

STATE OF FLORIDA
DEPARTMENT OF HEALTH

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DEPARTMENT OF HEALTH
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OFFICE OF THE CLERK

DEWAR NURSERIES, INC.,

Petitioner,

vs.

CASE NO. _____

FLORIDA DEPARTMENT OF HEALTH,

Respondent.

_____ /

PETITION FOR FORMAL ADMINISTRATIVE HEARING

Petitioner, Dewar Nurseries, Inc. ("Petitioner" or "Dewar") files this Petition for Formal Administrative Hearing pursuant to sections 120.569 and 120.57(1), Florida Statutes, and Chapter 28-106, Florida Administrative Code, and petitions Respondent, Florida Department of Health ("DOH") for an administrative hearing to challenge the following agency actions, and alleges:

PRELIMINARY STATEMENT

1. This Petition challenges DOH's proposed agency action to grant the application of Knox Nursery, Inc. ("Knox") to become the Low-THC Cannabis Dispensing Organization ("Dispensing Organization") for the Central Region of Florida. A copy of the agency's letter selecting Knox, dated November 23, 2015, is attached as Exhibit A.

2. Dewar filed an application to become the Low-THC Cannabis Dispensing Organization for the Central Region. A copy of the letter to Dewar denying its application because "it was not the highest scored applicant in the Central region," dated November 23, 2015, is attached as Exhibit B.

THE PARTIES

3. Petitioner, Dewar Nurseries, Inc. is a Florida corporation, authorized and licensed to do business in the State of Florida. Dewar's mailing and physical address is 625 W. Keene Road, Apopka, FL 32703. For the purpose of this proceeding, however, Dewar's address and telephone number is that of its undersigned counsel.

4. Respondent is the Florida Department of Health, Office of Compassionate Use ("DOH"), with its principal business address located at 4052 Bald Cypress Way, BIN #A-02, Tallahassee, Florida 32399. The Clerk of the Florida Department of Health is located at 2585 Merchants Row Boulevard, Tallahassee, Florida 32399.

PETITIONER'S SUBSTANTIAL INTERESTS/STANDING

5. Dewar's substantial interests are affected by the proposed agency action because Dewar is a responsive and responsible applicant and is entitled to be selected as the Low-THC Cannabis Dispensing Organization for the Central Region. Dewar has been registered as a nursery in Florida since 1964, and satisfies each of the requirements of Section 381.986(5)(b), Florida Statutes. Petitioner timely filed its application with DOH for the Central Region and should have been selected as the Dispensing Organization pursuant to the statutes and rules.

BACKGROUND

6. On June 17, 2015, pursuant to the rulemaking authority granted by Section 381.396, Florida Statutes ("Fla. Stat."), "Compassionate Use of Low-THC Cannabis," DOH promulgated a rule entitled "Compassionate Use," Chapter 64-4, Florida Administrative Code ("F.A.C.").

7. Section 381.396, Florida Statutes, charge DOH with authorizing the establishment of five dispensing organizations, one in each of the following regions: northwest Florida,

northeast Florida, central Florida, southeast Florida, and southwest Florida. It further authorizes DOH to develop an application form for approval as a Dispensing Organization able to demonstrate the following:

- a. The technical and technological ability to cultivate and produce low-THC cannabis. The applicant must possess a valid certification of registration from the Department of Agriculture and Consumer services that is issued for the cultivation of more than 400,000 plants, be operated by a nurseryman, and have been operated as a registered nursery in Florida for at least 30 continuous years.
- b. The ability to secure the premises, resources, and personnel necessary to operate a dispensary organization.
- c. The ability to maintain accountability of all raw materials, finished products, and any byproducts to prevent diversion or unlawful access to or possession of these substances.
- d. An infrastructure reasonably located to dispense low-THC cannabis for registered patients statewide or regionally as determined by DOH.
- e. The financial ability to maintain operations for the duration of the 2-year approved cycle, including the provision of certified financials to DOH. Upon approval, the applicant must post a \$5 million performance bond.
- f. That all owners and managers have been fingerprinted and have successfully passed a level 2 background screening.

g. The employment of a medical director who is a physician licensed under Ch. 458 or Ch. 459 to supervise the activities of the Dispensing Organization.

8. Chapter 64-4.002, F.A.C. outlines the criteria required to be addressed in Form DH8006-OCU-2/2015 “Application for Low-THC Cannabis Dispensing Organization Approval,” attached as Exhibit C.

9. Applicants desiring to be approved as a Dispensing Organization were to complete the above referenced application, include an application fee of \$60,063.00, and include a detailed explanation or written documentation showing how the applicant met the criteria listed in the application. Applicants were required to address each item listed in the application, including in some circumstances the name, position, and resume of the employee who provides the knowledge and experience explained for each item.

10. Chapter 64-4, F.A.C. provides that DOH will substantively review, evaluate, and score applications using Form DH8007-OCU-2/2015 “Scorecard for Low-THC Cannabis Dispensing Organization Selection,” attached as Exhibit D. The Rule requires DOH’s substantive review of applications to be conducted by (1) the Director of the Office of Compassionate Use, (2) a member of the Drug Policy Advisory Council appointed by the State Surgeon General, and (3) a Certified Public Accountant appointed by the State Surgeon General.

11. Each reviewer was to independently review each application and score the application using a scorecard developed by DOH. The scorecards were divided into five (5) major subject headings, and each major subject heading was assigned a “weight” for scoring purposes. Each major subject heading was divided into multiple subcategories, but no scoring guidance was provided for the subcategories. Reviewers were to combine the weighted scores

from each major category to generate an aggregate score for each application and the applicant with the highest aggregate score in each region would be selected as the region's Dispensing Organization.

12. Applications were due on July 8, 2015 at 5:00 p.m. and DOH received 28 applications, with 9 of them in the central Florida region. DOH ultimately considered 26 applications, with 7 of them in the Central Florida region: Deleon, Dewar, Knox, McCrory's, Redland, Spring Oak, and Treadwell.

13. Dewar's reply was timely submitted to DOH. Dewar's application is on file with DOH and on line, but is too voluminous to attach as an exhibit to this Petition.

14. DOH appointed an Evaluation Committee to score the replies. Upon information and belief, this scoring was then used by DOH to aggregate the scores and select a Dispensing Organization for each region.

