

Rick Scott Governor

John H. Armstrong, MD, FACS State Surgeon General & Secretary

Vision: To be the Healthiest State in the Nation

November 23rd, 2015

Knox Nursery, Inc.

Re: Low-THC Cannabis Dispensing Organization Application

Dear Applicant:

I am pleased to inform you that Knox Nursery, Inc.'s Application to become a Low-THC Cannabis Dispensing Organization for the Central region has been substantively reviewed, evaluated, and scored by a panel of evaluators according to the requirements of Section 381.986, Florida Statutes and Chapter 64-4, of the Florida Administrative Code. As your application received the highest score for the Central region, your application is granted. Knox Nursery, Inc. is approved as the dispensing organization for the Central region of Florida.

Knox Nursery, Inc. has 10 business days to post a \$5 million performance bond in accordance with Rule 64-4.002(5)(e), of the Florida Administrative Code. The original bond, payable to the Florida Department of Health, must be received by the Department no later than 5:00 PM EST on December 9th, 2015. If the performance bond is canceled and Knox Nursery, Inc. fails to file a new bond with the Department in the required amount on or before the effective date of cancellation, Knox Nursery, Inc.'s approval shall be revoked.

Knox Nursery, Inc. must notify the Department that it is prepared to be inspected and seek authorization to begin cultivation, processing, and dispensing. The following deadlines, as outlined in Rule 64-4.005, of the Florida Administrative Code, apply.

Cultivation

Knox Nursery, Inc. has 75 days from this approval to request Cultivation Authorization. No less than 30 calendar days prior to the initial cultivation of low-THC cannabis Knox Nursery, Inc. shall notify the Department that it is ready to begin cultivation, is in compliance with Section 381.986, F.S., and Chapter 64-4, of the Florida Administrative Code, and is seeking Cultivation Authorization. Failure to meet the deadline to seek Cultivation Authority may result in the revocation of the Department's approval. Please note, no low-THC cannabis plant source material may be present in any Dispensing Organization facility prior to Cultivation Authorization.

Florida Department of Health Office of Compassionate Use 4052 Bald Cypress Way, Bin #A-06 Tallahassee, FL 32399-3265 PHONE: 850/245-4444 • FAX 850/245-4748 www.FioridaHealth.gov TWITTER:HealthyFLA FACEBOOK:FLDepartmentofHealth YOUTUBE: fidoh FLICKR: HealthyFla PINTEREST: HealthyFla Knox Nursery, Inc. November 23rd, 2015

Processing

No less than 10 calendar days prior to the initial processing of low-THC cannabis, Knox Nursery, Inc. must notify the Department that it is ready to begin processing, is in compliance with Section 381.986, F.S., and Chapter 64-4, of the Florida Administrative Code, and is seeking Processing Authorization.

Dispensing

Knox Nursery, Inc. must begin dispensing derivative product within 210 calendar days of being granted cultivation authorization. No less than 10 calendar days prior to the initial dispensing of derivative product, Knox Nursery, Inc. must notify the Department that it is ready to begin dispensing, is in compliance with Section 381.986, F.S., and Chapter 64-4, of the Florida Administrative Code, and is seeking Dispensing Authorization. Failure to meet the deadline to begin dispensing may result in the revocation of the Department's approval.

Finally, submission of an application for Dispensing Organization approval constitutes permission for entry by the Department at any reasonable time, into any Dispensing Organization facility to inspect any portion of the facility; review the records required pursuant to Section 381.986, F.S., or Chapter 64-4, of the Florida Administrative Code; and identify samples of any low-THC cannabis or Derivative Product for laboratory analysis, the results of which shall be forwarded to the Department.

Once again, congratulations on receiving approval to become the Low-THC Dispensing Organization for Central region. Should you have any questions about this approval, please contact the Florida Department of Health, Office of Compassionate Use.

Sincerely,

Dr. Celeste Philip Deputy Secretary for Health

CB/cc Cc: Office of the General Counsel

NOTICE OF RIGHTS

This notice is agency action for purposes of section 120.569, Florida Statutes. A party whose substantial interest is affected by this action may petition for an administrative hearing pursuant to sections 120.569 and 120.57, Florida Statutes. A petition must be filed in writing and must be received by the Agency Clerk within twenty-one (21) days from receipt of this notice. The petition may be mailed to the Agency Clerk, Department of Health, 4052 Bald Cypress Way, BIN #A-02, Tallahassee, FL 32399-1703; hand delivered to the Agency Clerk, Department of Health, 2585 Merchants Row Blvd., Prather Building, Suite 110, Tallahassee, FL; or sent by facsimile to (850) 413-8743. Such petition must be filed in conformance with Florida Administrative Code Rules 28-106.201 or 28-106.301, as applicable.

Mediation is not available.

Failure to file a petition within 21 days shall constitute a waiver of the right to a hearing on this agency action.