis sold and prevent purchases from going over individual limits.
- Upon first being hired, team members are required to take a Responsible Vendor class that is taught by a third-party licensed Colorado company, to ensure Verts maintains its state Responsible Vendor designation.

Inventory control

Finally, stringent inventory management will be crucial to preventing the diversion of cannabis. Verts will prevent diversion first by ensuring the secure storage and sale of all cannabis products, which will be kept in a manner as to prevent diversion, theft and loss.

While the establishment is closed and unoccupied, all cannabis and cannabis products are stored within limited access areas of the store.

Further, Verts will utilize Treez to accurately document the present location, amounts, and descriptions of all cannabis and cannabis products in compliance with State law and rule and Verts will maintain records that identify the source of all products, including company name, location, and license number.

Verts will use Metrc (the statewide inventory tracking system) to record the inventory and movement of cannabis and cannabis products throughout the supply chain. Per 1 CCR 212-3 § 3-805(B)(1), Verts will designate its General Manager as its Inventory Tracking System Administrator. The System Administrator will authorize additional owners or employees as an Inventory Tracking System User, and will ensure each user receives Metrc training prior to access or use.

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Alarm system – Verts will have a security alarm system that covers the entire licensed premises, including all perimeter entry points and perimeter windows, per 1 CCR 212-3 § 3-220(A)(1). We will contract with Colorado Security Company for our alarm system and continuous monitoring, per 1 CCR 212-3 § 3-220(A)(2).

Outdoor lighting – Verts utilizes a series of lights around the facility's exterior to provide safety and to support the store's security and video surveillance system. Perimeter lighting covers the entire premises and all entrances/exits, and is sufficient for observers to see and cameras to record any activity within 20 feet of all entry points, per 1 CCR 212-3 § 3-225(C)(2).

Waste management – Cannabis waste could present a risk of diversion, if handled improperly. Verts has developed strict waste management procedures that are adhered to by all employees to secure cannabis products not sold (cannabis waste) and ensure that it is disposed of properly.

Waste receptacles

Secured waste receptacles will be placed in the Inventory Storage areas within the limited access area; public access to these areas will be strictly prohibited. Only authorized employees may access the waste receptacles. The waste receptacles will be nonabsorbent, water-tight, vector resistant, durable, easily cleaned, galvanized metal or heavy plastic containers with tight fitting lids.

Types of cannabis waste

The only waste that may be deposited in the receptacles is cannabis waste and the material used to render products unrecognizable and unfit for consumption, per 1 CCR 212-3 § 3-230(D). Cannabis waste is any cannabis material that may be produced in the establishment from the stocking and inventory management of products that are delivered to the establishment from our suppliers' licensed cultivation facilities and product manufacturing facilities, such as cannabis flower or trim, cannabis seeds, cannabis products (including expired products that must be destroyed), or by-products containing cannabis that have been designated for destruction.

Receptacle signage

On or near each receptacle will be a sign with thorough examples of what is and is not acceptable to place inside the receptacle. Only cannabis waste and the material used to render products unrecognizable and unfit for consumption will be placed inside the receptacle.

Destruction of cannabis goods

Prior to disposing of a product as cannabis waste, employees must first render the product as unrecognizable and unfit for use by grinding and mixing the waste with at least 50 percent food

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waste such as coffee grounds or soil, per 1 CCR 212-3 § 3-230(E)(1). This includes, at a minimum, removing or separating the cannabis goods from any packaging or container which render it unrecognizable and unusable. Verts will keep adequate supplies of both coffee grounds and soil available for mixing. Mixing shall be based on a 1:1 mixture of coffee grounds or soil and cannabis waste.

Recording of waste

Prior to the disposal of any cannabis product from within the dispensary, the appropriate employee will log the cannabis product as destroyed and electronically log the disposal of the product in Treez and Metrc, per 1 CCR 212-3 § 3-230(I). Both the physical and electronic log will include the date, time, employee information of who is destroying the product, the type, the volume, and the batch number of the waste.

Record-keeping policy

Verts requires waste records to be preserved according to the company's record-keeping policy and records will be maintained by the Inventory Manager. All records will accurately account for, reconcile, and evidence all activity related to the generation and disposal of cannabis waste.

Cannabis waste is logged as destroyed in Treez and Metrc upon being deposited into the waste receptacles.