15. The three individuals who served on the evaluation team were Ellyn Hutson, Christian Bax, and Patricia Nelson.

THE PROCESS USED TO SELECT THE DISPENSING ORGANIZATION IN THE CENTRAL FLORIDA REGION WAS FLAWED

16. During February 4-5, 2015, Negotiated Rulemaking Sessions were held by DOH pursuant to Section 120.54(2), Florida Statutes. Twelve people were selected by the DOH to participate on the Negotiated Rules Committee ("NRC"). Five of the twelve NRC members were growers selected to participate in the process and were present throughout the two days of meetings as the NRC debated and discussed the various aspects of the rule including the scorecards that would be used for the competitive selection process.

17. Four of these five growers on the NRC were later selected to be Dispensing Organizations: Knox Nurseries (Central), Costa Farms (Southeast), Chestnut Hill Nursery and

Orchards (Northeast), and Hackney Nursery Company (Northwest).

18. Also serving on the NRC was Jill Lamoureux of CannLabs, Inc. She was also included in Knox's application and played a significant role in the two days of discussion. At the time of her request to serve on the committee, her email to DOH states, "At this date, Jill does not have any clients seeking a license."

19. Additionally serving on the NRC and present throughout the two days of meetings was Patricia Nelson. She was one of the three people who later scored applications and helped select the Dispensing Organizations in the various regions.

20. Although individuals that serve on the NRC are traditionally "interested parties," the principles of fair competition and a level playing field require DOH to take reasonable efforts to ensure that the evaluation of these interested parties would be fair and unbiased. Having an evaluator on the committee that also served with these same interested parties as they debated the scorecards and other valuable information is not a reasonable action that supports a fair and unbiased review.

21. Upon information and belief, the NRC participants were able to gain an unfair advantage during the scoring and selection process, an advantage only given to those select few that were able to participate in the process as evidenced by the fact that four of the five growers who participated became the state's first approved Dispensing Organizations. A public records request for various documents has been submitted and Petitioner is awaiting its release. Review of this information may reflect additional information regarding unfair advantages received by members of the NRC. As such, Petitioner asks for leave to later amend this Petition after the documents are reviewed.

22. An additional irregularity in the proceedings is believed to have occurred during

the application process itself. Upon information and belief, after the applications were submitted in July, various individuals made public records requests to DOH for a copy of the applications DOH had received. It is believed that DOH officials provided un-redacted versions of one or more applications to several people, including attorneys who did not disclose the identity of their clients.

23. It is impossible to discern how and the extent to which this information spread after it was released by DOH. Subsequent to its release, many applicants were able to edit or supplement their applications after submittal due to various deficiencies. The public release of un-redacted applications creates an unfair advantage for any applicant who was able to view an un-redacted copy of a competitor's application containing trade secrets and proprietary information and then subsequently amended or supplemented its own application.

THE INTENDED DECISION TO AWARD THE DISPENSING ORGANIZATION DESIGNATION TO KNOX IS ARBITRARY AND CAPRICIOUS

24. The scorecards released by DOH contain no specific information on what each evaluator considered other than a simple number rank for each major subject heading considered. Some of the sub-categories contained individual elements of information for more than 20 items. The highest available score in any major subject heading was equal to the number of applicants in the region, and the lowest score in each major subject heading was one (1). For example, there were seven applicants in the Central Region, therefore the highest score for each major subject heading was seven (7). It is therefore unclear what specifically made one application superior to another within the Central region based on these various category subsets, and ultimately why the selected applicant was chosen.

25. The evaluators addressed fractional numbers in the scoring in an arbitrary and capricious manner. The major subject heading were provided mathematical weights in order to

give some major subject headings more influence on the application's final score. The weights provided for each major subject heading were 30% for cultivation, 30% for processing, 15% for dispensing, 5% for medical director, and 20% for financials. By weighting the scores from each major subject heading the actual scoring number is converted from a whole number (i.e. 1,2,3, etc) to a fractional number (2.1, 1.8, 1.5, etc.). It is unknown if evaluators "rounded" the fractional numbers to whole numbers, nor is it known how evaluators addressed when to "cut off" a fractional number.

26. The score given for each application's subcategories was derived in an arbitrary and capricious manner. Further, DOH has provided no documentation from the evaluators explaining how the subcategories were evaluated and scored. The subcategories called for industry information that could and should have been evaluated in a subjective manner.

27. In the first rule challenge decision (*Costa Farms, LCC v. DOH*, DOAH Case No. 14-4296RP), the Court held that the law required DOH to undertake a comparative qualitative review of each applicant. The second rule challenge final order (*Baywood Nurseries Co., Inc. v. DOH*, DOAH Case No. 15-1694RP) held that the current rule provided sufficient information for the applicant to understand the scoring framework for the application process. However, nothing in the second ruling determined that the information in the subset questions should not be evaluated or the scores for each component should not be provided. Further, applicants were advised by DOH to respond to each item even if the response was "no response." Consequently, the *Baywood* holding should not be interpreted to mean that evaluators did not have to score this information when they did their comparative and qualitative review of each application.

28. The apparent disparity between the scores given to various applications by the same evaluators leads to a conclusion that the scoring was subjective and arbitrarily assigned.

Evaluation sheets obtained from DOH demonstrate that the scores are so different that there was a lack of objectivity and unbiased review. For example, scores given by one evaluator for cultivation technical experience and cultivation accountability ranged from Dewar receiving the highest score possible from one evaluator, to the second lowest and fourth lowest from a different evaluator.

29. Also given the difference between the first and second place rankings in the Central region, it is critical to understand how each applicant scored in the subsets of the categories because less than four thousandths of one percentage point of difference exists between selection and denial. Knox scored first with 5.5458 versus McCrory's scored second at 5.5417.

30. Unfortunately, Petitioner cannot at this time state with any more particularity the facts surrounding this evaluation and scoring process because, although Dewar has made an extensive public records request, those documents have not yet been provided. Consequently, Petitioner requests leave to later amend if necessary once the documents have been received and reviewed.

DISPUTED ISSUES OF MATERIAL FACT

31. The disputed issues of material fact include:
- a. Whether, based on the issues raised above, the process used to select the dispensing organization in the Central Florida Region was flawed; and
 - b. Whether the intended award to Knox is clearly erroneous, or contrary to the governing statutes, rules, policies, or the specifications of the application.

ULTIMATE FACTS ALLEGED

32. The intended designation of Knox as the Dispensing Organization in the Central Florida Region is contrary to the rules, policies, or the specifications of the application, and is clearly erroneous, and arbitrary, or capricious.

