Medical Marijuana Dispensary License Application

Department of Health, Office of Health Care Assurance

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 at the bottom of each screen. IMPORTANT: Remember to do this every time you leave your application or you will lose the information you have entered.

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

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

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

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

INSTRUCTIONS FOR THE MEDICAL MARIJUANA DISPENSARY LICENSE APPLICATION

Before applying for a medical marijuana dispensary license, applicants must acknowledge that they have read the statute and administrative rules on medical marijuana dispensary licensing. Click to 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/medicalmarijuana/wp-content/blogs.dir/93/files/2015/12/2015-329D-HRS.pdf), and I am aware of the application and licensing requirements.
Hawaii Administrative Rules (HAR) Chapter 11-850	✔ I acknowledge that I have read HAR, Chapter 11-850 (http://health.hawaii.gov/medicalmarijuana/wp-content/blogs.dir/93/files/2015/12/Dispensary-Rules-Chapter-11-850-signed-by-Gov-12-13-15.pdf), and I am aware of the licensing requirements.
Disclaimer:	✔ I understand that the use and possession of marijuana is illegal under federal law, and is illegal under State law except as prov 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 to the online application as described in 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 not less than five years immediately prece 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 allowed under the license applied bank statements or escrow accounts, and those financial resources shall have been under the control of the applying entity for not less than ninety days immediately preceding the date the applica**
*** 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 and must be received at Departr Medical Marijuana Dispensary Licensing, Room 337, 601 Kamokila Blvd., Kapolei, HI 96707 or be postmarked by 4:30 pm Hawaii Standard Time on the last day of the open application period Januar

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 view your completed application or

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

SECTION A: APPLICATION FOR COUNTY

NOTE: An applicant may apply for a license for more than one county, but may only receive one license. Indicating here that you are applying for a license for more than one county does not consti license in another county; separate applications must be submitted. The applicant and applying entity must complete a separate application with all required documentation for each application an 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) may apply across applications can only apply toward one license, if granted.

1. For which county are you requesting a license?	City & County of Honolulu
2. Are you also applying for a dispensary license in another county?	■
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	Robert Jonah Medoff MD
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**	[redacted]
5. Date of Birth (must be at least 21 years old)	[redacted]

[redacted] [redacted]

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.**	[redacted]
7. Social Security No. or Identifier No. (last 4 digits only):	[redacted]
8. Applicant's Address	[redacted] United States
9. Daytime Phone No.	[redacted]
10. Fax No.	[redacted]
11. Email	[redacted]
CRIMINAL HISTORY INFORMATION	
12. Has the individual applicant ever been convicted of a felony? If YES, STOP, you are not an eligible applicant.	[redacted]
13. Has the individual applicant ever been convicted of a crime?	[redacted]
13a. If YES, please describe (e.g., conviction, date, disposition, etc.)	
14. Has the individual applicant ever been arrested?	[redacted]
14a. If YES, please describe (e.g., date, disposition, etc.)	

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/) **to obtain the eCrim report.** **15. Enter the eCrim Validation Code here:**	[redacted]
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. **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.**	✔ I consent
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.	[redacted]
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.**	[redacted]
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):**	[redacted]
SECTION C: APPLYING ENTITY INFORMATION	
20. Name of Applying Entity	Okai LLC
21. Applying Entity's Business Address	[redacted] United States
22. Entity Phone #	[redacted]
23. Entity Email	[redacted]
24. Entity Fax #	[redacted]

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.	[redacted]
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) **for available documents.**	[redacted]
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) **to locate your entity's file number.**	[redacted]
28. Upload a copy of the entity's Certificate of Good Standing from the Department of Commerce and Consumer Affairs.	[redacted]
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) **for this information.**	[redacted]
30. Upload a copy of the entity's State of Hawaii Tax Identification document.	[redacted]
31. Federal Employer Identification Number: Provide the Federal Employer Identification Number.	[redacted]
32. Upload a copy of the entity's Federal Employer Identification Number document.	[redacted]
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:	[redacted]

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/) **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)

[redacted]

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.**

[redacted]

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)](/mmjdisp/templates/Financial_Resources_General.xls)

Upload the completed Financial Resources General Information Spreadsheet

[redacted]

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.

[redacted]

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)

[redacted]

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.

[redacted]

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 on all sides.

[redacted]

(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)

[redacted]

(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)

[redacted]

(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)

[redacted]

(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)

[redacted]

[redacted]

(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)

[redacted]

(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)

[redacted]

(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)

[redacted]

(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)

[redacted]

(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)

[redacted]

(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)

[redacted]

[redacted]

(11) A plan for secure disposal of marijuana and manufactured marijuana products;	
Response to (11) shall be no longer than five (5) pages.	[redacted]
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.	[redacted]
Upload Response to (12)	
(13) No history of having a business license revoked.	
Response to (13) shall be no longer than three (3) pages.	[redacted]
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 correct and complete.
By checking the box above and entering the individual applicant's name below, the applicant has electronically signed this application.	
Applicant Name	Robert Jonah Medoff MD
If you have previously submitted an application and this is a revision, enter the unique entry number(s) of your previous submission(s) here.	
User ID	[redacted]
User Email	[redacted]

Entry Info

Date Created	[redacted]
Date Updated	
IP Address	

[redacted] [redacted]

Oka'i LLC

[redacted]

September 21, 2016

To Whom It May Concern:

This letter is to confirm that Robert Medoff, MD as member and manager of Oka'i LLC has the authority to make decisions for the partnership.

[redacted]

Robert J Medoff, MD

[redacted]

[redacted]

David Medoff

[redacted]

Michael Sabatini

[redacted]

Fe Asia Medoff

[redacted]

Jamie Sabatini

Oka'i LLC

www.BUSINESSREGISTRATIONS.COM
Nonrefundable Filing Fee: $50.00

Internet FORM LLC-1
DRAFT **7/2010**

STATE OF HAWAII
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
Business Registration Division
335 Merchant Street
Mailing Address: P.O. Box 40, Honolulu, Hawaii 96810
Phone No.(808) 586-2727

ARTICLES OF ORGANIZATION FOR LIMITED LIABILITY COMPANY

(Section 428-203 Hawaii Revised Statutes)

PLEASE TYPE OR PRINT LEGIBLY IN BLACK INK

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

I

The name of the company shall be:
OKA'I LLC

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

II

The mailing address of the initial principal office is:
[redacted]

III

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

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

(Name of Registered Agent) (State or Country)

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

IV

The name and address of each organizer is:

ROBERT MEDOFF [redacted]

V

The period of duration is (check one):

[X] At-will

[ ] For a specified term to expire on: _____

(Month Day Year)

VI

The company is (check one):

a. [X] Manager-managed, and the names and addresses of the initial managers are listed in paragraph "c", and the number of initial members are: 6

b. [ ] Member-managed, and the names and addresses of the initial members are listed in paragraph "c".

c. List the names and addresses of the initial managers if the company is Manager-managed, or
List the names and addresses of the initial members if the company is Member-managed.

ROBERT MEDOFF [redacted]

VII

The members of the company (check one):

[X] Shall not be liable for the debts, obligations and liabilities of the company.

[ ] Shall be liable for all debts, obligations and liabilities of the company.

[ ] Shall be liable for all or specified debts, obligations and liabilities of the company ***as stated below***, and have consented in writing to the adoption of this provision or to be bound by this provision.

_____

_____

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

Signed this **21** day of **JANUARY 2016**

ROBERT MEDOFF

(Type/Print Name of Organizer)

(Type/Print Name of Organizer)

ROBERT MEDOFF

(Signature of Organizer)

(Signature of Organizer)

www.BUSINESSREGISTRATIONS.COM
Nonrefundable Filing Fee: $50.00

Internet FORM LLC-1
0121201657883 **7/2010**

FILED 01/21/2016 06:14 AM
Business Registration Division
DEPT. OF COMMERCE AND
CONSUMER AFFAIRS
State of Hawaii

STATE OF HAWAII
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
Business Registration Division
335 Merchant Street
Mailing Address: P.O. Box 40, Honolulu, Hawaii 96810
Phone No.(808) 586-2727

ARTICLES OF ORGANIZATION FOR LIMITED LIABILITY COMPANY

(Section 428-203 Hawaii Revised Statutes)

PLEASE TYPE OR PRINT LEGIBLY IN BLACK INK

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

I

The name of the company shall be:
OKA'I LLC

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

II

The mailing address of the initial principal office is:
[redacted]

III

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

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

(Name of Registered Agent) (State or Country)

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

IV

The name and address of each organizer is:

ROBERT MEDOFF [redacted]

01/21/201657883

I HEREBY CERTIFY that this is a true and correct copy of the official record(s) of the Business Registration Division.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS STATE OF HAWAII

[redacted]
DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS

January 23, 2016

Validate online at http://hbe.ehawaii.gov/documents
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V

The period of duration is (check one):

[X] At-will

[ ] For a specified term to expire on: _____
(Month Day Year)

VI

The company is (check one):

a. [X] Manager-managed, and the names and addresses of the initial managers are listed in paragraph "c", and the number of initial members are: 6

b. [ ] Member-managed, and the names and addresses of the initial members are listed in paragraph "c".

c. List the names and addresses of the initial managers if the company is Manager-managed, or
List the names and addresses of the initial members if the company is Member-managed.

ROBERT MEDOFF [redacted]

VII

The members of the company (check one):

[X] Shall not be liable for the debts, obligations and liabilities of the company.

[ ] Shall be liable for all debts, obligations and liabilities of the company.

[ ] Shall be liable for all or specified debts, obligations and liabilities of the company ***as stated below***, and have consented in writing to the adoption of this provision or to be bound by this provision.

