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▶ #2997

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 medication 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 a

Hawaii Administrative Rules (HAR) Chapter 11-850

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

Disclaimer:

I understand that the use and possession of marijuana is illegal under federal law, and 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 one year prior to the 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 in the past year.
- * 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 business day before the application deadline.

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 when you log into the application system.

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 in another county; separate applications must be submitted. The applicant and applying entity must complete a separate application with all required information and a 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?	County of Maui
2. Are you also applying for a dispensary license in another county?	No
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.)	

SECTION B: INDIVIDUAL APPLICANT INFORMATION

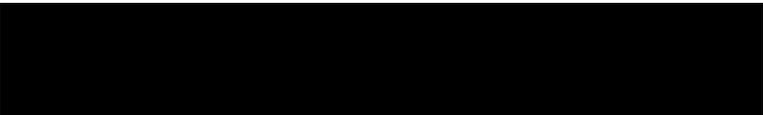
GENERAL INFORMATION

3. Legal Name of Applicant	Mr Donald Ralph Shearer
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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)



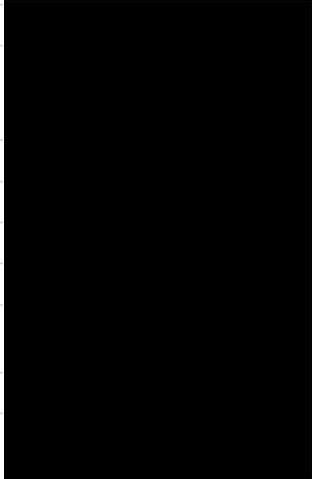
6. Upload Proof of Date of Birth of Applicant

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

9. Daytime Phone No.

10. Fax No.

11. Email

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.)

Abuse of a household member, guilty, misdemeanor. Date 07/14/1989

14. Has the individual applicant ever been arrested?



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

Arrested for abuse of a household member, 1989, arrest report number 88-052762

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:

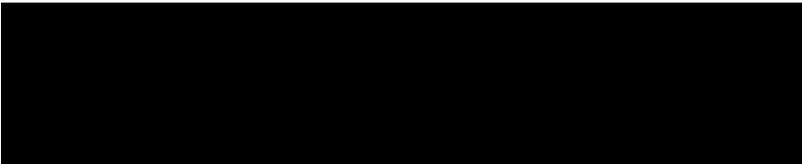
Scan and submit AT LEAST ONE (1) of the following source documents as proof of Hawaii state residency for at least five years:

- * 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

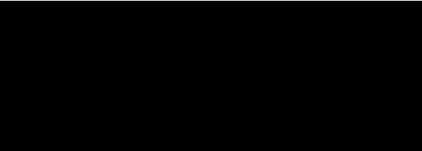
20. Name of Applying Entity Grateful Meds LLC

21. Applying Entity's Business Address 102 Kumu Niu Place
Lahaina, Hawaii 96761
United States

22. Entity Phone #

23. Entity Email

24. Entity Fax #

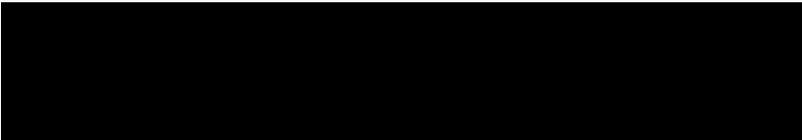


25. Is the applying entity organized under the laws of the State of Hawaii? If the answer is 'NO', STOP, you are not an eligible applicant. YES

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.

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



29. Hawaii Tax Identification Number:

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

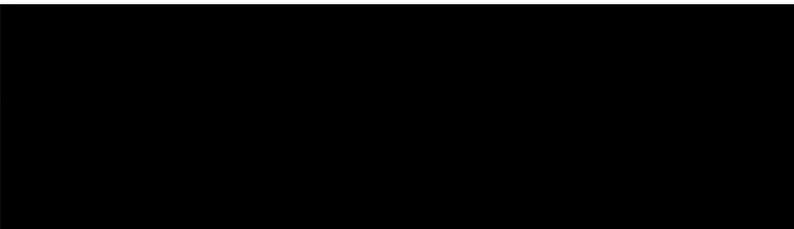


Visit [Tax ID Search \(https://dotax.ehawaii.gov/tls/app\)](https://dotax.ehawaii.gov/tls/app) for this information.

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

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

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



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:

4

34. Upload Owner, Principal, and Member Information Spreadsheet

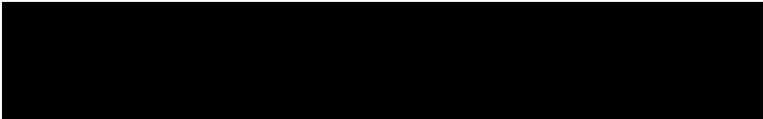
INSTRUCTIONS: Download the EXCEL spreadsheet below, enter the following information in the format required, and upload it to attach it to your application.

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.



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 \(/mmjdisp/templates/Owner_Principal_Member_Report.xls\)](https://mmjdisp.ehawaii.gov/templates/Owner_Principal_Member_Report.xls)

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.

SECTION D: FINANCIAL INFORMATION

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



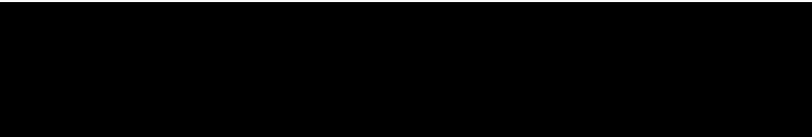
2) Date Resource/Dollar amount under the applying entity's control

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

Upload the completed Financial Resources General Information Spreadsheet

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.

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 \(/mmjdisp/templates/Financial_Resources_Retail_Dispensing_Location.xls\)](#)

Upload the completed Financial Resources - Retail Dispensing Location Information Spreadsheet

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.

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

- (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)

- (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)

- (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)

- (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)

- (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)

- (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)

(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;

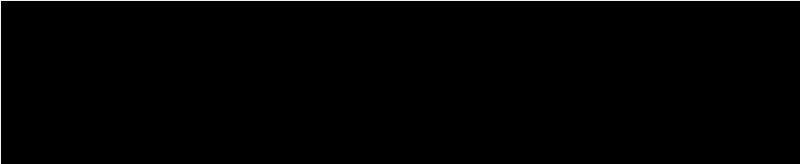
Response to (8) shall be no longer than three (3) pages.



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;

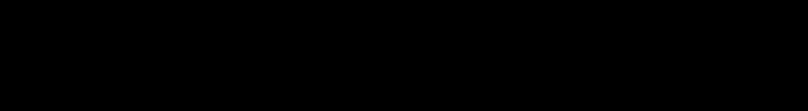
Response to (10) shall be no longer than three (3) pages.



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.

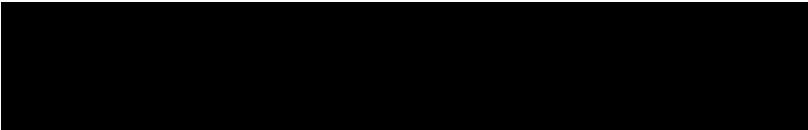
Response to (12) shall be no longer than five (5) pages.