33. The specific facts warranting reversal or modification of DOH's proposed award are the allegations set forth in paragraphs 16 through 30, above.

RULES AND STATUTES

34. The specific rules and statutes that require reversal or modification of the DOH's proposed agency action are sections 120.569, 120.57, 381.986, Florida Statutes, and chapters 64-4.001, 64-4.002, and 28-106, Florida Administrative Code.

RELIEF REQUESTED

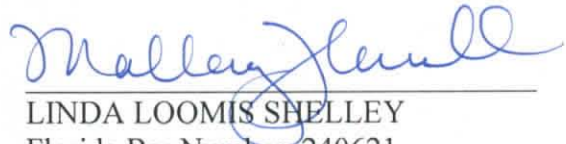
For the foregoing reasons, Petitioner requests:

- a. that DOH stay the designation of a Central Florida Region Dispensing Organization until this petition is resolved by final agency action;
- b. that DOH refer this matter to the Division of Administrative Hearings for a formal hearing to determine whether DOH's proposed award of the application at issue in this litigation is contrary to DOH's statutes, rules, policies or the specifications of the application; and is clearly erroneous, arbitrary, or capricious; and
- c. that the Division of Administrative Hearings enter a Recommended Order recommending that DOH grant Dewar's application to become the Low-THC Cannabis Dispensing Organization for the Central Region, or in the alternative, that all responses be rejected and that DOH conduct another application and evaluation process for the Central Florida region.

d. that such other relief as may be just and proper is granted.

DATED this 14th day of December, 2015.

Respectfully submitted,



LINDA LOOMIS SHELLEY

Florida Bar Number: 240621

MALLORY L. HARRELL

Florida Bar Number: 0533734

JOSHUA SMITH

Florida Bar Number: 955981

BUCHANAN INGERSOLL & ROONEY, PC

110 North Monroe Street, Suite 1090

Tallahassee, Florida 32301

Telephone: 850-681-0411

Facsimile: 850-681-6036

Mission:

To protect, promote & improve the health of all people in Florida through integrated state, county & community efforts.

**Rick Scott**

Governor

John H. Armstrong, MD, FACS

State Surgeon General & Secretary

Vision: To be the Healthiest State in the NationNovember 23rd, 2015

Knox Nursery, Inc.
940 Avalon Road
Winter Garden, FL 34787-9701

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.FloridaHealth.gov
TWITTER: HealthyFLA
FACEBOOK: FLDepartmentofHealth
YOUTUBE: fdoh
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,

A handwritten signature in blue ink, appearing to read "Dr. Celeste Philip", with a long horizontal line extending to the right.

Dr. Celeste Philip
Deputy Secretary for Health

CB/cc
Cc: Office of the General Counsel

Knox Nursery, Inc.
November 23rd, 2015

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.

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**Rick Scott**

Governor

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State Surgeon General & Secretary

Vision: To be the Healthiest State in the NationNovember 23rd, 2015

Dewar Nurseries, Inc.
625 W. Keene Road
Apopka, Florida 32703

Re: Low-THC Cannabis Dispensing Organization Application

Dear Applicant:

Dewar Nurseries, 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 Dewar Nurseries, Inc. was not the highest scored applicant in the Central region, your application for the Central region is denied.

Sincerely,

Dr. Celeste Philip
Deputy Secretary for Health

CB/cc

Cc: Office of the General Counsel

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

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Dewar Nurseries, Inc.
November 23rd, 2015

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



STATE OF FLORIDA
DEPARTMENT OF HEALTH

Application for Low-THC Cannabis Dispensing Organization Approval

This Application for Low-THC Cannabis Dispensing Organization Approval (Application) is designed to allow the Florida Department of Health, Office of Compassionate Use (OCU) to fulfill its statutory duty to select the five Dispensing Organizations meeting the requirements of section 381.986(5)(b), F.S. (Statute), best able to further the statutory objective of ensuring accessibility and availability of Low-THC cannabis to patients. This has been further clarified to mean that OCU must choose the most dependable, most qualified dispensing organizations that can consistently deliver high-quality Derivative Products. It is important for each Applicant to remember that the Applicant is competing with other Applicants, not with any mandatory minimum criteria set by the OCU. The criteria used to determine which Applicants are selected are drawn directly from the Statute. The items requested in Rule 64-4.002, F.A.C., Initial Application Requirements for Dispensing Organizations (Rule) and this Application are designed to guide OCU in its determination of the most qualified Applicants that can ensure accessibility and availability of Derivative Products by dependably and consistently delivering high-quality Derivative Products.

This Application is divided into four parts:

- I. Part I requires the Applicant to provide basic information about the Applicant and Application.
- II. Part II requires the Applicant to document its compliance with requirements mandated by the Statute.
- III. Part III requires the Applicant to provide the OCU with all items listed in the Rule. Part III is organized differently than the Rule because it is organized based on the scoring system OCU will use to evaluate Applications. Each individual item listed in the Rule and the Application is not mandatory but is designed to elicit information from the Applicant that will assist the OCU in making its selection. Part III is organized as follows:

A. Cultivation (30%)

1. Technical Ability (4.002(2)(a)) [25%]
2. Infrastructure (4.002(2)(e)) [25%]
3. Premises Resources Personnel (4.002(2)(c)) [25%]
4. Accountability (4.002(2)(d)) [25%]

B. Processing (30%)

1. Technical Ability (4.002(2)(a)) [25%]
2. Infrastructure (4.002(2)(e)) [25%]
3. Premises Resources Personnel (4.002(2)(c)) [25%]
4. Accountability (4.002(2)(d)) [25%]



C. Dispensing (15%)

1. Technical Ability (4.002(2)(a)) [25%]
2. Infrastructure (4.002(2)(e)) [25%]
3. Premises Resources Personnel (4.002(2)(c)) [25%]
4. Accountability (4.002(2)(d)) [25%]

D. Medical Director (5%)

E. Financials (20%)

IV. Part IV explains how to submit an application, including the application fee.

For OCU review purposes, please be sure to organize the Application so that each document submitted with the Application is labeled accurately with the Part number and sub-Part number of the Application to which it corresponds. The better organized the Application is, the easier it will be to evaluate.