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

Signed this **21** day of **JANUARY 2016**

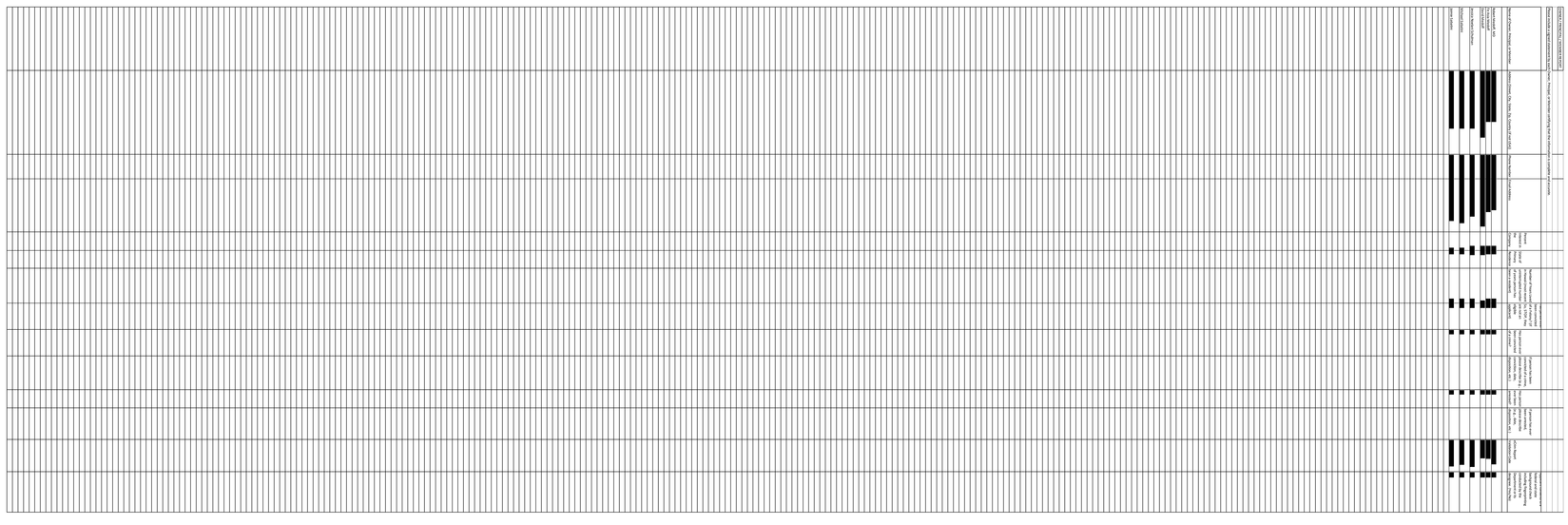
ROBERT MEDOFF
(Type/Print Name of Organizer)

(Type/Print Name of Organizer)

ROBERT MEDOFF
(Signature of Organizer)

(Signature of Organizer)

01/21/201657883



Cases Treated at Western Lighting Medical Assessment Center in Fiscal Year

Date of Initial Medical Assessment (Mo./Day/Yr.) Case Number (Gender/Age)

Medical Assessment Results

Treatment Provided by Medical Assessment Center in Fiscal Year (Number of Cases)

Case Number 001 (M/50)

Case Number 002 (F/45)

Case Number 003 (M/60)

Case Number 004 (F/55)

Case Number 005 (M/40)

Case Number 006 (F/35)

Case Number 007 (M/30)

Case Number 008 (F/25)

Case Number 009 (M/20)

Case Number 010 (F/15)

Case Number 011 (M/10)

Case Number 012 (F/5)

Case Number 013 (M/70)

Case Number 014 (F/65)

Case Number 015 (M/80)

Case Number 016 (F/75)

Case Number 017 (M/90)

Case Number 018 (F/85)

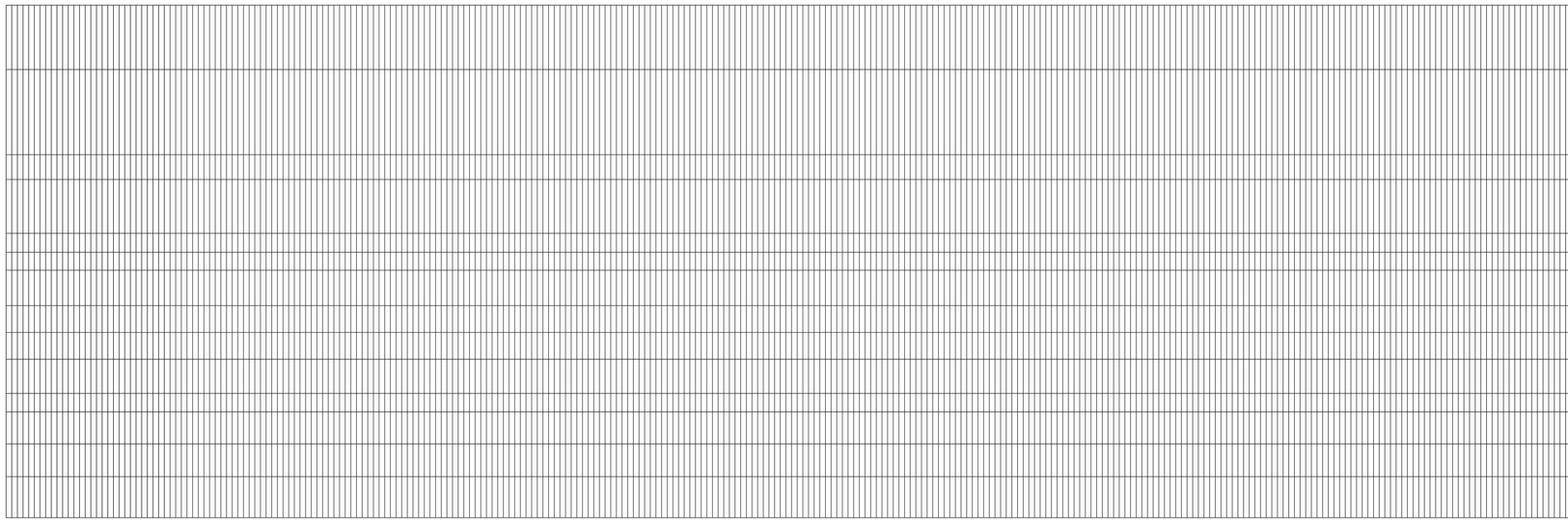
Case Number 019 (M/100)

Case Number 020 (F/95)

Case Number 021 (M/110)

Case Number 022 (F/105)

Case Number



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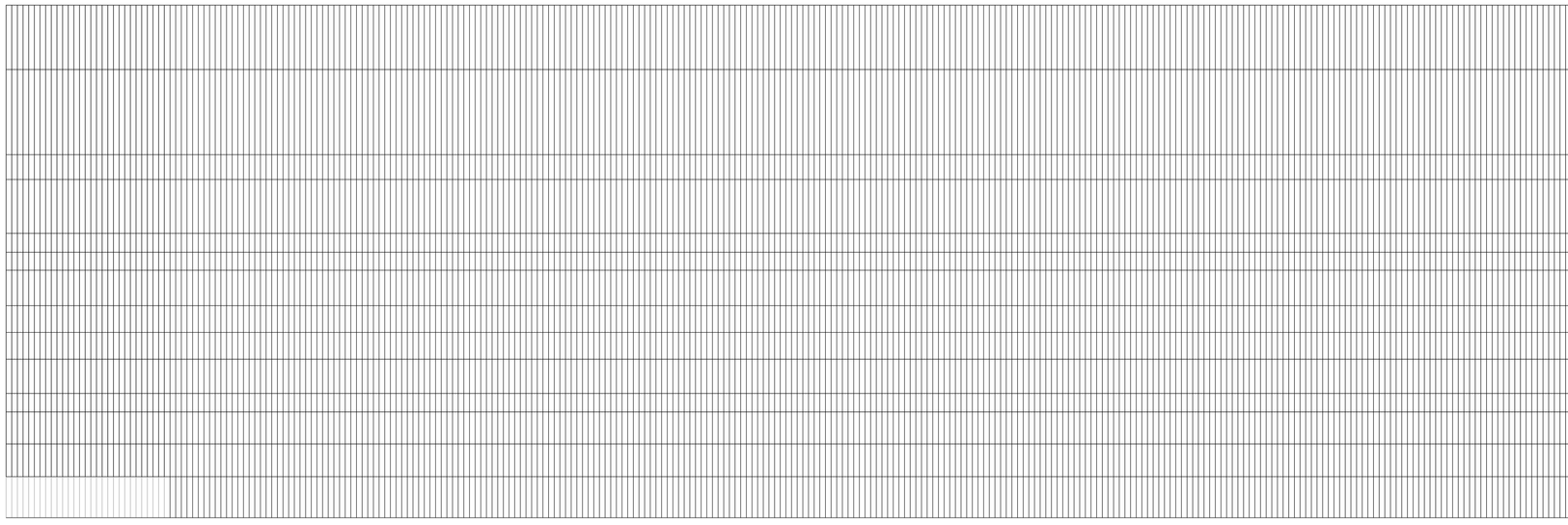
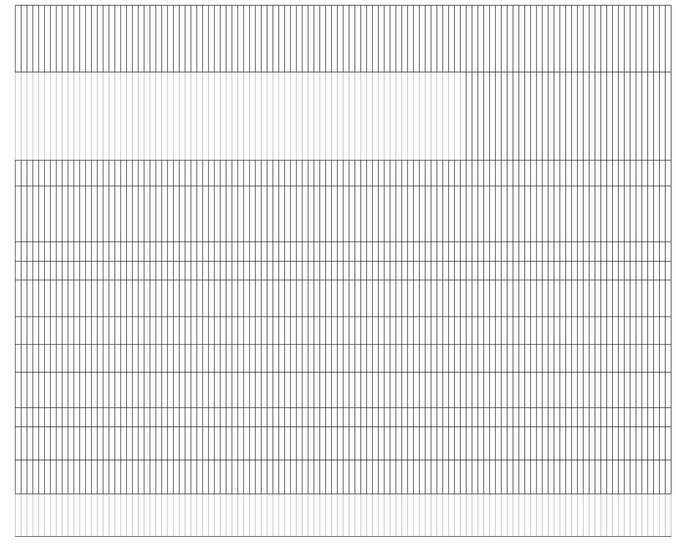


Owner_Principal_Member_Report.xls



Dover Thrift Wallet Pattern 4b

List the business name(s) and percent interest on the spreadsheet if there are businesses that hold an interest in the applying entity.				
Other Businesses Holding an Interest	Percent Interest			
none				

Okai LLC (hereto, referred to as the “the Company” or “the Dispensary”) is committed to serving the needs of Hawaii's qualifying patients, by providing the highest quality of medical marijuana products in a safe, secure and compassionate environment. The Company has organized a dedicated team that possesses extensive knowledge, resources, and business experience, including backgrounds in both the medical industry as well as the medical marijuana industry.

Two of the Company’s primary investors, Robert J. Medoff, MD and David Medoff, have extensive experience in the medical industry. They have started several medical device manufacturing companies; along with a third partner, they are currently owners/managers of TriMed, Inc, an orthopaedic manufacturing company with sales levels currently between [redacted] TriMed Inc, develops and markets orthopaedic surgical implants both in the US as well as internationally, including Canada, South America, Australia, New Zealand, Europe, South Africa and China. TriMed Inc has fifty direct employees and manages a domestic network of seventy independent sales representative organizations. The company has had double digit growth over the past several years.