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 application is true and correct.

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

Applicant Name

Donald Ralph Shearer

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



User Email

Entry Info

Date Created

28 Jan 2016 - 03:44:39 PM

Date Updated

IP Address

OPERATING AGREEMENT
of
Grateful Meds LLC

This Operating Agreement (the "Agreement") made and entered into this 25th day of January, 2016 (the "Execution Date"),

AMONGST

Donald Ralph Shearer of P.O. Box 264, Puunene, Hawaii 96784,
Donna Palomino-Shearer of P.O. Box 264, Puunene, Hawaii 96784,
James Arthur Rooke of P.O. Box 264, Puunene, Hawaii 96784, and
Daniel Patrick Rooke of P.O. Box 264, Puunene, Hawaii 96784

(individually the "Member" and collectively the "Members").

BACKGROUND

- A. The Members wish to associate themselves as members of a limited liability company.
- B. The terms and conditions of this Agreement will govern the members within the limited liability company.

IN CONSIDERATION OF and as a condition of the Members entering into this Agreement and other valuable consideration, the receipt and sufficiency of which is acknowledged, the parties to this Agreement agree as follows:

Formation

- 1. By this Agreement the Members form a Limited Liability Company (the "Company") in accordance with the laws of the State of Hawaii. The rights and obligations of the Members will be as stated in the Hawaii Revised Limited Liability Company Act (the "Act") except as otherwise provided here.

Name

- 2. The name of the Company will be Grateful Meds LLC.

Purpose

- 3. To establish and run a regulated statewide dispensary system for medical marijuana to ensure safe and legal access to medical marijuana for qualifying patients.

Term

4. The Company will continue until terminated as provided in this Agreement or may dissolve under conditions provided in the Act.

Place of Business

5. The Principal Office of the Company will be located at P.O. Box 264, Puunene, HI 96784 or such other place as the Members may from time to time designate.

Capital Contributions

6. The following is a list of all Members and their Initial Capital Contributions to the Company. Each of the Members agree to make their Capital Contributions to the Company, full and on time, according to the following terms:

Member	Contribution Description	Value of Contribution
Donald Ralph Shearer	Manager & Director of Operations, Organizing Member, 25% owner of LLC, 25 % voting rights and 25% annual distribution of profit/loss	\$250.00
Donna Palomino-Shearer	Administrator/Member, 26% owner of LLC, 26 % voting rights and 25% annual distribution of profit/loss	\$260.00
James Arthur Rooke	Member, 24.5% owner of LLC, 24.5% voting rights and 25% annual distribution of profits/loss	\$245.00
Daniel Patrick Rooke	Member, 24.5% owner of LLC, 24.5% voting rights and 25% annual distribution of profits/loss	\$245.00

Distribution of Profits/Losses

7. Subject to the other provisions of this Agreement, the Net Profits or Losses of the Company, for both accounting and tax purposes, will accrue to and be borne by the Members in equal proportions.

8. Distributions will be made as agreed by all members.

9. Tax Allocations will be borne by the Members in equal proportions.
10. No Member will have priority over any other Member for the distribution of Net Profits or Losses.

Voting

11. Each Member will be entitled to cast votes on any matter based upon the proportion of that Member's Capital Contributions in the Company.

Nature of Interest

12. A Member's interest in the Company will be considered personal property, and will at no time be considered real property.

Withdrawal of Contribution

13. No Member will withdraw any portion of their Capital Contribution without the unanimous consent of the other Members.

Liability for Contribution

14. A Member's obligation to make their required Capital Contribution can only be compromised or released with the consent of all remaining Members or as described elsewhere in this Agreement. If a Member does not make the Capital Contribution when it is due, he is obligated at the option of the remaining Members to contribute cash equal to the agreed value of the Capital Contribution. This option is in addition to and not in lieu of any others rights, including the right to specific performance that the Company may have against the Member.

Additional Contributions

15. Capital Contributions may be amended from time to time, according to the requirements of the Company provided that the Members' interests are not affected, except with the unanimous consent of the Members. No Member will be required to make Additional Contributions. Whenever additional capital is determined to be required and an individual Member is unwilling or unable to meet the additional contribution requirement within a reasonable period, as required by business obligations, the remaining Members may contribute in proportion to their existing Capital Contributions to resolve the amount in default. In such case the allocation of Net Profits or Losses of the Company among all the Members may be adjusted to reflect the aggregate change in Capital Contributions by the Members.
16. Any advance of money to the Company by any Member in excess of the amounts provided for in this Agreement or subsequently agreed to, will be deemed a debt due from the Company rather than an increase in the Capital Contribution of the Member. This liability will be repaid with interest at such rates and times to be determined by a

majority of the Members. This liability will not entitle the lending Member to any increased share of the Company's profits nor to a greater voting power. Resolution of such debts may have preference or priority over any other payments to Members as may be determined by a majority of the Members.

Capital Accounts

17. An individual capital account will be maintained for each Member and their initial Capital Contribution will be credited to this account. Any Additional Contributions made by any Member will be credited to that Member's individual Capital Account.

Interest on Capital

18. No borrowing charge or loan interest will be due or payable to any Member on their agreed Capital Contribution inclusive of any agreed Additional Contributions.

Drawing Accounts

19. An individual drawing account will be maintained for each Member. Each Member will be entitled to draw against their share of the profits in such amounts and at such time as will be agreed by the Members. The drawing account is a temporary account and is expected to have a debit balance if there have been any withdrawals. At the end of each accounting year, the drawing accounts are closed by transferring the debit balance to each Member's capital account.

Compensation to Members for Services Rendered

20. Members will not be compensated by the Company for services rendered to or on behalf of the Company, except reimbursement for expenses directly related to the operation of the Company.

Management

21. Management of this Company is vested in the Members.

Authority to Bind Company

22. Only the following individuals have authority to act for or bind the Company in contract:
 - o Donald Ralph Sherer.

Duty of Loyalty

23. No Member or Manager will engage in any business, venture or transaction, whether directly or indirectly, that might be competitive with the business of the Company or that would be in direct conflict of interest to the Company. Any potential conflicts of interest will be deemed an Involuntary Withdrawal of the offending Member or Manager and

may be treated accordingly by the remaining Members. A withdrawing Member or Manager will not carry on a similar business to the business of the Company within any established or contemplated market regions of the Company for a period of at least 1 year after the date of withdrawal.

Duty to Devote Time

24. Each Member will devote such time and attention to the business of the Company as the majority of the Members will from time to time reasonably determine for the conduct of the Company Members.

Member Meetings

25. Member meetings will be held at the following address, or any other location that the Members may from time to time designate:

102 Kumu Niu Place
Lahaina, Hawaii
96784

26. Any impending Member meeting will require 1 week notice be given to all Members, in the event all Members cannot be present then telephone conference will be sufficient.
27. A meeting may be called by any Member providing that appropriate notice has been provided to the other Members.
28. There must be at least 100.00% of the Members present at a meeting for any decisions to be binding. If the minimum number of Members are not present at the meeting, actions may still be taken by the present Members if prior written consent of the absent Members has been obtained.

