

EXHIBIT A



Manufacturing Plan

Mr Nice Guys AC will begin operations phased into a pre-roll specialty, but intends to expand to edible production, formulation, and cartridge white label filling upon approval by the Cannabis Regulatory Commission. This brief operational plan discusses the primary methods of non-volatile manufacturing we intend to utilize - more details on regulatory compliance can be found in the complete statewide application.

Operational Plan

Mr Nice Guys AC team members will be trained to follow Standard Operating Procedures designed specifically for compliance with New Jersey regulations and guidance from the CRC. Our facility will have an area specifically designated for the safe and orderly manufacturing and storage of cannabis products. Manufacturing operations include:

1. Inventory intake from approved Class 1 and 2 vendors
2. Verifying and confirming lab test results from state approved facilities
3. Drafting work orders to customer specifications and logging all transactions
4. Develop, produce, manufacture, prepare, create and package cannabis products
5. Refine systems for Quality Control: Mr Nice Guys AC will establish cannabis product specifications to ensure the identity, strength, quality, and purity of the cannabis product, and to ensure that the cannabis product has been manufactured, packaged, labeled, and stored under conditions to prevent contamination by impurities or foreign substances
6. Possess, transfer, transport, distribute, supply, or sell cannabis and cannabis products to other cannabis manufacturers, or usable cannabis and cannabis products to cannabis wholesalers or cannabis retailers

Pre-Rolls

Mr Nice Guys AC's manufacturing plan will detail procedures for operations of the following key steps in pre-roll production:

1. Grinding

Mr Nice Guys AC intends to purchase an automated grinder to begin our process of breaking down dried usable cannabis into smaller particles (1-2mm) that fit consistently into pre-roll systems. This commercial grinder minimizes terpene loss and product degradation by reducing friction and heat in the grinding process while producing a consistent flow of material. All parts that contact cannabis can be easily removed and cleaned in-between uses to minimize the risk of cross contamination.

2. Filling

Automated pre-roll filling machines are the most critical aspect of our manufacturing process. Experience gleaned from mature markets has pointed to multiple methods of loading pre-roll products including systems that vibrate to shake material into cones using gravity and systems that use centrifugal force to evenly distribute and pack cones. Mr Nice Guys AC has engaged carefully with experts across the country and is most likely to utilize PreRoll-ER, one of the industry's most reputable vendors for specialized pre-roll equipment. This process will prioritize



consistency, even dosing, and a minimal standard deviation from any preset tolerances in the system.

3. **Weighing**

The next step in pre-roll manufacturing utilizes a complex digital scale to carefully weigh a tray of pre-rolls to check variance and tolerance to a predetermined weight. This system checks each pre-roll and flags any in the tray that do not meet tolerance. Technicians can then easily manually fill to suit or re-run a cone through the filling system with the next batch. This is a critical step for quality control that helps preserve the integrity of our products.

4. **Sealing**

Mr Nice Guys AC will then seal each pre-roll using an automated machine BoxFinisher-ER that processes directly from a tray of cones.

5. **Packaging**

Mr Nice Guys AC will prioritize working with our client pool to offer sustainable solutions for packaging pre-rolls and we anticipate operating machinery for various individual cone automated packaging, sealing procedures, and child safe resistance measures in the packaging and labeling process.

6. **Infusion**

Mr Nice Guys AC's priority will be to streamline our operations for manufacturing pre-rolls using dried flower; however, our research and experience in other markets has revealed that as the New Jersey market stabilizes, purchasing cannabis concentrate on the wholesale market may be an effective way to broaden our product mix, gain more shelf space, and attract more business.

Infusing pre-rolls will occur in our normal manufacturing spaces, however additional precautions will be made to ensure that all materials are handled with care, properly tracked in the Inventory Tracking System, and monitored at all times. Mr Nice Guys AC is deciding between necessary equipment for infusion and general methodology (dipping, central core, intermittent mixing, etc.) and will supply details to the CRC upon conversion and/or upon adding infusion to our product offerings.

Pre-roll Equipment

PreRoll-Er: Automated Pre-Roll Machine

- 800-1,400 pre-rolls/hour depending on cannabis type, cone shape and size
- Technical support provided, low maintenance equipment
- Cannabis strain allows for rapid change-over
- Compatible with cones up to 110 mm in height (options also available for longer size cones)
- Compatible with straight tubes, cigarette style, glass tip, and most popular sizes
- Cigarette style with an automatic feeder
- Guaranteed high accuracy of designated gram before filling
- Accurate weighing with reject system

Boxfinish-ER with Inject-Er



- Production Capacity: 840+ finished pre-rolls per hour, including infused cannabis
- Simplified data acquisition
- Quick commissioning for 24/7 use and easy cleaning and low maintenance
- Excess-tip cutting station
- Premium flat top and twist finish options with quality results
- Inject-Er can be used with oil, terpenes, distillate
- Functionality: Oil injection, Pick/Flat top & Pick/Twist top

Edibles

Mr Nice Guys AC intends to create a gummy-based edible product as our operation allows specialization and transition of our space to accommodate a small commercial kitchen. Gummy edible production is a great way to begin the formulation process while allowing for consistent products. The process will follow a few key phases of production:

1. Slurry Production and Cooking

Our operation intends to develop a line of flavors for our gummies that accent various branding decisions and product form factors. This process begins with the production of a slurry, a combination of sugar, water, and binding agents like pectin, gelatin, or starches. This is where the flavoring process is felt most strongly and various cooking techniques, natural additives like terpenes and botanical flavors, and textural additives or similar can be introduced. This slurry will cook in a large pot where temperature is maintained carefully through various burner and sous-vide techniques. When ready, oil infusion will begin in smaller subset batches.

2. Oil Infusion and Stability Testing

When the slurry has reached the appropriate temperature, Mr Nice Guys Technicians will infuse cannabis oil into batches of ~1L containers of slurry, allowing for more accurate dosing, flavor profiles, and usability by technicians for in-process storage. Oil infusion will take time to disperse evenly and samples should be placed on agitators, stirrers, or through centrifuge to evenly distribute cannabis oil throughout the sample. It is vital that stability and product consistency testing is performed at this stage to ensure that portioned products will adhere to specifications and tolerances for cannabinoid concentration and are clear of contaminants.

3. Mold Injection

At this stage, Mr Nice Guys AC will choose an appropriate mold injector to ensure that trays of silicone molds can be properly filled with consistency. We will utilize an all-in-one system that is automated and compact - there are a few relevant options that we will choose from as we adapt to our space and complete Phase 1 of the setup of the laboratory.

4. Finishing and Packaging

As molds are complete they will be carefully inspected, retention samples will be kept, and testing will be performed to ensure compatibility. Gummies will be packaged in 5mg and 10mg per gummy packages with a total package size of no more than 100mg of THC per package. Packaging materials will be chosen carefully for their ability to preserve and create shelf stable products. At this time, depending on the available space, we intend to utilize manual packaging and filling techniques but as our operation refines, we will consider fully automated systems if space allows.



Vaporizer Cartridge Filling Services

Mr Nice Guys AC will additionally look to create a line of business encouraged by our Class 2 Manufacturing license to supply cartridge filling services for brands and partners looking to enter the market or utilize our specialized equipment. This equipment will be minimal and efficient tabletop designs that allow trays of cartridges to be placed and automatically filled via pipette.