David Medoff has extensive experience (25 years) in developing and managing the Quality Assurance system, inventory control system, employee relations (including implementing OSHA regulations), order processing, and shipping and receiving, among many other tasks of the organization. He has developed and implemented four business plans for the development of different organizations or divisions. Prior to his involvement in the medical device industry, he worked as a systems engineering consultant to the aerospace industry for companies such as Hughes Aircraft, TRW, Northrop, and Teledyne. His work included overall systems design of various military and commercial projects.

Robert Medoff, MD is an active, practicing orthopaedic surgeon in the state of Hawaii since 1986. He is the current president of Windward Orthopaedic Group and has privileges at Castle Medical Center, Queens Hospital, Tripler Army Medical Center and Shriner's Hospital. He is a past president of the Hawaii Orthopaedic Association and is also very active in both medical device development and education, both in the US and internationally. His orthopaedic practice requires compliance regulations involving security and tracking of medication, as well as knowledge and training in HIPAA, OSHA and Medicare regulations. In addition, he is affiliated with the University of Hawaii as an Assistant Clinical Professor of Surgery, and is recognized as one of the world experts in the treatment of wrist disorders.

Jessica Schulman, grew up on Oahu before leaving the state for undergraduate and graduate studies. She currently resides in San Francisco, California. She has a Masters degree in Mass Communications from the Hebrew University of Jerusalem. During her 6 years living in Jerusalem, she worked an English teacher at an Arab-Israeli high school, and taught English at several corporate and government institutions, including Cisco, the Bank of Israel, and the Offices of the President of Israel (Benjamin Netanyahu). In mid-2015, Jessica entered the cannabis industry as a researcher for Green Rush Consulting, where she assisted lead writers in drafting and writing business plans and applications for individuals applying for dispensary licenses across the US. Her position required her to research information on medical marijuana state regulations across the country, and demanded that she acquire an in-depth understanding of all security, quality control, inventory tracking, zoning, and packaging regulations regarding the production, manufacturing, and sale of medical marijuana in various state jurisdictions. She is familiar with these regulations in Colorado, Maryland, Washington and California, and possesses knowledge of medical marijuana-based treatment, including, types of strains, methods of

ingestion, and potency. Currently, she is employed as sales manager for the Cannabis Rep Network, and is knowledgeable in regulations in the state of California related to the distribution of medical marijuana and manufactured medical marijuana products to dispensaries and delivery services in the San Francisco Bay Area and Sacramento. Other responsibilities include, but are not limited to: conducting sales, maintaining accounts, managing a team of sales representatives in the San Francisco and Sacramento area, hiring and training sales representatives in San Francisco and Sacramento, knowledge of the various preparations and products for medical treatment, and the safe transportation of medical marijuana or manufactured medical marijuana products to dispensary and delivery services. Her husband, Amit Schulman, was a former investigator and commander of a detective unit in the Israeli Defense Force Military Police, and has extensive experience in security related issues. He was responsible for enforcing mandatory protocols to maintain a high level of security of sensitive information, witnesses, various facilities, and during transportation, and was trained to diffuse dangerous persons or situations effectively and safely. His position also required him to ensure that all evidence was properly apprehended, tracked, reported and destroyed.

Another member of the team, Michael C. Sabatini, has lived on the North Shore of Oahu with his wife and two children for over thirty years, with a successful career as a sales representative in the medical industry. He currently works as a territory manager for Smith and Nephew Endoscopy. He was awarded the Smith and Nephew Rep of the Year – Western Region, for 2004, 2006 and 2008, and was also appointed as a member of the Stryker Instruments President's Advisory Council in 2000. He is responsible for establishing successful working relationships with key surgeons and hospital personnel, facilitating standardization of hospital equipment, managing accounts, distribution of medical equipment, and marketing a wide range

of surgical and hospital products. Mike Sabatini has extensive experience in the medical field and has held positions as a vascular ultrasound sonographer, and emergency medical technician and ward clerk. Mike Sabatini's professional experience has required him to possess knowledge in patient care, emergency situations and patient confidentiality. In 1991, Mike Sabatini also assisted in coordinating several state-wide athletic events for the State of Maryland Department of Health, in which he successfully garnered the support of many national athletic associations, political leaders and corporations throughout the state of Maryland.

Jamie Sabatini holds a Master of Science in School Counceling from the University of LaVerne and a Bachelor of Arts in Social Work from the California State University of Chico. Upon maintaining her Masters of Science degree, Jaime worked in Kahi Mohala, in Ewa Beach, Hawaii as a case manager and project manager. Her primary duties at Kahi Mohala included, developing departmental organization, developing and revising hospital and departmental policy and procedures, assessing performance improvement measures, facilitating and supervising therapeutic groups with patients, and maintaining patient confidentiality. Jamie also worked with the California Youth and Family programs in Chico, California as a therapeutic group home counselor. Jamie currently works independently as a booking agent and property manager. Her primary responsibilities include, developing and maintaining website listings of vacation rentals, managing reservations, billing, payments and budgets, managing property maintenance and cleaning, attending to all complaints and concerns, maintaining building compliance with state laws and maintaining accurate records.

The company has also arranged for contractural support to provide additional expertise in the agricultural and production aspects for the company. Tom Rubel possesses extensive experience in the production of cannabis from germination to packaging. Tom Rubel currently

works as a master grower of medical cannabis, for Groundswell, located in Denver, Colorado, a state that currently has one of the most stringent regulations on quality and product purity. His primary duties include: cloning, genetics and transplanting of marijuana plants, evaluation of mother plants during cultivation, overseeing the entire grow operation of approximately 1800 plants, ensuring microbial testing is in compliance to Colorado State law, and researching new products and strains. He also owns and manages a limousine service on Kapaa, Hawaii.

Although sale of medical marijuana products is a relatively new industry, the Company feels that it has the resources, knowledge, and expertise to create and develop a successful, effective and profitable business to address the needs of qualifying patients on the island of Oahu. The Company intends to operate responsibly while meeting the needs of the community, providing safe and comfortable access to quality marijuana based therapies.

Upon winning the license, Okai LLC (hereto, referred to as “the Company” or “the Dispensary”) intends to initially acquire two sites in the City and County of Honolulu for the Company's production center and the Company’s retail dispensing location. Both the production center and the retail dispensing location will be enclosed indoor facilities, and the Company will only consider locations or structures that are compliant with Hawaii State Law, pursuant to the Hawaii Administrative Rules, Chapter 11-850 and Chapter 329D, HRS, to operate as the Company's dispensary facilities. The Company will provide the Department with the address, tax map key number, and a copy of the dispensary premises' title or lease, if applicable, within thirty days prior to operating a production center, and within sixty days prior to operating a retail dispensing location. Dispensary locations will be no less than seven hundred and fifty feet from any youth-oriented facility, such as: schools, playgrounds, youth centers, and/or day care centers, will be wheel-chair accessible, will only be open Mondays through Saturdays between the hours of 8 AM to 8 PM Hawaiian-Aleutian Standard Time, and will be closed on Sundays, as well as, on official state and federal holidays.

After the production center has been established, or thirty days after receiving approval from the Department to operate, the Company will immediately begin recruiting the required staff necessary for a successful production and will implement state compliant security systems, such as alarm and video surveillance systems. During the acquisition and set up phase, the Company will be using the time to train employees on issue related to production, distribution, privacy, security, and workplace safety and regulations. When the Company has deemed the production center as safe and secure, the production team will initiate production of the initial growth and harvest. The Company will work directly with the subcontracted Cultivation Director to prepare an optimum atmosphere for production of medical marijuana. The Company

will ensure that all rooms for production are pest and disease free, airtight, and have achieved the ideal levels of humidity, temperature, and airflow, before allowing the Cultivation Director to begin germination of medical marijuana plants. When the seedlings have reached the vegetative phase, they will be transferred to a room where they will remain under T5 lights for twenty-four hours a day, for approximately two to three weeks, in order to allow for proper maturation into the flowering cycle. Once the marijuana plants have matured into the flowering cycle, they will be moved to the flowering chamber, where they will mature for approximately two more months, until harvest. It is during this phase that mother plants will be determined, and clones will be harvested and planted, in order to begin production cycles for maintaining a consistent supply of inventory. All medical marijuana from the Company's initial harvest will then be cured for approximately three to four weeks, before being manicured and packaged for sale or manufacturing.

While preparing the Company's initial production of medical marijuana, the Chief Operations Director will be responsible for ensuring that the retail dispensing location will be ready for operation at the conclusion of the grow. After receiving approval from the Department, the Chief Operations Director will begin preparing the retail dispensing location for day to day operations including, but not limited to: assembling staff for the Company's retail dispensing locations, implementation of the retail dispensing location's security alarm and video surveillance systems, implementation of the Company's tracking system software, conducting any renovations, purchasing equipment or furniture, designing, and cleaning of the retail dispensing facilities. Before commencing operations at the retail dispensing location, the Chief Operations Director will be responsible for ensuring all retail dispensing employees are properly trained to act within the state compliant guidelines set forth by the Hawaii Administrative Rules,

Chapter 11-580 and 329D, HRS, while conducting day to day duties, including, but not limited to: procedures for maintaining health, safety and sanitation standards, providing exceptional customer service, maintaining patient confidentiality, and displaying proven competence in adhering to security, inventory control and quality assurance protocols, pursuant to the Hawaii Administrative Rules, Chapter 11-850. Observation of the retail location's staff through closed circuit video monitoring will help assure that rules and regulations are followed.

The Company's main concern is meeting the needs of Hawaii's qualifying patients suffering from debilitating diseases treatable by medical marijuana, by providing quality medical marijuana treatment to qualifying patients and caregivers in a safe and secure environment, and therefore, develop and establish written policies and procedures to ensure that the needs of all qualifying patients are met, while still remaining state compliant. The Company will strictly enforce state compliant security measures to ensure access to the Dispensary's facilities, as well as, access to medical marijuana and manufactured medical marijuana products, is restricted only to authorized individuals, including qualifying patients and primary caregivers, and only during normal business hours.