Selling of cannabis waste

Verts strictly prohibits the sale of any cannabis waste.

Video surveillance

Verts operates with video surveillance. The waste receptacles will be located in a position where all interaction with the receptacles is visible on camera at all times.

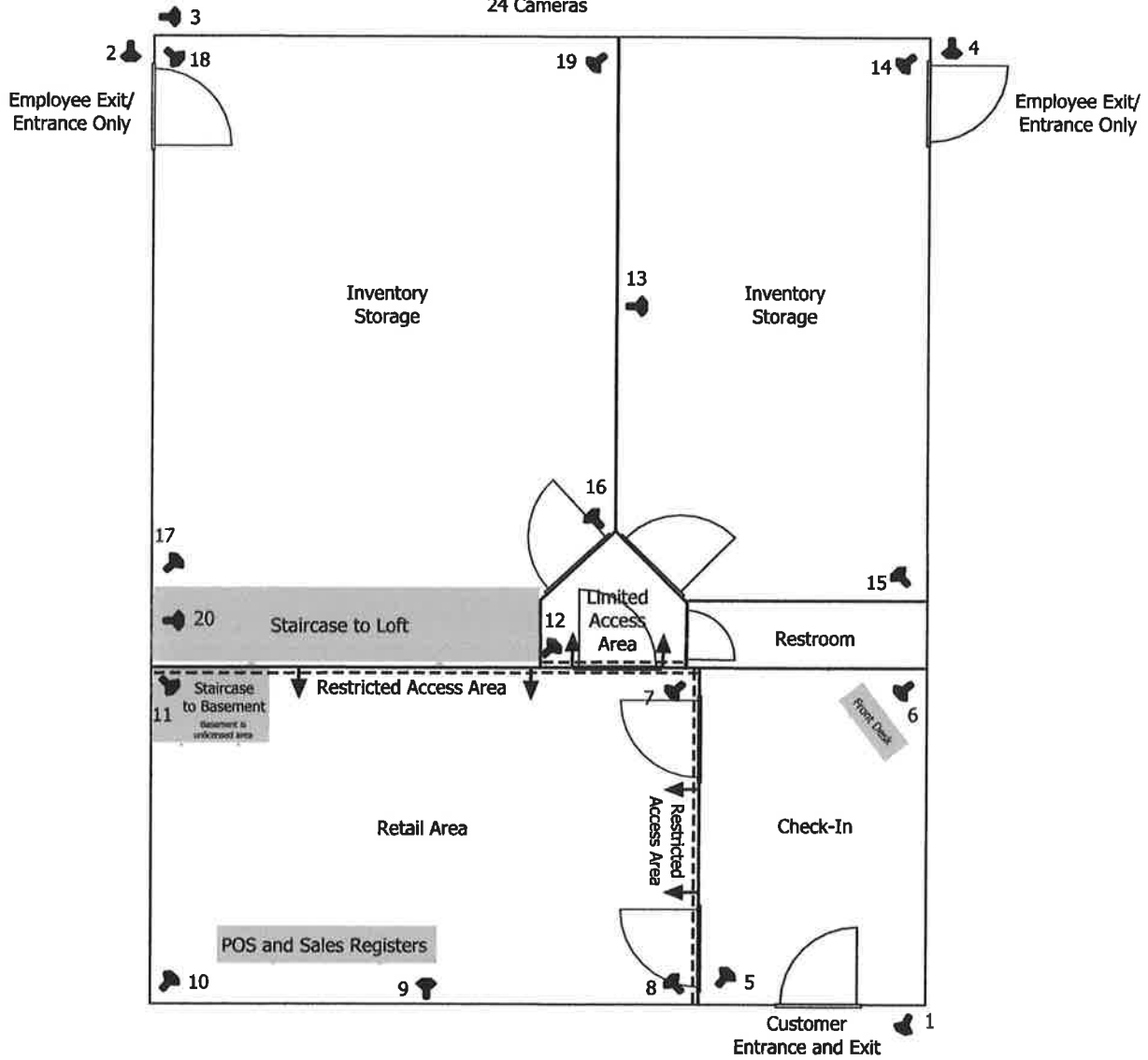
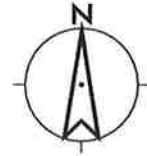
On-site consumption – In accordance with GLMC 6-5-5(h)(2), on-site consumption of cannabis will be prohibited on the licensed premises. Any Verts employee found to be consuming cannabis on-site will be terminated immediately. All employees are required to read and sign a document upon hiring explaining these terms. If an employee purchases any cannabis while on their shift, they are required to put it immediately in their personal belongings. All personal belongings are under video surveillance.