Admission of New Members

29. No new Members may be admitted into the Company.

Voluntary Withdrawal of a Member

30. A Member may not withdraw from the Company without the unanimous consent of the remaining Members. Any such unauthorized withdrawal will be considered a wrongful dissociation and a breach of the Operating Agreement. In the event of any such wrongful dissociation, the withdrawing Member will be liable to the remaining Members for any damages incurred by the remaining Members including but not limited to the loss of future earnings.
31. The voluntary withdrawal of a Member will have no effect upon the continuance of the Company.

32. It remains incumbent on the withdrawing Member to exercise this dissociation in good faith and to minimize any present or future harm done to the remaining Members as a result of the withdrawal.

Involuntary Withdrawal of a Member

33. Events leading to the involuntary withdrawal of a Member from the Company will include but not be limited to: death of a Member; Member mental incapacity; Member disability preventing reasonable participation in the Company; Member incompetence; breach of fiduciary duties by a Member; criminal conviction of a Member; Operation of Law against a Member or a legal judgment against a Member that can reasonably be expected to bring the business or societal reputation of the Company into disrepute. Expulsion of a Member can also occur on application by the Company or another Member, where it has been judicially determined that the Member: has engaged in wrongful conduct that adversely and materially affected the Company's business; has willfully or persistently committed a material breach of the Operating Agreement or of a duty owed to the Company or to the other Members; or has engaged in conduct relating to the Company's business that makes it not reasonably practicable to carry on the business with the Member.
34. The involuntary withdrawal of a Member will have no effect upon the continuance of the Company.

Dissociation of a Member

35. In the event of either a voluntary or involuntary withdrawal of a Member, if the remaining Members elect to purchase the interest of the withdrawing Member, the remaining Members will serve written notice of such election, including the purchase price and method and schedule of payment for the withdrawing Member's interest, upon the withdrawing Member, their executor, administrator, trustee, committee or analogous fiduciary within a reasonable period after acquiring knowledge of the change in circumstance to the affected Member. The purchase amount of any buyout of a Member's interest will be determined as outlined in the Valuation of Interest section of this Agreement.
36. In the event the remaining Members are unwilling or unable to purchase the interest of the Dissociated Member due to a voluntary or involuntary withdrawal from the Company then the Members will submit to mediation and, if necessary, binding arbitration for a final resolution. Valuation and distribution will be determined as described in the Valuation of Interest section of this Agreement.
37. The remaining Members retain the right to seek damages from a dissociated Member where the dissociation resulted from a malicious or criminal act by the dissociated Member or where the dissociated Member had breached their fiduciary duty to the Company or was in breach of this Agreement or had acted in a way that could reasonably be foreseen to bring harm or damage to the Company or to the reputation of the Company.

38. On any purchase and sale resulting from the voluntary or involuntary dissociation of a Member, a dissociated Member will only have liability for Company obligations that were incurred during their time as a Member. Immediately upon purchase of a withdrawing Member's interest, the Company will prepare, file, serve, and publish all notices required by law to protect the withdrawing Member from liability for future Company obligations. Where the remaining Members have purchased the interest of a dissociated Member, the purchase amount will be paid in full, but without interest, within 90 days of the date of withdrawal. The Company will retain exclusive rights to use of the trade name and firm name and all related brand and model names of the Company.

Buyout Agreement

39. In the event of a Member's interest in the Company becoming for sale, due to any reason, the remaining Members of the Company have a right of first purchase on the interest. The value of the interest in the Company will be determined as outlined in the Valuation of Interest section of this Agreement.

Assignment of Interest

40. A Member's financial interest in the Company can only be assigned to another Member and cannot be assigned to a third party.
41. In the event that a Member's interest in the company is transferred or assigned as the result of a court order or Operation of Law, the trustee in bankruptcy or other person acquiring that Member's interest in the Company will only acquire that Member's economic rights and interests and will not acquire any other rights of that Member or be admitted as a Member of the Company or have the right to exercise any management or voting interests.

Valuation of Interest

42. In the absence of a written agreement setting a value, the value of the Company will be based on the fair market value appraisal of all Company assets (less liabilities) determined in accordance with generally accepted accounting procedures. This appraisal will be conducted by an independent accounting firm agreed to by all Members. An appraiser will be appointed within a reasonable period of the date of withdrawal or dissolution. The results of the appraisal will be binding on all Members. A withdrawing Member's interest will be in proportion to their profit and loss share in the Company, less any outstanding liabilities a Member may have to the Company. The intent of this section is to ensure the survival of the Company despite the withdrawal of any individual Member.
43. No allowance will be made for goodwill, trade name, patents or other intangible assets, except where those assets have been reflected on the Company books immediately prior to valuation.

Dissolution

44. The Company may be dissolved by a unanimous vote of the Members. The Company will also be dissolved on the occurrence of events specified in the Act.
45. Upon Dissolution of the Company and liquidation of Company property, and after payment of all selling costs and expenses, the liquidator will distribute the Company assets to the following groups according to the following order of priority:
- a. in satisfaction of liabilities to creditors except Company obligations to current Members;
 - b. in satisfaction of Company obligations to current Members to pay debts; and
 - c. to the Members in proportion to their profit and loss share in the Company.
46. The claims of each priority group will be satisfied in full before satisfying any claims of a lower priority group. Any excess of Company assets after liabilities or any insufficiency in Company assets in resolving liabilities under this section will be resolved by the Members in proportion to the profit and loss share of each Member as set out in this Agreement.

Records

47. The Company will at all times maintain accurate records of the following:
- a. Information regarding the status of the business and the financial condition of the Company.
 - b. A copy of the Company federal, state, and local income taxes for each year (promptly after becoming available).
 - c. Name and last known business, residential, or mailing address of each Member, as well as the date that person became a Member.
 - d. A copy of this Agreement and any articles or certificate of formation, as well as all amendments, together with any executed copies of any written powers of attorney pursuant to which this Agreement, articles or certificate, and any amendments have been executed.
 - e. The cash, property, and services contributed to the Company by each Member, along with a description and value, and any contributions that have been agreed to be made in the future.
48. Each Member has the right to demand, within a reasonable period of time, a copy of any of the above documents for any purpose reasonably related to their interest as a Member of the Company, at their expense.

Books of Account

49. Accurate and complete books of account of the transactions of the Company will be kept in accordance with generally accepted accounting principles (GAAP) and at all reasonable times will be available and open to inspection and examination by any Member. The books and records of the Company will reflect all the Company's transactions and will be appropriate and adequate for the business conducted by the Company.

Banking and Company Funds

50. The funds of the Company will be placed in such investments and banking accounts as will be designated by the Members. All withdrawals from these accounts will be made by the duly authorized agent or agents of the Members as agreed by unanimous consent of the Members. Company funds will be held in the name of the Company and will not be commingled with those of any other person or entity.

Audit

51. Any of the Members will have the right to request an audit of the Company books. The cost of the audit will be borne by the Company. The audit will be performed by an accounting firm acceptable to all the Members. Not more than one (1) audit will be required by any or all of the Members for any fiscal year.