Odor Mitigation Plan

Mr Nice Guys AC prioritizes the maintenance of our relationship with the Atlantic City government, the CRDA, and the residents near our business above all else and mitigating any negative effects of our operation begins with a keen attention to odor management and avoidance altogether. The responsible management of cannabis facilities, whether in the context of a dispensary or a manufacturing operation, requires a multifaceted approach to odor mitigation and Gregory Wimsatt has approached this challenge in facility design in the past and effectively maintained positive relations through diligent attention to detail in odor mitigation. As the cannabis industry continues to expand and become more prominent within communities, it is crucial for operators like us to be mindful of their role as good neighbors.

Dispensaries serve as the public face of the industry, and our interactions with the surrounding community can significantly influence public perception and acceptance of legal cannabis and the industry as a whole. Dispensary operators must prioritize adherence to local requirements, which often include guidelines for managing odor, controlling access, and maintaining a welcoming atmosphere. By proactively addressing potential sources of concern, such as strong cannabis aromas, dispensaries can foster a positive relationship with their neighbors and contribute to the normalization of the industry.

In the context of cannabis manufacturing, the concentration of plant material and the associated volatile organic compounds (VOCs) can lead to a more pronounced challenge in mitigating odor. While the overall risk of odor may be more intense in these facilities, the precautions and principles of effective mitigation remain effective. Manufacturers must address the particles suspended in the air and the exhaust systems responsible for the release of compounds into the surrounding environment.

Odor Mitigation as Regulatory Compliance

New Jersey's regulatory landscape is determined to eliminate odors through a few essential choices made by the CRC.

1. All cannabis products in the dispensary space must be sealed at all times in compliant packaging
2. No outdoor activities are allowed
3. Consumption is prohibited at all times

These key features make it difficult for the dispensary department to produce odor; however, vault spaces where a concentration of products are kept will be evaluated for the potential to cause odor. Packaging regulations are strictly enforced in New Jersey with all acceptable packaging being more than capable of eliminating odor when properly stored. In the



manufacturing department, odor will be primarily controlled via HVAC system, where particulates can be carefully controlled for the health and safety of our team and neighbors.

Mitigating Odor Through HVAC

One of the primary strategies for managing odor is the implementation of a comprehensive heating, ventilation, and air conditioning (HVAC) system. This approach leverages the principles of negative pressure, filtration, and carbon capture to contain and neutralize the olfactory emissions. Our odor mitigation plan is state-of-the-art and adaptable to new information, equipment, and requirements. By implementing such a rigorous HVAC system, we can carefully control air coming from the manufacturing unit separately from air coming from the dispensary unit - this gives us the ability to maintain negative pressure in each department and limit the spread of any potential contaminants or odor.

Maintaining a state of negative pressure within the facility is a fundamental step in odor mitigation. By ensuring that the air pressure inside the building is slightly lower than the pressure outside, the system can effectively prevent the outward migration of odorous compounds. This negative pressure helps to contain the cannabis-related VOCs, channeling them through the designated filtration and air purification processes. Our increased attention to security resources will also impact this pressure system as all doors will be secure and closed at all times.

Carbon Filtration

Alongside the maintenance of negative pressure, the HVAC system must incorporate robust filtration capabilities. High-efficiency particulate air (HEPA) filters are often employed to remove fine particulates and suspended solids from the air, while additional carbon-based filters can target the gaseous VOCs responsible for the characteristic cannabis aroma. These filters can take many forms depending on the size available in the HVAC duct, and our team intends to utilize can-shaped conical filters that offer increased surface area and carbon capture efficiency. The use of activated carbon filters is a highly effective method for capturing and neutralizing cannabis-related odors and is industry standard for all regulated uses as a means of biosecurity and to eliminate cross-contamination. The science behind this approach lies in the polarity and molecular attraction between the carbon surfaces and the organic compounds present in the air. As the contaminated air passes through the carbon filters, the odorous molecules are adsorbed and trapped, effectively removing them from the exhaust stream.

The effectiveness of carbon filtration in odor mitigation is rooted in the fundamental principles of chemistry and molecular interactions. The carbon particles used in these filters possess a highly porous structure, providing a vast surface area for the adsorption of organic compounds. The polarity of the carbon surfaces, coupled with the polarity of the VOCs, facilitates a strong attraction between the two. As the air passes through the filter, the odorous molecules become trapped within the intricate network of pores, effectively removing them from the exhaust stream.

Maintenance

Maintaining the efficiency of carbon filters is crucial for their continuous performance. Over time, the carbon particles become saturated with the captured compounds, reducing their adsorptive capacity. Regularly scheduled replacement or regeneration of the carbon filters is



necessary to ensure optimal odor mitigation and Mr Nice Guys will ensure that all filters are regularly inspected and maintained. Team members will closely monitor the filter's lifespan and implement a proactive maintenance schedule to prevent a decline in the system's effectiveness.

Placement

The strategic placement of carbon filters within the HVAC system is also crucial for maximizing their impact. Filters should be installed at key points in the airflow, such as the intake, the exhaust, or at specific locations where the concentration of odorous compounds is highest like vault spaces or hoods above manufacturing spaces. This strategic placement can enhance the overall efficiency of the odor mitigation efforts, ensuring that the maximum amount of contaminated air is processed and treated.

Developing a Comprehensive Mitigation Plan

To effectively manage odor in cannabis facilities, a holistic and proactive approach is essential. This involves the implementation of a comprehensive mitigation plan that addresses multiple aspects of facility management and community engagement.

Routine Testing and Monitoring

Consistent monitoring and testing of the facility's air quality and odor levels are critical components of a successful mitigation plan. Routine assessments, conducted both internally and through third-party consultations, can help identify areas of concern, track the effectiveness of implemented measures, and inform the ongoing optimization of the odor management strategy.

Equipment Maintenance and Upgrades

Proper maintenance and timely upgrades of the HVAC system, including the carbon filters, are essential for maintaining the long-term effectiveness of the odor mitigation efforts. Facility operators must establish a comprehensive maintenance schedule, allocate the necessary resources, and ensure that all equipment is functioning at optimal levels.

Third-Party Consultation and Expertise

Engaging with experienced third-party consultants can provide valuable insights and guidance in the development and implementation of a comprehensive odor mitigation plan. These experts can offer specialized knowledge in areas such as air quality management, HVAC system design, and regulatory compliance, helping to ensure that the facility's approach aligns with best practices and local requirements. We have identified HVAC and odor specialists in New Jersey with a depth of expertise in the caustic pharmaceutical and manufacturing industries to help our team ensure that our facility does not release odor.

Neighbor Engagement and Feedback

Fostering open communication and maintaining positive relationships with the surrounding community are essential for the long-term success of odor mitigation efforts. Mr Nice Guys AC will regularly solicit feedback from neighbors, addressing any concerns or complaints in a timely and transparent manner. This engagement can help build trust, identify potential issues, and inform the ongoing refinement of the mitigation strategies.



Safety and Security Plan

Mr Nice Guys AC LLC (“Mr Nice Guys AC” or the “Company”) is ready to lead responsibly in the emerging cannabis industry by implementing and maintaining a Safety and Security Plan that keeps our business, team members, and customers safe at all times. It is a priority of ours to represent the emerging industry well and we can do that through diligent attention to the systems, controls, and procedures used to secure and monitor our operations. Every aspect of operations emphasizes safety and compliance by preventing the theft or diversion of cannabis products. Mr Nice Guys AC will always be in compliance with the Code of Atlantic City (“Code”), the Casino Reinvestment Development Authority’s (“CRDA”) Green Zone Redevelopment Plan, and New Jersey Administrative Code (“N.J.A.C.”) §17:30, with emphasis on compliance with the security requirements of §17:30-9.10.