All of the Company's staff members and employees will be required to succumb to a criminal background check, must be of twenty-one years of age or older, and must possess the necessary certifications, qualifications or experience required for the position by the Dispensary and pursuant to the Hawaii Administrative Rules, Chapter 11-850 and 329D HRS. All employees and staff members will be properly trained in the Company's standard operating procedures, including but not limited to: prohibiting the touching or handling of medical marijuana or manufactured medical marijuana by qualifying patients or primary caregivers prior to the conclusion of a sale, prohibiting the provision of a written certification for the medical use

of marijuana by any staff member or employee with financial interest in the Dispensary, maintaining the confidentiality of any personally identifying information or the medical condition of a qualifying patient, and prohibiting the transportation of medical marijuana or manufactured medical marijuana products to or from any other dispensary. All staff members and employees will be responsible for reporting the month, day, year and time of arrival and departure upon commencing and concluding a shift or any other time the employee must leave the Dispensary's premises for any reason. Upon commencing the shift, until the conclusion of the shift, all staff members and employees must bear an identification badge issued by the Dispensary that clearly displays the name of the employee and photograph, The Company will provide all the names of the employees to the Department, and will maintain records of the employee's training provided and hours worked, for up to six years after the departure or termination of an employee.

In order to reduce the risk of theft, loss and diversion, the Company intends to heavily restrict access to the Dispensary or to medical marijuana inventory, pursuant to the Hawaii Administrative Rules, Chapter 11-850-51 to 53 and 329D-7, HRS, and all medical marijuana or manufactured medical marijuana products at retail dispensing locations will be stored behind a counter or other barrier, so as to ensure that qualifying patients and caregivers do not have direct access to any medical marijuana or manufactured medical marijuana products prior to sale. The Company will not provide free samples of medical marijuana or manufactured medical marijuana product nor will it offer or dispense medical marijuana products which encourage smoking or inhalation such as pre-made or manufactured cigarettes, and it will not provide or sell any supplies or paraphernalia used to smoke or inhale the product. In addition, no medical marijuana or manufactured medical marijuana products will be visible from the outside of any

dispensary facility, and no signage bearing the name of the Dispensary will exceed 1,600 square inches.

The Company will strictly prohibit employees or staff members, as well as, qualifying patients or primary caregivers from engaging in any activity that encourages theft or diversion, pursuant to the Hawaii Administrative Rules, Chapter 11-850-42, or from using or consuming medical marijuana or manufactured medical marijuana products on the premises. No photography or video recording will be permitted inside any of the Company's dispensary facilities by anyone other than authorized officials specified in the Hawaii Administrative Rules, Chapter 11-850-40. All new qualifying patients or primary caregivers will be required to sign an affidavit acknowledging compliance to the aforementioned rules, before being permitted to conduct any transactions with the Dispensary.

The Dispensary will retain all records, pursuant to the Hawaii Administrative Rules, Chapter 11-850-41, for a minimum of six years, and will retain security footage for a minimum of one year. The Company will also submit quarterly reports to the Department, pursuant to the Hawaii Administrative Rules, Chapter 11-850-39. The Company will permit entry of officials during announced or unannounced inspections, pursuant to the Hawaii Administrative Rules, Chapter 11-850-101, and will act accordingly, based on the Department's findings.

The Company hopes to begin germination within 90 days of receiving the license, with the intent to initiate retail operations within 90-120 days thereafter.

Oka'i LLC ["the Company" or "the Dispensary] has [redacted]. In 1997, along with a third member, they started TriMed Inc., which has become a successful, privately held company that develops, manufactures, distributes, and sells orthopedic implants and instruments. In addition to sales and distribution in the US, TriMed Inc. also conducts business internationally, including sales in Canada, South America, Australia, New Zealand, Europe, South Africa and China. Although TriMed's initial office was in the carport of a house, the company has grown to sales of [redacted] with 50 full time employees and 70 independent sales organizations. David Medoff, who is the CEO of TriMed Inc., manages a network of employees and all day to day operations of TriMed, Inc.

In addition to co-founding and managing TriMed Inc., Robert Medoff, MD has been a well-established orthopedic surgeon on Oahu since 1986, and currently maintains an active orthopedic surgical practice and is president of Windward Orthopedic Group in Kailua. He is affiliated with the University of Hawaii as an Assistant Clinical Professor of Surgery, and has privileges at Queens, Tripler, and Shriners Hospitals where he teaches and supports medical care on an uncompensated basis, and is a prior president of the Hawaii Orthopaedic Association, which he teaches routinely on an international basis.

Robert, Fe and David Medoff currently hold a combined net [redacted] required by the State for a dispensary application, pursuant the Hawaii Administrative Rules, Chapter 11-850 and 329D HRS, and easily exceeding all State financial requirements. These resources are sufficient to support at least three years of operation, start-up costs, employee

salaries and additional fees required to establish a production center and retail dispensing location. It is the intent to run this company as a self-sustaining, profitable business.

A draft outline of the Company's financial plan is summarized and attached. Okai LLC has developed this financial model based on market analysis research and recommendations from current cannabis industry workers from the mainland, including, but not limited to: vendors, cultivators, distributors, dispensary or delivery service owners, and manufacturers, and therefore, may adjust the financial plan accordingly; as such, the financial plan is subject to modification as assessment of local conditions ensues.

[redacted]

Oka'i LLC (hereto, referred to as "the Company" or "the Dispensary") considers security a matter of utmost importance and aims to not only meet the requirements implemented by the Hawaii Administrative Rules, Chapter 11-850 and 329D, HRS, but to exceed expectations in order to provide a safe and secure environment for the community, qualifying patients and primary caregivers, and the Company's employees. The Company has taken careful and thorough consideration in developing a security plan with protocols that meet these expectations for all phases of production, retail and transportation, in order to reduce the risk of theft, diversion, loss, unauthorized entry, criminal activity, distribution to minors, and/or any other additional security risks.

The Company requires all staff to agree to a background check before hire, and to be properly trained in state compliant security measures of day to day operations, as well as, emergency or dangerous situations, before commencing work with the Company. All employees will be prohibited from selling, distributing, or providing medical marijuana or manufactured medical marijuana products outside the Dispensary's normal operations at its facilities or to an unauthorized individual. Employees will be prohibited from selling, providing, or distributing medical marijuana or manufactured medical marijuana products to a qualifying patient or primary caregiver in excess of state compliant purchasing limits of four ounces in any fifteen-day period or eight ounces in any thirty-day period, pursuant to the Hawaii Administrative Rules, Chapter 11-850 and 329D HRS. Both production and retail locations will be monitored by cameras for prohibited activity. Employees are prohibited from tampering with the Dispensary's records or security footage, providing free samples of medical marijuana or manufactured medical marijuana products to any individual, or removing medical marijuana or manufactured

medical marijuana products from the premises of the Dispensary without the proper authorization.

The company will hire dedicated security personnel for ensuring safety and compliance with regulations. In addition, an outside security firm will be used to ensure safety and compliance during times outside normal business hours, and with episodic audits during normal business hours.

Transport of medical marijuana or manufactured medical marijuana products will be accompanied by two of the Company's licensed employees or staff members, at least one of whom is a member of the security personnel, and all employees and staff member will be required to use routes that pose a lesser threat of theft or diversion. All transportation of medical marijuana or manufactured medical marijuana products will include a manifest, and authorized employees or staff members will not transport items that have not been included on the manifest, nor stop at a location not included on the manifest, pursuant to the Hawaii Administrative Rules, Chapter 11-850-36. Any discrepancies discovered between what is received and what is recorded on the manifest will be photographed and promptly be reported to the Department.

Medical marijuana and manufactured medical marijuana products will be transported in secure, sealed containers, packaged, secured, loaded, unloaded, and unpacked in well lit areas and in full view of video surveillance cameras. Products will be transported under conditions that maintain their quality and safety, and no medical marijuana or manufactured medical marijuana products will be delivered off-site to any individual, including qualifying patients or caregivers.

Facility entrances will be restricted, but comply with fire safety codes. Entry into all of the Company's dispensary facilities will be heavily monitored by trained security staff, and

unauthorized entry into the dispensary's facilities is strictly prohibited. Only individual licensees or registered employees, qualifying patients or caregivers, government officials or employees acting in the person's official capacity, and individuals who have been included on a current list approved by the Department for a specific purpose, will be allowed entry into the Dispensary's facilities. Authorized individuals wishing to enter the Dispensary's facilities will be required to present proof of identity, such as, a government issued photo identification card, along with any necessary credentials or documentation, and all qualifying patients or primary caregivers will be required to present a medical marijuana registration card, along with proof of identification, to the security officer before being permitted to enter the facility. All authorized visitors, including qualifying patients and primary caregivers, must sign in before entering any of the Company's dispensary facilities and must include the date and time of entry.

All qualifying patients and primary caregivers wishing to enter the Company's retail dispensing locations, will first enter into the retail dispensing location's waiting room, where a Dispensing Agent or Security Officer will verify the qualifying patient or primary caregiver's identity and authorization to enter the retail dispensing location. Only upon receiving verification, will a qualifying patient or primary caregiver be permitted to enter the retail dispensing location's secure room for sales. All staff will be trained to ensure that the ratio of qualifying patients and primary caregivers does not exceed the limit of two customers to one Retail Dispensing Agent, in the secure room for sales. Patients and primary caregivers entering the retail dispensing location will need to leave any bags or packages outside the facility.

Both retail locations and centers of production will be located no less than 750 feet from any youth-oriented facilities, and will be equipped with proper external lighting, fencing, reinforced entry points, commercial grade non-residential locks, and panic buttons. Properly

trained security officers will conduct periodic patrols of the dispensary facilities, including but not limited to: the outer perimeters and areas within the enclosure of the dispensary's production facilities, as well as, the perimeters of the retail dispensing location and any adjacent parking lots, in order to deter any potential intruders. All of the Company's production facilities will be enclosed by a ten to twelve-foot non-transparent wall fastened with barbed wire to deter intruders from entering, as well as, prevent anyone from outside the premises from viewing marijuana in any form, or any marijuana production occurring within the production facility. Only authorized individuals, such as staff, government officials, or individuals who have been approved by the Department, will be allowed to enter the production center. Entry into all Dispensary facilities will be screened by trained security officers, and all entry points leading into production centers, including windows, will remain locked at all times, as well as, at all retail dispensing locations, except during normal business hours.

The Company also intends to use a state of the art, state compliant and professionally installed electronic alarm system that will be activated twenty-four hours a day, seven days a week at both production and retail facilities. The Dispensary's alarm systems will be equipped with a back-up power source lasting for four hours, and will be connected to a security response organization or to law enforcement, in order to encourage immediate response in the event of suspicious or criminal activity. In addition, the Dispensary intends to use surveillance systems that provide continuous and uninterrupted video monitoring and recording of all dispensary facilities, twenty-four hours a day, seven days a week. All video surveillance systems and cameras will be state compliant, will have back-up capability, be internet protocol (IP) compatible, will be in high-resolution, and will clearly and accurately display the date and time. Video surveillance systems will be strategically placed throughout the interior and exterior of all

dispensary facilities to capture all activity occurring on the premises, including all perimeters and adjacent parking lots, and will be monitored by authorized staff or security officers during normal business hours. All of the Dispensary's facilities will visibly post the proper signage informing the public of the Dispensary's alarm and video surveillance systems.