For customers and the general public, signs are posted at the store saying on-site consumption of cannabis is illegal. We will also post a warning poster saying that law enforcement will be contacted if there is any suspicious or illegal behavior on or near the licensed premises.

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525 Grand Ave
Grand Lake, CO 80447

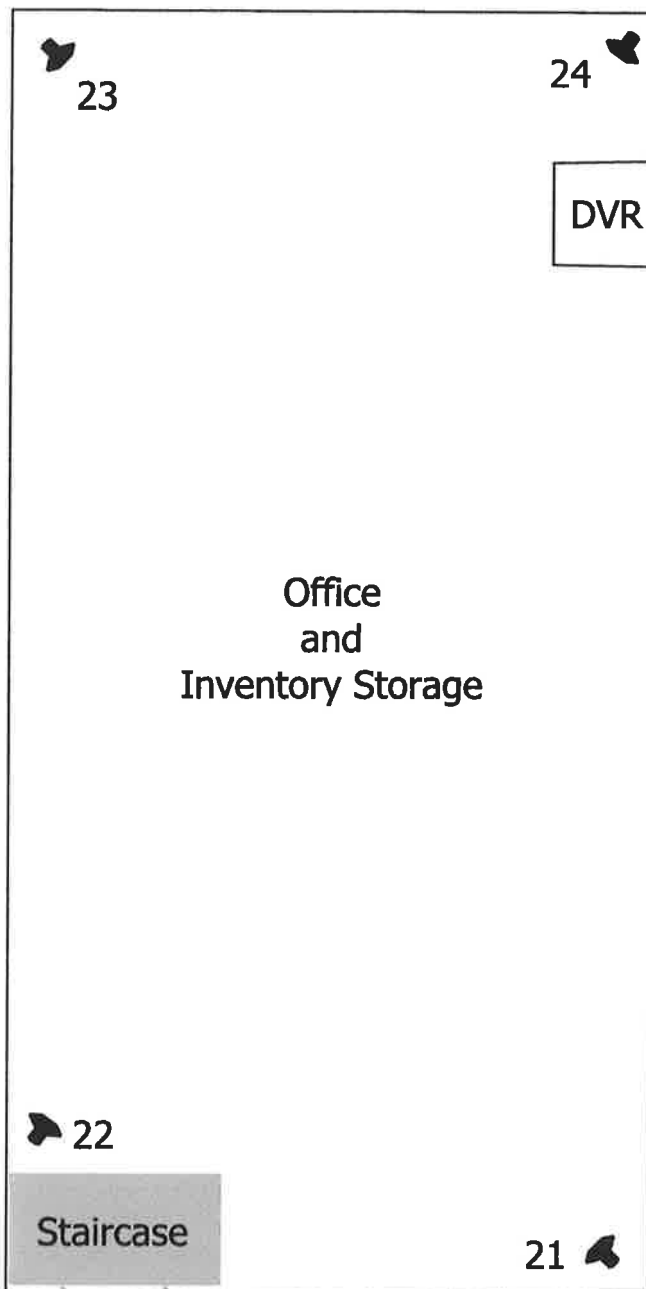
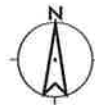
24 Cameras



Main Level
Security Diagram

Verts Grand Lake LLC

525 Grand Ave
Grand Lake, CO 80447



Loft Space
Security Diagram

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E. Staffing Plan - Executive Summary

Positions and responsibilities – Verts Grand Lake LLC (Verts) will staff up to four full-time, year-round employees once retail sales commence and begin to scale. We expect to utilize additional, seasonal employees as needed.

General Manager (1)

Responsible for every aspect of Verts retail operations. Plans, organizes, leads, and controls company resources in the accomplishment of organizational goals. Responsible for coordinating production, purchasing, sales, and compliance activities and developing team leaders while simultaneously developing their own leadership skills.

Assistant Manager (1)

Responsible for the safe and smooth operation of the sales floor on a day-to-day basis. Responsible for training and policy enforcement on the sales floor. Resolves any customer-service issues that exceed the authority of a Budtender, but do not require the General Manager to adequately address.

