



## Medical Marijuana Dispensary License Application

Department of Health, Office of Health Care Assurance

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Criteria 1. Ability to operate a business, including but not limited to education, knowledge, and experience

Criteria 2. Plan for operating a medical marijuana dispensary in the county for which the applicant is seeking a license, including but not limited to a timeline for opening a retail dispensing location

Criteria 3. Proof of financial stability and access to financial resources

Criteria 4. Ability to comply with the security requirements of this chapter and section 329D-7, HRS

Criteria 5. Capacity to meet the needs of qualifying patients

Criteria 6. Ability to comply with criminal background check requirements pursuant to this chapter and sections 329D-7, 329D-12, and 846-2.7, HRS

Criteria 7. Ability to comply with the requirements in this chapter and chapters 329 and 329D, HRS, for inventory tracking, security, and dispensing limits for qualifying patients

Criteria 8. Ability to maintain confidentiality of a qualifying patient's medical condition, health status, and purchases of marijuana or manufactured marijuana products

Criteria 9. Ability to conduct or contract for certified laboratory testing on marijuana and manufactured marijuana products pursuant to this chapter and sections 329D-7 and 329D-8, HRS

Criteria 10. Ability to comply with requirements for packaging, labeling, and chain of custody of products

Criteria 11. A plan for secure disposal of marijuana and manufactured marijuana products

Criteria 12. Ability to ensure product safety, in accordance with this chapter and sections 329D-8, 329D-10, 329D-11, HRS

Criteria 13. No history of having a business license revoked.

Total Merit Criteria Points Awarded to Applicant

### HELPFUL INFORMATION FOR FILLING OUT THIS FORM:

1. You can save your work on this form by checking the 'Save my progress and resume later' box and then clicking the 'Save form and resume later' button. **IMPORTANT:** Remember to do this every time you leave your application or you will lose the information you have entered.

2. To keep your information secure, remember to log out of your application each time you finish working on it.

3. Use a current version of Google Chrome or Firefox browser when completing this form.

4. Save the form every 20 minutes to avoid timing out. When entering information in a spreadsheet, save and exit the form first.

5. Do not include single or double quote marks (' or ") or more than one period (.) in your document names.

### INSTRUCTIONS FOR THE MEDICAL MARIJUANA DISPENSARY LICENSE APPLICATION

Before applying for a medical marijuana dispensary license, applicants must acknowledge that they have read the statute and administrative rules on medical marijuana and be redirected to the statute and administrative rules.

Hawaii Revised Statute (HRS) 329D

✓ I acknowledge that I have read [Chapter 329D, HRS \(http://health.hawaii.gov/content/blogs.dir/93/files/2015/12/2015-329D-HRS.pdf\)](http://health.hawaii.gov/content/blogs.dir/93/files/2015/12/2015-329D-HRS.pdf), and I am aware of the ap

Hawaii Administrative Rules (HAR) Chapter 11-850

✓ I acknowledge that I have read [HAR, Chapter 11-850 \(http://health.hawaii.gov/content/blogs.dir/93/files/2015/12/Dispensary-Rules-Chapter-11-850-signed-by\)](http://health.hawaii.gov/content/blogs.dir/93/files/2015/12/Dispensary-Rules-Chapter-11-850-signed-by) licensing requirements.

Disclaimer:

✓ I understand that the use and possession of marijuana is illegal under federal law, i Chapters 329 and 329D, HRS.

**MINIMUM REQUIREMENTS**

All individual applicants and applying entities must meet the requirements listed below or the application will not be accepted. Applicants must attach proof sections.

**INDIVIDUAL APPLICANT**

- \* Individual applicant shall be at least 21 years old.
- \* Shall be a legal resident of the State of Hawaii for at least five (5) uninterrupted years immediately preceding the date of the license application.
- \* Shall not have any felony convictions or any other disqualifying background history.
- \* Shall be authorized by the applying entity to submit an application for a dispensary license, and act as the primary point of contact with the department.

**APPLYING ENTITY**

- \* The applying entity must be organized under the laws of the State of Hawaii.
- \* Have a Hawaii tax identification number.
- \* Have a Department of Commerce and Consumer Affairs Business Registration Division number and suffix.
- \* Have a federal employer identification number.
- \* Not be less than fifty-one percent held by Hawaii legal residents or entities wholly controlled by Hawaii legal residents who have been legal residents for no application was submitted.
- \* Have financial resources under its control of not less than \$1,000,000 for each license applied for, plus not less than \$100,000 for each retail dispensing location bank statements or escrow accounts, and those financial resources shall have been under the control of the applying entity for not less than ninety days immediately prior to application.
- \* Be composed of owners, principals, or members, each of whom is not less than twenty-one years of age and has no felony convictions or any other disqualifying background history.

**APPLICATION FEE**

The license application fee of \$5,000 by certified check or cashier's check payable to the State of Hawaii, Department of Health, is part of the minimum requirements for Medical Marijuana Dispensary Licensing, Room 337, 601 Kamokila Blvd., Kapolei, HI 96707 or be postmarked by 4:30 pm Hawaii Standard Time on the last day of application.

Please note the application number on the check. This is found in the heading of the email confirmation you receive upon submittal, and is also visible where the application is processed.

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**NOTE: ALL QUESTIONS MUST BE ANSWERED TO SUBMIT YOUR APPLICATION UNLESS OTHERWISE INDICATED.**

**SECTION A: APPLICATION FOR COUNTY**

**NOTE:** An applicant may apply for a license for more than one county, but may only receive one license. Indicating here that you are applying for a license for one county; separate applications must be submitted. The applicant and applying entity must complete a separate application with all required information and refundable application fee of \$5,000 for each application. The financial resources required (\$1,000,000 plus not less than \$100,000 for each retail dispensing location) can only apply toward one license, if granted.

1. For which county are you requesting a license?	City & County of Honolulu
2. Are you also applying for a dispensary license in another county?	Yes
2a. If YES, what other county or counties are you applying for a license? (NOTE: A separate application and check will be required for each county.)	<input checked="" type="checkbox"/> County of Hawaii <input checked="" type="checkbox"/> County of Maui

**SECTION B: INDIVIDUAL APPLICANT INFORMATION****GENERAL INFORMATION**

3. Legal Name of Applicant	Dr. Barry Jason Worchel
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**4. Upload Proof of Legal Name of Applicant**

Scan and submit a certified copy of AT LEAST ONE (1) of the following:

- \* Certified copy of a birth certificate or marriage certificate filed with a state office of vital statistics or equivalent agency in the individual's state of birth or marriage;
- \* Valid, unexpired U.S. passport [inside cover and first page only] or U.S. passport card;
- \* Consular report of birth abroad Form FS-240, DS-1350 or FS-545 issued by the U.S. Department of State;
- \* Valid, unexpired permanent resident card (Form I-551) issued by the Department of Homeland Security (DHS) or the U.S. Citizenship and Immigration Services (USCIS);
- \* Unexpired employment authorization document issued by the DHS, Form I-766 or Form I-688B;
- \* Unexpired foreign passport with the following: a valid, unexpired U.S. visa affixed, and an approved I-94 form documenting the applicant's most recent admittance into the United States or a DHS admittance stamp on the passport;
- \* Certified copy of the Certificate of Naturalization issued by DHS, Form N-550 or Form N-570;
- \* Certificate of citizenship, Form N-560 or Form N-561, issued by DHS;
- \* Court-issued, certified copy of a divorce decree;
- \* Certified copy of a legal change of name order



5. Date of Birth (must be at least 21 years old)



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**6. Upload Proof of Date of Birth of Applicant**

Scan and submit a certified copy of AT LEAST ONE (1) of the following:

- \* Certified copy of a birth certificate or marriage certificate filed with a state office of vital statistics or equivalent agency in the individual's state of birth or marriage;
- \* Valid, unexpired U.S. passport [inside cover and first page only] or U.S. passport card;
- \* Consular report of birth abroad Form FS-240, DS-1350 or FS-545 issued by the U.S. Department of State;
- \* Valid, unexpired permanent resident card (Form I-551) issued by the Department of Homeland Security (DHS) or the U.S. Citizenship and Immigration Services (USCIS);
- \* Unexpired employment authorization document issued by the DHS, Form I-766 or Form I-688B;
- \* Unexpired foreign passport with the following: a valid, unexpired U.S. visa affixed, and an approved I-94 form documenting the applicant's most recent admittance into the United States or a DHS admittance stamp on the passport;
- \* Certificate of naturalization issued by DHS, Form N-550 or Form N-570;
- \* Certificate of citizenship, Form N-560 or Form N-561, issued by DHS;
- \* Valid, unexpired driver's license or government issued photo identification card.



7. Social Security No. or Identifier No. (last 4 digits only):



8. Applicant's Address

  
United States

9. Daytime Phone No.

10. Fax No.

11. Email



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**CRIMINAL HISTORY INFORMATION**

12. Has the individual applicant ever been convicted of a felony? If YES, STOP, you are not an eligible applicant.



13. Has the individual applicant ever been convicted of a crime?



13a. If YES, please describe (e.g., conviction, date, disposition, etc.)

14. Has the individual applicant ever been arrested?



14a. If YES, please describe (e.g., date, disposition, etc.)

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**Obtain a Criminal History Report**

Copy the Validation code from an eCrim report for the individual applicant generated by the Hawaii Criminal Justice Data Center no earlier than December 12, 2015 at 8:00 a.m. (Hawaii-Aleutian Standard Time).