Security Profile: Atlantic City

Mr Nice Guys AC’s proposed location at 1622 Atlantic Ave in Atlantic City is zoned appropriately for our use and has received municipal approval to launch our business and apply to the NJ Cannabis Regulatory Commission. The actual crime statistics encourage our conclusions that the following compliance plan will be suited for continuing security and ongoing safety for our facility, team members, and customers. The Code refers specifically to requirements for security that are detailed herein.

This Safety and Security Plan establishes controls and procedures to guard against unauthorized access to Mr Nice Guys AC’s premises. These controls will additionally guard against unauthorized access to or tampering with our electronic records systems and the theft or diversion of cannabis (§17:30-9.10(a)). This plan will be organized to explore and establish controls for the following key categories of security management:

- 1. Access Controls**
- 2. Alarm Systems**
- 3. Surveillance Systems**
- 4. Physical Security Measures**
- 5. Equipment Testing and Maintenance**
- 6. Compliance with Local Codes and Ordinances**
- 7. Diversion Prevention**
- 8. Emergency Management and Workplace Safety**

This combination of distinct features will always emphasize effective security controls, cutting no corners and allowing no missteps. *It is our primary concern that our team members and customers are safe* - this extends to considerations for product testing, accessibility, emotional wellbeing, and all nuanced aspects of running a successful modern business. Our facility has been designed from the ground up to account for each and every security concern and where physical security can be prioritized, it has been. We not only take our responsibility as standard bearers for the emerging industry seriously, but we take our role as leaders, mentors, and caretakers of our team even more seriously to ensure that their safety and security is prioritized.

Experience Cannabis Industry Security Specialists

Mr Nice Guys AC intends to utilize Setronics, one of the region’s top security monitoring and equipment providers in the commercial industry. With decades of experience in large scale vital surveillance for clients in regulated industries, Setronics has led in the cannabis industry by



providing best-in-class expertise in design and placement of resources, coordination for physical security services, and maintenance and monitoring of critical systems.

Access Controls

Our facility is designed carefully with three levels of access security:

- Restricted Access: Secure Storage, IT Server, TL-30 Safe
- Limited Access: All Interior Areas of the Cannabis Facility
- Public Access: Security Vestibule, Public Parking Lot

Baseline physical measures implemented to deter and prevent unauthorized access into areas containing cannabis include electronic door locks, staggered entrances, reinforced door sensors and materials, and ID Card tracking throughout the facility.

Electronic locks will be controlled via keycard, establishing a system of access control based on role and responsibilities. Team members will not be allowed into restricted areas unless their responsibilities specifically allow access, and all access will be monitored and recorded by the internal security system.

Access to Areas Containing Cannabis

Mr Nice Guys AC will implement appropriate security and safety measures to deter and prevent the unauthorized entrance into areas containing cannabis - this will in turn help prevent the theft of cannabis (§17:30-9.10(b)(2)). All areas that contain cannabis will be treated as Limited Access areas with all individuals tracked carefully, through keycard access and continuous surveillance, as they move throughout the facility. Areas with an increased density of cannabis products or in-process materials will be additionally treated as Restricted Access areas, where separate locking mechanisms or privileges will be established by team member role and responsibility. Access to all areas where cannabis is held will be limited to authorized personnel ((§17:30-9.10(b)(8)).

Exterior Security and Access Control

Mr Nice Guys AC will ensure that all individuals will enter through the Security Vestibule where identification can be carefully inspected and/or visitors can be checked-in. We will keep access from outside the cannabis business premises to a minimum and ensure that access is well controlled (§17:30-9.10(b)(7)). Our exterior will be well-lit and allow for clear visibility and surveillance sightlines as detailed below.

Visitors

A visitor entering Mr Nice Guys AC's business premises must be accompanied by an escort with a Cannabis Business Identification Card at all times, except in publicly accessible Limited Access areas as in a cannabis dispensary. A vendor-contractor's staff shall be considered to be a visitor during any time present at the premises, except if the person is a management services contractor or other cannabis handler that possesses a Cannabis Business Identification Card, in accordance with §17:30-8.1(a) (§17:30-9.4(l)).

Alarm Systems

Mr Nice Guys AC will install, maintain, and operate, in good working order, a safety and security alarm system at our premises that will provide suitable protection against theft and diversion (§17:30-9.10(b)(1)). This alarm system is a key part of our commitment to protecting



the premises through its direct integration with local law enforcement to alert relevant authorities as fast as possible in the event of any emergency. The alarm system will utilize an automatic electronic notification system to alert both Mr Nice Guys AC's personnel and local police agencies to an unauthorized breach of security or an alarm or system failure at Mr Nice Guys AC's business (§17:30-9.10(b)(1.i)).

The alarm system will include a variety of components including motion sensors, window sensors, door lock transmitters, satellite control panels, and a central master control panel. There will additionally be manual activations like panic buttons, silent alarm duress codes, and wearable (non hardwired) silent alarm activators. This system will be continuously monitored, 24 hours a day, seven days a week (§17:30-9.10(c)). Monitoring may be performed by a third party security service provider and a live feed of the facility will be continuously accessible by the CRC.

Panic Buttons

The interior and exterior premises of the facility will be equipped with electronic monitoring, video cameras, and panic buttons (§17:30-9.10(b)(9)). These panic buttons will automatically trigger the alarm and be hardwired into the main system or worn as mobile panic buttons when on the exterior of the facility.

Backup System

The alarm system will operate with a backup power system that activates immediately and automatically upon a loss of electrical support and that immediately issues automatic electronic notification to local police agencies of the loss of electrical support (§17:30-9.10(b)(1.ii)).

In the event of a failure of the security alarm system due to a loss of electrical support or mechanical malfunction that is expected to last longer than eight hours, Mr Nice Guys AC will notify the CRC within 24 hours by telephone, followed by email notification within five business days and provide alternative security measures approved by the CRC or close the facility until the security alarm system is restored to full operation (§17:30-9.10(b)(6)).

Alarm Maintenance and Testing

Mr Nice Guys AC will establish a protocol for testing and maintaining the alarm system that includes regular point-by-point and system-wide tests at reasonable intervals (§17:30-9.10(b)(4)). Equipment maintenance will additionally be supported by third-party specialist installers and service providers where possible to ensure that all sensors are operational and all alarms function as expected.

Mr Nice Guys AC will conduct maintenance inspections and tests of the security alarm system at intervals not to exceed 30 days from the previous inspection, and test and promptly implement all necessary repairs to ensure the proper operation of the alarm system (§17:30-9.10(b)(5)).

Fire Alarm System

The fire alarm system will comply with all requirements of the NJ Uniform Fire Code, the National Fire Protection Association, and all local safety requirements. In the event that a smoke detector sounds, the nearest team member will check the area for fire. If no fire is located, the smoke detector will be inspected and maintained. If multiple smoke detectors sound, team members will follow the established evacuation procedure and wait outside at a pre-identified marked location at a safe distance until the Fire Department provides further direction. If team



members are authorized and trained in the use of handheld fire extinguishers, they will be expected to utilize them in the event of a small fire or as a preventative measure.

Surveillance Systems

Mr Nice Guys AC will equip interior and exterior premises with electronic monitoring, video cameras, and panic buttons (§17:30-9.10(b)(9)). This is a core deterrent to theft and a key compliance measure for our team's safety and security as a cannabis business. Cameras act not only as recording devices, but by prominently featuring them and equipping the facility with redundancies in sightline, we are able to instill a true sense of coverage for all activities, approaches and sightlines from the exterior, and to assist with tracking and tracing products.