Budtender (2)

Responsible for conducting sales and first-level customer interactions while maintaining accountability for both inventory and cash. Responsible for ensuring a positive customer experience at all times.

Employee policies and procedures – Verts focuses on compliance first and foremost. We like to consider our work as a Compliance Industry rather than the Cannabis Industry. We believe that if you are compliant, then and only then, do you get to sell cannabis. With this in mind, we implement certain policies and procedures that all team members must follow.

When an employee is first hired, we have several documents that are distributed to them where they are required to read through and acknowledge:

- Budtender Bible
- Team Member Handbook
- Robbery SOP
- Tipping Policy
- Emergency Contact Information
- Welcome Letter, explaining who we are as a company
- Worker's Compensation Provider List for the area
- Caregiver and Medical Patient Card Rules
- No Medical Advice Given
- Medical and Retail Sales Limits.

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Upon first being hired, team members are required to take a Responsible Vendor class that is taught by a third-party licensed Colorado company, to ensure Verts maintains its state Responsible Vendor designation.

We also have training for our Budtenders in regard to certain products that we carry consistently and also new products that we bring in. We typically will have the vendor come into the store before we open and run a quick training class for all the team members.

Our Budtender Bible is required to be read during the first few days of being hired. This instructional document goes through all of the things that each employee is required to know about Verts as a business, compliance, sales, the MED, the Town of Grand Lake, and many other items.

Compensation – Staff will be compensated in accordance with retail marijuana industry standards and local cost-of-living considerations. We will allocate a significant percentage of employee payroll costs to health insurance for all employees and our benefits package.

Employee training and continuing education – The cannabis industry is relatively new, with a rapidly evolving regulatory environment, frequent scientific discoveries, and shifting public perception. As experienced operators, Verts understands the importance of keeping our staff trained and up-to-date.

Continuing education

In order to ensure our staff are well versed in cannabis, and that they stay abreast of industry developments, Verts offers a variety of continuing education opportunities to our employees.

Vendor and brand training

Verts employees must be knowledgeable about the products carried in our store. Verts regularly invites vendors, including brand representatives, to provide training to our staff. Vendor and brand training covers topics including but not limited to:

- Vendor, brand, and product overviews.
- Vendor or brand history, mission, and values.
- Uses for particular products.
- Dosage information.
- Training on active listening to customers, and how to make recommendations based on customer needs, interests, and preferences.
- Scientific discoveries, developments, and other trends in the cannabis industry.

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Educational seminars

Occasionally, Verts will host educational seminars, open to the public, designed to educate the community on a broad variety of cannabis-related topics. Some seminars will be led by expert guest lecturers, who will give in-depth presentations on scientific, medical, legal, or other cannabis related information in their area of expertise. Employees will be invited to attend these seminars.

Employee training

Verts will provide our staff with ample employee training, beginning at hire. New employees receive a training packet electronically, and must read through and acknowledge completion of each set of material, described above in employee policies and procedures.

Ongoing training

Training will not end at the new hire stage. Verts will provide ongoing training annually and in the event of any change in law, regulation or major scientific development. Verts encourages continuing education for its staff and provides access to training and career development resources.

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F. Community Engagement Plan - Executive Summary

The Verts Grand Lake LLC (Verts) Community Engagement Plan focuses on mitigating the effects of any foreseeable negative impacts, while emphasizing positive and enriching outcomes for the community and its residents.

History of community and neighborhood involvement – Verts and its ownership have a deep history of community and neighborhood involvement in the communities it serves. The Grand Lake store will maintain an open-door policy for fielding community questions and concerns, and although we don't anticipate any complaints, we have detailed plans in place for addressing problems that may arise, as described below.

At its operation in Golden, Verts has always strived to be a good neighbor and positive influence in the community. We have spearheaded multiple community-service initiatives, including:

- A food donation drive to benefit Food Bank of the Rockies
- A cash donation drive to benefit the Foothills Animal Shelter, located just down the road from the store.
- A holiday toy drive to benefit underprivileged youth.