Visit [eCrim.ehawaii.gov \(https://ecrim.ehawaii.gov/ahewa/\)](https://ecrim.ehawaii.gov/ahewa/) to obtain the eCrim report.

15. Enter the eCrim Validation Code here:

16. NOTICE: Pursuant to Chapter 329D HRS and Chapter 11-850 HAR, applicants are required to provide consent to a background check, including fingerprinting, to be conducted by the Department of Health or its designee.

☒ I consent

Further information and instructions will be provided on <http://health.hawaii.gov/medicalmarijuana/>. If the information and instructions are not yet posted, please check the website often.

RESIDENCY INFORMATION 17. Is the Applicant a legal resident of the State of Hawaii for at least five years? If NO, STOP, you are not an eligible applicant. Yes

18. Upload Proof of Hawaii Residency:

Scan and submit AT LEAST ONE (1) of the following source documents as proof of Hawaii state residency for at least five years:

- \* State of Hawaii tax return Form N-11 without schedules, worksheets, or attachments, and redacted to remove all financial information and all but the last four digits of the individual's social security number;
- \* Evidence of voter registration;
- \* Ownership, lease, or rental documents for place of primary domicile;
- \* Billing statements including utility bills; or
- \* Vehicle registration.

19. Authorized to Act on Behalf of Applying Entity

Scan and submit evidence of the authority of the individual to act on behalf of the applying entity, and supporting documentation (e.g. corporate resolution, bylaws, articles of incorporation):

**SECTION C: APPLYING ENTITY INFORMATION**

20. Name of Applying Entity ALOHA COMPASSIONATE CARE LLC

21. Applying Entity's Business Address 47-4494 Cane Haul Road  
Honokaa, Hawaii 96727  
United States

22. Entity Phone #

23. Entity Email

24. Entity Fax #

25. Is the applying entity organized under the laws of the State of Hawaii? If the answer is 'NO', STOP, you are not an eligible applicant. Yes

26. Upload Applying Entity Incorporation or Business Status Documentation:

Upload a certified copy of applying entity's incorporation documents in the State of Hawaii.

Visit [Hawaii Business Express \(https://hbe.ehawaii.gov/documents/search.html\)](https://hbe.ehawaii.gov/documents/search.html) for available documents.

27. Provide the entity's Hawaii Department of Commerce & Consumer Affairs Business Registration Division Number & Suffix (file number).

Visit [Hawaii Business Express - Business Name Search \(https://hbe.ehawaii.gov/documents/search.html\)](https://hbe.ehawaii.gov/documents/search.html) to locate your entity's file number.

136080 C5

28. Upload a copy of the entity's Certificate of Good Standing from the Department of Commerce and Consumer Affairs.

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29. Hawaii Tax Identification Number:

Provide the number along with a copy of the State of Hawaii Tax Identification Number (see question immediately below).

Visit [Tax ID Search \(https://dotax.ehawaii.gov/tls/app\)](https://dotax.ehawaii.gov/tls/app) for this information.

30. Upload a copy of the entity's State of Hawaii Tax Identification document.

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31. Federal Employer Identification Number: Provide the Federal Employer Identification Number.

32. Upload a copy of the entity's Federal Employer Identification Number document.

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#### OWNER(S), PRINCIPAL(S), & MEMBER(S) INFORMATION

33. Enter the total number of Owner(s), Principal(s), and Member(s) of the applying entity here:

5

34. Upload Owner, Principal, and Member Information Spreadsheet

**INSTRUCTIONS:** Download the EXCEL spreadsheet below, enter the following information in the format required, and upload it to attach it to your application.

Information to be provided:

1) List of Owners, Principals, and Members of the Applying Entity

For each Owner, Principal, and Member of the Applying Entity:

- A) Name, Address, Phone number, and Email Address
- B) Each individual's percent interest in the company
- C) State of primary residence
- D) Number of years each person has lived in Hawaii (the most recent, uninterrupted number of years that the person has been a resident), and
- E) A criminal background check for each Owner, Principal, and Member.

0

Copy the validation code from an eCrim report for the individual generated by the Hawaii Criminal Justice Data Center no earlier than December 12, 2015 at 8:00 a.m. (Hawaii-Aleutian Standard Time).

Visit [eCrim.ehawaii.gov \(https://ecrim.ehawaii.gov/ahewa/\)](https://ecrim.ehawaii.gov/ahewa/) to obtain the eCrim report.

Please include a signed statement by each Owner, Principal, or Member certifying that the information is complete and accurate. Upload the signed statements in the following question (35.)

2) Other Businesses Holding an Interest

If there are businesses that hold an interest in the company, list the business names and percent interest on a separate tab on the spreadsheet.

[Download Owner Principal Member Information Spreadsheet \(/mmjdisp/templates/Owner\\_Principal\\_Member\\_Report.xls\)](#)

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**35. Upload Proof of Name, Date of Birth, and Residency for each Officer, Principal, or Member listed on the spreadsheet**

**1) Proof of Legal Name of Each Owner, Principal, and Member:**

Scan and submit a certified copy of AT LEAST ONE (1) of the following:

- \* Certified copy of a birth certificate or marriage certificate filed with a state office of vital statistics or equivalent agency in the individual's state of birth or marriage;
- \* Valid, unexpired U.S. passport [inside cover and first page only] or U.S. passport card;
- \* Consular report of birth abroad Form FS-240, DS-1350 or FS-545 issued by the U.S. Department of State;
- \* Valid, unexpired permanent resident card (Form I-551) issued by the Department of Homeland Security (DHS) or the U.S. Citizenship and Immigration Services (USCIS);
- \* Unexpired employment authorization document issued by the DHS, Form I-766 or Form I-688B;
- \* Unexpired foreign passport with the following: a valid, unexpired U.S. visa affixed, and an approved I-94 form documenting the applicant's most recent admittance into the United States or a DHS admittance stamp on the passport;
- \* Certificate of naturalization issued by DHS, Form N-550 or Form N-570;
- \* Certificate of citizenship, Form N-560 or Form N-561, issued by DHS;
- \* Court-issued, certified copy of a divorce decree;
- \* Certified copy of a legal change of name order;

**2) Proof of Date of Birth**

Scan and submit a certified copy of AT LEAST ONE (1) of the following:

- \* Certified copy of a birth certificate or marriage certificate filed with a state office of vital statistics or equivalent agency in the individual's state of birth or marriage;
- \* Valid, unexpired U.S. passport [inside cover and first page only] or U.S. passport card;
- \* Consular report of birth abroad Form FS-240, DS-1350 or FS-545 issued by the U.S. Department of State;
- \* Valid, unexpired permanent resident card (Form I-551) issued by the Department of Homeland Security (DHS) or the U.S. Citizenship and Immigration Services (USCIS);
- \* Unexpired employment authorization document issued by the DHS, Form I-766 or Form I-688B;
- \* Unexpired foreign passport with the following: a valid, unexpired U.S. visa affixed, and an approved I-94 form documenting the applicant's most recent admittance into the United States or a DHS admittance stamp on the passport;
- \* Certificate of naturalization issued by DHS, Form N-550 or Form N-570;
- \* Certificate of citizenship, Form N-560 or Form N-561, issued by DHS;
- \* Valid, unexpired driver's license or government issued photo identification card.

**3) Proof of Hawaii Residency:**

Scan and submit AT LEAST ONE (1) of the following source documents as proof of Hawaii state residency for at least five years:

- \* State of Hawaii tax return Form N-11 without schedules, worksheets, or attachments, and redacted to remove all financial information and all but the last four digits of the individual's social security number;
- \* Evidence of voter registration;
- \* Ownership, lease, or rental documents for place of primary domicile;
- \* Billing statements including utility bills; or
- \* Vehicle registration.

Document size limit is 2 MB. Up to 10 documents may be attached.

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**SECTION D: FINANCIAL INFORMATION**

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**36. FINANCIAL RESOURCES GENERAL INFORMATION**

**INSTRUCTIONS:** Download the EXCEL spreadsheet below, enter the following information in the format required, and upload it to attach it to your application.

Information to be provided:

1) Financial Resources the applying entity has under its control. List each financial resource, amount of the resource (round to nearest dollar, no cents), and verifying information (account type, account number, account name, name of financial institution, applicant contact information) as shown on the spreadsheet


2) Date Resource/Dollar amount under the applying entity's control

[Download Financial Resources General Information Spreadsheet \(/mmjdisp/templates/Financial\\_Resources\\_General.xls\)](/mmjdisp/templates/Financial_Resources_General.xls)

Upload the completed Financial Resources General Information Spreadsheet

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**37. Upload Financial Resources General Information Supporting Source Documents**

Upload supporting source documents, i.e. bank statements, escrow account information, balance sheets etc. Supporting source documents for Financial Resources General Information must be provided as proof of the financial resources.


Document size limit is 10 MB. Up to 5 documents may be attached.

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**38. FINANCIAL RESOURCES -  
RETAIL DISPENSING LOCATION INFORMATION**

**INSTRUCTIONS:** Download the EXCEL spreadsheet below, enter the following information in the format required, and upload it to attach it to your application.