Part I

Application Type: ☐ Initial Application ☐ Renewal Application

Dispensing Region: ☐ Northwest ☐ Northeast ☐ Central ☐ Southwest ☐ Southeast

Nursery:

Name: _____
(Unless an individual, the organization name must be registered with the Department of State)

DACS Certificate Address: _____
Street Address City Zip Code

Mailing Address (if different): _____
P.O. Box or Street Address City Zip Code

Phone Number: _____ E-mail Address: _____

Nurseryman:

Operating Nurseryman: _____

Mailing Address: _____
P.O. Box or Street Address City Zip Code

Phone Number: _____ E-mail Address: _____

Medical Director:

Name: _____

Mailing Address: _____
P.O. Box or Street Address City Zip Code

Phone Number: _____ E-mail Address: _____

Part II

The following information must be submitted and is required by the Statute. A failure to submit the information required by Part II will result in the application being denied prior to any scoring as contemplated in rule 64-4.002(5), F.A.C.

- A. Please submit documentation sufficient to establish the Applicant meets the requirements of Section 381.986(5)(b)1., F.S., specifically:
 - 1. Certification by the Florida Department of Agriculture and Consumer Services for the cultivation of more than 400,000 plants; and
 - 2. Operation as a nursery in this state for at least 30 continuous years.
- B. Please submit documentation sufficient to establish that all owners and managers of the Applicant (and proposed Dispensing Organization) have been fingerprinted and have successfully passed a level 2 background screening pursuant to section 435.04, F.S.
 - 1. As stated in rule 64-4.002(2)(g), F.A.C., this requirement can be satisfied by each owner or manager presenting to FDLE or one of its approved vendors for fingerprinting. At that time, give the entity ORI number FL924890Z (DOH – OFFICE OF COMPASSIONATE USE) to FDLE or its approved vendor. The report will be sent directly to the Office of Compassionate Use.
 - 2. Please submit a list of all owners and managers indicating the date of each individual's most recent level-2 background screening described above.

Part III

Please attach the documentation that provides the information listed in Rule 64-4.002 including (when appropriate) the name, position, and resume' of the employee(s) who provides the knowledge or experience explained for each item shown below:

A. Cultivation (30%)

- 1. Technical Ability (4.002(2)(a)) [25%]
 - a. Experience cultivating cannabis;
 - b. Experience cultivating in Florida plants not native to Florida;
 - c. Experience introducing new varieties of plants;
 - d. Regional cultivation knowledge and experience;
 - e. Experience cultivating plants for human consumption such as food or medicine products;
 - f. Experience with in-house propagation;
 - g. Experience with genetic modification or breeding;
 - h. Experience using clean growing rooms;
 - i. Knowledge of cannabis cultivation, including:
 - i. Proper cultivation conditions and techniques;

- ii. Additives that can be used when growing cannabis;
 - iii. Pests, disease and deficiencies common for cannabis;
 - iv. Production of high quality product in a short time;
 - j. Experience with tracking each plant in a harvest;
 - k. Experience with good agricultural practices;
 - l. Experience with good handling practices;
 - m. Experience with recalls; and
 - n. Any awards, recognition or certifications received for relevant expertise.
2. Infrastructure (4.002(2)(e)) [25%]
- a. Vehicles that will be used to transport product among cultivating, processing, and dispensing facilities;
 - b. Communication systems; and
 - c. Methods of mitigating odors if applicable.
3. Premises, Resources, Personnel (4.002(2)(c)) [25%]
- a. Location of all properties Applicant proposes to utilize to cultivate low-THC cannabis, including ownership information for the properties and any lease terms if applicable:
 - i. For any property that is leased by the Applicant, include documentation that the property owner consents to the use of the property for the purposes of cultivation of low-THC cannabis and documentation that the mortgagor or lienholder has been given notice of the use of the property for the purpose of cultivation of low-THC cannabis; and
 - ii. For any property owned by the Applicant but subject to a mortgage or lien, include documentation that the mortgagor or lienholder has been notified of the use of the property for the purpose of cultivation of low-THC cannabis.
 - b. Compliance with local regulations regarding sanitation and waste disposal;
 - c. The ability to obtain zoning approval;
 - d. Sketch or other illustration approximating the property boundaries, land topography, vegetation, proposed and/or existing structures, easements, wells, and roadways for each cultivation property proposed;
 - e. Description of the areas proposed for the cultivation of low-THC cannabis, including the following:
 - i. Capacity, in square feet of growing area;
 - ii. Cultivation environment, e.g., greenhouse, clean room, aseptic, et cetera;
 - iii. Irrigation system(s); and
 - iv. Environmental control system(s).
 - f. A description of the ability or plan to expand any of the areas proposed for cultivating low-THC cannabis;
 - g. Back-up systems for all cultivation systems;
 - h. A description of one or more strains of low-THC cannabis the applicant intends to cultivate;
 - i. Access to water resources that allow for sufficient irrigation;
 - j. A list of current and proposed staffing for cultivation, including:
 - i. Position, duties and responsibilities;
 - ii. Resume; and

- iii. Professional licensure disciplinary action in all jurisdictions.
 - k. An organizational chart illustrating the supervisory structure of the cultivation function of the proposed Dispensing Organization;
 - l. Plans and procedures for loss of key personnel;
 - m. Plans and procedures for complying with OSHA regulations for workplace safety.
4. Accountability (4.002(2)(d)) [25%]
- a. Floor plan of each cultivation facility or proposed floor plans for proposed cultivation facilities, including the following:
 - i. Locking options for each means of ingress and egress;
 - ii. Alarm systems;
 - iii. Video surveillance;
 - iv. Name and function of each room; and
 - v. Layout and dimensions of each room.
 - b. Storage, including the following:
 - i. Safes;
 - ii. Vaults; and
 - iii. Climate control.
 - c. Diversion and trafficking prevention procedures;
 - d. A facility emergency management plan;
 - e. System for tracking low-THC source plant material throughout cultivation;
 - f. Inventory control system for low-THC cannabis;
 - g. Policies and procedures for recordkeeping;
 - h. Methods of screening and monitoring employees;
 - i. Personnel qualifications and experience with chain of custody or other tracking mechanisms;
 - j. Personnel reserved solely for inventory control purposes;
 - k. Personnel reserved solely for security purposes;
 - l. Waste disposal plan; and
 - m. Access to specialized resources or expertise regarding data collection, security, and tracking.