This video surveillance system will be installed and operated at Mr Nice Guys AC's premises to clearly monitor all critical control activities and will be in working order and operating at all times (§17:30-9.10(b)(9.i)). Efficient implementation of the surveillance system has been a cornerstone of our design throughout our start-up phase and as plans have iterated, the placement of surveillance equipment has always been a primary concern to have redundancies, full sightline coverage of critical activities, and the ability to store, record, and recall any necessary footage.

Recordkeeping

The original tapes or digital pictures produced by the video surveillance system will be stored in a safe place with a minimum of a 30-day archive (§17:30-9.10(b)(9.ii)). This storage will be considered Restricted Access and filtered through a third party cybersecurity contractor or consultant to ensure that all access to databases is tracked carefully and limited to authorized team members, law enforcement, or members of the CRC. This system will be kept both on-site in a sufficiently-large hard drive computer backup as well as maintained in the cloud. If a record is retained for any reason including investigation, criminal inquest, or internal recordkeeping, it may be kept indefinitely, as necessary.

Remote Viewing

The security system and its functionality will be tested and approved by the CRC prior to receiving our license and Mr Nice Guys AC will provide access for remote viewing by the CRC at all times (§17:30-9.10(b)(9.i)).

Monitoring

The security alarm system and video surveillance system will be continuously monitored, 24 hours a day, seven days a week by Mr Nice Guys AC's management team as well as through off-site monitoring services (§17:30-9.10(c))

Limited Access to Surveillance Equipment

Access to any surveillance monitoring recording equipment will be limited to persons who are essential to surveillance operations, law enforcement authorities acting within their jurisdiction, equipment maintenance personnel, and the municipality. A current list of authorized employees and service personnel who have access to the surveillance equipment will be available to the CRC upon request. All surveillance system equipment and recordings will be maintained in good working order, in a secure location to prevent theft, loss, destruction, or alterations. A failure notification system will provide an audible and visual notification of any failure in the electronic video monitoring system as well as alerting designated employees after the failure, either by



telephone or text message. The video surveillance system will be equipped with a battery backup in the event of a power outage.

Physical Security Measures

Mr Nice Guys AC will implement security measures that protect our business premises, consumers, and team members (§17:30-9.10(b)(3)). Mr Nice Guys AC has designed our operation to carefully control the flow of human traffic, products, cannabis materials, and any hazards or obstacles that may impede emergency response or decrease the safety of our team. This includes a diverse set of design considerations like security personnel, lighting, storage, emergency resources, and technology like point of sale systems and inventory tracking systems.

Designated Security Personnel

Mr Nice Guys AC will abide by all municipal requirements for on-site security personnel which may include the presence of specifically trained, armed, professionals, or may be at the discretion of Mr Nice Guys AC in consultation with the Chief of Police and any other relevant local authorities. **Mr Nice Guys AC teaches an ethos of valuing life over property at all times**, ensuring that our team is well-trained to alert professionals and keep themselves safe in the event of any emergency. Within 30 days of employment and annually thereafter, all individuals requiring training will complete at least eight hours of onsite or online training courses (§17:30-9.8(a)). Topics will include state and federal laws regarding cannabis; state and federal laws regarding privacy and confidentiality; informational developments in the field of cannabis; the proper use of security measures and controls that have been adopted; and specific procedural instructions for responding to an emergency, including a robbery or workplace violence (§17:30-9.8(b)).

Designated security personnel will be responsible for connoting a firm and professional attitude towards compliance through their demeanor, actions, and demonstrated and trained skills in conflict resolution, de-escalation, and recognizing signs of diversion. This includes monitoring the premises and its perimeter for all activity to ensure that security resources like video surveillance systems can adequately protect the business and consumers. Personnel will adhere to local requirements to prevent loitering, eliminate nuisances, and ensure that efforts to mitigate odor, noise, and pollution are successful. During the delivery and unloading process, and any time that cannabis products or materials are known to be on-site but outside while in transit, the security personnel will specifically attend to the proceedings from a distance and ensure safe operations. Personnel are instructed to report any and all intruders immediately and respond to ensure the safety of Mr Nice Guys AC's team members.

Recruitment for security personnel may occur through a third party security service with a specialty in staffing guards and credentialed or armed contractors. In the event that Mr Nice Guys AC contracts with any third party, they will be approved as vendor contractors as necessary by the CRC and trained in accordance with §17:30-9.8 and §17:30-9.10.

Lighting

Mr Nice Guys AC will keep the outside areas of the cannabis business premises and its perimeter well-lighted (§17:30-9.10(10)). Exterior lighting will be sufficient to deter nuisance and criminal activity and facilitate surveillance and will make reasonable efforts to not disturb surrounding businesses or neighbors (§17:30-9.10(b)(10.i)). Professional engineers have been consulted during the land use process at the municipal level to confirm compliance with all codes and



ordinances for strength of light (lumens), distances, parking areas, and sightlines to neighboring properties. At all times our priority is on installing and utilizing equipment that works effectively to both deter criminal activity and provoke a sense of security. Motion-activated lighting is a key component of the responsiveness shown by an active security system and our exterior lights will carefully overlap to ensure that all sightlines are covered, especially surrounding entrances and exits. The video surveillance system will be supported by adequate security lighting, which will illuminate all entrances and exits, and which may be modified, as necessary, to include motion control sensors to protect cultivation light-dark cycles, or manufacturing processes, as applicable (§17:30-9.10(b)(10.ii)).

Storage

All cannabis items will be stored in an fully enclosed indoor, locked area where access to such area is limited to an owner, principal, employee, volunteer of Mr Nice Guys AC's or staff members of a management services contractor that possesses a Cannabis Business Identification Card when acting in their official capacity (§17:30-9.12(a)). No cannabis-related products will be visible from the exterior of the building.

Usable cannabis and cannabis products will be stored in a locked room labeled the vault. This vault will have increased security due to the density of products or materials and will be specifically designed to maintain adequate security (§17:30-9.12(b)). Determining adequacy will flow with consideration of:

1. The quantity of cannabis items kept on hand
2. Mr Nice Guys AC's inventory system for tracking and distributing cannabis items
3. The number of owners, principals, employees, volunteers, management services contractor staff, or vendor-contractors who have or could have access to the cannabis items
4. The geographic location of the cannabis business and its associated environmental characteristics, such as the remoteness of the premises from local populations and the relative level of crime associated with the area
5. The scope and sustainability of the security alarm system
6. The findings of root cause analyses of any breaches of security and/or inventory discrepancies for cannabis items at that location

Vault Construction

The vault will be reinforced with industry-standard security features like metal mesh, rebar, or structural reinforcement in the concrete or dry-wall surrounding the vault area. This is a standard approach that will secure the room above and beyond our facility-wide standards featuring more durable hardware, door construction, locking mechanisms, and the use of TL-30 rated safes for cash management inside the vault, if necessary. The ceiling and floor will be reinforced as necessary to ensure safety and security with additional attention paid to all processes that concentrate cannabis-per-volume to create a density of product that may be more susceptible to diversion and human error.

HVAC and environmental controls in the vault space may additionally include aspects like refrigeration, freezing, or quarantine that must all be inspected as a matter of course in maintaining equipment. Security personnel will be instructed to ensure that all operations in the



vault are working properly at least once per shift to reduce the need for other team members to loiter in the vault.

Technology

A critical aspect of our security program is the maintenance and use of track and trace inventory management systems to ensure that any suspicious activity can be triangulated and pinpointed. We intend to work carefully to ensure that the security system is seamlessly integrated into operations and that team members are always able to confidently recall and understand the positions of all assets, including inventory and personnel, at all times.