At Verts' Fort Collins location, operational since 2014, the company has spearheaded multiple community-service initiatives, including:

- Last Prisoner Project, a nonprofit team of cannabis industry leaders, criminal and social justice advocates, policy and education experts, and leaders in social justice and drug policy reform that are committed to freeing every last prisoner of the unjust war on drugs, starting with 40,000 people in prison for cannabis offenses.
 - Verts committed 14 percent of revenue from our highest sales day in November 2020, resulting in a donation of \$3,476 made in December 2020.
- Black Visions Collective, a black, trans, and queer-led organization that is committed to dismantling systems of oppression and violence and shifting the public narrative to create transformative, long-term change.
 - Verts committed 14 percent of revenue from Black Out Tuesday on June 2, 2020, resulting in a donation of \$2,733.
- Larimer County Food Bank
 - Donated 14 percent of revenue from April 24, 2020, totaling \$4,613 to the food bank.

Proposed community engagement – In order to effectively support the community's values, Verts will support the Grand Lake area through volunteer services, donations and in-kind giving, and local hiring and sourcing.

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Volunteer services

- Verts encourages employees to give of themselves through volunteer work within the community and will provide all employees with 20 hours of paid volunteer time annually to be used in support of Grand Lake- and Grand County-based charitable organizations and/or events.
- Verts will be a sponsor of hiking trail maintenance and will contribute additional volunteer hours on a monthly or seasonal basis.
- Verts will participate in Colorado's Adopt-A-Highway litter control program by adopting a road in Grand County. We will work to keep that stretch of grass and road clean from litter and other debris that might end up on the roadside. Pending what is available, Verts would like to keep the road strictly in the Town of Grand Lake or its immediate surrounding areas.

Donations

- Verts will dedicate 20 percent of gross revenue from its highest grossing sales day to CASA of Grand County, a 501(c)(3) nonprofit organization that provides volunteer advocates for abused and neglected children. Each year, Verts will designate a month in which the highest grossing day will be selected for 20 percent of that day's proceeds to be dedicated to CASA.
- Verts will leverage its history of animal shelter support and its new Grand Lake location in a former doggy daycare to continue its cash donation drive to benefit local wildlife, animals and pets.

In-kind giving

- Verts will run a school-supplies drive to benefit Grand Lake-area school students. Verts will designate one month each summer to promote school supply donations in-store and encourage customers to support our neighborhood schools.
- Verts will continue its toy donation drive to benefit local children in need. From Thanksgiving through mid-December, Verts will promote toy donations in-store to encourage customers to support the toy drive efforts of a local partner.
- Verts will run canned food drives to benefit the hunger relief programs of the Mountain Family Center of Grand County.

Local hiring and sourcing

- Verts will benefit the local economy through local hiring, with a goal of hiring 100 percent local Grand Lake or Grand County residents to staff our store. By hiring local residents, Verts will build a team that reflects the local market.

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F. Community Engagement Plan - Executive Summary

- In addition to our charitable initiatives and local hiring, Verts will benefit the Grand Lake community through local sourcing. Whenever possible, Verts will utilize local contractors and suppliers for services, improvements and maintenance in our operations.

While much of Verts's community engagement is centered around making a positive impact in the community through neighborhood involvement, volunteering and donations, we also have a keen sense of community engagement within the day-to-day operations of our business. At Verts we have taken great care to develop, implement and refine standard operating procedures for addressing community concerns should they arise in the future.

Complaint management – Verts is proactive in its approach to reduce the number of potential complaints that may come into the business. Measures are included in the store's standard operating procedures to address community concerns and complaints.

Verts implements safeguards both in its operating procedures and facility design to protect underage persons from undue influence or exposure. Verts employs strict identification verification protocols and does not advertise or display any products with movie characters, children, cartoons, or other images that are appealing to children. All cannabis sold is sealed in child-resistant, opaque packaging. Should community concerns about underage use arise, Verts is prepared to work with the Town of Grand Lake on a detailed youth education and underaged use prevention plan to further deter underaged persons from engaging in cannabis related activities.

Additionally, neighboring businesses may also express concern about crime. Should concerns come to our attention, Verts will go above and beyond the requisite security protocols to prevent crime. A main component of this protocol involves developing strong relationships with neighbors who then help Verts understand the community needs and identify potential concerns. Historically, Verts has been a good neighbor and cannabis businesses in general tend to increase the overall sense of security and safety in their surrounding neighborhoods because of partnerships forged with local law enforcement and the installation of state-of-the-art security systems and proper lighting.