Tax Treatment

52. This Company is intended to be treated as a partnership for the purposes of Federal and State Income Tax.

Tax Matters Partner

53. The tax matters partner will be Donald Ralph Shearer, (the "Tax Matters Partner"). The Tax Matters Partner will prepare, or cause to be prepared, all tax returns and reports for the Company and make any related elections that the Members deem advisable.
54. A Tax Matters Partner can voluntarily withdraw from the position of Tax Matters Partner or can be appointed or replaced by a majority of the Voting Members. In the event of a withdrawal of the Tax Matters Partner from the Company, the remaining Members will appoint a successor as soon as practicable.

Annual Report

55. As soon as practicable after the close of each fiscal year, the Company will furnish to each Member an annual report showing a full and complete account of the condition of the Company including all information as will be necessary for the preparation of each Member's income or other tax returns. This report will consist of at least:

- a. A copy of the Company's federal income tax returns for that fiscal year.

- b. Income statement.
- c. Balance sheet.
- d. Cash flow statement.
- e. A breakdown of the profit and loss attributable to each Member.

Goodwill

56. The goodwill of the Company will be assessed at an amount to be determined by appraisal using generally accepted accounting procedures.

Governing Law

57. The Members submit to the jurisdiction of the courts of the State of Hawaii for the enforcement of this Agreement or any arbitration award or decision arising from this Agreement.

Mediation and Arbitration

58. In the event a dispute arises out of or in connection with this Agreement, the parties will attempt to resolve the dispute through friendly consultation. If the dispute is not resolved within a reasonable period then any or all outstanding issues may be submitted to mediation in accordance with any statutory rules of mediation. If mediation is not successful in resolving the entire dispute or is unavailable, any outstanding issues will be submitted to final and binding arbitration in accordance with the laws of the State of Hawaii. The arbitrator's award will be final, and judgment may be entered upon it by any court having jurisdiction within the State of Hawaii.

Forbidden Acts

59. No Member may do any act in contravention of this Agreement.
60. No Member may permit, intentionally or unintentionally, the assignment of express, implied or apparent authority to a third party that is not a Member of the Company.
61. No Member may do any act that would make it impossible to carry on the ordinary business of the Company.
62. No Member will have the right or authority to bind or obligate the Company to any extent with regard to any matter outside the intended purpose of the Company.
63. No Member may confess a judgment against the Company.
64. Any violation of the above forbidden acts will be deemed an Involuntary Withdrawal of the offending Member and may be treated accordingly by the remaining Members.

Indemnification

65. All Members will be indemnified and held harmless by the Company from and against any and all claims of any nature, whatsoever, arising out of a Member's participation in Company affairs. A Member will not be entitled to indemnification under this section for liability arising out of gross negligence or willful misconduct of the Member or the breach by the Member of any provisions of this Agreement.

Liability

66. A Member or any employee will not be liable to the Company or to any other Member for any mistake or error in judgment or for any act or omission believed in good faith to be within the scope of authority conferred or implied by this Agreement or the Company. The Member or employee will be liable only for any and all acts and omissions involving intentional wrongdoing.

Liability Insurance

67. The Company may acquire insurance on behalf of any Member, employee, agent or other person engaged in the business interest of the Company against any liability asserted against them or incurred by them while acting in good faith on behalf of the Company.

Life Insurance

68. The Company will have the right to acquire life insurance on the lives of any or all of the Members, whenever it is deemed necessary by the Company. Each Member will cooperate fully with the Company in obtaining any such policies of life insurance.

Actions Requiring Unanimous Consent

69. Actions requiring the unanimous consent of all Members will include, but not be limited to, the following:
- a. Incurring Company liabilities over \$20,000.00.
 - b. Incurring a single transaction expense over \$20,000.00.
 - c. The sale of any Company asset with a fair market value over \$20,000.00.
 - d. Hiring an employee with an annual compensation over \$20,000.00.
 - e. Assignment of ownership rights of Company property.
 - f. Endangering the ownership or possession of Company property.
 - g. Assignment of check signing authority.
 - h. Releasing any Company claim except for payment in full.

Amendment of Operating Agreement

70. No amendment or modification of this Agreement will be valid or effective unless in writing and signed by all the Members.

Title to Company Property

71. Title to all Company property will remain in the name of the Company. No Member or group of Members will have any ownership interest in Company property in whole or in part.

Miscellaneous

72. Time is of the essence in this Agreement.
73. This Agreement may be executed in counterparts.
74. Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine gender include the feminine gender and vice versa. Words in a neutral gender include the masculine gender and the feminine gender and vice versa.
75. If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, it is the parties' intent that such provision be reduced in scope by the court only to the extent deemed necessary by that court to render the provision reasonable and enforceable and the remainder of the provisions of this Agreement will in no way be affected, impaired or invalidated as a result.
76. This Agreement contains the entire agreement between the parties. All negotiations and understandings have been included in this Agreement. Statements or representations that may have been made by any party to this Agreement in the negotiation stages of this Agreement may in some way be inconsistent with this final written Agreement. All such statements have no force or effect in respect to this Agreement. Only the written terms of this Agreement will bind the parties.
77. This Agreement and the terms and conditions contained in this Agreement apply to and are binding upon the Member's successors, assigns, executors, administrators, beneficiaries, and representatives.
78. Any notices or delivery required here will be deemed completed when hand-delivered, delivered by agent, or seven (7) days after being placed in the post, postage prepaid, to the parties at the addresses contained in this Agreement or as the parties may later designate in writing.

79. All of the rights, remedies and benefits provided by this Agreement will be cumulative and will not be exclusive of any other such rights, remedies and benefits allowed by law.

Definitions

80. For the purpose of this Agreement, the following terms are defined as follows:

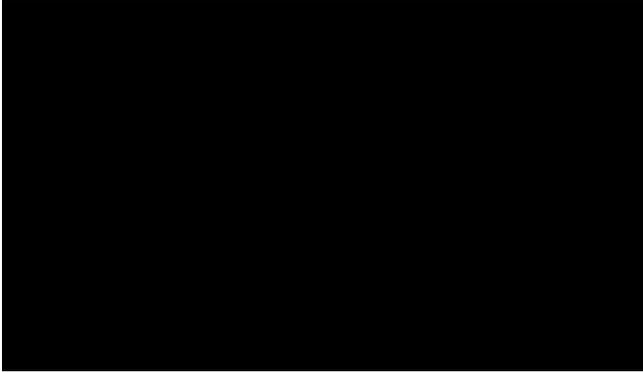
- a. "Additional Contribution" means Capital Contributions, other than Initial Contributions, made by Members to the Company.
- b. "Capital Contribution" means the total amount of cash, property, or services contributed to the Company by any one Member.
- c. "Initial Contribution" means Capital Contributions made by any Member to acquire an interest in the Company.
- d. "Net Profits or Losses" means the net profits or losses of the Company as determined by generally accepted accounting principles.
- e. "Operation of Law" means rights or duties that are cast upon a party by the law, without any act or agreement on the part of the individual including, but not limited to, an assignment for the benefit of creditors, a divorce, or a bankruptcy.
- f. "Principal Office" means the office whether inside or outside the State of Hawaii where the executive or management of the Company maintain their primary office.