B. Processing (30%)

- 1. Technical Ability (4.002(2)(a)) [25%]
 - a. Experience with good manufacturing practices;
 - b. Experience with analytical, organic chemistry, and micro-biology;
 - c. Experience with analytical laboratory methods;
 - d. Experience with analytical laboratory quality control, including maintaining a chain of custody;
 - e. Knowledge of, and experience with, cannabis extraction techniques;
 - f. Knowledge of cannabis routes of administration;
 - g. Experience with recalls;
 - h. Knowledge of, and experience with, producing cannabis products; and
 - i. Any awards, recognition or certifications received for relevant expertise.
- 2. Infrastructure (4.002(2)(e)) [25%]
 - a. Vehicles that will be used to transport product among cultivating, processing, and dispensing facilities;
 - b. Communication systems; and

- c. Methods of mitigating odors if applicable.
- 3. Premises, Resources, Personnel (4.002(2)(c)) [25%]
 - a. Location of all properties Applicant proposes to utilize to process low-THC cannabis and Derivative Products, including ownership information for the properties and any lease terms if applicable:
 - i. For any property that is leased by the Applicant, include documentation that the property owner consents to the use of the property for the purposes of processing of low-THC cannabis and Derivative Products and documentation that the mortgagor or lienholder has been given notice of the use of the property for the purposes of processing of low-THC cannabis and Derivative Products; and
 - ii. For any property owned by the Applicant but subject to a mortgage or lien, include documentation that the mortgagor or lienholder has been notified of the use of the property for the purposes of processing of low-THC cannabis and Derivative Products.
 - b. Compliance with local regulations regarding sanitation and waste disposal;
 - c. The ability to obtain zoning approval;
 - d. Sketch or other illustration approximating the property boundaries, land topography, vegetation, proposed and/or existing structures, easements, wells, and roadways for each processing property proposed;
 - e. A description of the ability or plan to expand any of the areas proposed for processing low-THC cannabis;
 - f. Back-up systems for all processing systems;
 - g. Description of the areas proposed for the processing of Derivative Products, including the following:
 - i. Extraction equipment and location;
 - ii. Concentration equipment and location;
 - iii. Access to sufficient potable water and hot water;
 - iv. Analytical equipment, including separators and detectors, and location;
 - v. Safety equipment and facilities and location;
 - vi. Computer systems and software; and
 - vii. Ventilation and exhaust system.
 - h. A list of current and proposed staffing, including:
 - i. Position, duties and responsibilities;
 - ii. Resume; and
 - iii. Professional licensure disciplinary action in all jurisdictions.
 - i. An organizational chart illustrating the supervisory structure of the processing function of the proposed Dispensing Organization;
 - j. Plans and procedures for loss of key personnel;
 - k. Plans and procedures for complying with OSHA regulations for workplace safety; and
 - l. Relationship(s) with an independent laboratory(ies) with cannabis testing protocols and methods.
- 4. Accountability (4.002(2)(d)) [25%]
 - a. Floor plan of each facility or proposed floor plans for proposed processing facilities, including the following:

- i. Locking options for each means of ingress and egress;
 - ii. Alarm systems;
 - iii. Video surveillance;
 - iv. Name and function of each room
 - v. Layout and dimensions of each room.
- b. Storage, including the following:
 - i. Safes;
 - ii. Vaults; and
 - iii. Climate control.
- c. Diversion and trafficking prevention procedures for the processing facilities;
- d. A facility emergency management plan for the processing facilities;
- e. System for tracking low-THC source plant material throughout processing;
- f. Inventory control system for low-THC cannabis and Derivative Products;
- g. Policies and procedures for recordkeeping;
- h. Vehicle tracking systems;
- i. Vehicle security systems;
- j. Methods of screening and monitoring employees;
- k. Personnel qualifications and experience with chain of custody or other tracking mechanisms;
- l. Personnel reserved solely for inventory control purposes;
- m. Personnel reserved solely for security purposes;
- n. Waste disposal plan; and
- o. Access to specialized resources or expertise regarding data collection, security, and tracking.

C. Dispensing (15%)

1. Technical Ability (4.002(2)(a)) [25%]

- a. Experience interacting with patients;
- b. Experience with handling confidential information;
- c. A marketing plan;
- d. Experience gathering and managing data, i.e. data on patient reactions to products dispensed;
- e. Experience with recalls;
- f. Knowledge of cannabis routes of administration;
- g. Training programs for employees addressing:
 - i. The Health Insurance Portability and Accountability Act (HIPAA);
 - ii. Patient education;
 - iii. Compliance;
 - iv. Patient counseling; and
 - v. Data collection.
- h. Any awards, recognition or certifications received for relevant expertise.

2. Infrastructure (4.002(2)(e)) [25%]

- a. A map showing the location of the applicant's proposed dispensing facilities;
- b. A sketch or other illustration of the actual or proposed dispensing locations showing streets; property lines; buildings; parking areas; outdoor areas, if applicable; fences; security features; fire hydrants, if applicable; and access to water and sanitation systems;
- c. A floor plan of the actual or proposed building or buildings where dispensing

activities will occur showing:

- i. Areas designed to protect patient privacy; and
 - ii. Areas designed for retail sales.
 - d. A HIPAA compliant computer network utilized by all facilities;
 - e. Vehicles that will be used to transport product among cultivating, processing, and dispensing facilities;
 - f. Communication systems;
 - g. Hours of operation of each dispensing facility; and
 - h. Methods of mitigating odors if applicable.
3. Premises, Resources, Personnel (4.002(2)(c)) [25%]
- a. Location of all properties Applicant proposes to utilize to dispense Derivative Products, including ownership information for the properties and any lease terms if applicable:
 - i. For any property that is leased by the Applicant, include documentation that the property owner consents to the use of the property for the purposes of dispensing of Derivative Products and documentation that the mortgagor or lienholder has been given notice of the use of the property for the purposes of dispensing of Derivative Products; and
 - ii. For any property owned by the Applicant but subject to a mortgage or lien, include documentation that the mortgagor or lienholder has been notified of the use of the property for the purposes of dispensing of Derivative Products.
 - b. Compliance with local regulations regarding sanitation and waste disposal;
 - c. The ability to obtain zoning approval;
 - d. Sketch or other illustration approximating the dispensing property boundaries, land topography, vegetation, proposed and/or existing structures, easements, wells, and roadways for each property proposed;
 - e. A description of the ability or plan to expand any of the areas proposed for dispensing Derivative Products;
 - f. Description of the methods proposed for the dispensing of Derivative Products, including the following:
 - i. Accessibility of dispensing facilities, e.g., centrally located to several populated areas, located on a main roadway, not in a high crime area, et cetera;
 - ii. Proximity of dispensing facilities to patient populations; and
 - iii. Alternative dispensing, e.g. delivery.
 - g. A list of current and proposed dispensing staffing, including:
 - i. Position, duties and responsibilities;
 - ii. Resume; and
 - iii. Professional licensure disciplinary action in all jurisdictions.
 - h. An organizational chart illustrating the supervisory structure of the dispensing function of the proposed Dispensing Organization;
 - i. Plans and procedures for loss of key personnel; and
 - j. Plans and procedures for complying with OSHA regulations for workplace safety.
4. Accountability (4.002(2)(d)) [25%]
- a. Floor plan of each facility or proposed floor plans for proposed dispensing