Data to be provided:

1) Financial Resources the applying entity has under its control for each retail dispensing location allowed (2 locations maximum)

2) Dollar Amount (total aggregate for each retail dispensing location shall be not less than \$100,000, or \$200,000 for 2 locations)


3) Date Resource/Dollar amount under the applying entity's control (resources have been under the Applying Entity's control for not less than 90 days)

[Download Financial Resources - Retail Dispensing Location Information Spreadsheet \(/mmjdisp/templates/Financial\\_Resources\\_Retail\\_Dispensing\\_Location.xls\)](/mmjdisp/templates/Financial_Resources_Retail_Dispensing_Location.xls)

Upload the completed Financial Resources - Retail Dispensing Location Information Spreadsheet

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**39. Upload Retail Dispensary Location Supporting Source Documents**

Upload supporting source documents, i.e. bank statements, escrow account information, balance sheets etc. Supporting source documents for retail dispensary locations must be provided as proof of the financial resources.


Document size limit is 10 MB. Up to 5 documents may be attached.

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**SECTION E: MERIT INFORMATION - OPTIONAL**

Responses for each criteria shall be no longer than specified for each criteria, double spaced, font size no smaller than 12, and margins no less than 1 inch

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(1) Ability to operate a business, including but not limited to education, knowledge, and experience with:

- (A) Regulated industries;
- (B) Agriculture or horticulture;
- (C) Commercial manufacturing;
- (D) Pharmaceutical companies;
- (E) Operating or working in a medical marijuana dispensary business;
- (F) Creating and implementing a business plan, including a timeline for opening a business;

(G) Creating and implementing a financial plan;

(H) Retail sales;

(I) Secure inventory tracking and control;

(J) Protecting confidential customer information;

(K) Owning or managing a business that required twenty four hour security monitoring; and

(L) Any other experience the applicant considers relevant;

Response to (1) shall be no longer than five (5) pages.

Upload Response to (1)

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(2) Plan for operating a medical marijuana dispensary in the county for which the applicant is seeking a license, including but not limited to a timeline for opening a retail dispensing location;

Response to (2) shall be no longer than five (5) pages.

Upload Response to (2)

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(3) Proof of financial stability and access to financial resources, including but not limited to:

(A) Legal sources of finances immediately available to begin operating a dispensary;

(B) A summary of financial statements in businesses previously or currently owned or operated by the applicant;

(C) A financial plan for operating a medical marijuana dispensary in Hawaii;

(D) Good credit history; and

(E) History of bankruptcy by the applicant or entities owned or operated by the applicant;

Response to (3) shall be no longer than five (5) pages.

Upload Response to (3)

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(4) Ability to comply with the security requirements of Chapter 11-850 and Section 329D-7, HRS;

Response to (4) shall be no longer than five (5) pages.

Upload Response to (4)

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(5) Capacity to meet the needs of qualifying patients, including but not limited to:

(A) Educating patients on how marijuana can be used to assist patients with debilitating medical conditions and about the marijuana and manufactured marijuana products that will be available in the applicant's retail dispensing locations;

(B) Producing and maintaining a supply of marijuana that is sufficient to meet the needs of qualifying patients;

(C) Providing safe, accessible retail dispensing locations; and

(D) Measuring and improving customer satisfaction;

Response to (5) shall be no longer than five (5) pages.

Upload Response to (5)

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(6) Ability to comply with criminal background check requirements pursuant to Chapter 11-850 and Sections 329D-7, 329D-12, and 846-2.7, HRS;

Response to (6) shall be no longer than three (3) pages.

Upload Response to (6)

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(7) Ability to comply with the requirements in Chapter 11-850 and Sections 329 and 329D, HRS, for inventory tracking, security, and dispensing limits for qualifying patients;



Response to (7) shall be no longer than five (5) pages.

Upload Response to (7)

(8) Ability to maintain confidentiality of a qualifying patient's medical condition, health status, and purchases of marijuana or manufactured marijuana products;



Response to (8) shall be no longer than three (3) pages.

Upload Response to (8)

(9) Ability to conduct or contract for certified laboratory testing on marijuana and manufactured marijuana products pursuant to Chapter 11-850 and Sections 329D-7 and 329D-8, HRS;



Response to (9) shall be no longer than three (3) pages.

Upload Response to (9)

(10) Ability to comply with requirements for packaging, labeling, and chain of custody of products;



Response to (10) shall be no longer than three (3) pages.

Upload Response to (10)

(11) A plan for secure disposal of marijuana and manufactured marijuana products;



Response to (11) shall be no longer than five (5) pages.

Upload Response to (11)

(12) Ability to ensure product safety, in accordance with Chapter 11-850 and Sections 329D-8, 329D-10, 329D-11, HRS.



Response to (12) shall be no longer than five (5) pages.

Upload Response to (12)

(13) No history of having a business license revoked.



Response to (13) shall be no longer than three (3) pages.

Upload Response to (13)

#### SECTION F: CERTIFICATION AND SUBMITTAL

Certification

☒ I hereby certify under penalty of law that the information submitted as part of this ap

By checking the box above and entering the individual applicant's name below, the applicant has electronically signed this application.

Applicant Name

Dr. Barry Jason Worchel

If you have previously submitted an application and this is a revision, enter the unique entry number(s) of your previous submission(s) here.

User ID

[Redacted]

User Email

[Redacted]

Entry Info

Date Created

29 Jan 2016 - 09:17:36 AM

Date Updated

IP Address

www.BusinessRegistrations.com

FORM LLC-1  
7/2010

FILED 10/14/2015 12:22 PM  
Business Registration Division  
DEPT. OF COMMERCE AND  
CONSUMER AFFAIRS  
State of Hawaii



STATE OF HAWAII  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
Business Registration Division  
335 Merchant Street  
Mailing Address: P.O. Box 40, Honolulu, Hawaii 96810  
Phone No. (808) 686-2727



## ARTICLES OF ORGANIZATION FOR LIMITED LIABILITY COMPANY

(Section 428-203, Hawaii Revised Statutes)

PLEASE TYPE OR PRINT LEGIBLY IN BLACK INK

The undersigned, for the purpose of forming a limited liability company under the laws of the State of Hawaii, do hereby make and execute these Articles of Organization:

I  
The name of the company shall be:

Aloha Compassionate Care, LLC

(The name must contain the words Limited Liability Company or the abbreviation L.L.C. or LLC)

II  
The mailing address of the initial principal office is:

2 N. LaSalle Street, Suite 1700, Chicago, IL 60602 (c/o Neal Gerber & Eisenberg LLP)

III  
The company shall have and continuously maintain in the State of Hawaii a registered agent who shall have a business address in this State. The agent may be an individual who resides in this State, a domestic entity or a foreign entity authorized to transact business in this State.

- a. The name (and state or country of incorporation, formation or organization, if applicable) of the company's registered agent in the State of Hawaii is:

48774 D1

The Corporation Company, Inc.

Hawaii

(Name of Registered Agent)

(State or Country)

- b. The street address of the place of business of the person in State of Hawaii to which service of process and other notice and documents being served on or sent to the entity represented by it may be delivered to is:

1136 Union Mall, Suite 301, Honolulu, HI 96813

## IV

The name and address of each organizer is:

Tara M. Anderson

[REDACTED]

V

The period of duration is (check one):

☒ At-will☐ For a specified term to expire on:

(Month)

(Day)

(Year)

VI

The company is (check one):

a. ☐ Manager-managed, and the names and addresses of the initial managers are listed in paragraph "c",  
and the number of initial members are: \_\_\_\_\_.b. ☒ Member-managed, and the names and addresses of the initial members are listed in paragraph "c".c. List the names and addresses of the initial managers if the company is Manager-managed, or  
List the names and addresses of the initial members if the company is Member-managed.

Audrey E. Selin

VII

The members of the company (check one):

☒ Shall not be liable for the debts, obligations and liabilities of the company.☐ Shall be liable for all debts, obligations and liabilities of the company.☐ Shall be liable for specified debts, obligations and liabilities of the company as stated below, and have consented in writing to the adoption of this provision or to be bound by this provision.

We certify, under the penalties set forth in the Hawaii Uniform Limited Liability Company Act, that we have read the above statements, I am authorized to sign this Articles of Organization, and that the above statements are true and correct to the best of our knowledge and belief.

Signed this 14<sup>th</sup> day of October

2015

Tara M. Anderson, Organizer

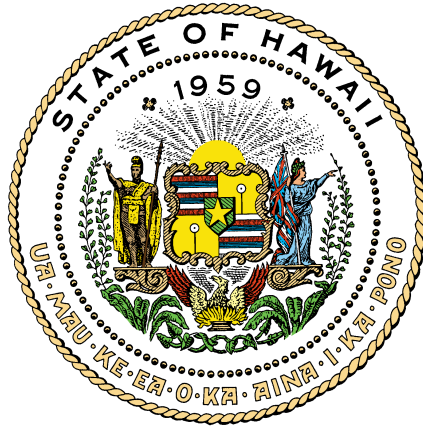
(Type/Print Name of Organizer)

(Type/Print Name of Organizer)

(Signature of Organizer)

(Signature of Organizer)

SEE INSTRUCTIONS PAGE. The articles must be signed and certified by at least one organizer of the company.



## Department of Commerce and Consumer Affairs

### CERTIFICATE OF GOOD STANDING

I, the undersigned Director of Commerce and Consumer Affairs of the State of Hawaii, do hereby certify that according to the records of this Department,

ALOHA COMPASSIONATE CARE, LLC

was organized under the laws of the State of Hawaii on 10/14/2015 ;  
that it is an existing limited liability company in good standing  
and is duly authorized to transact business.