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TOTAL P.001

Grateful Meds LLC Excel

	Member Names	Address	Phone #
1	Donald Ralph Shearer		
2	Donna Palomino-Shearer		
3	James Arthur Rooke		
4	Daniel Patrick Rooke		

email address

% Ownership State of Residency Years lived in Hawaii



25% Hawaii 30

26% Hawaii 26

24.50% California 0

24.50% California 0



Grateful Meds LLC is a Hawaii corporation formed in January 2016, Donald and Donna Shearer are the majority shareholders with 51% and are permanent Hawaii residents, James and Daniel Rooke are the remaining shareholders and are residents of California. The latter will be providing the financial backing for the operation, with Donald and Donna overseeing the complete operation and managing the day to day activities of the company. The Shearers started, own and operate Windward Aviation, Inc. since it's inception on May 7, 1990, the company is a utility helicopter company based at the Kahului Airport on Maui. Windward has operated as many as 10 helicopters with 22 employees and is currently operating 3 helicopters with 9 employees. The company is Federal Aviation Administration (FAA), Office of Aircraft Services (OAS- Dept. of Interior), Department of Defense (DOD), Will- Carry Hazardous Materials and Domestic Cannabis Eradication/Suppression Program DCE/SP certified. The FAA certification allows Windward to transport passengers and cargo, carry men and equipment suspended below our helicopters attached to ropes or cables, apply herbicides and pesticides to alien and agricultural crops and transport hazardous materials by air. The OAS certification permits Windward to work for the National Park Service in operations for law enforcement, resource management, search and rescue, maintenance, animal eradication/tagging and a number of other special uses. The DOD certification is required to provide aviation operations to the military, we have been involved in numerous military operations throughout the years and have been DOD certified since 1996. Our main contract was with the Navy in the Kahoolawe cleanup project from 1999-2004. DCE/SP is a program that is overseen by the DEA, it includes Federal, State and County agencies that are used in marijuana eradication. Windward has been

supporting the program since 1990 and is the primary contractor within the State; there are only two helicopter companies and 4 pilots in the State of Hawaii that are DCE/SP certified.

Windward Aviation, Inc. has provided the County of Maui Department of Fire and Public Safety with a dedicated helicopter for search & rescue and fire fighting since 1999; prior to 1999 we were called when needed. This contract requires the certifications that we have previously mentioned.

In addition to Windward's certifications Don Shearer was certified for 20 years with the State of Hawaii Department of Agriculture as a Commercial Applicator of Restricted Pesticides. This license was used primarily to crop dust sugar cane, pineapple and eradicate alien plant species within the State of Hawaii.

To maintain the above mentioned certifications require a corporate culture that represents a completely compliant organization with professional leadership. Windward has developed an extensive Operations Manual, Training Program, Employee Handbook and an Internal Evaluation Program to insure complete compliance with all of the regulations, guidelines and auditing required. The training program requires initial and recurrent training, with oral, written and practical testing. Recurrent training is required annually and all training documented and computerized. We are constantly monitored and audited twice annually by most agencies and at a minimum annually by all. Since its inception Windward has never been violated, suspended or even received a letter of correction.

This has been no easy task and has required that Don and Donna be completely present, spend the time and money necessary to assure that the company is run as professionally as possible. Windward has also been tax compliant and run a drug and alcohol free

workplace. All of the agencies that certify us require that we have a drug and alcohol testing program in place, this program is also audited annually. Windward partnered with another company called Sky Research in 2006 and formed a company called Skyward, this was an Oregon based company that operated 1 helicopter with technology used to detect un-exploded ordinance. This was a start up that required the development of the technology and the build up of the aircraft to support the operation. This company went from idea to reality in a 3 month period, we had contracts with the Army Corp of Engineers and provided the Corp with information on where the un-exploded ordinance was in bombing ranges throughout the US. The business was extremely profitable and was dissolved in 2008 as it required too much time away from Hawaii. Windward maintains a secure inventory of parts, tools and equipment, the value of which is approximately \$1,000,000. We have 3 levels of security to protect the inventory with computerized software to track and control more than 5,000 items.

As part of Windward's contracts with the law enforcement community it is paramount that we maintain confidentiality in these operations, this trust has been developed over the past 25 years. The employee training and the hiring practices ensure that the discipline necessary to protect confidential information is not overlooked, we take pride in playing by the rules. Windward currently operates under 24 hour security in our daily operations while at the home base. In the past when we were performing missions for the marijuana eradication program on the outer Islands or various parts of the world while working with the DEA we developed operations to protect our staff and equipment 24 hours. With all of these missions we never had any security breaches or major concerns; this is primarily due to the proper pre mission planning and preparation.

The biggest obstacle in opening any business is having sufficient capital /financing available in order to support the operation, we have the financial backing and the leadership skills necessary to move forward. It is a matter of implementing the time line that is developed in criterion # 2.

Although we have never operated or worked in a medical marijuana dispensary business, we strongly believe that our corporate culture would crossover in to this type of industry as it requires similar compliance to regulations as our current business. We will be developing an Operations Manual, Training Program and Employee Handbook similar to our helicopter business. Constant monitoring and internal evaluating will insure compliance.

It is the intention of Grateful Meds LLC to produce medical marijuana within the guidelines set forth by the Department of Health. Donald & Donna Shearer will transfer the same corporate structure developed from owning and operating Windward Aviation, Inc. to assure that Grateful Meds LLC will be a totally compliant organization. After more than a quarter of a century running a highly regulated successful business we have acquired the skill set and professionalism necessary to operate a dispensary. In anticipation of being awarded a dispensary license we have spoken to property owners, agriculturalist and security personnel regarding contributing there expertise to support this operation. In order to maintain complete operational control Grateful Meds LLC will not be sub-contracting any parts of its operation. We intend to have one dispensary in Kahului and one in the Lahaina area. Our grow sites will be based upon what the interpretation from the Department of Health as to whether a greenhouse will be considered as an enclosed indoor facility. If greenhouses are approved, then we will have one greenhouse in Haiku and one in Lahaina. If greenhouses are not approved, then we will be forced to develop two separate buildings that will be converted into grow sites. These sites are yet to be determined. We have already sourced the necessary systems, supplies and equipment to operate in either situation. We are currently developing an Operations Manual, Training Program and Employee Handbook: these will assure complete compliance with the Law, rules and regulations. Training will be job specific. There will be two types of training, initial and recurrent, initial will be for all new hires and will be valid for 1 year, recurrent will be required annually from the date of hire. Training will be completed after passing oral, practical and written tests. Employee training will be documented in each employee's handbook and tracked on computerized spread sheets within the office. Potential

employees must be able to pass a background check and be drug free, unless they are a medical marijuana patient. All employees are subject to mandatory drug and alcohol testing. Opening date will be after employee training is complete, security measures are in place and sufficient inventory is in stock to meet patient needs. Company safety/compliance/operations meetings will occur once weekly until expectations are met; monthly meetings will be held thereafter, minutes will kept and attendance recorded.