- facilities, including the following:
- i. Locking options for each means of ingress and egress;
 - ii. Alarm systems;
 - iii. Video surveillance;
 - iv. Name and function of each room; and
 - v. Layout and dimensions of each room.
- b. Storage, including the following:
- i. Safes;
 - ii. Vaults; and
 - iii. Climate control.
- c. Diversion and trafficking prevention procedures for the dispensing facilities;
- d. A facility emergency management plan for the dispensing facilities;
- e. System for tracking Derivative Products throughout dispensing;
- f. Inventory control system for Derivative Products;
- g. Policies and procedures for recordkeeping;
- h. Vehicle tracking systems;
- i. Vehicle security systems;
- j. Methods of screening and monitoring employees;
- k. Personnel qualifications and experience with chain of custody or other tracking mechanisms;
- l. Personnel reserved solely for inventory control purposes;
- m. Personnel reserved solely for security purposes;
- n. Plans for the recall of any Derivative Products that have a reasonable probability of causing adverse health consequences based on a testing result, bad patient reaction, or other reason; and
- o. Access to specialized resources or expertise regarding data collection, security, and tracking.

D. Medical Director (5%)

- a. Specialty area, if any;
- b. Experience with epileptic patients;
- c. Experience with cancer patients;
- d. Experience with patients with severe seizures or muscle spasms;
- e. Knowledge of the use of low-THC cannabis for treatment of cancer or physical medical conditions that chronically produce symptoms of seizures or severe and persistent muscle spasms;
- f. Knowledge of good manufacturing practices;
- g. Knowledge of analytical and organic chemistry;
- h. Knowledge of analytical laboratory methods;
- i. Knowledge of analytical laboratory quality control, including maintaining a chain of custody;
- j. Knowledge of, and experience with, CBD/low-THC extraction techniques;
- k. Knowledge of CBD/low-THC routes of administration;
- l. Experience in or knowledge of clinical trials or observational studies;
- m. Knowledge of, and experience with, producing CBD/low-THC products;
- n. Experience with or knowledge of botanical medicines;
- o. Experience with dispensing medications;
- p. Description of how the medical director will supervise the activities of the

- Dispensing Organization; and
- q. Description of how the Dispensing Organization will ensure it has a medical director at all times.

E. Financials (20%)

- a. Certified Financials issued within the immediately preceding 12 months;
- b. Applicant's corporate structure;
- c. All owners of the Applicant;
- d. All individuals and entities that can exercise control of the Applicant;
- e. All individuals and entities that share in the profits and losses of the Applicant;
- f. All subsidiaries of the Applicant;
- g. Any other individuals or entities for which the Applicant is financially responsible;
- h. Assets of the Applicant and Applicant's subsidiaries;
- i. Liabilities of the Applicant and Applicant's subsidiaries;
- j. Any pending lawsuits to which the Applicant is a party;
- k. Any lawsuits within the past 7 years to which the Applicant was a party;
- l. All financial obligations of Applicant that are not listed as a "liability" in the Certified Financials;
- m. A projected two year budget for the Dispensing Organization; and
- n. Specific reference to sufficient assets available to support the Dispensing Organization activities.

Part IV

The completed Application must be delivered to the Agency Clerk of the Department of Health physically located at 2585 Merchants Row Boulevard in Tallahassee, Florida, 32399, no earlier than 10:00 AM, Eastern Daylight Time, on the (effective date) and no later than 5:00 PM, Eastern Daylight Time, 21 calendar days after (effective date). The Application **MUST** include:

1. A non-refundable \$60,063 application fee in the form of a money order or cashier's check made payable to the Florida Department of Health;
2. All supporting explanations and documents;
3. Any supporting maps, photographs, or illustrations;
4. A list of ALL supporting materials for which the Applicant claims ANY public records exemption, including a specific legal citation to the exemption; and
5. A full proposed redacted version of the Application, if applicable.

The completed Application with and supporting explanations, documents, maps, photographs, or illustrations can be submitted in the following formats:

1. Hard Copy;
2. USB Drive; and
3. CD/DVD.

The undersigned Applicant /Representative hereby agrees to operate the Dispensing Organization described in this application in accordance with the requirements of Section 381.986,

Florida Statutes, and Chapter 64-4, F.A.C. The information contained in this application and the attached exhibits required by Chapter 64-4, F.A.C., which serves as a basis for licensure, is true and correct. I

Understand that any misrepresentation of the facts in this application, or failure to comply with requirements of the rules and statutes, is grounds for denial or revocation of the Low-THC Cannabis Dispensing Organization Approval. I understand that knowingly making a false statement in writing with the intent to mislead a public servant in the performance of his or her official duty shall be guilty of a misdemeanor of the second degree punishable as provided in sections 775.082 or 775.083, Florida Statutes.