All inventory and records, including the Dispensary's supply of medical marijuana or manufactured medical marijuana products will be secured in a locked room, vault or locked container which is securely fastened to a wall or floor, and only members of management, such as, owners, directors, or supervisors will be allowed to possess keys and access codes to rooms or areas containing sensitive information, as well as, to the Dispensary's facilities. Keys will only be allocated to other employees as deemed necessary, by a member of the Company's upper-management staff. All keys will be imprinted with “Do not duplicate” to deter unauthorized duplication of keys. All authorized employees and staff will be prohibited from sharing access codes, as well as, distributing or lending keys to unauthorized persons or personnel. Any areas or offices holding confidential or sensitive information will remain locked at all times, and only authorized staff members will be allowed entry. All other entry will be prohibited without authorization from the Company or upper-management.

The Company will take immediate action against any employee or staff member who breaches the security measures or protocol set in place by the Company.

Okai LLC (hereto also referred to as “the Company” or “the Dispensary”) is dedicated in providing a safe, secure and compassionate environment to deliver quality medical marijuana treatment and holistic care to Hawaii's qualifying patients. Therefore, the needs of the community and its qualifying patients are Okai LLC's first priority, and all of the dispensary's decisions have been tailored to fulfill this promise.

Upon winning the license, the Company will only consider retail dispensing locations that can be accessed easily from main roads, is within a reasonable distance from bus stations or other forms of public transportation, is wheel-chair accessible, and has access to sufficient parking spaces, in order to accommodate for the prospective amount of qualifying patients. The Company's employees will be properly trained in customer service and will be expected to address the needs of each qualifying patient or primary caregiver to the best of his or her ability. Moreover, the Company's staff will be trained to recognize potential risks and will be expected to enforce any necessary security measures to effectively handle emergency or dangerous situations that may arise, as well as, screen unauthorized individuals from entering the premises.

Okai LLC aims to provide a consistent supply of the best quality of medical marijuana to the community's qualifying patients in order to provide relief of symptoms resulting in debilitating diseases. However, the Company understands the diverse population it must serve, and therefore, strives to meet the needs of each and every qualifying patient, by aiming to provide an adequate selection of quality medical marijuana and manufactured marijuana products that caters to the needs of a diverse population of qualifying patients. The Company intends to carry a variety of strains, so as to target a wide range of symptoms resulting from debilitating diseases treatable by medical marijuana.

Upon commencing operations at all retail dispensing locations, the Company initially

intends to carry a sufficient selection of indica, sativa, hybrid, and CBD strains of medical marijuana intended for sale. Once the Company has procured an adequate amount of medical marijuana for manufacture, the Company will begin producing a selection of manufactured medical marijuana products, compliant with the State of Hawaii, pursuant to Chapter 329D-10, HRS, for alternative methods of consumption, such as, but not limited to: capsules and pills, lozenges, oils and oil extracts, tinctures, and topicals. The Company intends to offer an ample selection of manufactured medical marijuana products in strains such as indica, sativa, hybrid, CBD, and a one to one ratio of CBD and THC, in order to target a range of symptoms resulting from debilitating diseases, including: chronic pain, seizures, nausea, or anxiety caused by mental illness, such as, post traumatic stress disorder.

Upon winning the license, the Company intends to operate professionally-run, state compliant production centers to supply its retail dispensing locations with safe and clean medical marijuana and manufactured medical marijuana products. Therefore, the Company plans to work closely with a highly experienced cultivator, subcontracted to the Company as a Cultivation Director, to develop regular production schedules that maintain a consistent supply of medical marijuana and manufactured medical marijuana products. The Cultivation Director will be required to be knowledgeable in propagating a variety of strains, and will be expected to produce a variety of strains that cater to a diverse population of qualifying patients. The Company will consult with the Cultivation Director in order to determine a sufficient amount of marijuana plants needed to meet the demands of Hawaii's qualifying patients, including the number of plants needed to supply an ample selection of strains at retail dispensing locations. As the Dispensary continues operation, this number will be adjusted to accommodate for demand, based on the Company's market analysis, additional research and/or patient feedback. Once the

Company's production center has determined a reasonable amount of healthy and strong mother plants from its first germination, clones will be taken from the mother plants and used for propagation. Upon the conclusion of each harvest, the Company will determine an adequate amount of clones needed to continue production of medical marijuana, in order to maintain a consistent supply and variety of medical marijuana and manufactured medical marijuana products for sale at all retail dispensing locations. As operations continue and the demand for medical marijuana and manufactured medical marijuana products increases, the Company will continue to work with the Cultivation Director in adjusting germination and propagation schedules to meet the demand of medical marijuana or manufactured medical marijuana products.

Okai LLC is conscience of the sensitivity surrounding medical marijuana treatment, therefore, the Company will strive to maintain a compassionate environment where qualifying patients will feel accepted and comfortable in receiving assistance for their treatment with medical marijuana from the Company and its staff.

Upon registering with the dispensary, each qualifying patient and primary caregiver will receive pamphlets and brochures containing the dispensary's rules, along with any information regarding suggested treatment with medical marijuana, such as, strains targeted for certain symptoms of debilitating diseases treatable with medical marijuana and preferred methods of ingesting medical marijuana or manufactured medical marijuana products. The Company intends to employ a Director of Patient Consulting who is knowledgeable in medical marijuana and manufactured medical marijuana products available at the Dispensary, the differences and varieties of strains targeted in treating or alleviating specified symptoms of debilitating diseases treatable with medical marijuana, and preferred methods of ingesting medical marijuana or

manufactured medical marijuana products. The Company's Director of Patient Consulting will be required to receive a Dispensary Technician certificate, or equivalent, from a certified cannabis training institution such as, the Cannabis Training Institute, The Medical Marijuana Institute or an equivalent institution, and will be responsible for hiring, training and supervising the Dispensary's Patient Consultants for all retail dispensing locations. In addition, the Director of Patient Consulting will also be responsible for ensuring that all patient consultants are competent in assisting qualifying patients and primary caregivers. The Director of Patient Consulting will assess patient consultants' knowledge in medical marijuana and manufactured medical marijuana products available at the Company's retail dispensing locations, strains targeted in treating or alleviating symptoms resulting from debilitating diseases treatable with medical marijuana, and methods of ingesting medical marijuana or manufactured medical marijuana products. The Company's patient consultants will be responsible for conducting tours of the dispensary and providing information regarding medical marijuana treatment to qualifying patients or caregivers upon initial registration. At least one patient consultant will be present during the retail dispensing location's hours of operation, and will be available to assist qualifying patients or primary caregivers in need of assistance at all times. The Director of Patient Consulting will also be responsible for training all staff on medical marijuana and manufactured medical marijuana products offered at all retail dispensing locations, including but not limited to: strains, potency of strains, preferred methods of ingestion, and strains targeted for specific symptoms resulting from debilitating diseases. The Director of Patient Consulting will ensure that all staff is properly trained in assisting qualifying patients and primary caregivers in their selection and possess the necessary knowledgeable to assist qualifying patients and primary caregivers. The Director of Patient Consulting will also be expected to stay up to date with the

latest news and research regarding medical marijuana, strains and methods of ingesting medical marijuana or manufactured medical marijuana products.

The Company will strive to provide accessible marijuana-based treatment for all qualifying patients and will promote discounts and compassionate care programs for individuals facing financial struggle, and will consider individuals, such as, veterans or the elderly, eligible for such discounts and programs.

The Company also intends to remain open to patient feedback and suggestion, including: preferred strains or methods of ingestion of medical marijuana and manufactured medical marijuana products, dispensary operations, and/or any other additional concerns or feedback the qualifying patient or primary caregiver may have. Patient consultants will be trained in addressing and reporting any feedback from qualifying patients or primary caregivers directly to the Director of Patient Consulting. Those qualifying patients or primary caregivers who wish to remain anonymous in their feedback will be given the option of placing any written feedback or suggestions in an enclosed, locked suggestion box provided by the dispensary. All feedback and suggestions received from qualifying patients or primary caregivers will be evaluated and presented to the Executive Board of Officers by the Director of Patient Consulting for consideration. The Company promises to do all that it can to effectively and efficiently address patient feedback and concerns while still remaining state compliant pursuant to Hawaii Administrative Rules, Chapter 11-850 and Chapter 329D HSR, and while still meeting the needs of the dispensary to operate.

Okai LLC (hereto, referred to as “the Company” or the "the Dispensary") intends to employ professional, competent and experienced staff members or employees, who will be dedicated in maintaining the security, quality, and well-being of the Dispensary. The Company wishes to be an equal opportunity employer and will not discriminate on the basis of sex, religion, race, disability, sexual orientation, genetic information or age, however, the Company still wishes to ensure that all individuals seeking employment at the Dispensary provide proof of reputable and responsible character, as well as, the fitness to perform their required duties during day to day operations, before beginning employment with the Company. Hence, all prospective individuals seeking employment at the Dispensary facility, such as, subcontracted employees, staff members, security officers, transporters, cultivators, and employees, will be required to consent to a State compliant standard background security check, pursuant to the Hawaii Administrative Rules, Chapter 11-850 and 329D-7 and 12, HRS. All prospective employees who refuse to participate in a State compliant background check will not be allowed to seek employment with the Company. The Company will not consider for employment, any person who has been convicted of a felony, or any person that has been convicted of a charge that jeopardizes the safety, quality and well-being of the Dispensary. Furthermore, the Company possesses the right to refuse employment or entry to any person who has not successfully completed a criminal background check or to any person who possesses a record of criminal history.

Upon receiving employment, the Company will notify all prospective employees that a background check will be conducted and will obtain written and signed consent from the prospective employee to conduct the background check and/or to obtain fingerprints. In addition, the Company will require all prospective employees to submit a statement indicating any prior convictions the prospective employee has been charged with. All prospective employees will be required to submit fingerprints to the Department or

corresponding institution, and will be required to supply any additional personal information, such as: name of prospective employee, date of birth, height, weight, eye and hair color, gender, race and place of birth, at the request of the Dispensary, the Department or to any other corresponding institutions conducting the background check. The Company will supply the necessary fees for conducting the background check and will not disclose any information, such as, fingerprints or criminal history records to any unauthorized authority. The Company will keep all documents pertaining to a staff member or employee's background check for a minimum of six years after the conclusion or termination of employment with the Dispensary.