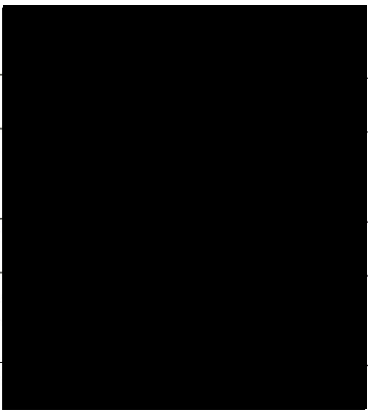
IN WITNESS WHEREOF, I have hereunto set  
my hand and affixed the seal of the  
Department of Commerce and Consumer  
Affairs, at Honolulu, Hawaii.

Dated: December 09, 2015

Director of Commerce and Consumer Affairs

**MEMBER CERTIFICATION OF  
ALOHA COMPASSIONATE CARE, LLC**

The undersigned, Barry Worchel, being a member of Aloha Compassionate Care, LLC, a Hawaiian limited liability company, hereby certifies, on this January 29, 2016, that the following information is true and correct:

Name of Owner, Principal, or Member	Barry Jason Worchel
Address (Street, City, State, Zip, Country (if not USA))	
Phone Number	
Email Address	
Percent Interest in the Company	25.50%
State of Primary Residence	Hawaii
Number of Years Lived in Hawaii (most recent uninterrupted number of years person has been a resident)	10
Has person ever been convicted of a Felony? (If So, STOP, they are not an eligible applicant)	
Has person ever been convicted of a crime?	
If person has been convicted of a crime, please describe (e.g., conviction, date, disposition, etc.)	
Has person ever been arrested?	
If person has ever been arrested, please describe (e.g., date, disposition, etc.)	
eCrim Report Validation Code	
Applicant consents to a federal and state background check including fingerprinting conducted by the Department or its designee. (Yes/No)	Yes

IN WITNESS WHEREOF, the undersigned has executed this Member Certification as of the date first written above.

  
Barry Jason Worchel

Question 1:

Aloha Compassionate Care (ACC) was founded as the joint venture between two Hawaii resident health care providers and two additional principals that are leaders in the medical marijuana industry. There is no other applicant like us..

ACC is uniquely positioned with the experience and capabilities to be the highest quality licensee in Hawaii. ACC's principal PharmaCann LLC is the largest vertically integrated and unified medical marijuana company in the United States. ACC's principals are the only parties in Hawaii with the following qualifications:

- The largest combined operators in the highly regulated and competitive Illinois medical marijuana market;
- Top-ranked awardee of the licenses awarded in the highly regulated and competitive New York medical marijuana market;
- Constructing and operating three production centers of 200,000 square feet within 6 months and building out and operating 12 retail dispensing locations;
- Founders, advisors and employees with professional, trusted backgrounds completely unencumbered by illegal, underground marijuana production or hobbyist backgrounds; and
- Operating with *bona fide* pharmaceutical development and production experience.

**A) Regulated Industries:** ACC's principals, considered leaders of the medical marijuana industry, have experience operating in Illinois and New York, the most highly regulated medical marijuana states in the country. PharmaCann was awarded the most licenses of any applicant in the competitive Illinois medical marijuana licensing process and also was the highest ranked

awardee in New York. ACC's other principal includes Steve Weisman, the CEO of Windy City Cannabis, the largest retail dispensing location operator in Illinois apart from PharmaCann. Together, the principals are operating three production centers and twelve retail dispensing locations in both states and have experience working with several regulating agencies in those states. State officials from California have consulted with PharmaCann's leaders as the state implements new medical marijuana regulations. Several of ACC's officers and employees are licensed professionals operating in highly regulated professions. Hawaii resident and psychiatrist Dr. Jason Worchel is licensed to practice in eight states. Hawaii resident and psychologist Tracey Wise is a licensed mental health counselor. ACC's principals also employ four licensed attorneys, including three that are former partners of a national law firm. Finally, ACC's principals employ four licensed pharmacists.

**B) Agriculture or horticulture:** ACC's principals have constructed and operate over 200,000 square feet of production space across two states. ACC's principals grow over 50 strains of medical marijuana, providing a variety of THC-CBD ratios and treatment styles. The cultivation directors at ACC's principals include a co-founder of Pure Prairie Farms and a former Ball Horticultural Employee, with a total of over 40 years of horticulture experience. ACC's principals employ over 20 cultivation technicians across two states. ACC's facilities are designed to operate following Good Agricultural Practice and Good Manufacturing Practice.

**C) Commercial Manufacturing:** ACC's principals currently operate three production facilities, with a total of over 200,000 square feet of manufacturing space, including cultivation, processing, manufacturing, and packaging. Products are manufactured using hundreds of detailed standard operating procedures prepared with input from industry professionals experienced in management training and implementing Good Manufacturing Practices. The Vice President of

Operations for an ACC principal is a chemical engineer and a senior operations executive with decades of experience at a Fortune 200 industrial manufacturing company, with over seven years of direct operations management for facilities that comply with GMP standards.

**D) Pharmaceutical Companies:** The Co-CEO of an ACC principal is a co-founder of Accelerated Pharma, Inc., a pharmaceutical company based on re-launching promising advanced drug candidates. The Quality Assurance Officer of an ACC principal is a highly trained professional with over 20 years documented experience in QA/QC in the pharmaceutical industry. ACC's principals employ three analytical chemists with experience related to pharmaceuticals.

**E) Operating in a medical marijuana dispensary business:** ACC's principals are currently operating 3 production centers and 12 dispensing retail locations in the highly regulated states of Illinois and New York.

**F) Creating and implementing a business plan:** ACC's principals have successfully complied with state timeline requirements for production in two states. In Illinois, PharmaCann constructed its 80,000 square feet of facilities and producing product in six months. In New York, PharmaCann became operational within six months of the state license grant. In addition, many of ACC's principals have experience starting up and launching new businesses outside of the medical marijuana industry.

**G) Creating and implementing a financial plan:** ACC's principals have raised over \$50 million in private equity to fund operations at three production centers and 12 retail dispensing locations within the past 14 months. ACC is well-equipped to raise additional capital for meeting Hawaii's criteria for dispensing high quality medical marijuana products in sufficient quantities in a safe and secure environment.



**H) Retail Sales:** ACC's principals currently operate 12 retail dispensing facilities in the highly regulated states of Illinois and New York. Over 40 employees, including four pharmacists, currently work in these facilities to serve the needs of patients and caregivers. ACC's principals also offer a patient and doctor education plan to promote doctor awareness of medical marijuana, assist with patient enrollment and signup, provide for a beneficial patient experience, and provide science-based patient guidance, counseling and education to patients in a safe, secure, and aesthetically pleasing environment to learn about medical marijuana and have their medicine dispensed.

**I) Secure Inventory Tracking and Control:** ACC's principals use a custom-built seed-to-sale inventory tracking system to track cultivation, harvest, processing, manufacturing, packaging, transport, and dispensing at 15 facilities in two states. This software tracks marijuana product through every stage of the production and sale process to the individual dispensary and patient. This enables the company to comply with all regulations and track patient purchases in the event of a complaint or adverse event.

**J) Protecting Confidential Information:** The inventory tracking software, in association with ACC's principal's extensive SOPs regarding recordkeeping protects patient and caregiver information in compliance with federal HIPAA (Health Insurance Portability and Accountability Act) standards.

**K) Owning or managing a business that required 24 hour security monitoring:** ACC's principals currently manage 24 hour security monitoring through a combination of cameras and security guards at 15 facilities in the highly regulated states of Illinois and New York. ACC's principal's three production centers and 12 retail dispensing facilities have 24-hour security monitoring systems, which include: video camera monitoring of every area in the

facilities; door access control systems using both card swipe and keypad code entry; heightened security around the areas in which marijuana is grown or kept, including alarms that go off while a door is open, and seismic and heat sensors.

ACC's principals currently employ over 30 security guards. These guards come from a variety of backgrounds, including the military, air marshals, bomb squads, and police departments. The Director of Corporate Security and Anti-Diversion for one ACC principal previously served for the 3<sup>rd</sup> Infantry Regiment in the United States Army, rising to the rank of battalion commander. He was responsible for coordination and planning of official events for the President of the United States with federal, state, and local police.

There is no other applicant with the same experience and professional knowledge as ACC and its principals.

## Question 2

Aloha Compassionate Care is the joint venture between two Hawaiian Healthcare professionals, one of the largest and most sophisticated Medical Marijuana operations in the country, and the founder of one of the largest retail dispensing companies in the USA. ACC's principals already meet strict state operational requirements for three production facilities and 12 retail dispensing facilities operating across the highly regulated states of Illinois and New York. ACC's principals have hundreds of details Standard Operating Procedures and a sophisticated training program in place to ensure that all policies are being maintained and followed.

**Timeline:** ACC's principals successfully constructed, hired employees, and grew and processed products in time to meet stringent operational date requirements in the highly regulated states of Illinois and New York. In Illinois, ACC's principals had six months to begin production of medical marijuana. In New York, ACC's principals had to start selling product within six months of the initial license grant. This experience and knowledge will also transfer to ACC's operation in Hawaii, where ACC intends to launch its production centers and retail dispensing locations to provide much needed medical marijuana and relief to the patients of Hawaii in a timely manner.