Moreover, by getting to know the clientele and developing real-time relationships with people, Verts will continue to create a sense of community pride and an environment where people look out for one another.

Community liaison

Verts will at all times have a designated community liaison to serve as the direct point of contact for public questions and concerns, whether they come from Grand Lake residents, visitors, Town staff, law enforcement or other interested parties.

Verts Grand Lake LLC

F. Community Engagement Plan - Executive Summary

The community liaison will be a manager responsible for responding by phone or email within 24 hours of contact by a Town official. The liaison's duties also include fielding all concerns, suggestions or comments raised by the Town, local law enforcement, or community members.

Complaint response

If Verts receives an oral or written complaint, the person receiving the complaint will immediately evaluate the complaint to be expediently addressed. An internal Corrective Action Preventive Action investigation will be carried out to determine how any deviation from standard operating procedures (SOPs) may have resulted in a complaint, what measures need to be taken to address the root cause of the complaint, and to evaluate how SOPs or other protocols may need to be altered to prevent a complaint of such nature from arising in the future.

This protocol will effectively address any complaints our business might receive; however, Verts has considered additional, specific, proactive mitigation efforts and response plans related to odor, noise, light, traffic and location management:

Odor control – Verts has comprehensive odor control protocols that can be referenced in our Odor Mitigation & Ventilation Plan.

Noise control – Verts will implement a strict noise control plan to reduce the likelihood of noise resulting from the operation of its dispensary. In the unlikely event that neighboring businesses or residents hear excessive noise associated with the dispensary, Verts will immediately discuss the complaint with the community member, identify the source of the noise, rectify the sound, and update the noise control plan accordingly.

Lighting – Verts' interior, by design, includes ample overhead lighting. A well-lit sales floor removes the stigma of cannabis stores seeming dark and dour, and instead leaves customers feeling secure. To maintain proper security, exterior lighting will be installed near the location of all surveillance cameras, entrances and exits.

Vehicle/pedestrian traffic – Verts is proposed to be located on Grand Avenue in a former commercial space. Verts does not foresee a traffic issue caused by its customers and staff, as the area has typically been used for commercial activity and the building includes off-street parking. Should any complaints arise, Verts will work with the Town to immediately rectify the situation and develop alternative traffic plans acceptable to all.

Verts Grand Lake LLC

F. Community Engagement Plan - Executive Summary

Location management – In addition to the measures described above, Verts strives to proactively reduce the possibility of nuisance and has procedures in place for mitigating any impacts to the surrounding area. The process includes heightened security, building relationships with local law enforcement and 24-hour contact with management. Specifically, Verts will enforce the following policies:

- **On-site monitoring** – Verts provides in-person surveillance of the dispensary. During operational hours, the Manager on duty and staff members monitor the inside and the exterior of the facility, keeping the property free and clear of nuisance.
- **Video surveillance** – A state-of-art surveillance system monitors the interior and exterior of premises. The surveillance footage is reviewed by the Manager on duty to identify any nuisance that may be in progress.
- **Community liaison** – Verts assigns a community liaison, whose contact information is readily available.
- **Public postings** – Verts will ensure all displayed permits and certificates are properly located in a conspicuous location and are readily visible to all customers and store personnel.
- **Prohibition of loitering** – At no time will management or staff allow individuals to loiter on or near the property.

Securing the safety of its patrons and community is a high priority for Verts. As such, if the Town or community members have additional suggestions for meaningful changes, Verts will be open to hearing and incorporating viable suggestions.

Verts Grand Lake LLC

G. Odor Mitigation & Ventilation Plan - Executive Summary

Odor control – Verts has designed an odor control plan to prevent any odor at our Grand Lake store through building design, use of air circulation equipment, and implementation of policies to prevent odor from outside of the unit. As part of our store buildout, Verts will install a sufficient odor absorbing ventilation and exhaust system so that any odor generated inside the store that is distinctive to its operation is not detected outside of the facility.

Per GMLC 6-5-5(i), Verts will ensure that the odor of marijuana cannot be detected by a person with a normal sense of smell at the exterior of the regulated marijuana store or at any adjoining property. Verts will incorporate the following odor control devices to ensure odors from cannabis are not detected:

Air filtration and scrubbing

Verts will install an exhaust air filtration system with odor control that prevents internal odors from being emitted externally at our Grand Lake facility. We will install a combination of high efficiency particulate air (HEPA)-carbon filter air scrubbing units and high-CFM (cubic feet per minute) inline exhaust fans that will be used to pull air through the carbon filters. HEPA-Carbon filters work through a method called adsorption, meaning when air passes through the filter, odor-causing particles stick to the inside of the activated carbon, without the carbon itself increasing in size.