The Company intends to enforce an alcohol and drug free workplace, and prohibits any staff members or employees from consuming any alcohol, illicit drugs or medical marijuana and manufactured medical marijuana products during a shift, and will not tolerate any employee arriving to work too inebriated to effectively perform day to day duties. All staff members and employees will be subject to a random drug screen, at the discretion of the Dispensary. Although the Company will tolerate the presence of THC found in a drug screen belonging to any staff members or employees who possess a current and valid medical marijuana registration card, prescribed by a certified physician, the presence of any other illicit drug found in a drug screen will be cause for immediate termination.

Any officer, subcontracted employee, staff member or employee who is convicted of a felony or other charge that jeopardizes the security, quality or well-being of the Dispensary, the community, or qualifying patients and primary caregivers, is sufficient grounds for termination, and the charge must be reported to the Dispensary, no later than seven days after receiving the charge. The Dispensary will provide information of the charge to the necessary officials or to the Department, and will act accordingly.

Oka’i LLC (hereto also referred to as “the Company” or “the Dispensary”) understands the importance of implementing an efficient and secure inventory tracking system to reduce the risk of theft, loss or diversion of medical marijuana or manufactured medical marijuana products. It should be noted that two of its members, Robert and David Medoff, are familiar with methods and execution of inventory tracking to remain compliant with FDA and ISO standards, and Jessica Schulman is familiar with BioTrackTHC. The Company intends to implement BioTrackTHC's state compliant, secure seed-to-sale tracking software, or equivalent, to maintain electronic accounts of the Dispensary's inventory, pursuant to the Hawaii Administrative Rules, Chapter 11-850-38 and 329D, HRS, such as: records of entry and exit for all individuals who entered the Company's dispensary facilities, amounts by category of medical marijuana produced and manufactured medical marijuana products manufactured for sale, amounts by category of medical marijuana and manufactured medical marijuana products sold, a comprehensive list of all medical marijuana, manufactured medical marijuana products or unusable marijuana materials that have been destroyed or will be destroyed, financial statements and transaction records conducted between the dispensary and qualifying patients or caregivers, laboratory reports of all tests conducted, and any other vital or notable information, including but not limited to, a breach or halt in the Dispensary's security system or tracking system.

All records maintained on the Company's tracking software will be interfaced with the Department's software tracking system and will be designed to automatically capture and report all of the Dispensary's activities, transactions and inventory records during the processing, transportation and point-of-sale of all medical marijuana and manufactured medical marijuana and will be made available to the Department, twenty-four hours a day, seven days a week. In order to maintain a clear and unbroken chain of custody during all stages of processing, sale, or disposal and destruction of medical marijuana and manufactured medical marijuana products, the Company intends to develop and implement standard operating procedures for inventory control, which is compliant to Hawaii State Law.

The Company has identified and intends to employ a subcontracted and experienced cultivator who meets any requirements, qualifications or certifications imposed by the Dispensary or required by the State of Hawaii. The subcontracted cultivator will be appointed as the Company's Cultivation Director and must be experienced in standard operating procedures for inventory control during production, and knowledgeable in using the Company's tracking system, especially during germination or propagation of medical marijuana. The Company intends to work with the Cultivation Director to develop state compliant standard operating procedures for inventory control, in order to accurately and successfully track the Dispensary's inventory of medical marijuana or manufactured marijuana products during production, as required by the Department.

A unique identifier will be assigned to each seed/clone planted during stages of germination or propagation, for tracking data to include: the date the seed or clone was planted, the name of the production center, the strain of the seed or clone, and the name of the employee transcribing the report. After harvest, the Cultivation Director is responsible for documenting the

plant's yield of usable medical marijuana, and the date of harvest, into the tracking system. After curing, a second unique identifier will be assigned and entered into the software for each batch of medical marijuana harvested, in order to track the batch's date of packaging, net weight, strain, and name of employee transcribing the report.

The Company's tracking software will be used to assign each individual package of medical marijuana and manufactured medical marijuana product a computer tracking inventory identification number barcode. The Cultivation Director will ensure that any additional data pertaining to the individually packaged products, such as: name of employee transcribing the report, the net weight in ounces and grams of medical marijuana contained in the package, potency, number of doses per package, equivalent physical weight of medical marijuana that was used to produce the manufactured product, and strain, will be recorded into the tracking system.

The Company will also appoint a qualified, and knowledgeable Chief Operations Director that possesses extensive management and administrative experience, or equivalent credentials, who will be responsible for maintaining real-time accounts of the Dispensary's inventory of medical marijuana or manufactured medical marijuana product at all retail dispensing locations. The Company will develop standard operating procedures for inventory control which adhere to the guidelines set forth in the Hawaii Administrative Rules, Chapter 11-850 and 329D HRS, and the Chief Operations Director will be responsible for the effective and successful implementation of these standard operating procedures for tracking inventory during the transportation and point-of-sale of all medical marijuana or manufactured medical marijuana product.

All dispensary agents conducting the transportation of medical marijuana or manufactured medical marijuana products will be required to record the date of transportation,

the time of departure and/or arrival, the tracking identification issued by the system, identity of person(s) transporting medical marijuana or manufactured medical marijuana products, along with the make, model and license number of the vehicle being used for transport, into the Company's tracking system, before being allowed to transport or remove any medical marijuana or manufactured medical marijuana products from any of the Dispensary's premises. The corresponding dispensary agent must then produce two copies of a manifest, one to be attached to the exterior of the package and one to be enclosed inside the package, stating the contents of the package, including: the name of the production center supplying the delivery of medical marijuana for transport, the number of individually packaged units of medical marijuana, the net weight of medical marijuana or manufactured medical marijuana product being transported, the date and time of departure, the destination name and address for delivery of product, identity of the person(s) transporting the product, and tracking identification issued by the Company's tracking system.

Upon arrival to the Dispensary's retail dispensing location, the corresponding dispensary agent will be required to present a form of identification to the receiving retail dispensing agent to be confirmed with the information recorded on the manifest. The receiving retail dispensing agent will then confirm the contents of the package with what is listed on the manifest and will acquire the signature of the transportation agent, along with the date and time of receipt of medical marijuana or manufactured medical marijuana products. In order to successfully and accurately account for the retail dispensing location's inventory in real time, the retail dispensing agent will then record the receipt of each unit of medical marijuana and manufactured medical marijuana product received into the retail dispensing location's tracking system, by entering or scanning each unit's computer tracking inventory identification number barcode.

At each point-of-sale between the Dispensary and qualifying patient or primary caregiver, all retail dispensing agents conducting the sale will first enter the identity of the retail dispensing agent conducting the transaction, and will then scan the computer tracking inventory identification number barcode for each item being purchased. The tracking system will automatically record and provide real time data regarding the date and time of purchase, the retail dispensing location in which the purchase was made, the qualifying patient or primary caregiver receiving the purchase of medical marijuana or manufactured medical marijuana product, and the net weight in ounces and grams, the volume, or the equivalent physical weight of medical marijuana used to produce the manufactured medical marijuana products being purchased, and the price of the sale. The Company's tracking system will automatically notify the retail dispensing agent if a qualifying patient or primary caregiver's purchases have exceeded the allowed amount established by the Hawaii Administrative Rules, Chapter 11-850 and 329D, HRS, in order to, prohibit purchases of medical marijuana or manufactured medical marijuana products exceeding the limit of four ounces in any 15-day period or eight ounces in any 30-day period.

The Company intends to comply with all annual inspections, as well as any announced or unannounced audits, and will promptly submit quarterly reports to the Department, pursuant to Hawaii Administrative Rules, Chapter 11-850-38 and 329D-23, HRS. All data reflecting the Dispensary's inventory and activity will be transparent and will be made available to the Department at all times, or upon request. The Company will immediately address all discrepancies discovered in the tracking system and any unresolved discrepancies will be reported promptly to the Department or corresponding law enforcement agency, in a prompt and timely fashion.

The majority of Okai LLC's (hereto, referred to as “the Company” or “the Dispensary”) officers and shareholders either have experience maintaining patient confidentiality, and hold the necessary certifications to conduct operations that comply with the regulations set forth in the Health Insurance and Accountability Act (HIPAA). Therefore, the Company will operate in compliance with HIPAA regulations, and will establish the necessary policies, procedures and protocols to ensure that all corresponding owners, officers, subcontracted employees, staff members and employees will remain HIPAA compliant at all times and adhere to HIPAA privacy rules. Officers or employees may be required to obtain a HIPAA certification before commencing work, at the discretion of the Company.

No owner, officer, subcontracted employee, staff member, manager or employee will be allowed to disclose any information pertaining to a qualifying patient's identity or personal information, medical condition, health status, purchases of medical marijuana or manufactured medical marijuana products. The Company will also prohibit the improper use of confidential information for anything other than what it was intended, including the disclosure of any information from which a qualifying patient's identity or personal information, medical condition, health status or purchases of medical marijuana or manufactured medical marijuana products can be ascertained. Confidential information will only be disclosed to the proper authorities who present the proper authorization.

The Company will implement the necessary security measures to ensure the safety and confidentiality of all information concerning qualifying patients. Although the tracking system the Company wishes to use, BioTrackTHC, is implemented with software security, the Company will take extra precautions to further insure patient confidentiality. Unique user identification numbers and passwords will only be given to employees with access to qualifying patients'

confidential information, and the sharing of access codes, or permitting unauthorized access for someone other than whom the access code was intended, is strictly prohibited. All computers or other software containing a qualifying patient's confidential information will automatically “log-off” when left unattended for a reasonably specified amount of time, and the Company will implement security measures for the transmission of confidential information. The Company will review system activity regularly.

All confidential information in hard-copy form will be stored in a locked vault or file cabinet, and only authorized officers will be allowed access. All corresponding officers who have access to hard-copy files of confidential information, will be given a key that is marked with “Do not duplicate”. Officers holding keys will be prohibited from distributing, sharing or lending keys to unauthorized individuals, and all lost keys must be immediately reported to the Company. All areas, rooms or offices containing sensitive or confidential information will be locked at all times, will be well-lit and under video surveillance, twenty-four hours a day, seven days a week, and the Company will restrict access to any rooms or offices containing confidential information.

The Dispensary will strictly prohibit the use of cameras or video recorders in retail dispensing locations, unless at the discretion of the Company or by an authorized official, pursuant to the Hawaii Administrative Rules, Chapter 11-850-40, and no records containing confidential information will be removed from the premises without the proper authorization. All confidential information saved onto any computers or other forms of media, will be removed upon resale or disposal, and all confidential information will be disposed of in a manner that eliminates unauthorized access.