Signature of Applicant _____ Date _____

Name of Applicant (print or type) _____

Agency Clerk Use Only

Date and Time Received: _____

Delivered by: _____

Agency Clerk: _____

Scorecard for Low-THC Cannabis Dispensing Organization Selection

<u>Cultivation</u>	30%
<u>Technical Ability</u> (4.002(2)(a))	
1. Experience cultivating cannabis	
2. Experience cultivating in Florida plants not native to Florida	
3. Experience introducing new varieties of plants	
4. Regional cultivation knowledge and experience	
5. Experience cultivating plants for human consumption such as food or medicine products	
6. Experience with in-house propagation	
7. Experience with genetic modification or breeding	
8. Experience using clean growing rooms	
9. Knowledge of cannabis cultivation, including: a) Proper cultivation conditions and techniques b) Additives that can be used when growing cannabis c) Pests, disease and deficiencies common for cannabis d) Production of high quality product in a short time	
10. Experience with tracking each plant in a harvest	
11. Experience with good agricultural practices	
12. Experience with recalls	
13. Experience with good handling practices	
14. Any awards, recognition or certifications received for relevant expertise	
<u>Infrastructure</u> (4.002(2)(e))	
15. Vehicles that will be used to transport product among cultivating, processing, and dispensing facilities	
16. Communication systems	
17. Methods of mitigating odors if applicable	
<u>Premises, Resources, Personnel</u> (4.002(2)(c))	
18. Location of all properties Applicant proposes to utilize to cultivate low-THC cannabis and Derivative Products, including ownership information for the properties and any lease terms if applicable: a) For any property leased by the Applicant, include documentation that the property owner consents to the use of the property for the purposes of cultivation of low-THC cannabis and documentation that the mortgagor or lienholder has been given notice of the use of the property for the purpose of cultivation of low-THC cannabis b) For any property owned by the Applicant but subject to a mortgage or lien, include documentation that the mortgagor or lienholder has been notified of the use of the property for the purpose of cultivation of low-THC cannabis	
19. Compliance with local regulations regarding sanitation and waste disposal	
20. The ability to obtain zoning approval	
21. Sketch or other illustration approximating the property boundaries, land topography, vegetation, proposed and/or existing structures, easements, wells, and roadways for each property proposed	



Scorecard for Low-THC Cannabis Dispensing Organization Selection

22. Description of the areas proposed for the cultivation of low-THC cannabis, including the following: a) Capacity, in square feet of growing area b) Cultivation environment, e.g., greenhouse, clean room, aseptic, et cetera c) Irrigation system(s) d) Environmental control system(s)	
23. A description of the ability or plan to expand any of the areas proposed for cultivating low-THC cannabis	
24. Back-up systems for all cultivation systems	
25. A description of one or more strains of low-THC cannabis the applicant intends to cultivate	
26. Access to water resources that allow for sufficient irrigation	
27. A list of current and proposed staffing, including: a) Position, duties and responsibilities b) Resume c) Professional licensure disciplinary action in all jurisdictions	
28. An organizational chart illustrating the supervisory structure of the proposed Dispensing Organization	
29. Plans and procedures for loss of key personnel	
30. Plans and procedures for complying with OSHA regulations for workplace safety	
<u>Accountability</u> (4.002(2)(d))	
31. Floor plan of each facility or proposed floor plans for proposed facilities, including the following: a) Locking options for each means of ingress and egress b) Alarm systems c) Video surveillance d) Name and function of each room e) Layout and dimensions of each room	
32. Storage, including the following: a) Safes b) Vaults c) Climate control	
33. Diversion and trafficking prevention procedures	
34. A facility emergency management plan	
35. System for tracking low-THC source plant material throughout cultivation	
36. Inventory control system for low-THC cannabis	
37. Policies and procedures for recordkeeping	
38. Methods of screening and monitoring employees	
39. Personnel qualifications and experience with chain of custody or other tracking mechanisms	
40. Personnel reserved solely for inventory control purposes	
41. Personnel reserved solely for security purposes	
42. Waste disposal plan	
43. Access to specialized resources or expertise regarding data collection, security, and tracking	

Scorecard for Low-THC Cannabis Dispensing Organization Selection

<u>Processing</u>	30%
<u>Technical Ability</u>	
1. Experience with good manufacturing practices	
2. Experience with analytical, organic chemistry, and micro-biology	
3. Experience with analytical laboratory methods	
4. Experience with analytical laboratory quality control, including maintaining a chain of custody	
5. Knowledge of, and experience with, cannabis extraction techniques	
6. Knowledge of cannabis routes of administration	
7. Experience with recalls	
8. Knowledge of, and experience with, producing cannabis products	
9. Any awards, recognition or certifications received for relevant expertise	
<u>Infrastructure</u>	
10. Vehicles that will be used to transport product among cultivating, processing, and dispensing facilities	
11. Communication systems	
12. Methods of mitigating odors if applicable	
<u>Premises, Resources, Personnel</u>	
13. Location of all properties Applicant proposes to utilize to process low-THC cannabis and Derivative Products, including ownership information for the properties and any lease terms if applicable: a) For any property leased by the Applicant, include documentation that the property owner consents to the use of the property for the purpose of processing of low-THC cannabis and Derivative Products and documentation that the mortgagor or lienholder has been given notice of the use of the property for the purpose of processing of low-THC cannabis and Derivative Products b) Documentation that the mortgagor or lienholder has been notified of the use of the property for the purposes processing of low-THC cannabis and Derivative Products	
14. Compliance with local regulations regarding sanitation and waste disposal	
15. The ability to obtain zoning approval	
16. Sketch or other illustration approximating the property boundaries, land topography, vegetation, proposed and/or existing structures, easements, wells, and roadways for each property proposed	
17. A description of the ability or plan to expand any of the areas proposed for processing low-THC cannabis	
18. Back-up systems for all processing systems	
19. Description of the areas proposed for the processing of Derivative Products, including the following: a) Extraction equipment and location b) Concentration equipment and location c) Access to sufficient potable water and hot water d) Analytical equipment, including separators and detectors, and location e) Safety equipment and facilities and location f) Computer systems and software and g) Ventilation and exhaust system	

Scorecard for Low-THC Cannabis Dispensing Organization Selection

20. A list of current and proposed staffing, including: a) Position, duties and responsibilities b) Resume and c) Professional licensure disciplinary action in all jurisdictions	
21. An organizational chart illustrating the supervisory structure of the proposed Dispensing Organization	
22. Plans and procedures for loss of key personnel	
23. Plans and procedures for complying with OSHA regulations for workplace safety	
24. Relationship(s) with an independent laboratory(ies) with cannabis testing protocols and methods	
<u>Accountability</u>	
25. Floor plan of each facility or proposed floor plans for proposed facilities, including the following: a) Locking options for each means of ingress and egress b) Alarm systems c) Video surveillance d) Name and function of each room e) Layout and dimensions of each room	
26. Storage, including the following: a) Safes b) Vaults c) Climate control	
27. Diversion and trafficking prevention procedures	
28. A facility emergency management plan	
29. System for tracking low-THC source plant material throughout processing	
30. Inventory control system for low-THC cannabis and Derivative Products	
31. Policies and procedures for recordkeeping	
32. Vehicle tracking systems	
33. Vehicle security systems	
34. Methods of screening and monitoring employees	
35. Personnel qualifications and experience with chain of custody or other tracking mechanisms	
36. Personnel reserved solely for inventory control purposes	
37. Personnel reserved solely for security purposes	
38. Waste disposal plan	
39. Access to specialized resources or expertise regarding data collection, security, and tracking	