Equipment Testing and Maintenance

Mr Nice Guys AC intends to contract directly with a third party security equipment installation company to ensure that all equipment is properly installed - this is the launching point for a robust compliance program that prioritizes discipline and recordkeeping for all regular testing of the alarm, surveillance, and sensor systems.

Internal Controls

Mr Nice Guys AC will establish a protocol for the testing and maintenance of the security alarm system (§17:30-9.10(b)(4)). This protocol will include **1)** monthly audible tests of the system-wide emergency response and communications to outside resources, **2)** monthly completion of an internal security resource log individually confirming functionality of each piece of equipment, **3)** quarterly review of hardware and software updates from the equipment manufacturer, **4)** yearly review of security system coverage, responsiveness, and opportunities for improvement. Mr Nice Guys AC will conduct maintenance inspections and tests of the security alarm system at intervals not to exceed 30 days from the previous inspection and test and promptly implement all necessary repairs to ensure the proper operation of the alarm system (§17:30-9.10(b)(5)).

In the event of a failure of the security alarm system due to a loss of electrical support or mechanical malfunction that is expected to last longer than eight hours, Mr Nice Guys AC will notify the CRC pursuant to §17:30-9.11 and provide alternative security measures approved by the CRC or close the premises impacted by the failure or malfunction until the security alarm system is restored to full operation (§17:30-9.10(b)(6)). More information can be found in the SOPs for Adverse Events Reporting.

External Controls

Our third party monitoring partners will offer external device monitoring that will add an additional layer of security ensuring that all resulting feeds from the surveillance system are clear. Mr Nice Guys AC's personnel will ultimately be responsible for manually inspecting each piece of security equipment and recording mandatory reports but may be assisted through remote monitoring.

Compliance with Local Codes and Ordinances

Mr Nice Guys AC will provide law enforcement and neighbors within 100 feet of the business with the name and phone number of a staff member to notify during and after operating hours to whom they can report problems with the establishment (§17:30-9.10(b)(11)).

The municipality of Atlantic City has adopted an ordinance guiding cannabis businesses and Mr Nice Guys AC will adhere to all stipulations including, in relation to security, the following



features of compliance with the Casino Reinvestment Development Authority's Green Zone Redevelopment Plan (Resolution 22-112):

Section 8 Security

- Mr Nice Guys AC will not utilize a solid rolling security gates covering the storefront or openings at the front(s) and side(s) of the building
- Exterior roll-down grates and grate boxes, as necessary, will be removed and replaced with open wire-mesh type security grates with a minimum of 70% transparency
- Mr Nice Guys AC will not utilize a grate system and concealing existing grate systems with an awning is only permissible when circumstances would make removal of the grate prohibitive
- Where possible, exterior wire-mesh grates will be built into the storefront itself, if necessary
- Mr Nice Guys AC will not utilize a display window
- Colors for all roll-down elements will be painted or purchased as black or brown to decrease their visibility
- Old single-pane storefront windows will be replaced with clear laminated safety glass
- An electronic alarm system that automatically notifies the police and the business owner will be installed. Ornamental grates to secure entry areas in front of storefront doors are encouraged.

The Intent of the Green Zone Redevelopment Plan

Mr Nice Guys AC accomplishes the goals of the CRDA's stated intent to support the expansion of existing, local businesses, increase the value of existing real estate in the area, increase the perception and reality of safety along the commercial corridor, increase training and employment opportunities for local residents, and generate increased patronage and pedestrian traffic.

Diversions Prevention

Signs of internal theft or diversion often appear as changes to a team member's patterns at work and private life. Management will be attentive to potential diversion and will follow, encourage, and enforce strict procedures and policies to assist in the detection of diversion. Team members will be aware of any unauthorized patterns of entering storage areas, limited access areas, or any part of the facility not assigned to them.

Criminal history background checks will be performed for all employees and management prior to hiring to ensure that no one with a history of theft, product diversion or other criminal activity that would deem the individual a hazard or potential threat is brought on board. Security personnel will also be trained to be alert and aware of potential cannabis product diversion.

Anonymous Tip Line and Whistleblower Protections

We will establish an internal employee tip line where team members can leave anonymous reports of suspicious activity. Mr Nice Guys AC will additionally maintain a secure anonymous reporting system via email form submission, and at all times, our executives and managers will remind team members of whistleblower protections and other forms of supportive services.



Background Checks

Mr Nice Guys AC will ensure that all employees undergo a background check. We intend to utilize a professional third party firm and this process ensures that Mr Nice Guys AC will have complete and accurate information before deciding to employ an individual. Mr Nice Guys AC will utilize behavioral assessments which offer insight into behaviors that not only may steal or divert cannabis, but also may perform poorly or fail to uphold security standards. All employees will be required to submit to all required regulatory responses including disclosure forms, training, and education on legal cannabis in New Jersey.

ID Cards will be worn at all times while on the licensed premises and cards will be color-coded to identify levels of access to portions of operations if necessary. The color-coded card will indicate access to specific areas the employee is authorized to enter when performing scheduled job functions. Mr Nice Guys AC, as well as any employed persons responsible for the operations of the premises will not impede, obstruct, interfere with, or otherwise not allow the CRC or law enforcement to conduct an inspection, or to review or copy records or recordings or other documents. Mr Nice Guys AC or any employee will not conceal, destroy, deface, damage, falsify, or otherwise alter any records, surveillance recordings, or other documents. Employees will have lockers to store and access personal items separately from workplace areas.

Reporting Suspicious Activity

When there is evidence of diversion, team members will follow strict procedures that will result in an investigation and written report submitted to the CRC. Mr Nice Guys AC, upon becoming aware of a reportable loss, discrepancies identified during inventory, diversion or theft, whether or not the cannabis, funds or other lost or stolen property is subsequently recovered and/or the responsible parties are identified, and action taken against them, will immediately notify appropriate law enforcement authorities by telephone; and notify the CRC no later than three hours after discovery of the event (§17:30-9.11(a)). Mr Nice Guys AC will notify the CRC within 24 hours by telephone, followed by email notification within 5 business days of any of the following (§17:30-9.11(b.1-4)):

1. An alarm activation or other event that requires response by public safety personnel
2. A breach of security
3. The failure of the security alarm system due to a loss of electrical support or mechanical malfunction that is expected to last longer than eight hours
4. Corrective measures taken, if any

Waste destruction will follow requirements of §17:30-9.14 to prevent diversion of cannabis not intended for sale. Similarly, strict compliance with §17:30-9.17 will ensure that recalled cannabis products cannot be diverted and misused.

Training in Preventing Diversion

Mr Nice Guys AC will begin operations with a small team of local residents who are deeply invested in seeing cannabis thrive in their community. We are confident that all team members will feel the same way and act accordingly as our brand grows, however we intend to support the maintenance of this corporate culture through ongoing training in how to prevent diversion. This training will include:



1. Accounts of the damage suffered through the underground market and the history of the fight for legalization
2. Careful exploration of current safety, storage, and inventory regulations
3. Whistleblower protections and procedures for reporting anonymously
4. Explanations of the layers of systems holding inventoried products accountable through chain of custody and realtime tracking

Emergency Management and Workplace Safety

Mr Nice Guys AC will train all employees on the correct course of action in the event of fire, natural disasters, robbery, and other threatening situations. Employees will also be training on operating according to OSHA standards, handling, how to appropriately read and navigate Data Safety Sheets, as well as hygiene controls and workplace uniforms.