All staff members and employees will be required to sign an affidavit stating their

compliance with HIPAA regulations and the policies and procedures set forth by the Company regarding patient confidentiality. Any violation or breach of patient confidentiality, by a staff member or employee, will be reported immediately to the Company, and the violation or breach will be immediately addressed. The Company will take immediate action against any staff member or employee involved in a violation or breach of patient confidentiality, such as, but not limited to: suspension or termination, or reporting the offense to the appropriate institution, and will update any policies, procedures or protocols to maximize security concerning a qualifying patient's confidentiality.

Okai LLC (hereto, referred to as “the Company” or “the Dispensary”) upholds its standard of providing only the best medical marijuana treatment to Hawaii's qualifying patients, by ensuring that all medical marijuana and manufactured medical marijuana products offered by the Dispensary are safe for consumption by qualifying patients. Therefore, the Company will establish policies and procedures for State certified lab testing of medical marijuana and manufactured medical marijuana products, pursuant to the Hawaii Administrative Rules, Chapter 11-850 and 329D, HRS, to ensure the safety and the quality of the Dispensary's inventory, as well as, to ensure that all medical marijuana and manufactured marijuana products released for sale at the Company's retail dispensing locations are safe for consumption by qualifying patients. Any medical marijuana or manufactured medical marijuana product that does not meet State compliant standards will not be released for consumption.

The Dispensary will send samples of all batches of medical marijuana or manufactured medical marijuana products which are prepared for sale to a State certified laboratory that is accredited by an accreditation body whose standards are equivalent to the International Standards for Organization, and which is independent from the Dispensary or any of the Company's staff members or employees who have financial interest in the Company, to be tested for content, contamination and consistency. Upon preparing any medical marijuana or manufactured medical marijuana products for sale, the Dispensary will provide a statistically representative sample in a secure, tamper-proof container to a certified laboratory for testing, and will keep a similar sample from the same batch for verification testing in a secure, tamper-proof container, and will be stored in a secured and locked vault or container. All samples of medical marijuana or manufactured medical marijuana products that are reserved for verification testing, as well as samples that are prepared for transportation to a State certified laboratory, will be recorded in the

Company's tracking system, and will include information such as: the date, name of employee preparing the samples, batch number of products being sampled, quantities or net weight of samples, and the name of the State certified laboratory receiving the samples. Two copies of a manifest will be created based on the aforementioned information, one to be placed inside of the container, and the other, on the exterior of the container.

Upon completion of testing of medical marijuana or manufactured medical marijuana products, the State certified laboratory will produce a certificate of analysis for each batch tested that will include: the chemical profile of the sample, presence of contaminants, any visible foreign or extraneous matter, moisture content, microbiological impurities, or any other additional testing requested by the Department. The Dispensary may send additional samples to other State certified laboratories to complete testing that could not be performed at the original laboratory where the samples were sent. Any batch that exceeds State compliant standards, such as manufactured marijuana products containing contaminants that exceed State compliant standards, pursuant to the Hawaii Administrative Rules, Chapter 11-850-85, will not be released. All non-conforming batches of medical marijuana or manufactured medical marijuana products will be quarantined from the rest of the Dispensary's plants and inventory of medical marijuana or manufactured medical marijuana products, until testing or re-testing is complete or until the disposal of the non-conforming batch, or unless the Department allows the release of the batch into inventory, based on the certificate of analysis.

Any medical marijuana or manufactured medical marijuana samples that are returned to the Dispensary will be recorded in the Company's tracking system, before being disposed of or destroyed. Only medical marijuana or manufactured medical marijuana products that conform to State compliant standards will be deemed safe, and will be released into the Company's

inventory for sale. No batch of medical marijuana or manufactured medical marijuana products will be released into inventory before lab testing. Likewise, any non-conforming batches will not be released into the Company's inventory. All results from the lab test will be recorded into the Company's tracking system, along with the certificate of analysis, and will be maintained by the Company for a minimum of six years.

Okai LLC (hereto, referred to as “the Company” or “the Dispensary”) will package all medical marijuana and manufactured medical marijuana products for sale at the production center, before being distributed to retail dispensing locations. All packaging will be State compliant, according to the standards set forth in the Hawaii Administrative Rules, Chapter 11-850-92 and 329D-11, HRS, and the Company will establish written protocols for the proper and accurate packaging and labeling of all medical marijuana and manufactured medical marijuana products intended for sale to qualifying patients or primary caregivers. Furthermore, only packaging that protects medical marijuana or manufactured medical marijuana products from contamination, and does not impart any toxic or harmful substances to the products will be used.

The packaging room will be separate from all areas of production or manufacturing, and will be done in a manner that ensures the quality and safety of medical marijuana or manufactured medical marijuana products for consumption by qualifying patients. All medical marijuana will be packaged in individual units of increments of grams or ounces, and any manufactured medical marijuana products produced in individual doses or increments, such as pills or lozenges, will contain no more than ten milligrams of tetrahydracannabidol (THC) per dose, or individually wrapped package. Packages containing more than one dose of manufactured medical marijuana product, or containers of oils or oil concentrates, will not exceed a total of 100 milligrams of THC per package or container. Each strain of medical marijuana or manufactured medical marijuana product will be packaged separately, in order to avoid confusion or mis-labeling. Once packaged into units, each package will be issued a computer tracking inventory identification number barcode, which will be recorded into the Company's tracking system, along with any other relevant information, including, but not limited to: date of packaging, name of employee, batch number, weight, or potency.

Each unit of packaged medical marijuana or manufactured medical marijuana product will be appropriately and accurately labeled, pursuant to the Hawaii Administrative Rules, Chapter 11-850-92 and 320D-11, HRS, and must include: the contents of package, information about the contents of the package, such as the strain or whether the packaged product is indica, sativa or a hybrid of both indica and sativa, as well as, the net weight in ounces and grams or volume, or the net weight of medical marijuana used to produce the manufactured medical marijuana product. Labels will also display the Dispensary's name and license number, the name of the production center supplying the medical marijuana or manufactured medical marijuana product, a computer tracking inventory identification number barcode that has been generated by the Company's tracking system, instructions for use, date of manufacture or harvest along with the phrase "Use by date", batch number, and date of packaging. The label will also include information pertaining to the potency of the product, and will include, the concentration of THC, total THC, amounts of activated THC (THCa), and cannabidol. The label will also bear the phrases, "For medical use only" and "Not for resale or transfer to another person".

The Company will also print on the label, or provide on an insert, a disclosure of the type of extraction method, such as, any solvents, gases or other chemicals or compounds that were used in producing the manufactured medical marijuana product, the name of the State certified laboratory that performed the testing, as well as, the following warnings, pursuant to the Hawaii Administrative Rules, Chapter 11-850-92:

- "This product may be unlawful outside of the State of Hawaii and is unlawful to possess or use under federal law";
- "This product has intoxicating effects and may be habit forming";
- "Smoking is hazardous to your health";

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

All packaging will be opaque and child-resistant in accordance with Title 16 CFR 1700 of the Poison Prevention Packaging act, and no product will be labeled as “organic” without proper authorization from the United States Department of Agriculture or in accordance with the Organic Foods Production Act. No labels will display any pictures, illustrations or graphics, and lettering will be black on a white background.

After all medical marijuana or manufactured medical marijuana product is packaged and ready for sale, a count will be made of the packaged inventory. A corresponding manager or supervisor will inspect and confirm the count, and record this information into the tracking system, before two copies of a manifest can be generated. All packaged medical marijuana or manufactured medical marijuana products on the generated manifest will be packaged in a box sealed with tamper evident tape and stored in a secure and locked area until transportation to the retail dispensing location.

Any packages that are damaged or mislabeled will not be dispensed to qualifying patients or caregivers and all contents of medical marijuana or manufactured medical marijuana product will be destroyed.

Okai LLC (hereto, referred to as “the Company” or “the Dispensary”) intends to manage and dispose of, or destroy all waste rendered from marijuana or manufactured marijuana products, in a manner that is compliant with the Department and the Department of Public Safety Narcotics Enforcement, pursuant to the Hawaii Administrative Rules, Chapter 11-850 and 329D, HRS, as well as, in a manner that does not endanger the community, qualifying patients and primary caregivers, the environment, or the Company's staff members and employees. Therefore, the Company intends to establish and implement written policies and procedures for marijuana waste disposal and destruction, in order to: prevent unauthorized access to marijuana or manufactured marijuana products, ensure the safety of qualifying patients or primary caregivers, the community, the environment and of the Company's staff members and employees, as well as, to maintain adequate standards for quality assurance of the Company's medical marijuana and manufactured medical marijuana products. The Chief Operations Director will work directly with the Cultivation Director to ensure that all corresponding staff members and employees are properly trained and supervised during disposal or destruction of medical marijuana or manufactured medical marijuana products during all phases of production, manufacturing, and sales. In addition, the Chief Operations Director will also ensure proper implementation of the standard operating procedures for safe disposal of medical marijuana, set forth by the Company.

All of the Company's management staff will be expected to properly train all subcontracted employees, as well as, employees working in production, manufacturing or retail dispensing locations to immediately remove all non-hazardous or non-toxic waste, debris and litter from the premises where medical marijuana or manufactured medical marijuana products are produced, propagated, cultivated, fertilized, harvested, cured, manicured, packaged,

manufactured, stored or sold, so as to minimize the development of odors, eliminate the potential for waste to harbor pests or other harmful organisms, as well as, to safeguard the property, medical marijuana or manufactured medical marijuana products, contact surfaces and water supplies from contamination. All staff members and employees will be expected to maintain the premises in a clean and sanitary manner while conducting day to day activities, and the Company will provide a sufficient number of waste receptacles throughout all of the Dispensary's facilities.

The Company will ensure that all unused, unsold, contaminated or expired medical marijuana and manufactured medical marijuana products, as well as any plant waste rendered from harvest, manicuring or packaging will properly be disposed of according to State regulations outlined in the Hawaii Administrative Rules, Chapter 11-850-43 and 329D, HRS. All supervising management staff will be responsible for ensuring that all staff members and employees adhere to the standard operating procedures for medical marijuana waste disposal set forth by the Company. The Company will distribute an adequate number of separate waste receptacles throughout dispensary facilities, which will be properly labeled for hazardous materials. All hazardous materials or unusable or unwanted medical marijuana or manufactured medical marijuana products will be placed in the appropriate contains in order to maintain the quality and safety of the Dispensary's inventory and avoid cross contamination.