Scorecard for Low-THC Cannabis Dispensing Organization Selection

<u>Dispensing</u>	15%
<u>Technical Ability</u>	
1. Experience interacting with patients	
2. Experience with handling confidential information	
3. A marketing plan	
4. Experience gathering and managing data, i.e. data on patient reactions to products dispensed	
5. Experience with recalls	
6. Knowledge of cannabis routes of administration	
7. Training programs for employees addressing: <ul style="list-style-type: none"> a) The Health Insurance Portability and Accountability Act (HIPAA) b) Patient education c) Compliance d) Patient counseling e) Data collection 	
8. Any awards, recognition or certifications received for relevant expertise.	
<u>Infrastructure</u>	
9. A map showing the location of the applicant's proposed facilities	
10. A sketch or other illustration of the actual or proposed locations showing streets property lines buildings parking areas outdoor areas, if applicable fences security features fire hydrants, if applicable and access to water and sanitation systems	
11. A floor plan of the actual or proposed building or buildings where dispensing activities will occur showing: <ul style="list-style-type: none"> a) Areas designed to protect patient privacy b) Areas designed for retail sales 	
12. A HIPAA compliant computer network utilized by all facilities	
13. Vehicles that will be used to transport product among cultivating, processing, and dispensing facilities	
14. Communication systems	
15. Hours of operation of each dispensing facility and	
16. Methods of mitigating odors if applicable	
<u>Premises, Resources, Personnel</u>	
17. Location of all properties Applicant proposes to utilize to dispense low-THC cannabis and Derivative Products, including ownership information for the properties and any lease terms if applicable" <ul style="list-style-type: none"> a) For any property leased by the Applicant, include documentation that property owner consents to the use of the property for the purpose of dispensing of Derivative Products and documentation that the mortgagor or lienholder has been given notice of the use of the property for the purpose of dispensing of Derivative Products b) Documentation that the mortgagor or lienholder has been notified of the use of the property for the purposes of dispensing of Derivative Products 	
18. Compliance with local regulations regarding sanitation and waste disposal	
19. The ability to obtain zoning approval	
20. Sketch or other illustration approximating the property boundaries, land topography, vegetation, proposed and/or existing structures, easements, wells, and roadways for each property proposed	

Scorecard for Low-THC Cannabis Dispensing Organization Selection

21. A description of the ability or plan to expand any of the areas proposed for dispensing Derivative Products	
22. Description of the methods proposed for the dispensing of Derivative Products, including the following: a) Accessibility of dispensing facilities, e.g., centrally located to several populated areas, located on a main roadway, not in a high crime area, et cetera b) Proximity of dispensing facilities to patient populations and c) Alternative dispensing, e.g. delivery.	
23. A list of current and proposed staffing, including: a) Position, duties and responsibilities b) Resume and c) Professional licensure disciplinary action in all jurisdictions	
24. An organizational chart illustrating the supervisory structure of the proposed Dispensing Organization	
25. Plans and procedures for loss of key personnel	
26. Plans and procedures for complying with OSHA regulations for workplace safety	
<u>Accountability</u>	
27. Floor plan of each facility or proposed floor plans for proposed facilities, including the following: a) Locking options for each means of ingress and egress b) Alarm systems c) Video surveillance d) Name and function of each room e) Layout and dimensions of each room	
28. Storage, including the following: a) Safes b) Vaults c) Climate control	
29. Diversion and trafficking prevention procedures	
30. A facility emergency management plan	
31. System for tracking low-THC source plant material throughout dispensing	
32. Inventory control system for low-THC cannabis and Derivative Products	
33. Policies and procedures for recordkeeping	
34. Vehicle tracking systems	
35. Vehicle security systems	
36. Methods of screening and monitoring employees	
37. Personnel qualifications and experience with chain of custody or other tracking mechanisms	
38. Personnel reserved solely for inventory control purposes	
39. Personnel reserved solely for security purposes	
40. Plans for the recall of any Derivative Products that have a reasonable probability of causing adverse health consequences based on a testing result, bad patient reaction, or other reason	
41. Access to specialized resources or expertise regarding data collection, security, and tracking	

Scorecard for Low-THC Cannabis Dispensing Organization Selection

<u>Medical Director</u>	5%
1. Specialty area, if any	
2. Experience with epileptic patients	
3. Experience with cancer patients	
4. Experience with patients with severe seizures or muscle spasms	
5. Knowledge of the use of low-THC cannabis for treatment of cancer or physical medical conditions that chronically produce symptoms of seizures or severe and persistent muscle spasms	
6. Knowledge of good manufacturing practices	
7. Knowledge of analytical and organic chemistry	
8. Knowledge of analytical laboratory methods	
9. Knowledge of analytical laboratory quality control, including maintaining a chain of custody	
10. Knowledge of, and experience with, CBD/low-THC extraction techniques	
11. Knowledge of CBD/low-THC routes of administration	
12. Experience in or knowledge of clinical trials or observational studies	
13. Knowledge of and experience with producing CBD/low-THC products	
14. Experience with or knowledge of botanical medicines	
15. Experience with dispensing medications	
16. Description of how the medical director will supervise the activities of the Dispensing Organization	
17. Description of how the Dispensing Organization will ensure it has a medical director at all times	

Scorecard for Low-THC Cannabis Dispensing Organization Selection

<u>Financials</u>	20%
1. Certified Financials issued within the immediately preceding 12 months	
2. Applicant's corporate structure	
3. All owners of the Applicant	
4. All individuals and entities that can exercise control of the Applicant	
5. All individuals and entities that share in the profits and losses of the Applicant	
6. All subsidiaries of the Applicant	
7. Any other individuals or entities for which the Applicant is financially responsible	
8. Assets of the Applicant and Applicant's subsidiaries	
9. Liabilities of the Applicant and Applicant's subsidiaries	
10. Any pending lawsuits to which the Applicant is a party	
11. Any lawsuits within the past 7 years to which the Applicant was a party	
12. All financial obligations of Applicant that are not listed as a "liability" in the Certified Financials	
13. A projected two year budget	
14. Specific reference to sufficient assets available to support the Dispensing Organization activities	