Employees will be trained on both preventative measures and the proper handling of emergency situations. Bi-annual refresher safety courses will be mandated for all employees and may be offered more frequently if operating procedures change. In addition to the above training, all employees at supervisor level or above shall be trained as a first-aid provider through an accredited course with refresher courses every second year. Visitors and Contractors must undergo Facility Safety Training prior to being granted access to the manufacturing area. Minimum training will include Emergency Procedures and Chemical Hazard awareness.

In the event of an emergency, employees should refer to the Contact Sheet and instructions. Next steps will be outlined based on the nature of each emergency. Emergencies may include: all accidents, medical situations, bomb threats, other threats of violence, and the smell of smoke. Should an emergency result in the need to communicate information to employees outside of business hours, the appropriate Department Manager will contact their employees. Therefore, it is important that employees keep their personal emergency contact information up to date and must notify their Department Manager when this information changes.

When events warrant an evacuation of the building, employees must follow the instructions issued by their direct Manager. Employees should leave the building in a quick and orderly manner. Employees should assemble at the predetermined location as communicated by the management to await further instructions or information.

Portable fire extinguishers will be installed in every room in the facility and will be inspected, tested, and maintained according to Occupational Safety and Health Administration (OSHA) standards. Employees will receive hands-on training on fire extinguisher use. The facility will be fully equipped with AEDs, first aid kits, emergency drench showers, and eyewash stations. Such equipment will be clearly marked and readily accessible to all employees and will be maintained, operated and tested according to manufacturer guidelines.

New employee orientation will include a facility walk-through to ensure that every employee knows how to access emergency equipment. Employees will be informed that portable fire extinguishers are provided primarily for their own safety; in the case of a developing or major fire, employees should evacuate the building immediately.

Managers will be trained as internal responders and will be trained in fire extinguisher use and will have basic first aid training and if possible and feasible, will be AED/CPR-certified. Employees will be informed that AED use is restricted to certified personnel only.

MR NICE GUYS



Additional information regarding emergency procedures are included in the operational SOPs and all procedures will be reviewed carefully as part of mandatory training. The following Site Plan overlay showcasing the location of equipment resources and access areas throughout the facility:



SOPs for Delivery

Purpose	This document details Mr Nice Guys AC, LLC’s (“Mr Nice Guys AC” or the “Company”) procedures for the delivery of cannabis items on behalf of the cannabis retailer and reporting all documentation to the Cannabis Regulatory Commission (“CRC”).
Scope	Instructions for the delivery of cannabis items per N.J.A.C. § 17:30-14.8.
References	N.J.A.C. § 17:30-14.8
Roles and Responsibilities	<ul style="list-style-type: none"> ○ Delivery Driver or Class 6 License Holder <ul style="list-style-type: none"> ■ Accurately record all steps of service in a <i>Delivery Log</i> ■ Deliver cannabis products between Mr Nice Guys AC and customers following all protocols ■ Maintain all GPS and tracking systems ■ Maintain all necessary insurance and vehicle licensing ■ Safely transport, protect, and store cannabis items in a locked and environmentally controlled vehicle ■ Maintain professional appearance and demeanor at all times as representatives of Mr Nice Guys AC in the transaction process

Guidelines for the Delivery of Cannabis

Mr Nice Guys AC will comply with any and all applicable regulations and guidance from the Cannabis Regulatory Commission (“CRC”), local municipal government, and representatives from public safety in the operation of the dispensary. Our primary goal as responsible members of the cannabis industry is to set an example for all other license holders to follow by prioritizing safe and efficient dispensing of cannabis items that have been approved for distribution by the CRC.

In accordance with N.J.A.C. § 17:30, and specifically Subchapter 14.8, our facility will abide by the following guidelines for delivery to customer homes.

Authorization to Contract with Class 6 License Holder

Mr Nice Guys AC may additionally contract with an approved cannabis delivery service where appropriate to provide delivery of cannabis items to consumers on behalf of Mr Nice Guys AC (§ 17:30-14.8(a)). Third-party delivery services will be bound by the following guidelines (and § 17:30-15) when acting on behalf of the dispensary in all steps for age verification and confirming safe and recorded transactions.



Delivery for Residences within the State

Mr Nice Guys AC's delivery personnel or a cannabis delivery service partner may deliver cannabis to a consumer at any residence (§ 17:30-14.8(b)).

1. Mr Nice Guys AC may engage in delivery in any region and may institute geographic and hourly restrictions on where and when we opt to deliver to consumers
2. These geographic and hourly restrictions will be reported to the CRC and listed on Mr Nice Guys AC's website
3. If Mr Nice Guys AC makes any changes to these restrictions, we will give advance notice of seven days to the CRC and our governing municipality and notify consumers in person and using our Internet website to clarify changes or restrictions
4. If Mr Nice Guys AC must limit our service to different geographic areas on different days or at different times, we will implement a regular schedule where practicable and notify consumers of restrictions and schedule changes

Deliveries will be made only to a residence, including temporary residence, in the state of New Jersey and only made to a legal consumer (N.J.S.A. 24:6I-44(j.1)). All deliveries will be made by a certified cannabis handler who is an employee of Mr Nice Guys AC or a cannabis delivery service employee holding a CRC Identification Card through a Class 6 license holder (N.J.S.A. 24:6I-44(j.2)).

Online Orders in Advance of Delivery

Orders will be placed in advance by customer, either directly with Mr Nice Guys AC, or with a cannabis delivery service that provides the purchase order to a cannabis retailer, and cannabis items in the purchase order will be assembled for delivery at Mr Nice Guys AC, and then provided to the cannabis retailer delivery or cannabis delivery service personnel (§ 17:30-14.8(c)).

When a consumer places an order for delivery for the first time with a cannabis retailer or cannabis delivery service, the cannabis retailer or cannabis delivery service may validate the consumer's age by phone or through online means, provided, however that an in-person verification is conducted by cannabis retailer delivery or cannabis delivery service personnel prior to sale and furnishing the ordered items (§ 17:30-14.8(c)(1))

Securing and Tracking the Delivery of Products

The Class 6 license holder or Mr Nice Guys AC personnel will store and secure all cannabis items in a sanitary lockbox in the delivery vehicle until delivery personnel arrive at the delivery address to complete the transaction (§ 17:30-14.8(d)).

They will lock the delivery vehicle, secure the lockbox and engage the vehicle alarm system when they are outside of the vehicle to conduct delivery transactions, or when leaving the vehicle for any other reason outside of cannabis delivery and transport. (§ 17:30-14.8(e)).

Mr Nice Guys AC or a Class 6 license holder will conduct the delivery of cannabis products through one main transport employee if and only if another member of delivery personnel, preferably a supervisor, has access to real-time GPS tracking of the delivery vehicle (§ 17:30-14.8(f)).



Mr Nice Guys AC will only deliver to a residence, including a temporary residence, in New Jersey, to a legal consumer whose age has been verified by an examination of the consumer's photographic identification, and a cannabis item in-person and will not use an unmanned vehicle (§ 17:30-14.8(g)).

Mr Nice Guys AC and the Class 6 license holder will not leave cannabis items unattended for purchasing in places such as a porch or stoop, and will not deliver in mailboxes, to post office boxes, to any residence located on land owned by the Federal government, or to any residence on land or in a building leased by the Federal government. (§ 17:30-14.8(h)).

Mr Nice Guys AC and our delivery personnel have the ability to make multiple deliveries in one trip and will travel only between the cannabis retailer premises and the addresses of the residents who are verified to be consumers. The only exception to this is in the event of an emergency, dangerous road conditions, or as necessary for sanitization, rest, fuel, or vehicle repair stops (§ 17:30-14.8(j)). Drivers will ensure that deliveries are completed in a timely and efficient manner and that during delivery, personnel driving the delivery vehicle shall comply with these SOPs and all New Jersey laws, rules, and regulations for operation of vehicles on public roadways ((§ 17:30-14.8(j)(1)(2)).