Marijuana or manufactured marijuana waste which has been accumulated at retail dispensing locations including but not limited to recalled or returned medical marijuana or manufactured medical marijuana products, improperly stored, unused, unwanted, or expired medical marijuana or manufactured medical marijuana products will be quarantined from the rest of the usable or consumable medical marijuana and manufactured medical marijuana inventory at the retail dispensing location. Likewise, marijuana or manufactured marijuana waste rendered

during all phases of production or manufacturing, will be quarantined from marijuana plants, contact surfaces, or all other areas containing medical marijuana plants or the Company's inventory of medical marijuana and manufactured medical marijuana products. All marijuana and manufactured marijuana waste pending disposal will be stored in a secured and locked room. When placing marijuana or manufactured marijuana waste into quarantine, all corresponding staff members and employees will be required to record the date, name of employee, items being quarantined, net weight of marijuana or manufactured marijuana waste, batch numbers or computer tracking inventory identification number barcode of each item being disposed of, the reason for disposal, and the qualifying patient or caregiver supplying the disposal, if applicable, into the Company's tracking system software.

When being transported from the Dispensary to a certified waste disposal facility, which has been licensed by the State for the safe disposal of marijuana or manufactured marijuana products, all marijuana or manufactured marijuana waste will be in unrecognizable and unusable form. In order to render plant waste and marijuana or manufactured marijuana waste as unrecognizable and unusable, the Company will grind or incorporate all marijuana and manufactured marijuana waste with non-consumable, solid waste such as: paper waste, plastic waste, cardboard waste, food waste, grease or other compostable oil waste, Bokashi or other compost activators or soil, so as to achieve a mixture consisting of at least fifty percent of non-marijuana waste. All disposal activities will be recorded in the Company's inventory tracking system, and will include information, such as: date, name of employee, reason for disposal, type and quantity of marijuana or manufactured marijuana product being disposed of, and manner of disposal. Any marijuana waste being transformed into compost with Bokashi or other compost activators, will be composted on-site, and will be stored in a locked and secure room.

All marijuana or manufactured marijuana waste being transferred off-site to a waste disposal facility approved and certified by the State for marijuana waste disposal and destruction, will be conducted by at least two of the Dispensary's employees. The name of the employees, date, and destination will be recorded into the Company's tracking system. The employees performing the transport will be prohibited from making any stops until reaching the destination, will not be permitted to take any alternate routes, and will only take routes that diminish the risk of theft or diversion. One employee will be required to stay with the vehicle at all times, or until all marijuana waste has been removed from the vehicle. No marijuana waste will be transported alongside any of the Company's medical marijuana or manufactured medical marijuana inventory, and any spillage or presence of pests left behind from the transport of marijuana waste, will be cleaned and sanitized prior to the transportation of any of the Company's medical marijuana or manufactured medical marijuana products.

Records concerning the disposal or destruction of marijuana or manufactured marijuana waste will be kept for a minimum of six years, and will be available to the Department at all times or available upon request. All activities regarding the disposal of marijuana or manufactured marijuana products will be performed in a well-lit room and in the presence of video surveillance, and the Company will ensure that no marijuana waste is disposed of in a waste receptacle that is not secure, nor owned by the Dispensary. Any unauthorized disposal of marijuana or marijuana plant matter and manufactured marijuana products will be reported directly to the Company's management staff, and the Company will address the issue accordingly.

Okai LLC (hereto, referred to as “the Company” or “the Dispensary”) is committed in providing Hawaii's qualifying patients only the best quality of medical marijuana and manufactured medical marijuana products, and therefore, will establish and maintain written policies and procedures concerning quality control for all stages of production, manufacturing and sales. The Company will only operate Dispensary facilities in a manner that complies with state and county health, safety, and sanitation regulations, and will ensure that all marijuana and manufactured medical marijuana products are safe for use or consumption by qualifying patients. Therefore, the Company will work with appointed and experienced officers in developing standard operating procedures for quality control during all stages of production, manufacturing, disposal or destruction, and transportation. The Company expects the appointed officers to successfully implement the Company's standard operating procedures for quality control, as well as, ensure that all staff members and employees adhere to these standard operating procedures, by monitoring all staff participating in any stage of production, manufacturing, transportation or sale of medical marijuana or manufactured medical marijuana products. All staff members and employees will be expected to be competent and knowledgeable in the safe and appropriate use of equipment and adequate protocols for laboratory testing, pursuant to the Hawaii Administrative Rules, Chapter 11-850. All staff members and employees will also be required to exhibit competency in the safe and appropriate storage, and disposal or destruction of medical marijuana and manufactured medical marijuana products during all phases of operation from production to sale.

The Company will only dispense medical marijuana in the form of dried, matured, processed flowers of female cannabis plants to qualifying patients, and will submit a report of all strains being used for production to the Department. The Company will not alter any medical

marijuana or manufactured medical marijuana products to change their appearance, smell or flavor in a way that appeals to minors. Before commencing any manufacturing operations, the Dispensary will maintain all necessary licenses and permits for the Department, pursuant to the Hawaii Administrative Rules, 11-850-73 and 329D-9, HRS, and will submit a report containing all strains of marijuana being used to produce manufactured medical marijuana products, the types of manufactured products the Dispensary intends to produce, and the manufacturing processes used in producing manufactured medical marijuana products. The Dispensary will only produce manufactured medical marijuana products approved by the Department, such as: capsules, lozenges, pills, oils and oil extracts, tinctures, and topicals, or other products which have been specified by the Department. All staff members or employees involved in the manufacturing of medical marijuana, will be expected to adhere to the standard operating procedures for quality control set forth by the Dispensary, and will be required to exhibit competence in the safe and appropriate use of manufacturing equipment, safe and appropriate storage of materials used to produce manufactured medical marijuana products, competence in the adequate protocols for laboratory testing of manufactured medical marijuana products pursuant to the Hawaii Administrative Rules, Chapter 11-850, and the safe and appropriate storage or disposal of manufactured medical marijuana products. The Company will calculate and record the equivalent physical weight of medical marijuana used in producing manufactured medical marijuana product, and will provide this information on the labels of individually packaged units of manufactured medical marijuana product, or to the Department and Consumers upon request.

All dispensary facilities will be designed in a manner to allow for adequate cleaning, and all buildings, fixtures and facilities will be maintained in sanitary condition and good-repair. All

cleaning stations will be well-lit, and the Company will also ensure that all rooms, areas or offices where medical marijuana or manufactured medical marijuana products are stored are provided with adequate lighting. All animals, other than service animals, will be prohibited from entering all of the Company's dispensary facilities and adequate screening along with other forms of protection, such as sticky pads, will be used against pests. Organic soil, fertilizers and pesticides will be used for production, in order to reduce risk of contamination of medical marijuana. All flammable or toxic compounds will be stored and clearly labeled in a manner that will not endanger staff members or employees, and that prevents contamination of medical marijuana or manufactured medical products. All litter and waste will be immediately removed from operating systems, or placed in the appropriate waste bins, and maintained in a manner that will not contaminate medical marijuana or manufactured medical marijuana products. Moreover, the Company will ensure that all litter and waste will be disposed of in a manner that eliminates the development of odors, or the potential for waste to attract or harbor pests.

Adequate and convenient hand washing stations, furnished with running water, will be installed to provide effective hand cleaning and sanitizing preparations and practices. Any person who is or appears to be suffering from an illness, or open lesions or other source for contamination, such as infections, boils or sores, will not be allowed to come in contact with any medical marijuana or manufactured medical marijuana products, until the condition is corrected. Staff members and employees working in direct contact with medical marijuana will be required to maintain adequate personal cleanliness and wash hands before commencing work, or when the hands have become contaminated or soiled, as well as, be required to handle any medical marijuana with gloves so as to further prevent any contamination.

All medical marijuana will be handled on stainless steel tables that will be cleaned upon

the commencement and conclusion of work, as well as routinely during day to day operations, and all medical marijuana or manufactured medical marijuana products will be measured on periodically calibrated scales. All mechanical, automatic or electronic equipment used during the production or manufacturing of medical marijuana or manufactured medical marijuana products will be routinely cleaned, maintained and calibrated, and the Company will maintain accurate logs of such activities. The Cultivation Director will be responsible for ensuring that all staff members and employees will record all phases of production into the tracking system, including: germination, propagation, cultivation, fertilization, harvesting, drying, curing and packaging, in order to maintain consistency and accuracy of day to day production operations. During production, the Cultivation Director will also be responsible for inspecting each marijuana plant to ensure proper growth and the absence of pests. If pests or other contaminating agents, such as mold or mildew, are found on a plant, it will be immediately quarantined from the rest of the plants, and all other plants will be promptly inspected for signs of contamination. The contaminated plant will remain in quarantine until it has been determined whether the plant may be returned or destroyed. All deviations from the standard will be recorded into the tracking system, during all levels of production, and any batches of medical marijuana or manufactured medical marijuana product that does not conform with State compliant standards will not be released, pursuant to the Hawaii Administrative Rules, 11-850-85. Batches which are deemed safe for use or consumption by qualifying patients will be issued an expiration date, before being be released. All medical marijuana and manufactured medical marijuana products that are outdated, damaged, deteriorated, misbranded, or adulterated will be segregated from all inventory until disposal or destruction, pursuant to the Hawaii Administrative Rules, Chapter 11-850-43.

Medical marijuana and manufactured medical marijuana products will be packaged into individual units at the production center, before being delivered to any retail dispensing locations. All qualifying patients and primary caregivers visiting a dispensary will be prohibited from handling any medical marijuana or manufactured medical marijuana prior to sale, and all medical marijuana or manufactured medical marijuana products will be transported and stored in a manner that does not diminish their quality or safety.

The Company will comply with all announced or unannounced inspections, and will permit entry to the Department for the purposes of the inspection, and will allow the Department access to all property, equipment, records, documents, as well as, any other substance, material or relevant information. The Dispensary will not refuse or interfere with announced and unannounced inspections, and will proceed accordingly, based on the Department's findings. The Company will immediately remedy or correct any violations or penalties, and will cease and desist from operations that are in violation of State law, pursuant in the Hawaii Administrative Rules, Chapter 11-850 and 329D, HRS, and pay any penalty resulting from a violation, as applicable.

The Company will also address any complaints made by qualifying patients or primary caregivers within three business days and will assess the complaint to evaluate if it is substantive or reports an adverse effect. If the complaint is substantive or reports an adverse effect, the Company will immediately determine the batch number or computer tracking inventory identification number barcode that corresponds to the complaint and will investigate the Company's records and logs to determine if the problem arose due to a deviation in standard operating procedures for quality control. The Company may also retain samples to be tested in a certified laboratory, and will issue recalls or returns at the discretion of the Company.

As discussed in previous questions, the members of Okai LLC have been involved with the creation, management, and operations of multiple business entities over the course of their careers. [redacted]