All exhausted air which potentially contains cannabis odor must flow through the HEPA-Carbon filter, filtering out odor in this process. The HEPA-Carbon filter air scrubbing units are quiet, and will not cause a noise-related nuisance to staff or customers in our store.

Along with the filtration, Verts will utilize free-standing air scrubbers to filter out odors and pathogens that may pose a public health risk or be bothersome. This method is highly effective and can be used in combination with other technologies.

Additionally, no cannabis consumption will be allowed on or near the licensed premises. In the unlikely event that neighboring businesses find offensive odors associated with the dispensary, Verts will immediately discuss the complaint with the community member, identify the source of the odor, rectify the emission, and update the odor control plan accordingly.

Verts Grand Lake LLC

H. Personnel Experience - Executive Summary

Verts Grand Lake LLC (Verts) was built to thrive in an emerging and fiercely competitive retail cannabis landscape, under a strict regulatory microscope, while focusing on providing a positive company culture. Verts' leadership has deep experience in operating licensed cannabis establishments including retail, adhering to regulatory guidelines, and overseeing and managing employees while maintaining a positive company culture.

Ashley Close – Colorado CEO, co-owner and board member

Ashley has managed Verts' cannabis operations in Colorado since 2013, first in Fort Collins and then assuming leadership of the Golden location in 2016. She recently worked closely with local officials to achieve approval for retail marijuana sales to be licensed in the City of Golden after years of medical-only sales.

Overseeing all of Verts' day-to-day operations, Ashley is responsible for the company's:

- Personnel, including staffing, hiring, termination, disciplinary actions, training, compensation and benefits.
- Finances, including banking, accounting, budgeting, taxes, cash management, reconciliation, contracts and leases, and acquisitions.
- Inventory, including ordering, receiving, Metrc, transfers and audits.
- State and local regulatory compliance, including training and standard operating procedures, implementation of new and updated rules, inspections and audits, and labeling.

She also oversees all of the company's state and local license applications and renewals, artwork and advertising, vendor relations, store design and operational flows, security features and customer service.

As the CEO and co-founder of Verts Neighborhood Dispensary in Fort Collins since 2013, Ashley has led the co-located medical and retail marijuana sales operations of one of northern Colorado's most successful dispensaries. With her business partner Joe Feucht, Ashley purchased a pre-existing license that had never been open for sales. They completely redesigned the store, added a retail license and now maintain annual revenues of \$5-7 million.

On the cultivation side, Ashley and Joe have built out three different facilities, producing some of the industry's best flower at an affordable price. They have worked to develop state-of-the-art grow operations and to evolve with current requirements and regulations.

Ashley is a graduate of the Ohio State University. She lives in Denver with her husband and their son.

Verts Grand Lake LLC

H. Personnel Experience - Executive Summary

Alexander Close – National CEO, co-owner and board member

Alex is the chief executive officer of Verts Neighborhood Dispensaries, the national chain of cannabis stores located in Colorado, Michigan and Missouri. He is also the chief investment officer of Sugar Factory Cannabis Company, which is a cannabis cultivation facility located in Owosso, Mich., and president of Midwest Wellness, a CBD store located in Columbus, Ohio. Lastly, he is the managing member of Precision Cannabis, a new dispensary in Chicago.

Alex began his career in cannabis in 2014 in Colorado and has since expanded the company to seven locations. He is a graduate of Ohio University in 2010 where he studied finance. Alex loves to travel, paint and draw, along with other outdoor activities in his free time. Alex is from Columbus, where he lives today.

Daniel Rowland – Advisor, co-owner and board member

Dan is a global cannabis policy and regulatory expert. He helps companies and governments understand the complexities, impacts and market opportunities associated with the legalization of cannabis and emerging markets. He has served as an advisor to the Verts businesses since 2020 and spearheaded the movement to transition Golden from medical-only to adult-use.