**Dispensary Employees:** ACC's principals have an extensive staffing plan that establishes and maintains written policies and procedures governing the qualifications, recruitment, hiring, and training of all employees. All staff and employees must be at least 21 years old. At all times while in a licensed facility, employees visibly and conspicuously wear a licensee-issued ID card with the employee's photograph and name. ACC shall provide the names of all employees to the Department.

ACC shares the Department's desire to cultivate and dispense medical marijuana to qualifying patients in Hawaii in a way that is safe and secure. Employee training is a top priority for ACC because it believes that training supports a culture of compliance. ACC provides employee onboarding training and training specific to different functions at the manufacturing facility versus the dispensary. Employees will be trained in health, safety and sanitation standards in accordance with law, security, prohibitions and enforcement, confidentiality, and any other provisions of the law that apply to the scope of their employment. No one with an interest in ACC will provide a certification for a patient to obtain medical marijuana.

**Records:** All employee records will be maintained at the dispensary facilities, including information on the specific training provided to employees and the hours each employee works. Each facility will have a time clock or time monitoring software that will record the month, day, year and time that each employee arrives at and leaves the facility. Time record entries will be made at any time an employee reports for duty, goes off duty, leaves the premises, or returns to the premises. Business operation records will be retained in dispensary facility records for a minimum of six years. These records will include all: inventory tracking, transportation records, sales records, financial records (income expenses, bank deposits and withdrawals, audit reports); entry and exit logs, and employee records. All security records shall be maintained for a minimum of one year.

**Production Centers:** As ACC's principals have successfully built three production centers in the highly regulated states of Illinois and New York, ACC has the knowledge and experience to build a safe, secure and effective production center capable of producing sufficient amount of high quality product to serve the needs of Hawaii patients.

The production center will be an enclosed indoor facility that will be secured at all times by a 24-hour security system pursuant to law and will be accessible only to authorized individuals. A copy of ACC's dispensary license will be displayed at all times. At least 30 days prior to producing or manufacturing marijuana, ACC will provide the Department with the production center's address, tax map key number, and a copy of the premise's title or lease. ACC will also allow the Department to perform a pre-production inspection. Until ACC receives full approval from the Department, the company will not possess or begin producing marijuana in Hawaii.

**Transport:** Only trained, qualified employees who are thoroughly trained in the protocols required by law currently transport marijuana and manufactured marijuana products between ACC's facilities and third party laboratories for testing. At least two employees perform every transport. For every transport, ACC's principals produce a manifest on a form prescribed by the state that lists all product elements required by the state's tracking system. Only items listed on the manifest are transported. Products are stored in secured containers, with a copy of the manifest on the interior and exterior of the secured container. All containers leaving or arriving at an ACC facility are packed, secured, loaded, unloaded and unpacked in full view of security surveillance cameras. The marijuana and products are transported in ACC vans under conditions designed to maintain product quality and safety. ACC immediately reports any discrepancies between the manifest and the actual delivery to the Department. Employees transport marijuana only to locations listed on the manifest using routes that reduce possibility of theft and diversion. In Hawaii, these routes will not go to, from, or within any federal fort or arsenal, national park or forest, any federal enclave, or any other property possessed or

occupied by the federal government. Marijuana will not be transported to or from any other dispensary, nor will it be transported to any patients or caregivers or to another county or island within the same county.

**Retail Dispensing Locations:** At least 60 days prior to producing or manufacturing marijuana, ACC will provide the Department with the retail dispensing facility's address, tax map key number, and a copy of the premise's title or lease. ACC will also allow the Department to perform a pre-production inspection. Until ACC receives full approval from the Department, the retail dispensing location won't possess or dispense marijuana in Hawaii. The retail dispensing locations shall be open for dispensing only between 8 am-8 pm Hawaii-Aleutian Standard Time, Monday through Saturday and will be closed on Sundays and official holidays. The enclosed, indoor retail dispensing location will remain locked at all times, maintain a 24 hour security system and will be accessible to authorized individuals only. Patients and caregivers must present a valid government photo ID and a valid medical use of marijuana registration card and sign in to the location before entering the premises. The retail dispensing location will display a copy of the dispensary license and all other required permits at the front of its facility at all times. All medical marijuana will be stored behind a counter or other barrier to ensure that a patient doesn't have direct access to the product before the sale. Only employees will be allowed to touch or handle marijuana or manufactured marijuana products in the retail dispensing location. ACC will not dispense marijuana in excess of 4 oz. over 15 consecutive days or 8 oz. over 30 consecutive days and will check that the patient's purchase in combination with previous purchases from other licensed dispensaries within the state would not go over this limit prior to dispensing product. No free samples of

marijuana or manufactured marijuana products will be provided. ACC will not sell or make available any premade or manufactured cigarettes of marijuana or any supplies or paraphernalia that provide for the use of medical marijuana a smokable or inhalable form.

**Reports, Audits, Inspections:** ACC's principals regularly submit reports and audits to the highly regulated states of Illinois and New York. Similarly, ACC shall submit quarterly reports to the Department on January 15, April 15, July 15 and October 15 containing: records of entry and exit at the facilities, amounts by category of marijuana and product produced, manufactured and offered for sale; amounts by category of marijuana and product sold; a list of all marijuana, marijuana products or unusable marijuana materials have been or are slated to be destroyed; a summary financial statement; all test lab result; descriptions of any breaches or halts in the security and tracking system and any other information requested by the department.

ACC will obtain an independent financial audit annually at our expense and provide a copy of the audit's findings to the department no later than 60 days prior to the end of the license expiration date or another time as the department may direct. ACC's principals have already developed procedures and trained employees to treat regulatory agencies with proper respect and allow them access to any part of the facility necessary. ACC will willingly permit and cooperate with the Department's annual announced and unlimited unannounced inspections. The Department shall have access to all parts of the dispensary property, equipment, records, documents, and any other item or information relevant to ensure compliance with the law.

**Question 3** – ACC is well-equipped to meet Hawaii’s criteria for dispensing consistent and quality medical marijuana products in a safe and secure environment. ACC has over \$1.2 million in assets under its controls. [REDACTED]

[REDACTED] Submitted herewith are Certified Financial Statements of one of ACC’s principals.

ACC’s principals are the largest and most sophisticated owner and operator of medical marijuana facilities in the United States. ACC’s principal was the highest rated licensee in New York with one manufacturing facility (125,000 square feet) and four dispensaries awarded, and also hold 8 of the 57 dispensary and 2 of the 21 cultivation licenses in Illinois. Each of the ACC’s principals licenses was awarded in highly competitive and scrutinized processes under highly regulated systems.

ACC’s principals are a leader in the discovery, development and dispensing of marijuana-based medicines to promote health and improve the quality of life for patients in need. Over the past twenty years, there has been a growing acceptance of medical marijuana for the treatment of many conditions, such as cancer, pain, and PTSD. Despite a sense of eventual acceptance by the federal and local governments, the medical marijuana industry is at a critical juncture to determine its place in society. Any false step or adverse events could slow acceptance and availability of medical marijuana for qualified patients.

The risks are great, with “ganjapreneurs” rushing into the market with little to no regard for the health and safety of medical marijuana patients. There is little scientific research to guide patients with the selection and dosing of marijuana medicines. Moreover,



independent tests often show that marijuana products are not what they purport to be in terms of strain type, potency, chemical content and genetics. This is significant for those patients that want to minimize the psychoactive effects of marijuana medications or obtain the most ameliorative effects. These problems are symptomatic of a previously black market managed by groups with a “hobby” work ethic. ACC will operate with the highest level of professionalism and integrity, while establishing best practices and direction for the medical marijuana industry.

ACC believes that there is a need in the medicinal marijuana market to produce pharmaceutical-grade products with defined cannabinoid profiles tailored to specific patient needs. Medicinal marijuana is currently marketed and perceived as only a commodity product. There is little to differentiate typical medical marijuana products in terms of unique products, features or benefits. Producers currently attempt to obtain market share by competing on product variety, price, client service, packaging and labeling and also with accompanying descriptions of “strain” effect, often of dubious origins. ACC intends to separate itself from commodity-based competitors through its research and development program to produce science-based pharmaceutical-grade marijuana products.

ACC believes its approach to the research and development of pharmaceutical-grade marijuana-based products sets it apart from most, if not all, other applicants. Through its Scientific Advisory Board, ACC plans to develop proprietary genetic strains and isolate various marijuana active agents (e.g., THC, CBD, etc.) and utilize these in specific formulations to harness their many positive properties for many symptoms, such as sleep disorders, pain, and low testosterone levels. As a result, ACC’s products will be

specifically focused on certain conditions so that registered patients will have more information when selecting medicine.

ACC believes that the first marijuana delivered to the market will wholesale at a premium and capture name-cachet. ACC believes there are two components to obtaining a first-to-market: quick construction and site preparation; and multiple fast-start propagation techniques. ACC designed its facilities and operations to be constructed quickly using modular construction, which is pre-built, while site preparations are underway. Further, the cultivation center has been designed such that the Grow Areas are quickly scalable in 2,400 sq. ft. modules. ACC can rapidly increase its production of marijuana and marijuana-infused products in the event that patient demand exceeds projections.