TITLE & JOB FUNCTIONS

Manager: Oversees entire operation, responsible for compliance of all laws, rules and regulations and the overall integrity and financial well being of the company.

Administrator: Supervises all operations and other personnel as directed and assists Manager with day to day management of the company.

Director of Operations: Has administrative authority to supervise all departments and is responsible for the overall quality control within the company.

Director of Security: Assures compliance with all security measures, hires on site security for each location, reports directly to the Manager

Security Staff: Reports to Director of Security, responsible for security as assigned

Branch Manager: Reports directly to the Director of Operations, is responsible for each dispensary; assists in formulating operational policy and procedures, maintains employee records and oversees day to day operations. Assists in the interview and selection of personnel

Branch Manager: Reports directly to the Director of Operations, is responsible for each production center; assists in formulating operational policy and procedures, maintains employee records and oversees day to day operations. Assists in the interview and selection of personnel

Dispensary Supervisor: Is responsible for direct supervision of all dispensary personnel, establishes personnel duty hours and schedules

Production Center Supervisor: Is responsible for direct supervision of all production center personnel, establishes personnel duty hours and schedules

Grower: Reports directly to supervisor, responsible for the care and growth of the plants and general cleanliness of the grow site

Bud Tender: These employees will work at the dispensaries and assist patients with their medicinal needs. They will select which strain of marijuana is best suited for each patient, and in what quantity.

Retail Associate: Reports directly to supervisor, assures that patients have proper documentation prior to entering dispensary, assists in the sale and recording of products while maintaining professional and courteous attitude, also responsible for the cleanliness and upkeep of the dispensary

TIMELINE

April 15, 2016 Licensees selected, secure greenhouses or buildings for production centers.

April 25, 2016 Advise department with address, tax map key number, copy of lease for proposed production center. Minimum 30 day notification

April 29, 2016 Hire Director of Security, develop security plan at production centers, order security systems, growing products and materials.

May 12, 2016 Hire building contractors to install security system and develop grow site for planting. Start employee hiring process, training for production center employees

May 26, 2016 Request inspection of grow sites from Department of Health prior to any grow operation planting.

June 01, 2016 Start growing process and secure dispensary locations.

July 01, 2016 Advise department of address, tax map key number, copy of lease for proposed location of dispensaries. Minimum 60 days notification.

September 01, 2016 Hire building contractors to install security system and build out dispensaries. Start employee hiring process, training for dispensary employees.

September 20, 2016 Opening of first dispensary, second to follow within 3 months

As mentioned earlier Grateful Meds LLC is a Hawaii Corporation formed in January of 2016 the owners are Donald Ralph Shearer at 25%, Donna Palomino-Shearer at 26%, James Arthur Rooke at 24.5% and Daniel Patrick Rooke at 24.5%.

The financial resources of the corporation are stable and more than adequate to develop this start up business. All four members of the corporation have operated and owned many businesses throughout the years. James & Daniel Rooke are the financial backers of Grateful Meds LLC while Donald & Donna Shearer are the 51% owners and will be responsible for the day to day operations of the company. We will be enclosing the bank statements that reflect more than the minimum stated in the law. Please understand that this is only one account to show compliance of financial resources. The partners have access to lines of credit and maintain capital in personal and business accounts. [REDACTED]

[REDACTED] and have all run successful businesses for many years. Donald & Donna Shearer have owned and operated Windward Aviation, Inc. since starting the company in 1990. Windward has owned and operated as many as 10 helicopters at one time with 22 employees. We have never missed payroll, taxes, insurance or helicopter payments, we have a strong financial history and maintain an excellent credit rating. James & Daniel Rooke have been in the real estate business for more than 25 years and are both brokers licensed with the State of California, their primary holdings are trailer parks in California, Arizona and Nevada. Daniel is the President and CEO of DPR Real Estate Enterprises Inc., the company is very successful and is in good standing with the State of California. All members of the corporation are completely dedicated to support Grateful Meds LLC with the financial backing necessary to make this business even more successful than all of our previous. We bring more than

a100 years of combined business experience into this newly formed corporation and are all law abiding tax paying citizens and have made every dollar legally. We will be drawing from the enclosed account as necessary to start the hiring process, to develop the grow sites and dispensaries over the submitted timeline.

As mentioned earlier Don & Donna Shearer the owners of Windward Aviation, Inc. are the onsite owners and operators of Grateful Meds LLC. The Shearers have been in the aviation industry for over 38 years, during that time they have been contractors with the law enforcement community and have maintained contracts with the following:

Honolulu Police Department

Maui Police Department

Kauai Police Department

Hawaii County Police Department

Drug Enforcement Administration

Department of Land & Natural Resources, Division of Conservation & Resource Enforcement, all Islands

National Park Service

State of Hawaii, Narcotics Enforcement Division

These contracts require extensive security, background checks for all pilots and mechanics and confidentiality/trust with extremely sensitive information. We currently support all of the above agencies and are the vendor of choice within the State.

Windward Aviation, Inc. has repeatedly demonstrated our compliant attitude and true professionalism within the law enforcement community. We have had many conversations with retired law enforcement officers as to their willingness to work for Grateful Meds LLC in meeting the security requirements of the law. We will be hiring a Director of Security, he/she will have an open book for finances, procedures and equipment to assure complete compliance with the law. We have zero tolerance for gaps in security and understand that 24 hour video monitoring and recording are vitally

important, the fencing and sensitivity to viewing marijuana and the requirements of an alarm system. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

. We are open to any security measures deemed necessary by the department to deter or prevent intruders.

Windward Aviation, Inc. currently operates our business with three levels of security and have done so for over 25 years with no breaches. The Shearers have always operated there business to the highest standards and have maintained complete confidentiality where required. Records for employee training, company record keeping and internal auditing will be maintained at each production center and each dispensary. The Operations Manual, Training Program and Employee Handbook will prepare the employees with all knowledge necessary to perform there job functions within the departments guidelines and the law. This will assure that Grateful Meds LLC will be operating within strict compliance of the law and have an open door policy for scheduled and unscheduled inspections and audits. We are fully aware of the contents within the law and have read it multiply times, with our leadership and corporate culture we know that we have the ability to comply with all of the security requirements to run this highly regulated business.

In order to educate patients on how marijuana can be used to assist with their particular ailment, Grateful Meds LLC will have an experienced budtender employed at each retail dispensary location. He/she will be knowledgeable with the marijuana inventory and be able to share his/her expertise in recommending the proper product and dosage. Key employees will also travel to marijuana conventions and other growing facilities in order to have the most current information and necessary training. Subscriptions to medical marijuana journals and other publications will be integral in our continuing education process.