A delivery vehicle shall bear no markings that would either identify or indicate that the vehicle is used to deliver cannabis items (§ 17:30-14.8(p)) and will be equipped with or contain an operational GPS device at all times (§ 17:30-14.8(q)).

Age Verification

The designated delivery personnel member from Mr Nice Guys AC or the Class 6 license holder will conduct an in-person visual verification of the photo identification of the consumer prior to the final transaction of purchased cannabis items upon arriving at the door of the consumer's residence (§ 17:30-14.8(i)).

Recording Delivery Transactions

All transactions conducted by Mr Nice Guys AC including the information from (§ 17:30-14.8(l)) will be appropriately logged in METRC and, as applicable, Mr Nice Guys AC's internal inventory system in accordance with N.J.A.C. 17:30-9.7 and 9.13 and other corresponding rules (§ 17:30-14.8(k)).

Pursuant to § 17:30-14.8(l), Mr Nice Guys AC will maintain delivery records including the following information for every delivery conducted by Mr Nice Guys AC or on its behalf:

1. Date and time of delivery
2. Name, address, and signature of the consumer delivery recipient
3. Name and Cannabis Business Identification Card number of cannabis business delivery personnel
4. The name, amount, batch or lot number(s) and tracking numbers of the cannabis items delivered
5. Confirmation of photographic identification verification

Failed Delivery Transactions and Reportable Events

In the event of a delivery attempt followed by an unfulfilled transaction where the cannabis item(s) remain in the delivery personnel's possession, the delivery personnel will return the



cannabis item to Mr Nice Guys AC. Mr Nice Guys AC will repackage and restock the product, logging the product's amended status in the internal inventory. To ensure quality control, such items will be confirmed to be in a new, unopened condition prior to restocking (§ 17:30-14.8(m)).

Mr Nice Guys AC will report any vehicle accidents, diversions, losses, or other reportable events that occur during delivery to the appropriate State and local authorities, including the CRC (§ 17:30-14.8(u)).

COVID-19 Protocol for Cannabis Delivery

Under all circumstances, Mr Nice Guys AC and the Class 6 license holder will establish protective measures for delivery to reduce the spread of COVID-19 and other communicable diseases as recommended by the New Jersey Department of Health, the United States Centers for Disease Control and Prevention, the Occupational Safety and Health Administration, or health care professionals in the State of New Jersey. These include, but are not limited to, providing Class 6 license holder personnel with hand sanitizer and personal protective equipment like masks and gloves (§ 17:30-14.8(n)).

Documentation Requirements for Cannabis Delivery Personnel

As noted by (§ 17:30-14.8(o)), during a cannabis delivery process, a team member of the Class 6 license holder or Mr Nice Guys AC personnel will carry:

1. Their Cannabis Business Identification Card
2. A Valid Non-probationary driver's license appropriate to the type of deliver vehicle driven
3. A cellular telephone to communicate securely with the cannabis retailer
4. A physical or electronic copy of the consumer's delivery request which will be made available, upon request, to State and local law enforcement, the CRC, and local regulatory agencies

Maintaining Adequate Liability Insurance

Mr Nice Guys AC and the Class 6 license holder will maintain current hired and non-owned automobile liability insurance that is qualified to insure each vehicle in the amount of at least \$1,000,000 per occurrence or accident (§ 17:30-14.8(r)).

Protocols for Engaging with The Cannabis Regulatory Commission

Mr Nice Guys AC and the Class 6 license holder will supply current information on all delivery vehicles, including each vehicle's make, model, color, vehicle identification number, license plate number, and vehicle registration to the CRC (§ 17:30-14.8(s)).

Mr Nice Guys AC and Class 6 license holder will provide the CRC with a list of all personnel that will carry the role of being cannabis business delivery personnel, documentation certifying they have received training for the position, and verification that they have valid non-probationary driver's licenses appropriate to the type of delivery vehicle driven (§ 17:30-14.8(t)).



Delivery Plan

In accordance with § 17:30-14.8(x), prior to initiating delivery services, Mr Nice Guys AC and Class 6 license holder will provide the CRC with a delivery plan for approval.

The delivery plan shall include the following standard operating procedures for:

1. Taking orders, verifying photographic identification; and taking payments
 - a. Orders will be taken online via our website and menu integration between our point of sale system (Dutchie), our e-commerce and menu solution (Dispense), and our delivery driver management and specialized tracking solution
 - b. Drivers will abide by all rules and procedures noted in the SOPs for Age Verification when verifying photographic identification matches order name
 - c. Payments will be accepted in cash and via electronic payment solution, with change given to the nearest dollar wherever possible. Customers will be advised that Mr Nice Guys AC prefers electronic payment through our payment processing and e-commerce solution that can accept debit cards
 - d. Drivers will keep cash in a secure lockbox within the vehicle that is nondescript
2. Logging the transactions in the inventory management system
 - a. All deliveries will not leave the dispensary until they have started a *Delivery Log*
 - b. This log will include details of the products that are recorded as transactions within the internal inventory tracking system
 - c. When a driver returns with a completed Delivery Log, Mr Nice Guys AC will finalize recordkeeping, collect payment, and mark the transaction as complete
3. Conducting in-person deliveries via instructions for compliance which shall include protocols for use of personal protective equipment and regular sanitization, if necessary. Drivers will be instructed to use sanitizer in-between deliveries
 - a. Delivery orders will be sealed and double-checked before the delivery driver receives the order and begins the Delivery Log
 - b. Orders will be discreetly placed in an environmentally stable secure area of the locked vehicle
 - c. Drivers will follow GPS and relay tracking information, as necessary, to Mr Nice Guys AC via telephone, or to the customer via notifications in the management application
 - d. Upon arrival at the designated location, drivers will perform age verification to confirm the identity of the customer and that they are of legal age
 - e. Transactions will be logged and their timings noted
 - f. Drivers will then proceed to the next delivery, or return to Mr Nice Guys AC
4. Maintaining privacy and confidentiality of the purchasing consumer's purchase information by adhering to regulations guiding not to store customer information
5. Training cannabis business delivery personnel
 - a. Personnel will undergo mandatory training on protocols via § 17:30-9.8(d)
6. Tracking delivery vehicles and inventory



- a. Mr Nice Guys AC will implement a software that tracks our delivery vehicle via GPS to the driver's phone and this will enable our team to accurately track inventory in transit and the position of our driver in relation to the customer
7. Security for cannabis business delivery personnel, delivery vehicles, and Inventory
 - a. Drivers will be instructed to follow § 17:30-9.10 wherever possible in reducing the number of people who have access to cannabis products and providing for environmental storage conditions that keep products safe
 - b. Drivers will be trained in how to avoid and deescalate confrontations to value life over property while discretely caring for any cash on hand and cannabis products
8. Emergency notification and response in the event of accidents, theft, equipment malfunction, or other emergency events
 - a. In the event of an accident or emergency that necessitate cancellation of an order, Mr Nice Guys AC will quickly communicate the deliver failure to the customer and offer a discount on their next purchase
 - b. Drivers must account for all products and their safe delivery back to Mr Nice Guys AC
 - c. These products may be reintroduced to inventory if investigation reveals no adverse events that could diminish their safety
 - d. In the event of theft, drivers will assist Mr Nice Guys AC in filing a report with the appropriate authorities

Details on Cannabis Delivery Sales and Fees

Mr Nice Guys AC may charge a delivery fee (§ 17:30-14.8(v)).