ACC's use of a modular design has several significant advantages toward producing a steady, consistent stream of marijuana to dispensaries. First, each Grow Area has been designed using a standard design that can be replicated quickly to produce demand in 2,400 sq. ft. increments. Second, each Grow Area is modular and built off-site. Thus, expanding the Cultivation Center to increase cultivation capacity will not impact current growing operations, as the majority of construction occurs off-site. There is only the installation of the delivered units. This will significantly minimize any disruption (and security risk) to daily operation of the Cultivation Center.

Similarly, the headspace has been designed using steel fabricated construction. While the site is being prepared, the steel shell will be constructed and delivered, thereby minimizing start-up time. Building off site also ensures better construction quality management. Beyond quality management and improved completion time, modular

construction removes building construction activity from the site location significantly reduces site disruption, vehicular traffic and improves overall safety and security.

Using its modular design plan, Company can quickly start cultivation and, importantly, expand its production capability by 2x, 3x, 4x, etc. as necessary.

**Question 4** - Aloha Compassionate Care is the joint venture between two Hawaiian Healthcare professionals, one of the largest and most sophisticated Medical Marijuana operations in the country, and the founder of one of the largest retail dispensing companies in the country. ACC's principals already have extensive security systems, procedures, and professionals in use at 3 production centers and 12 retail dispensing locations in the heavily regulated states of Illinois and New York, including over 400 security cameras, 200 terabytes of video storage, 200 control access points, and 25 security guards. The security department of one principal is headed by a former Army lieutenant colonel and battalion commander with previous responsibility for designing and coordinating security plans for the President of the U.S.A. and foreign dignitaries.

**24 hour continuous video monitoring:**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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24 hour continuous alarm system: [REDACTED]

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Locked entry point:

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

*Protocols for Security System breach or failure:*

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

*Additional Production Center Security Features:*

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

*Additional Retail Dispensing Facility Security Features:*

[REDACTED]

[REDACTED]

[REDACTED]

Secured Sales Room: [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Exterior Lighting: [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



**Question 5** - Aloha Compassionate Care is the joint venture between two Hawaiian Healthcare professionals, one of the largest and most sophisticated Medical Marijuana operations, and the founder of one of the largest retail dispensing companies in the country.

**Producing and Maintaining a Sufficient Supply:** ACC's principals are already producing high quality product in three production facilities with 200,000 square feet of production space in two highly regulated states. Highly trained and experience horticulture and agriculture experts working for ACC's principals have started and grown quality marijuana crops in three production centers.

ACC has extensive standard operating procedures already developed to produce medical marijuana and manufactured marijuana products in over 50 different strains, chosen to have different effects and treat different illnesses and conditions. These SOPs ensure that all employees in all production centers use standardized, time-proven methods to grow, harvest, trim, cure, process, test, package and distribute medical marijuana and medical marijuana products in a highly efficient and productive manner.

ACC's principals chose starting strains from reputable breeders based on their properties for indoor growing environment with a high yield, their ease of cultivation, their high inflorescence to leaf ratio (harvest index) and their capacity for sturdy growth capable of bulk planting (using the sea of green or screen of green grow techniques). Strains were also chosen for their capacity to treat varied conditions and symptoms. Each strain has been further analyzed to confirm its proposed potency, efficacy and effect while considering the need for a sativa, indica and hybrid mix.

ACC will produce dried bud/flower, lozenges, pills/capsules, oils and oil extracts, tinctures/ointments/skin lotions, and edibles. These products will be administered in a variety of ways, including smoking, vaporizing, or applying tinctures or lotions. Each route of administration has its advantages and disadvantages for treating each patient's symptoms. Products produced by ACC's cultivation facility will include at least 15 different starting strains. All of these strains have shown a long history of patient adoption and acceptance in other states. These strains include high CBD / low THC profiles (Medicine Women, Charlotte's Webb, Scotts OG); and high THC / low CBD (Bubba Kush, Blue Dream, Girl Scout Cookies, Bruce Banner, Grape Ape, Jilly Bean and Moonshine Haze).

**Providing Safe, Accessible Retail Dispensing Locations:** ACC's principals currently operate 12 retail dispensing locations in two highly regulated states. These retail dispensing locations are served by over 25 security guards, protected by redundant alarm systems and over 200 control points.

The interior design of all retail dispensing locations is designed to fully conform to ADA requirements including ADA accessible entry and exits of a facility and all Open and Limited Access areas. Employees are carefully trained to be cognizant of both visible and invisible disabilities and to serve each patient and caregiver with compassion and respect.

**Educating Patients on Marijuana:** ACC principals train employees to be highly knowledgeable in all aspects of marijuana and manufactured marijuana products, from the varieties available and the expected effects to proper dosages and patient counseling. This knowledge base starts from the top. ACC includes two highly trained PhDs, four

licensed pharmacists, three licensed physicians, and two experienced Hawaiian healthcare professionals (a psychiatrist and a psychologist).

These highly trained professionals developed, contributed to, and advised on the standard operating procedures and employee training guides. All patient care representatives who assist patients go through an extensive training process to teach them about the marijuana growing process, strain information, and patient care techniques.

Each patient/caregiver shall be offered intake counseling services at the time of intake.

The intake counseling shall be performed by dispensary employees and shall include discussion of the patient's needs and symptoms, knowledge of marijuana, the patient's historical use of medical marijuana (if any), patient's physiology, patient's environment (home, job, family, obligations, etc.), the effects of various medical marijuana strains, and additional resources related to marijuana effects and use. Employees will also provide practical advice to patients about how to use marijuana and manufactured marijuana products. For example, ACC principal's patient care representatives advise patients new to marijuana to "start low and go slow," with dosing and to keep a journal documenting their doses and symptoms, so that patients may carefully gauge the effects of each strain, dose, and administration type.

ACC principal's have created a series of informational pamphlets on strains, varieties, products, and the variety of conditions that can be treated by medical marijuana. These are available in every dispensary waiting room for patients/caregivers to take and peruse. Even prior to arriving at the retail dispensing location, patients and caregivers have access to an easily navigable website with extensive information on the patient card registration process, each qualifying condition, and marijuana and manufactured

marijuana products for two states. Another state specific page will be developed for the Hawaii market. Employees with expertise in strain selection are also available to patients via phone.

**Measuring and Improving Customer Satisfaction:** Each time a patient or caregiver visits a retail dispensing location, ACC's employees will be trained to greet them by name and ask them about how each purchased product is working for them.

ACC's principals also perform regular patient surveys to ensure that they are serving customers appropriately.

In addition to the active roles that retail dispensing facilities play in assisting patients and responding to customer feedback, ACC principals maintain an active digital presence.

Trained social media managers and employees monitor patient reviews and interact with customers on a daily basis to provide information, answer questions, and respond to feedback.

**Question 6:** Aloha Compassionate Care (ACC) is a joint venture between two Hawaiian healthcare professionals, one of the largest and most sophisticated medical marijuana operations in the country, and the founder of one of the largest retail dispensing companies in the United States.

**Ability to Comply with Background Check Requirements:** Every employee goes through a background check performed by a private company at the time of their hiring. This shall include a thorough investigation of their past employment history and relevant criminal history checks. In addition, many employees who work at either a production center or a retail dispensing location have gone through additional background checks performed by the FBI and the state police in order to obtain agent cards and permission to work in the building. ACC's principals have established standards for hiring only employees who can pass background checks and excluding any candidates with convictions on their record. In Hawaii, ACC will ensure that all employees are free of: felony convictions, convictions for the use, possession or distribution of drugs, and convictions for crimes involving violence, a firearm, theft, or business/commercial fraud.

**ACC:** During his four decades as a board-certified psychiatrist, **Dr. Jason Worchel** has treated thousands of patients suffering from anxiety and depression related to chronic medical conditions. Over the years, he has become increasingly concerned by his patients' pressing, unmet needs for safe, effective treatment options. Dr. Worchel – who has served as a clinical adjunct professor at the University of Hawaii at Hilo – began doing research on the potential of medical marijuana to provide symptom relief for his patients at the East Hawaii Community Mental Health Clinics (CMHC), where he has served as medical director for 15 years. His colleague, **Tracey Wise** – a Hawaii-born

psychologist who serves as the Center Manager of East Hawaii's CMHC – has seen firsthand the toll inflicted on patients by substance abuse and addiction related to chronic pain and illness. They saw that the challenges involved in cultivating marijuana plants created serious barriers to access. They also were concerned that their patients lacked access to high quality, professionally grown strains best matched to their symptoms. When Hawaii announced its plans to license dispensaries, they recognized the opportunity and selected PharmaCann as a partner in applying for a license.

**ACC's Principal PharmaCann: Co-CEO Teddy Scott, Ph.D., J.D.** was previously a shareholder at Polsinelli PC, a national law firm, where he served as the co-chair of the Emerging Enterprises practice focusing on businesses in the pharmaceutical, biotechnology, medical device, medical diagnostic, and information technology industries. He also co-founded Accelerated Pharma, Inc., a pharmaceutical company based on re-launching failed, but promising advanced drug candidates. **Co-CEO John A. Leja** was previously the Vice Chair of Intellectual Property and Technology Litigation in the Chicago office of Polsinelli PC. He has over 17 years experience advising corporations ranging in size from start-up through Fortune 100.

**ACC's Principal Steven Weisman** is the founder and CEO of Windy City Marijuana, a Chicago-based medical marijuana company. WCC and PharmaCann were each awarded the most (four) retail dispensing licenses in the highly regulated state of Illinois.