Dependent upon the variety of ailments and recommended treatments, Grateful Meds LLC will produce the supply necessary to satisfy the demand; the amounts and varieties will be in constant flux as the customer base evolves. In order to be up to date on the ever changing marijuana industry, Grateful Meds LLC will also have a medical doctor on retainer for immediate and accurate information and advise. It will be the mission of our company to produce the safest and effective marijuana for our customers by utilizing all scientific and proven methods from the production phase to final retail. As in every industry that hopes to improve and morph according to customer needs, Grateful Meds LLC will have available Customer Feedback Forms in order to ensure customer satisfaction; we will encourage all patients to complete these forms. This form will also grade the quality of our products in regards to its effectiveness on various ailments, customer suggestion and recommendations. As each patient differs in the amount of product necessary to provide relief of his/her ailment; Customer Feedback Forms will allow each individual to state the strain/type of marijuana taken, the amount used and its range of effectiveness. By hiring trained employees who adhere to Grateful Meds LLC

procedures, we can ensure safety. Each retail dispensary will be in accessible locations, by having dispensaries in Kahului and Lahaina we are able to satisfy customer bases within large area communities in Central and West Maui.

It is the policy of Grateful Meds LLC that the corporate manager and all members as well as all employees will submit written approval to the corporation to permit criminal background checks. This is a requirement for employment, any felony convictions will disqualify the applicant for employment. Criminal background checks will be verified utilizing eCrim. Drug and alcohol testing will also be a requirement for employment at Grateful Meds LLC, marijuana will not be tested for employees that are medical marijuana patients. We will be operating a drug and alcohol free work place environment. This is very simple to comply with, all criminal background information will be kept in each employees records. The drug and alcohol information will be kept under lock and key and will be the responsibility of the company Administrator.

Grateful Meds LLC will have a real time inventory management platform that will enable a complete integration from cultivation to sale. Every plant, seed and product will be assigned a bar code which will enable accountability and recall protocol. In our current business we have implemented a similar program for inventory tracking as helicopter components are time life limited. During audits conducted by the Department of Interior, Department of Defense and the FAA each part must be traceable from origin until it reaches the end of its useful life. It is the same type of procedures just tracking a different type of commodity, our system tracks data changes made to the system, the person responsible for making the change and the time it was made. We will be implementing a similar system at Grateful Meds LLC that is more in keeping with the type of inventory as well as one that tracks the categorical changes that a plant may go through (example plant to tincture).

Computers will be password protected, these passwords will be changed every 90 days and only designated employees will have access to system. Computer log in will also be recorded to note employee, time and date. The Director of Security will have implemented a professionally designed security system which encompasses not only closed circuit monitoring systems but also panic buttons, alarm systems and the physical presence of security personnel. Part of the security plan for the inventory will be secondary electricity in the event of power failures.

Grateful Meds LLC will purchase, operate and maintain a computer software tracking system that shall:

1. Interface with the department's computer software tracking system.

2. Allow each production center to submit to the department in real time, by automatic identification and data capture, all marijuana, marijuana plants and manufactured marijuana product inventory in possession of the dispensary form either seed or immature plant state, including all plants that are derived from cuttings or cloning, until the marijuana or manufactured marijuana product is sold or destroyed.
3. Allow each dispensary retail location to submit to the department in real time the total amount of marijuana and manufactured marijuana product purchased by a qualifying patient and primary caregiver from the dispensary's retail dispensing locations in any fifteen day period: with the software tracking system to impose an automatic stopper in real time, which cannot be overridden, on any further purchases of marijuana or manufactured marijuana products if the maximum allowable has already been purchased for the fifteen day period: provided that additional purchases shall not be permitted until the next applicable period.

Patient privacy and confidentiality will be strictly adhered to as outlined in Grateful Meds LLC's operating manual, all measures will be taken to guarantee that all patient medical conditions, health status and purchasing of any and all products sold by our company are held in the strictest confidence. To mitigate potential security and/or confidentiality issues, the hiring process for every position within the company will be held to the strictest level; all must pass a background check, pass a drug test (unless they are Medical Marijuana patients) and have the professionalism to work in this highly regulated industry. Employees who have access to or influence over controlled substances shall have no felony convictions.

Everyone involved in our operation will have a legal duty to keep information about every patient confidential and access to it is strictly controlled. All employees will undergo rigorous training to make sure that the right to confidentiality is upheld, employees will be terminated should any patient confidentiality be compromised. We understand that maintaining privacy and confidentiality helps to protect participants from potential harms including psychological harm such as embarrassment or distress; social harms such as loss of employment or damage to one's financial standing; and criminal or civil liability. No patient personal information will be divulged to others, furthermore patients will be informed of the precautions taken to protect the confidentiality of the data and be informed of the parties who will or may have access (e.g., FDA, Department of Health). When it is necessary to collect and maintain identifiable data, the management will ensure that the protocol includes the necessary safeguards to maintain confidentiality of identifiable data and data security appropriate to the degree of risk from disclosure.

Protocols will be designed and adhered to in order to minimize the need to collect and maintain identifiable information. If possible, data will be collected anonymously or the identifiers

removed and destroyed as soon as possible and access to research data should be based on a “need to know” and "minimum necessary" standard.

All our employees will understand and agree to the rules and regulations as set forth by Grateful Meds LLC as well as by the Department of Health. The tracking system for patients, their medication and medical conditions will be computer based with passwords, these passwords will change every 90 days to maintain an additional level of security; only approved employees will have access to the computers and passwords. To further guarantee employee adherence to company procedure, each computer will have all data recoded as to whom logged in and at what time, making traceability possible.

Windward Aviation, Inc. the company that the Shearers started in 1990 and have run successfully since, has been entrusted by the law enforcement community with extremely confidential information. The Shearers know the necessary steps required to implement procedures to assure strict compliance with confidentiality.

To insure product quality and compliance with state regulations, Grateful Meds LLC will be utilizing HI test medical labs on Maui as they have the technology and protocols in place to provide fast and consistent results. Since the Department has not yet published the certification or testing requirements, Grateful Meds LLC will take the initiative and require full spectrum testing that will include the following:

Potency

Pesticides

Residual solvent testing

Microbial testing

Foreign Matter screening

A sample from each lot will be sent for testing, all products that fail to pass the screening will be destroyed as these can threaten the health and safety of patients. Potency analysis will provide accurate measures for labeling purposes. Lab reports for each product will be available at each dispensary for those patients who require more detailed analytical results. With this sophisticated technology and the results that it produces, Grateful Meds LLC will be able to diagnose, solve and avoid errors in its work flow. As production yields increase Grateful Meds LLC will petition the Department to conduct in house testing using its own gas chromatograph. In house testing will reduce transportation concerns and allow for the continuation of production or immediate disposal.

Grateful Meds LLC retail locations will have signage compliant with the Department of Health, in that no image of the marijuana plant or drug paraphernalia is visible. Size of signage will be no greater than one thousand six hundred square inches bearing only the business or trade name in text without any pictures or illustrations; provided that if any applicable law or ordinance restricting outdoor signage is more restrictive, that law or ordinance shall govern. Packaging processes, labeling, distribution, and sale will be validated to comply with regulations and have the well being of the patient in mind.

All products sold by Grateful Meds LLC shall bear the following labelling contents:

The commodity shall bear a label specifying the identity of the commodity and the name and place of business of the manufacturer i.e. Grateful Meds LLC, Maui, Hawaii (physical address to be determined)

Commodity will have bar coded labels which will contain information regarding production date, expiration date, lot number, best before dates, etc.