Mr Nice Guys AC may sell wholesale bulk, packaged, and/or labeled products to another cannabis retailer to conduct deliveries on its behalf. (§ 17:30-14.8(w)).

Upon a first-time delivery with Mr Nice Guys AC, Mr Nice Guys AC will validate the age of the consumer whether by phone or through online means, provided that an in-person verification takes place prior to the sale of the delivered cannabis product.



SOPs for Cash Management

The purpose of these procedures are to (1) establish standards for financial data entry for Mr Nice Guy AC LLC (“Mr Nice Guy AC,” or the “Company”) and use of financial tracking software and (2) ensure that Mr Nice Guy AC retains financial records per state regulations and best business practices. Standardized bookkeeping practices help employees and contractors record transactions consistently. This facilitates data-based management, accurate financial statements, and an auditable path for income, expenses, and profit disbursements. State regulations require certain records to be kept and made available for inspection for four years. Implementation of this procedure will ensure that Mr Nice Guy AC meets its regulatory obligations.

This procedure pertains to the policies and processes associated with recording financial transactions and keeping records of those transactions. It is the responsibility of the Manager of QA/QC and the management team to train all employees and contractors who engage in the bookkeeping and filing of financial documents to understand these policies and procedures. The Manager of QA/QC is also responsible for monitoring compliance with these policies and procedures and ensuring corrections where needed.

Policies

1. Mr Nice Guy AC will use accounting standards generally accepted in the United States (“US GAAP”) published by the Financial Standards Accounting Board (“FASB”) for all financial records and reporting.
2. Mr Nice Guy AC will contract with a Certified Public Accountant (CPA) to verify financial statements, audit the books, and file required federal and state tax returns.
3. Mr Nice Guy AC uses the accrual method of accounting. Accrual accounting is an accounting method where revenue or expenses are recorded when a transaction occurs rather than when payment is received or made
4. Mr Nice Guy AC will maintain business records within their financial tracking software of assets and liabilities, monetary transactions, journals, ledgers, and supporting documents. Supporting documents include agreements, checks, invoices, and vouchers. Records will be maintained for a minimum of five years. All business records will be made available to the NJ Cannabis Regulatory Commission (CRC) immediately upon request.
5. Employees will collect receipts for all reimbursable expenses.
6. Access to accounting software is strictly limited to employees or contractors who need this information to complete their work responsibilities. Mr Nice Guy AC will issue unique and confidential login credentials to each individual authorized for access.

Contract with Armored Car Services for Cash Pickup

Mr Nice Guys AC has coordinated with our bank, Parke Bank, who has a list of preferred vendors for armored car services to pick up cash at regular and irregular intervals. We intend to work directly with Empyreal, one of the region’s most reputable armored car logistics teams. Our plan is for the armored car to park on Mt. Vernon with direct entrance and access to the rear of our facility. Team members of the armored car service will be signed-in as visitors to the facility



and escorted by the Manager directly to the Manager Office where cash will be transferred to the car service and walked back to the car.

Bookkeeping SOP

1. Enter all income earned by Mr Nice Guy AC on the previous business day(s) into the accounting software. All income earned is recorded within Accounts Receivable. Use a Daily Sales Report or the account software's auto-sync feature to add the gross revenue. Gross revenue includes all income received by Mr Nice Guy AC regardless of the Cost of Goods Sold (COGS) or any other expenses
 - Enter in all deposits or ACH transfers into the accounting software and apply against open receivable balance
 - Open receivable balances are reviewed monthly by the Manager of QA/QC
2. Enter all expenses incurred and invoices received on the previous business day(s) into the accounting software.
 - Open invoices are brought to the Manager of QA/QC for approval. Once the Manager of QA/QC has approved the invoice, an electronic check is created and is signed by one of the designated signors within Mr Nice Guy AC
 - Payment is reconciled against the open payable balance. The Manager of QA/QC reviews the open payables on a monthly basis
3. Enter the itemized data from all reimbursement requests from an owner, principal, management services contractor, or employee into the accounting software before issuing a reimbursement
 - Submit each reimbursement request to the Manager of QA/QC for approval. Do not pay reimbursement without approval.
 - Add the reimbursement request to the Accounts Payable with a due date of seven days from the date the individual submitted the request to Mr Nice Guy AC.
 - Pay the reimbursement request along with other payables to be paid.
 - At the end of each month, the bank account is reconciled to the bank statement. A list of all outstanding checks are to be maintained and a stop payment should be issued on any outstanding check older than six months. A new check will be reissued if applicable
 - Manager of QA/QC is to review the monthly bank reconciliation to ensure there are no discrepancies or unusual items on the bank statement
4. New vendors must be approved by the Manager of QA/QC before added to the list of vendors within the accounting software.
 - Manager of QA/QC is to review the active vendor list on a semiannual basis
5. Use the Chart of Accounts created and approved by the Manager of QA/QC to categorize all income, expenses, assets, and liabilities. The Chart of Accounts is available in the bookkeeping software.
6. Approval must be granted from the Manager of QA/QC before any edits, additions, or deletions occur
 - Manager of QA/QC is to review the Chart of Accounts on a semiannual basis



General Inventory and Cash Policies

1. Never leave cannabis or money unattended, unless it is secured in the locked Vault. Prior to cash pickup, cash is placed in cash storage envelopes and secured inside a safe.
2. The Vault door must always remain locked and closed. When a Sales Associate is moving items in or out of the room, the door must not be propped open or alarms will sound.
3. Except for an emergency, all inventory and cash management tasks must be completed in their entirety before starting another project.
4. If interrupted during a critical assignment (e.g., inventory or cash management), you must politely tell the customer or team member to wait or request assistance from a team member. Do not leave your task, you must finish your current project before beginning a new one.
5. Any changes made to the POS system (e.g., quantity adjustments, physical inventory adjustments, item edits, etc.) must be made by the authorized Manager.
6. Money must always be double-counted. Please see additional SOPs for Recordkeeping and Accounting.

Cash Register Drops/POS Operation

All funds must be properly accounted for and safeguarded. During busy shifts, the amount of money in the cash drawer can increase very quickly. Through Dutchie (our point of sale system), Mr Nice Guy AC will monitor and maintain awareness of the funds in each cash drawer to ensure effective cash management. In addition, Sales Associates also monitor the drawers and alert Management when a surplus has been reached.

Our POS system provides constant updates for current sales and cash register balances. Cash drops are made on an as-needed basis by Management in increments of \$1000 periodically throughout the day to maintain proper cash levels in the registers and not to overexpose an individual POS system. All cash reconciliation at Mr Nice Guy AC is performed by Management only. Cash drops and nightly deposits are stored in clearly marked cash envelopes in the locked safes accessible only to Management.

Protocol for Balancing Drawers at the End of the Day

1. Management will access the 'Cash Close' module in Dutchie
2. Count totals for each denomination and enter its corresponding cell within the module
3. Ensure cash counted is equal to cash expected.
4. Reconcile any differences.
5. Deposit cash in excess of \$325 into a clearly marked bank envelope and have the count confirmed by another staff member before sealing
6. Confirm cash deposit in the seed-to-sale software
7. Deposit cash to a manager who will confirm total and place in the safe

Cash Register Procedures

1. Never leave money unattended or cash drawers open. Cash register drawers must be closed after each transaction
2. Keep bills face up and facing in the same direction
3. Upon ringing up a sale, clearly state the total amount due from the customer

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4. In instances where guests receive change, their money is to be kept visible and sitting on the cash drawer until they receive their change and receipt. This helps prevent discrepancies about how much money a guest presented for payment