**Other Key Individuals: Director of Corporate Security and Anti-Diversion Lt. Col. Pete Farrell (USA Retired)** served over 27 years as an Infantryman and Infantry Officer before retiring as a Lieutenant Colonel and a Battalion Commander in 2014. **Chairman of Scientific Advisory Board on Marijuana Research Doctor David Sidransky** is a

renowned oncologist, professor and the director of the Head and Neck Cancer Research Division at Johns Hopkins University School of Medicine. During the past decade, in the field of oncology, he has been one of the world's most cited researchers in clinic and medical journals, with over 300 peer-reviewed publications. **Board Member Faye Wilson** is CEO of Wilson Boyles and Company, a business consulting firm and has also served as a director on the corporate boards of Farmers Insurance Group, The Home Depot, and Community National Bank. **Horticultural Advisor Jennifer Frymark** co-founded Gotham Greens in 2009 and has successfully managed growhouses in Antarctica and Anguilla. She advises on growhouse development, plant nutrition, crop and pest management, and Good Agricultural Practice. **Cultivation Director Kristan McGuigan** has spent more than 20 years in the horticultural field, both hands-on in the field and working on the administrative side, including nearly a decade working as a grower for one of the largest privately held horticultural companies in the world. She heads up two medical marijuana cultivation operations in Illinois.

### Question 7

**Inventory Tracking and Security:** ACC's principals currently use an electronic inventory control system (e.g. Leaf Logix) in three production facilities and 12 retail dispensing facilities in the highly regulated states of Illinois and New York that serves as the foundation of plant tracking and inventory management. This technology enables the tracking of every marijuana product from seed propagation and through every action performed on that plant, including every movement of inventory, every retail sale, and the destruction of any waste produced. Batch and lot numbers are captured throughout, producing a record of clear and unbroken chain of custody at all stages and ensuring the quality, security and traceability of all inventory at all times.

[illegible]



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**Transport:** [REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

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**Inventory Security:**

Country	Score
USA	95
Canada	92
Germany	98
France	98
UK	95
Japan	90
China	92
India	80
Brazil	95
Australia	98
South Korea	98
Mexico	95

[REDACTED]

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[REDACTED]

[REDACTED]

**Sales Limits for Qualifying Patients:** A patient/caregiver will only be allowed in the retail dispensing location after showing their government issued ID and state registry card to the onsite security posted at the entrance. After a patient/caregiver communicates their order to a retail dispensing facility employee, the employee will request the patient's government issued identification card and state registry card and open the inventory control system and the state database to verify the amount of medical marijuana that has already been dispensed pursuant to the written certification. No product is dispensed until the amount previously dispensed has been verified.

If a patient or caregiver has already purchased four ounces of marijuana during a period of fifteen consecutive days or eight ounces of marijuana during a period of thirty consecutive days, the inventory control system will automatically prohibit sale to that

patient or caregiver. This functionality cannot be overridden manually by retail dispensing facility employees.

If the inventory control system fails or is inoperable, the retail dispensing facility suspends operations and does not dispense medical marijuana or medical marijuana product to qualified patients or caregivers.

## Question 8

Aloha Compassionate Care (ACC) was founded as the joint venture between two Hawaii resident health care providers and two additional principals that are leaders in the medical marijuana industry. There is no other applicant like us.

ACC is uniquely positioned with the experience and capabilities to be the highest quality licensee in Hawaii. ACC's principal PharmaCann LLC is the largest vertically integrated and unified medical marijuana company in the United States. ACC's principals are the only parties in Hawaii with the following qualifications:

- The largest combined operators in the highly regulated and competitive Illinois medical marijuana market;
- Top-ranked awardee of the licenses awarded in the highly regulated and competitive New York medical marijuana market;
- Constructing and operating three production centers of 200,000 square feet within 6 months and building out an operating 12 retail dispensing locations;
- Founders, advisors and employees with professional, trusted backgrounds completely unencumbered by illegal, underground marijuana production or hobbyist backgrounds; and
- Operating with *bona fide* pharmaceutical development and production experience.

**Privacy within the Retail Dispensing Facility:** ACC retail dispensing facilities are built and designed in such a way to protect the privacy of patients and caregivers. Any windows on the facility are covered with a frosted privacy film to prevent anyone from being able to see patients inside.

All photography and video recording is banned inside the retail dispensing facility, except for ACC itself, the Department of Health, law enforcement personnel, or people approved in writing by the Department of Health. In these few situations where photographs or recording is allowed, ACC employees ensures that no patients or caregivers are photographed or recorded without their specific consent.

As part of the welcoming and registration process in the retail dispensing facility, the Receptionist informs the Patient that additional information and brochures are available for specific conditions or desired palliative and/or ameliorative affect. ACC, however, understands that some patients may not desire to discuss their personal, confidential medical condition and trains employees to avoid asking any questions about what type of condition any patient has. Rather, each patient/caregiver is informed of the existence of such brochures and information and where to find them within the dispensary. A brochure explaining our confidentiality and privacy policy is available to each patient or caregiver in the retail dispensing facility.

**Confidential Records:** ACC's principals have a formal privacy policy safeguarding and keeping confidential the protected health information of patients (defined as: information that may identify you and that relates to your past, present or future physical or mental health or condition, the provision of health care products and services to you or payment for such services) in place already at its 12 dispensaries in the highly regulated states of Illinois and New York. This policy specifically lays out how ACC may and may not use a patient's PHI. The full privacy policy is attached.

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- Operating with *bona fide* pharmaceutical development and production experience.

*Laboratory Testing Procedures:* Each batch of marijuana or manufactured marijuana products received from the Refining and Manufacturing Area are stored under quarantine, segregated from other batches, and withheld from use until they have been sampled, tested, reviewed, and approved or rejected by a certified laboratory pursuant to the Hawaii Department of Health's regulations. Any batch that does not meet its specifications is rejected and destroyed properly pursuant to regulations.

All received lab-testing requests are received, tracked and approved for fulfillment by the Director of Processing. Lab Testing Requests are kept and maintained for a period of no less than five years. When a pick-ticket for third-party laboratory testing is printed, the Director of Warehousing picks and weighs a statistically representative sample from the inventory stock. Once the order is picked, the Director of Warehousing initials the pick-ticket, places the picked order in a tamper-evident bag, seals the bag, weighs the product in the container, and records the net weight and gross weight. The picked order is verified and initialed by a second "checking" employee before the product is shipped. The Director of Warehousing records all information about the transfer for testing in the seed-to-sale software, including the date, the name of the testing laboratory, the product name and quantity transferred.

The Director of Warehousing also places a statistically representative sample of each lot of marijuana product in a secured, segregated area of the Vault to allow for testing in the future if requested by the Department. The sample is stored in a secure tamper-proof container and is readily identifiable as belonging to its specific lot. The Quality Assurance Officer ensures that the sample retained in the vault is statistically representative of the batch and is large enough to allow for complete testing of the product at least three times. The sample is available to the Department upon request, for testing or an investigation.

*Testing:* ACC communicates with the certified laboratories that test its products to ensure that they test a statistically representative sample from each batch of marijuana or manufactured marijuana products according to standard operating procedures based on validated methods published in peer reviewed scientific or regulatory literature and



approved by the Department of Health. The laboratory will issue to ACC and the department a certificate analysis for each batch, including results with supporting data for: the chemical profile of the batch for delta 9- Tetrahydrocannabinol (THC), Tetrahydrocannabinol Acid (THCA), Cannabidiol (CBD), Cannabidiolic Acid (CBDA), Cannabigerol (CBG), and Cannabinol (CBN); the presence of Heavy Metals (arsenic, lead, cadmium, mercury), pesticides regulated by the U.S. Environmental Protection Agency, solvents (butanes, heptanes, benzene, toluene, hexane, and total xylenes); any visible foreign or extraneous material; moisture content of the plant material; and microbiological impurities (including but not limited to: total viable aerobic bacteria, total yeast and mold, total coliforms, bile-tolerant gram negative bacteria, E. coli and Salmonella spp., Aspergillus fumigatus, Aspergillus flavus, Aspergillus niger, and Mycotoxin).

ACC ensures that a single laboratory tests and analyzes for all required items, or alternatively, sends samples and obtains test results for all required items from different laboratories if one laboratory cannot perform all the tests. ACC maintains physical and digital records of all testing results, including the certificate. If a batch exceeds any of the level of contaminants allowed under the law and regulations, does not conform to the testing standards set out by the Department of Health in the regulations, and/or is still non-conforming upon performances of re-tests, ACC disposes of or destroys the batch pursuant to regulations. All batches of marijuana and manufactured marijuana product are kept in quarantine until receipt of a certificate of analysis from the Department of Health indicating that the batch conforms to testing standards and that quarantine is lifted.

**Question 10** - Aloha Compassionate Care (ACC) was founded as the joint venture between two Hawaii resident health care providers and two additional principals that are leaders in the medical marijuana industry. There is no other applicant like us.

**Signage:** As ACC's principals currently operate 12 retail dispensing facilities in the highly regulated states of Illinois and New York, ACC is experienced at complying with signage restrictions. The ACC production and retail dispensing facilities in Hawaii will be unobtrusive and will blend in with their surroundings. The production facility will likely not even have a sign indicating its presence, as no visitors are allowed at the center without being previously approved by ACC. Any signs for a retail dispensing facility will be no greater in size than 1,600 square inches (or 11.11 square feet) and will have ACC's name on it in black text, with no pictures, illustrations or iconography. If any applicable law or ordinance restricting signage is more restrictive, ACC will comply with the more restrictive signage law/ordinance.