All ingredients shall be listed on labels in order of percentage in the case of capsules, lozenges, oils or oil extracts, tincture, etc.

The net quantity of contents (in terms of weight or mass, measure, or numerical count) shall be separately and accurately stated in a uniform location upon the principal display panel of that label, using the most appropriate units of both the customary inch/pound system of measure

If on a package labeled in terms of weight, shall be expressed in ounces, with any remainder in terms of ounces in decimal fractions of the ounce; or in the case of liquid measure, in the largest whole unit (quarts, quarts and pints, or pints, as appropriate) with any remainder in terms of fluid ounces or common or decimal fractions of the pint or quart;

All lettering shall appear in conspicuous and easily legible type in distinct contrast (black lettering on white background)

All products clearly marked “For Medical Use Only”, “Not for Resale or transfer to another person”

The label of any package of a consumer commodity which bears a representation as to the number of servings of such commodity contained in such package shall bear a statement of the net quantity (in terms of weight or mass, measure, or numerical count) of each such serving.

Labelling shall not be appealing to children. In addition to proper labeling, Grateful Meds LLC will select packaging that maintains the integrity of the drug product.

Packaging of all products shall have or be the following:

Products enclosed within child proof containers, the container must also inhibit penetration of oxygen, moisture and contaminants such as dust.

A secondary barrier as necessary.

In order to comply with the chain of custody there will be chronological documentation of each product from inception to sale; Grateful Meds LLC will have care, custody and control of all products until sold to patients. The sale will be documented according under each patient and their medical marijuana permit number for traceability after the product leaves our premises. The chain of custody will begin from the moment the seeds are planted, and every transfer from one location to the next will be documented, we shall keep the number of transfers as low as possible. Documentation will include the identity of all handlers, duration of custody, security

conditions while handling or storing the product, and the manner in which product is transferred to subsequent custodians each time such a transfer occurs along with the signatures of persons involved at each step.

Grateful Meds LLC understands that improper drug disposal is a prescription for environmental and societal concern, thus we are proposing security measures, including the requirement that collection receptacles for the disposal of marijuana be securely fastened to a permanent structure such as a wall, floor, or immovable countertop so that they cannot be removed. At our registered locations, the collection receptacle will be located within the immediate proximity of a designated area where controlled substances are stored and where an authorized employee is present. Containers secured in compliance with the proposed requirements are intended to deter and prevent theft and pilferage.

When the contents of these containers require disposal Grateful Meds LLC will be mixing the contents with organic matter and accelerants such as manure for composting to render the product as non-recoverable. We would prefer to have an authorized representative present during the beginning of the composting process. In order to dispose of manufactured marijuana products primarily flammable liquids Grateful Meds LLC will adhere to the following methods: all flammable liquids, oils, fertilizers, etc. will be stored in fire proof lockers. The bi-products of manufactured marijuana products will be segregated into suitable containers and stored with secondary containment until final disposal.

Final disposal will be in compliance with exiting Hazardous Materials regulations. In the event a Hazardous Materials disposal company is contacted for disposal Hazardous Material regulation record keeping will apply. For products disposed of in house, a record will be kept of each disposal/destruction indicating the type, date, manner of destruction, the quantity, lot number, and quantity of marijuana destroyed; and the signatures of the person destroying and the authorized representative of the department and any other persons present during the disposal.

The problem is that the medical disposal laws, procedures, and standards that apply to discarding products that contain Medical Marijuana have not been identified in the State of Hawaii

We would like to recommend implementation of a consortium to lobby for regulation to address the disposal of products containing medicinal marijuana.

Grateful Meds LLC will develop a product safety education system for employees involved in the growth and sale of all its products in order to ensure product safety and quality assurance. Good agricultural practices will be appropriately applied to the growing of our products, and then our patients can be assured that the products will meet quality and safety standards at the time of purchase.

Our agricultural practices will include:

- selecting the correct potting material to be used in the cultivation of crops
- planting the best-quality seeds of the most appropriate varieties;
- controlling the quality of irrigation water (if used);
- using appropriate harvesting and on-farm storing and handling techniques;
- using appropriate methods for transporting end product to dispensary

Implementation of our safe practices entail the use of appropriate sanitary measures to prevent contamination and assurance of optimum sanitary conditions for our products. The practices include but are not limited to:

- the use of appropriate cleaning and sanitizing techniques
- observation of sanitary practices, use of protective clothing and strict observation of rules of personal hygiene by personnel involved in handling and processing
- the use of hand-washing and hand-sanitizing stations when and where appropriate;
- the use of other sanitary measures when deemed necessary

- facilities used are of the appropriate size to prevent overcrowding and to allow proper placement and orderly storage of equipment, raw materials and other product materials such as packaging and labelling;
- layout of facilities permits the orderly flow of production materials and personnel in processing;
- facilities are suitably lit;
- equipment is maintained for proper functioning;

There will also be an Improvement Program focusing on risk-finding and assessment exercises so that knowledge and skills cultivated in past training can be put into practice in actual operations. Going forward, Grateful Meds LLC will continue to improve employees' product safety awareness and raise the level of their skills by providing continuing education; the goal is to increase sensitivity to quality issues, thereby resolving problems early on. Although we will take all the necessary steps to ensure product safety, there can still become contamination with potentially hazardous materials and quality assurance will be an essential component of production planning. To implement safety the following steps will be taken:

- identify potential hazards
- assess the level of risk
- design and implement procedures for monitoring and controlling hazards
- apply corrective action in a process
- train all staff in implementation of the procedures
- develop appropriate reporting procedures
- ensure that preventative controls are in place

In order to minimize the risk of serious adverse health consequences in respect to growing, harvesting, sorting, packing, and storage operations, science-based minimum standards related to soil amendments, hygiene, packaging, temperature controls and water will be strictly adhered to.

Should we need assistance in developing a more stringent safety operation, we shall seek suggestions from professional advisers within the industry.

We understand that the provision of facilities for staff is important and that we have a responsibility to staff to provide a safe and healthy working environment in order to produce safe products. The staff will be trained to understand safe operating procedures, particularly when cleaning equipment and/or working directly with the products. Employees will be provided with personal protective equipment to be used when necessary and the staff will also be trained to handle all products safely. Management will take the necessary steps to provide adequate lighting and ventilation to maintain a healthy workplace.

Once the Department has established the standards for laboratory based testing, Grateful Meds LLC will be testing all of our products for potency, pesticides, residual solvents, foreign matter screening and microbial agents prior to sale. We will be using HI test medical labs on Maui as they have the technology and protocols in place to provide fast and consistent results. We will be petitioning the department to certify Grateful Meds LLC to provide the laboratory testing required. In house testing will reduce the amount of personnel and locations to which material will be handled and transported.

None of the shareholders have ever had a business license revoked, as none have ever had violations of the terms and conditions on which their business license was issued.

Nor had any of the shareholders have violation of ordinances or laws authorizing or regulating their license, the business activity or purpose for which the license was issued.