Dan's experience in the legal cannabis industry covers a wide range of projects, ensuring good compliance and the successful implementation of newly legal cannabis businesses and their marketplaces. In addition to his work with Verts, Dan provides market and regulatory analysis for a multinational supplier of cannabinoid ingredients and cannabis production technologies. He also supports local government relations and licensing efforts for several U.S.-based operators, helped launch a Canadian operator of more than 30 retail stores, launched a U.K.-based CBD drinks brand, and advises multinational brands on regulatory compliance, new product development and expansion into emerging markets.

Prior to launching his consulting practice, Dan spent five years with the City and County of Denver, leading implementation efforts for the first major city in the world to develop a fully legal, commercial cannabis industry. He was Director of Public Affairs for Denver's Office of Marijuana Policy and Department of Excise & Licenses and the spokesman and public liaison for the City's business licensing efforts and first-in-the-world implementation of legalized marijuana regulations. In this role, he frequently consulted on the implementation of legalized cannabis for governments, companies and other stakeholders around the world.

Dan has a Master of Public Administration from the University of Colorado and a Bachelor of Journalism from Arizona State University. He lives in Denver with his wife and their two sons.

Verts Grand Lake LLC

H. Personnel Experience - Executive Summary

In addition to the three Controlling Beneficial Owners listed above, Verts is fortunate to have additional shareholders with deep cannabis industry experience. While not involved in day-to-day management and operations of our proposed Grand Lake store, the following three individuals provide additional depth and expertise to the Verts corporate team.

Richard Kennedy, shareholder

Richard has been involved in Colorado dispensaries since 2011 and has been a Metrc administrator since March 2015. At Natural Alternatives in Fort Collins, he led the transition from medical sales into adult-use sales and managed the store through the Covid pandemic. He started at Verts in Fort Collins in April 2022 and is currently the Director of Operations there.

Richard also has consulted with and operated a compliance business whose clients have included some of the largest grows and operations in Colorado. Since arriving at Verts, Richard has assisted the teams' medical-to-adult-use transition in Golden and Missouri, and with startup operations in Michigan. In Fort Collins he is helping with Verts' buildout of a new storefront space to modernize the operation and compete with the larger corporate and publicly traded companies that are consolidating the market.

Richard has been a resident of Fort Collins for 20 years and is a graduate of Front Range Community College. He also has a bachelor of hospitality management with a minor in business management from Colorado State University. He loves to ski and explore.

Nicholas Higbee, shareholder

Nicc is the Chief Marketing Officer of Verts Neighborhood Dispensaries and Vice President of Operations for Verts Missouri. He has worked with Verts and the Close family since 2021, and led the company's effort to commence and operate four medical marijuana dispensaries across Missouri.

Upon the legalization of adult-use cannabis, Nicc converted all four licenses to comprehensive (adult-use and medical) operations and oversaw the launch of the company's adult-use sales in February. He also assisted with Verts' launch in the Michigan market, helping with operational start-up on the group's first dispensary in Traverse City.

Nicc's hospitable approach to retail in the cannabis space stems from his more than a decade of experience in bar and nightclub management, where he always had a strong passion for team building and serving others. While the business was fun and fulfilling, the hours were not conducive to raising kids, so Nicc channeled his passion for his community into civil servant work for the City of Kansas City, Kan. His leadership skills blossomed there and he quickly became a project manager. As rewarding as the work was, he was drawn to Verts by the people and the opportunity to build teams and create experiences.

Verts Grand Lake LLC

H. Personnel Experience - Executive Summary

Nicc has an associate's degree in fire science. He lives in Kansas City with his wife and two daughters.

Joseph Feucht, shareholder

Joe is a Colorado cannabis industry veteran with deep experience in the development and management of cultivation and retail facilities. Joe co-founded Verts with Ashley Close and has been an integral member of the team.

Joe is also the owner and co-founder of Verts Neighborhood Dispensary in Fort Collins, where he has overseen all aspects of the development and operations of the company's cultivation facility. Joe has owned and operated Verts since 2013 and was instrumental in building the vertically integrated company.

Leading the Verts cultivation facility, Joe oversaw the buildout and staffing of the facility, and is responsible for all daily operations, including growing, cloning, vegging, flowering, up-potting, transferring and packaging. He is also involved in daily management of the company's finances, licenses, business acquisition strategy and advocacy efforts.

Joe is a graduate of the University of South Carolina. He lives in Larimer County with his wife and their two daughters.