**Packaging:** ACC's principals already meet strict state requirements for product packaging in its three cultivation and manufacturing facilities and 12 retail dispensing facilities operating in the highly regulated states of Illinois and New York and has appropriate packaging sourced and in use. ACC also has extensive Standard Operating Procedures in place to ensure that all employees are following these packaging standards. All marijuana or manufactured marijuana products produced by ACC are packaged in plain, opaque, child-resistant, tamper-resistant, non-toxic packaging that protects the products from contamination. Each package contains no more than 10 mg of tetrahydrocannabinol per dose, serving, or single wrapped item. Any manufactured marijuana product sold in a pack of multiple doses, servings, single wrapped items, or

any containers of oils, contains no more than 100 mg of tetrahydrocannabinol per pack or container. Products are packaged at the production facility and arrive at the retail dispensing facility in their final packaged form.

***Labeling:*** ACC's principals are currently in compliance with strict labeling requirements in the highly regulated states of Illinois and New York and have extensive Standard Operating Procedures in place to ensure that all employees are following these labeling standards. In Hawaii, all labels will be written using only black lettering on a white background with no pictures or graphics. Labels include net weight in ounces and grams or volume and for manufactured marijuana products, the equivalent physical weight of the marijuana used to produce the manufactured product will be included. Labels also include the concentration of the tetrahydrocannabinol and the total THC, activated THC-A and cannabidiol present in the marijuana or product.

The Dispensary Licensee's license number and the name of the production center are included on the label, along with the product's batch number, the date of packaging, date of harvest/manufacture, use by date, and a computer tracking inventory ID number barcode generated by ACC's inventory tracking software. The label also discloses the type of extraction method used to create any manufactured marijuana product, including any solvents, gases or other chemicals or compounds used to produce the manufactured marijuana product, and the name of the laboratory that performed the testing. Instructions for use will also be included on the label, along with the phrases "For medical use only," and "Not for resale or transfer to another person."

The following warnings will be included on a package insert: "This product may be unlawful outside of the State of Hawaii and is unlawful to possess or use under federal

law”; “This product has intoxicating effects and may be habit forming”; “Smoking is hazardous to your health”; “There may be health risks associated with consumption of this product”; “This product is not recommended for use by women who are pregnant or breast feeding”; “Marijuana can impair concentration, coordination, and judgment. Do not operate a vehicle or machinery under the influence of this drug”; and “When eaten or swallowed, the effects of this drug may be delayed by two or more hours.”

***Chain of Custody of Products:*** ACC’s principals currently use an electronic inventory control system in three production facilities and eight retail dispensing facilities that serves as the foundation of plant tracking and inventory management. This technology enables the tracking of every cannabis product from seed propagation and through every action performed on that plant, including every movement of inventory, every retail sale, and the destruction of any waste produced. Batch and lot numbers are captured throughout, producing a record of clear and unbroken chain of custody at all stages and ensuring the quality, security and traceability of all inventory at all times.

### Question 11

Aloha Compassionate Care (ACC) was founded as the joint venture between two Hawaii resident health care providers and two additional principals that are leaders in the medical marijuana industry. There is no other applicant like us.

ACC's principals already have extensive standard operating procedures for medical marijuana waste disposal developed and in use at three production centers and 12 retail dispensing locations in the highly regulated states of Illinois and New York.

### *Marijuana Waste Management and Disposal:*

A horizontal bar chart consisting of 15 black bars of varying lengths. The bars are arranged in a single column, with the longest bar in the middle and the shortest bars at the top and bottom. The lengths of the bars represent a distribution of data, with the longest bar being approximately 80% of the width of the chart area, and the shortest bars being approximately 10% of the width.

*Marijuana Waste Storage:* [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

*Compostable Mixed Waste:* [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

*Grinding of Waste:* [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [REDACTED] [REDACTED]

[REDACTED] [REDACTED] [REDACTED]

[REDACTED] [REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

*Disposal of Waste:* [REDACTED]

[REDACTED]

[REDACTED]



**Question 12:**

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- Founders, advisors and employees with professional, trusted backgrounds completely unencumbered by illegal, underground marijuana production or hobbyist backgrounds; and
- Operating with *bona fide* pharmaceutical development and production experience.

***Marijuana and Manufactured Marijuana Products:*** ACC will only produce or dispense the dried mature processed flowers of female marijuana plants or products made of the flowers. ACC will also report all strains of marijuana and types of manufactured products (whether capsules, lozenges, pills, oils, oil extracts, tinctures, ointments, or skin lotions) the company plans to produce to the Department of Health before production is begun. ACC shall not

produce or alter products to change their appearance, flavor, or smell in a way that would appeal to minors.

***Employee Hygiene:*** ACC's principals have developed extensive training practices and over 150 Standard Operating Procedures to ensure that all registered grower agents practice good hygiene and wear protective clothing as necessary to protect themselves and the products from exposure to potential contaminants. These SOPs were developed in consultation with ACC's science advisory board and cultivation directors, who boast years of experience in agriculture and horticulture. ACC ensures that all its marijuana or manufactured marijuana products are safe for consumption by patients by keeping to these SOPs and complying with all state and county health, safety, and sanitation regulations.

The Directors of Cultivation supervise their employees and all visitors/contractors within their areas to ensure conformance with ACC's sanitation and hygiene practices including:

Maintaining adequate personal cleanliness; Washing hands in an adequate hand washing area thoroughly with soap (and sanitizing if necessary to protect against contamination with microorganisms): before starting work, after using the restroom; and at any other time when the hands may have become soiled or contaminated; Maintaining gloves used in handling components, packaging components, in- process materials, marijuana, or marijuana-derived products in an intact, clean, and sanitary condition (gloves are of an impermeable material); and wearing, where appropriate, hairnets, caps, beard covers, or other effective hair restraints; and taking any other precautions necessary to protect against the contamination of marijuana or any items that come into contact with marijuana.

Prior to every shift, the director ensures that employees are not shown to have, or appear to have, an illness, open lesion, including boils, sores, or infected wounds, or any other abnormal

source of microbial contamination for which there is a reasonable possibility of contact with marijuana. Officers and Directors are not exempt from these requirements, and conduct themselves as exemplary examples of sanitation and hygiene.

ACC will design into its headspace adequate and convenient hand-washing facilities that provide running water of suitable temperature; include effective hand cleaning and/or sanitizing preparations and single use paper towels or other drying devices; are located at points in the facility where good sanitary practices require personnel to wash their hands; and are prohibited from being used for activities that support production operations, such as cleaning of production equipment or utensils. In addition, employee restrooms are available and kept in good condition.

***Facility Sanitation:*** The Director of Cultivation follows the Good Agricultural Practice Guidelines, which dictate quality standards in medicinal crop growing and processing. Further, as most disease -causing organisms are transmitted by vectors (wind blown dust, trash piles, received goods, insects, etc.) ACC's bio-security begins with controlling contamination on these vectors. Once contamination occurs, ACC's bio-security procedures work to prevent the internal spread of any contamination either within the current production area or from one production area to another.

- Facility Construction and Maintenance – Floors, walls, and ceilings are built to be adequately and easily cleaned and kept in good repair. Buildings, fixtures and other facilities are maintained in a sanitary condition.
- Debris and Rubbish free Grow Area – All litter and waste are properly removed. All bins and containers for waste disposal are maintained in an adequate manner so that they do not constitute a source of contamination in areas where products are exposed. Rubbish is

disposed in such a way so as to minimize the development of odor and the potential for waste to become an attractant, harborage, or breeding place for pests.

- Pest Prevention measures - Any ventilation or other openings in the Cultivation Grow Area is appropriately screened with aluminum frames with woven aluminum insect screen, mesh with brushes at vent rack arm locations to bar most plant pests from entry. Each Grow Area is also segregated from other portions of the Cultivation Areas by a locked, solid door, such that entry of pests shall be restricted. Company will use sticky cards such as Bioworks' double-sided yellow/blue cards to assist grower agents with early detection of pest infestations. These cards help agents track insect population trends and allow the Cultivation Director to make more informed and timely pest management decisions.
- Any toxic cleaning compounds, sanitizing agents, and pest control measures such as bait traps are stored far away from any cultivation or processing materials or equipment in a manner that is in accordance with any applicable local, state, or federal law, rule, regulation or ordinance.
- Daily inspection, maintenance, cleaning and sanitizing of all equipment used in the Grow Area including water-lines, hand equipment, etc. Adequate lighting is placed in all areas where products are stored or sold and where equipment or utensils are cleaned.
- Employee changing area and mandatory uniform for entry into the Grow Area
- Employee training and hygiene, bio-security and control protocols - No animals are allowed in a dispensary facility except for service animals.
- Internal signage regarding hygiene, bio-security and control protocols

### Question 13

Aloha Compassionate Care is the joint venture between two Hawaiian Healthcare professionals, one of the largest and most sophisticated Medical Marijuana operations in the country, and the founder of one of the largest retail dispensing companies in the United States. ACC's principals follow strict state operational requirements for three production facilities and 12 retail dispensing facilities operating across the highly regulated states of Illinois and New York. ACC's principals have hundreds of details Standard Operating Procedures and a sophisticated training program in place to ensure that all policies are being maintained and followed.

ACC's principals have NOT had a business license revoked.